

My name is Rachel Mercer. I am a registered voter residing in District 3 of the Port of Benton. My postal address is 156004 W Richards Road, Prosser WA 99350. Pursuant to the procedure set forth in RCW 29A.56 and the specific requirements of RCW 29A.56.110, I hereby demand the recall of Lori Stevens from the position of Commissioner of the Port of Benton (hereafter the "Port") because I believe:

- 1) She has committed an act or acts of malfeasance while in office, and/or
- 2) She has committed an act or acts of misfeasance while in office, and/or
- 3) She has violated the oath of the office of Port of Benton Commissioner and/or,
- 4) She has been guilty of any two or more of the acts specified in the Constitution as grounds for recall,

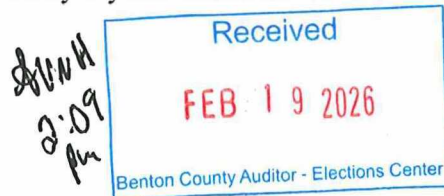
All by virtue of her actions as set forth herein as documented by the exhibits attached herewith.

Given the severity of these charges as set forth below and the enormous cost Ms. Steven's actions have imposed and continue to impose on the taxpayers, coupled with the fact that it is effectively irrefutable that Ms. Stevens has, in fact, committed these actions as shown by the exhibits attached hereto, it is my hope that Ms. Stevens will simply resign her office as Port Commissioner and spare the taxpayers the expense of completing the recall process. However, given the hubris, arrogance, and reckless disregard of the interests of the taxpayers that Ms. Stevens has demonstrated by committing, and continuing to commit, these actions, I have little hope that she will do the right thing and resign.

As shown in the exhibits described below, Ms. Stevens should be recalled because she has acted as a co-conspirator, ratified, covered up, and thereby allowed a decades long scheme by her fellow commissioner, Scott Keller, to continue whereby Mr. Keller has used the Port as a vehicle to enrich himself, his friends, and his relatives by giving himself, his friends, and his relatives special treatment in contractual arrangements with the Port and by stealing public resources for himself, his friends, and his relatives. It is my belief that Ms. Stevens actions in ratifying and allowing Mr. Keller's actions have cost the Port and its taxpayers hundreds of thousands of dollars and that his actions are on-going.

As shown in the attached exhibits, Mr. Keller first engaged in this scheme in his role as the executive director of the Port. Ms. Stevens then ratified and allowed this scheme to continue in her official role as Port Commissioner. When Mr. Keller's wrong-doing was uncovered, Ms. Stevens then wrongfully terminated one employee and suspended the executive director in an effort to conceal his on-going wrong-doing.

- 1) My review of the referenced exhibits has led me to believe that while acting in his capacity as executive director of the Port, Mr. Keller executed a lease with his cousin Jeff Marcum, superseding a 1998 lease (EXHIBIT 1) for the purpose of developing a golf course. The original lease terms stipulated \$5000 per year for the first 5 years, \$7500 per year for the second 5 years with rent adjustments every 5 years based on the fair market



value +10% of green fees. In 2008, Mr. Keller executed a 10 year lease (EXHIBIT 2) with (8) 5 year options, reducing the land lease rate to \$5000 a year without further adjustments. This lease was discovered as part of the Port of Benton's internal Lease audit in June 2025. I believe the rates were far below market value, and constituted violations of the following laws and regulations: (EXHIBIT 3)

Gift of Public funds, WAC Article VIII, Section 7

FMV Lease Hold Tax RCW 82.29A

FAA Grant Assurance 24, "If land is used for non-aeronautical purposes it must be leased at FMV"

The approximate uncollected public revenue for this violation is \$1,236,182 calculated as follows:

Estimated Lease Revenue uncollected: \$1,116,000

Estimated FMV value (FMV estimated @ \$10,000 per acre)

52 AC x 10% = 52,000 p/y * 18 yr = \$936,000 * land lease is based upon 10% of (low) FMV

10% green fees per year: low estimate \$10,000 p/y * 18 yr = \$180,000

Department of Revenue uncollected Lease Hold Tax \$120,182

12.84% = \$120,182

(\$1,236,182 = \$1,116,000 + \$180,000 + \$120,182)

- 2) My review of the referenced exhibits has led me to believe that it was further discovered in September 2025 as part of a meter audit that the Port of Benton has been paying three electrical meters to run lights for the golf course and two Port of Benton owned wells used to irrigate the golf course. Those charges should have been paid by the tenant, Mr. Keller's cousin Jeff Marcum.

Approximate uncollected public revenue: \$25,000

Meter 201205, Electrical Irrigation Pump 18yr estimate = \$10,000

Meter 110933, Electrical Irrigation Pump 18yr estimate = \$10,000

Meter for Rental lights (no number)-1858 Buckskin Loop 18yr estimate = \$5,000

(EXHIBIT 4)

- 3) My review of the referenced exhibits has led me to believe that while acting in his capacity as executive director of the Port, Mr. Keller purchased a hangar through his LLC "The Axe, LLC" (EXHIBIT 5) and presented a ground lease option to the Commission for 0.25 acres with a lease rate of \$1,128.40 p/y. (EXHIBIT 6) Post Commission approval,

Mr. Keller revised the executed ground lease with a lease area reduction, reducing the land area from 0.25 acres to 0.16 acres therefor reducing the ground lease to \$871p/y and did not disclose those changes to Commission. The rate was and continues to be well below fair market. The current FMV rate for the lease site should be \$2,283 p/y.

(EXHIBIT 7)

I believe the below market rates constituted violations of the following laws and regulations: (EXHIBIT 3)

Gift of Public funds, WAC Article VIII, Section 7

Interest in contracts prohibited, RCW 42.23.030

Prohibited acts, RCW 42.23.070

Penalty RCW 42.23.050 Prohibited contracts void—Penalties for violation of chapter. Any contract made in violation of the provisions of this chapter is void and the performance thereof, in full or in part, by a contracting party shall not be the basis of any claim against the municipality. Any officer violating the provisions of this chapter is liable to the municipality of which he or she is an officer for a penalty in the amount of five hundred dollars, in addition to such other civil or criminal liability or penalty as may otherwise be imposed upon the officer by law. In addition to all other penalties, civil or criminal, the violation by any officer of the provisions of this chapter may be grounds for forfeiture of his or her office.

Approximate uncollected public revenue: \$7,823

Lease Revenue \$6,933

$\$2,283 - \$871 = \$1412 \text{ p/y (2022-2026) } 4 \times \$1412 = \$5,648$

$\$1,128 - \$871 = (2017-2022) 5 \times \$1,285$

Department of Revenue uncollected Lease Hold Tax \$890

$12.84\% = \$890$

- 4) My review of the referenced exhibits has led me to believe that while acting in his capacity as executive director of the Port, Mr. Keller purchased said hangar knowing that the hangar was serviced by unpermitted utility infrastructure and connected to a meter paid for by the Port of Benton. (EXHIBIT 8) (EXHIBIT 9) (EXHIBIT 10) I believe the rental and use of the hanger under those conditions constituted violations of the following laws, criminal laws, and regulations: (EXHIBIT 3)

Gift of Public funds, WAC Article VIII, Section 7

Interest in contracts prohibited, RCW 42.23.030

Prohibited acts, RCW 42.23.070

Penalty RCW 42.23.050 Prohibited contracts void—Penalties for violation of chapter. Any contract made in violation of the provisions of this chapter is void and the performance thereof, in full or in part, by a contracting party shall not be the basis of any claim against the municipality. Any officer violating the provisions of this chapter is liable to the municipality of which he or she is an officer for a penalty in the amount of five hundred dollars, in addition to such other civil or criminal liability or penalty as may otherwise be imposed upon the officer by law. In addition to all other penalties, civil or criminal, the violation by any officer of the provisions of this chapter may be grounds for forfeiture of his or her office.

RCW 9A.61.020 Defrauding a public utility.

RCW 9A.61.030 Defrauding a public utility in the first degree is a class B felony.

Approximate uncollected public revenue: \$24,688

2049 Butler Loop

Water Connection Fee: \$750

Sewer Connection Fee: \$2,500

Estimated Usage Fee: \$153 p/m X 8 years = \$14,688 *Estimated Usage fee includes monthly meter fee, ambulance fee & stormwater fee. See (EXHIBIT 10) for calculation sources

- 5) My review of the referenced exhibits has led me to believe that while acting in his capacity as executive director of the Port, Mr. Keller knowingly permitted Port of Benton tenants at the Richland Airport to install unpermitted utility infrastructure to service personal hangars. The infrastructure was discovered in April 2025 as part of fire hydrant inspection by the City of Richland. At which time an illegal connection to the City of Richland's water main via a hot tap was uncovered without a backflow preventor, potentially contaminating the public water supply. (EXHIBIT 11) The City, together with the Port Consultant, observed additional water services and determined further investigation was needed to understand the extent of unpermitted services, one of which was servicing Commissioner Keller's Hangar. In addition to the illegal connection to the City of Richland's water main, it was determined that from 1999 to current that 8 hangars were connected to one meter owned and paid for by the Port of Benton. Five hangars were connected to one meter permitted to service one hangar, and multiple hangar owners had installed unpermitted utility infrastructure. (EXHIBIT 10) A 1999 letter addressed to Mr. Keller from a tenant regarding the installation of said services indicates Mr. Keller knew and further approved of the connection to the Port's meter and installation of unpermitted utilities and did not disclose this to the Commission (submitted post investigation by Commissioner O'Neil) (EXHIBIT 12)

Approximate uncollected public revenue: \$500,000*Estimated Usage fee includes monthly meter fee, ambulance fee & stormwater fee. See (EXHIBIT 10) for calculation sources. Total fee includes fees above in 3)

I believe the conduct described in this section constituted violations of the following laws, criminal laws, and regulations:

Gift of Public funds, WAC Article VIII, Section 7

RMC 18.12.100 & RMC 18.12.010

RMC 17.64.020 (Unpermitted Sewer Connections)

With the exception of Chapter 17.30 RMC, any person who has violated any provision of this title shall have committed a civil infraction subject to a civil penalty as set forth in RMC 10.02.050(E)

Penalty: RMC 18.32.030 Theft of water.

No person shall bypass any water meter, damage or tamper with such meter with intent to prevent or alter its recording of water, tap a water line, connect to a water hydrant or in any other way tamper with any part of the water system with intent to secure water without paying therefor or without properly making the applications or paying the deposits required by this title. In addition to the other penalties for such act provided by this title, any person found guilty of such act may be denied water service for a period not in excess of one year, and may be required to post a cash bond equal to 10 times his ordinary anticipated monthly billing as a precondition of future service

Violation: RCW 9A.61.020 Defrauding a public utility.

Penalty: RCW 9A.61.030 Defrauding a public utility in the first degree is a class B felony.

- 6) I believe that Mr. Keller necessarily ratified all of his forgoing actions when he became Port Commissioner on or about January 2026 by virtue of not taking action to rectify these wrong-doings.
- 7) My review of the referenced exhibits has led me to believe that while acting in his capacity as Port Commissioner, Mr. Keller was untruthful when he failed to report his ownership in AXE, LLC and the ground lease with the Port of Benton from 2022 -2025. (EXHIBIT 13)

I believe the conduct described in this section constituted violations of the following laws and regulations:

Personal financial affairs reporting public officials RCW 29B.55.010

Penalty: RCW 29B.60.010 Civil remedies and sanctions—Referral for

criminal prosecution

- 8) My review of the referenced exhibits has led me to believe that while acting in his capacity as Port Commissioner, Mr. Keller violated conflict of interest laws during multiple public meetings. Port Executive Director Diahann Howard brought the unpermitted utility concerns to the Commission for discussion in Public Meeting May 22, 2025, Mr. Keller failed to recuse himself from discussion and proceeded to make a motion to call for a public workshop during the June 18, 2025 commission meeting. Additionally, he demanded that Ms. Howard reach out to several people to provide testimony. He provided a list that consisted of airport hangar tenants who were also benefiting from the unpermitted meter and utility infrastructure. (EXHIBIT 14) Mr. Keller led the Workshop on July 8, 2025 in his official capacity as Port of Benton Commissioner President. (EXHIBIT 15) Additionally, when requested by the Port staff to inspect his hangar jointly with the City of Richland to inspect his hangar to determine which meter his hangar was connected to, he emailed Port staff indicating that he was advised by his counsel to deny the City access.(EXHIBIT 16)

I believe the conduct described in this section constituted violations of the following laws and regulations:

RCW 43.160.040 Conflict of interest

Penalty RCW 42.23.050 Prohibited contracts void—Penalties for violation of chapter.

Any contract made in violation of the provisions of this chapter is void and the performance thereof, in full or in part, by a contracting party shall not be the basis of any claim against the municipality. Any officer violating the provisions of this chapter is liable to the municipality of which he or she is an officer for a penalty in the amount of five hundred dollars, in addition to such other civil or criminal liability or penalty as may otherwise be imposed upon the officer by law. In addition to all other penalties, civil or criminal, the violation by any officer of the provisions of this chapter may be grounds for forfeiture of his or her office.

- 9) My review of the referenced exhibits has led me to believe that while acting in his capacity as Port Commissioner, Mr. Keller was dishonest when he made public statements during May 22, 2025 Commission meeting that “that in 2017 he notified Roger Wright, the Port’s Engineer of the meter concerns prior to the purchase of the building and requested his help with the City, to rectify the issue”. (EXHIBIT 8)

Commissioner Keller added that he has emails to back up these attempts. No emails were found and Roger Wright disputed this statement made by Commissioner Keller in a letter provided to Diahann Howard and submitted into the record at the July 8, 2025 public record (EXHIBIT 17)

10) My review of the referenced exhibits has led me to believe that while acting in their official capacity as Port Commissioners, Ms. Stevens and Mr. Keller violated the OPMA participated in a unanimous vote to remove all delegation of authority provided to the Port of Benton's Executive Director, Diahann Howard. Ms. Stevens and Mr. Keller participated in a vote without discussion. A motion was made by Commissioner Scott Keller, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, approving Resolution 26-01, amending the Port's executive director's delegation of authority. (EXHIBIT 18)

I believe the conduct described in this section constituted violations of the following laws and regulations:

RCW 42.30

Penalty RCW 42.23.050 Prohibited contracts void—Penalties for violation of chapter. Any contract made in violation of the provisions of this chapter is void and the performance thereof, in full or in part, by a contracting party shall not be the basis of any claim against the municipality. Any officer violating the provisions of this chapter is liable to the municipality of which he or she is an officer for a penalty in the amount of five hundred dollars, in addition to such other civil or criminal liability or penalty as may otherwise be imposed upon the officer by law. In addition to all other penalties, civil or criminal, the violation by any officer of the provisions of this chapter may be grounds for forfeiture of his or her office.

FAA Grant Assurance 24, "If land is used for non-aeronautical purposes it must be leased at FMV" Common issues include unjust discrimination in fees, failing to make the airport self-sustaining, or granting exclusive rights to vendors.

Corrective Action: The FAA often requires a Corrective Action Plan (CAP) to address breaches of federal obligations.

Financial Penalties: For violations occurring on or after the FAA Reauthorization Act of 2024, penalties can reach up to \$1.2 million for corporate entities and \$100,000 for individuals.

11) My review of the referenced exhibits has led me to believe that while acting in his capacity as Port Commissioner, Mr. Keller violated conflict of interest laws when he participated in discussion and further voted to reduce lease footprints for ground leases around hangars. This action decreased the lease price for those leases already well below fair market value. This action includes Mr. Keller's ground lease and therefore he directly benefits from the action taken. (EXHIBIT 19) Further, the internal Lease Audit of the Richland Airport shows that the Port of Benton's Lease Loss revenue is approximately \$700,000 per year, largely due to the execution of below Fair Market Value lease terms

executed by Mr. Keller during his time as Airport Director and then Executive Director. The Port of Benton is currently in violation of their Grant Assurances for Fair Market Value Lease Rates.

I believe the conduct described in this section constituted violations of the following laws and regulations:

RCW 43.160.040 Conflict of interest

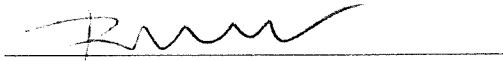
Penalty RCW 42.23.050 Prohibited contracts void—Penalties for violation of chapter. Any contract made in violation of the provisions of this chapter is void and the performance thereof, in full or in part, by a contracting party shall not be the basis of any claim against the municipality. Any officer violating the provisions of this chapter is liable to the municipality of which he or she is an officer for a penalty in the amount of five hundred dollars, in addition to such other civil or criminal liability or penalty as may otherwise be imposed upon the officer by law. In addition to all other penalties, civil or criminal, the violation by any officer of the provisions of this chapter may be grounds for forfeiture of his or her office.

- 12) My review of the referenced exhibits has led me to believe that while acting in her capacity as Port Commissioner, Ms. Stevens and Mr. Keller retaliated against Port Employee Executive Director Diahann Howard when they voted to suspend Diahann Howard 2 weeks after findings that Mr. Keller violated State Laws and Port Policy. These findings were the result of a complaint made that was forwarded to commission and counsel for investigation. (EXHIBIT 20). I believe this retaliation was done to conceal Mr. Keller's wrong doing.
- 13) My review of the referenced exhibits has led me to believe that while acting in their capacity as Port Commissioners, Ms. Stevens and Mr. Keller retaliated against Port Employee Auditor Alicia Myers when she brought the forgoing violations to the attention of the Port's Executive Director and Mr. Keller. Ms. Stevens and Mr. Keller caused Ms. Myers to be fired. I believe this retaliation was done to conceal Mr. Keller's wrong doing. (EXHIBIT 21)
- 14) I have personal knowledge of the forgoing because I have personally reviewed the attached exhibits, which are the records, reports and documents which have led me to believe that Mr. Keller committed the acts and violations described herein, and that Ms. Stevens knew of these acts and affirmatively acted to hide them from the public and the regulatory and legal authorities which constitute an act or acts of malfeasance while in office, and/or an act or acts of misfeasance while in office, and/or a violation the oath of

the office of Port of Benton Commissioner and/or, two or more of the acts specified in the Washington State Constitution as grounds for recall.

I hereby verified under oath that I believe the charge or charges to be true and have knowledge of the alleged facts upon which the stated grounds for recall herein are based.

signed by Rachael Mercer this 16 day of February, 2026.



Suggested Synopsis:

The synopsis shall set forth the name of the person charged, the title of the office, and a concise statement of the elements of the charge.

Should Lori Stevens be recalled from the Port of Benton Commissioner District 3 because while acting as Port of Benton Commissioner she:

1. Ratified below market leasehold agreements.
2. Ignored the illegal appropriation of water belonging to the City of Richland by Port tenants.
3. Ignored an illegally amended a below market lease agreement by the Port of Benton.
4. Ignored an illegally maintained unpermitted electric utility infrastructure connected to a meter paid for by the Port of Benton.
5. Ignored Port of Benton tenants who installed and maintained unpermitted utility infrastructure to service personal hangars.
6. Ignored Scott Keller's violation of conflict of interest laws during multiple public meetings.
7. Violated the Open Public Meetings Act by voting to remove the authority of the Executive Director.
8. Voted to suspend the Port's executive director to conceal Mr. Keller's wrong doing.
9. Acted to fire the Port of Benton Auditor to conceal Mr. Keller's wrong doing.

EXHIBIT 1

ORIGINAL

GROUND LEASE

PARTIES:

LESSOR: PORT OF BENTON, a municipal corporation of the State of Washington, hereafter "Port".

TENANT: JEFF MARCUM and PATRICIA MARCUM, husband and wife, hereafter "Tenant".

AGREEMENTS:

1. LEASE. Port hereby leases to Tenant upon the terms, covenants and conditions contained herein, the real property adjacent to the Richland Airport (hereafter the "Property"). The Property is more particularly described on Attachment A to this Lease, and incorporated herein by this reference.

The Property consists of 55 acres (45 net usable acres) of real property situated in the Port of Benton's "Richland Airport", as described in its Comprehensive Plan of Harbor Improvements.

The Tenant has inspected the Property and agrees to take the Property in its present condition, without warranty by the Port. The Tenant is relying upon its own inspections of the Property to determine whether to enter into this Lease, and the Tenant is not relying upon any representation made by the Port, its employees or agents, except as specifically set forth in this Lease. The Tenant has been advised that the property is within the clear zone for the Richland Airport which will limit the uses of the property and the property is located within a flood plain.

2. TERM. This Lease shall run for a period of ten years commencing on February 4, 1998, and terminating on February 4, ~~2008~~.

2048. JSM SPW
2.1 The Tenant shall have the option to extend this Lease for an additional term of five years at the end of the initial term and thereafter for seven successive terms of five years each upon the same terms and conditions of this Lease; provided, however, that this Lease shall terminate no later than February 4, 2048.

2.2 Each option to extend this Lease shall be deemed to have been exercised unless the Tenant shall give the Port written notice of its intent not to exercise an option at least one hundred eighty (180) days prior to termination of the initial term or the then current extension term.

2.3 The Tenant may only exercise the right to extend the term of this Lease if the Tenant is not in material default in the performance of the terms of this Lease at the time the Tenant exercises an option or at the time an option is deemed to be exercised under Section 2.2.

2.4 In the event the Tenant elects not to exercise any of the Lease extensions as provided in this Section, then this Lease shall terminate and the Tenant shall have no further rights to any of the extensions terms of the Lease.

3. RENT. Tenant shall pay rent, in advance on the first day of this Lease and on each anniversary of the first day of the Lease during the term of the Lease, in the following amounts:

3.1 The parties have agreed that for the initial five years of this Lease the yearly rental shall be \$5,000.00. During the second five years of the lease, the rent shall be \$7,500.00 per year.

3.2 In addition to the rent provided for in Section 3.1, the Tenant shall pay to the Port ten per cent of the green fees received by the Tenant for each round of golf in excess of thirty thousand rounds played in a year. For the purposes of this section, a round of golf will be each nine holes of golf played by each individual. A year shall be calculated from one anniversary date of the lease to the following anniversary date of the lease.

3.3 Rent payments shall be made payable to the Port of Benton and shall be paid at the Port offices at 3100 George Washington Way, Richland, Washington, or at such other address as the Port shall direct in writing.

3.4 In addition to the rent provided for herein, the Tenant shall pay the Leasehold Tax as required by the Revised Code of Washington Chapter 82.29A, as the statute may be hereafter amended. The Leasehold Tax shall be paid with each annual installment of rent. The current leasehold tax rate is 12.84%.

3.5 At the end of the ^{FIVE}initial ten years of the Lease, and at the end of each subsequent ~~three~~^{FIVE}-year period of the Lease, the rent for the next succeeding ~~three~~^{FIVE} year period shall be adjusted so the annual rent paid by the Tenant during the ~~three~~^{FIVE} year period shall equal ten per cent of the then fee simple fair market value of the Property at the commencement of the ~~three~~^{FIVE} year period. The Property shall be valued without the improvements ^{FIVE}

JSM
D. SALE

constructed by the Tenant but taking into account the improvements constructed by the Port to service the property, and subject to the use restrictions and covenants imposed upon the Property by the Port. The parties acknowledge that the Property is situated within the Clear zone for the Richland Airport and is within a flood plain. The Port shall give the Tenant written notice of its determination of the rent adjustment.

3.5.1 In the event the Tenant does not agree with the Port's determination of rent adjustment, within thirty days of the receipt of the written notice of the rent adjustment from the Port, the Tenant shall give the Port written notice of its objection. If the parties are unable to agree upon a rent adjustment, then the parties shall each select an appraiser and the two appraisers shall select a third appraiser. The appraisers shall be those persons designated in RCW 53.25.140. The three appraisers shall determine the fair market value of the fee interest in the property, without regard to the improvements constructed by the Tenant on the property, but taking into account any improvements constructed by the Port to service the Property, and subject to the use restrictions and covenants imposed upon the Property by the Port.

3.5.2 The rent shall be ten per cent of the value determined by the appraisers, plus the applicable leasehold tax. The parties shall each pay for their own appraiser and for one-half of the fees charged by the third appraiser.

3.5.3 During any appeal period, the Tenant shall pay rent at the rate determined by the Port. The rent adjustment as determined by the appraisers shall be effective as of the start of the three year period. In the event the appraisers establish a rental rate which is different from that established by the Port, the parties shall account for and make payment for any overpayments or underpayments made by the Tenant prior to the decision of the appraisers.

3.6 Any rent payment not paid within thirty days of the date upon which the Tenant receives notice that a payment is past due shall accrue interest on the unpaid rent at the rate of one and one-half percent of the late payment for each month or portion of month by which the payment is delayed.

4. CONDITION OF PROPERTY. The Tenant shall take the Property in its present condition, without warranties or representations by the Port except as set forth in this Lease. The Tenant acknowledges that they have been advised that the property is subject to the clear zone regulations for the Richland Airport which will limit the uses to which the property can be put or the improvements which may be constructed. The property is located in a flood plain.

5. SECURITY. The Tenant shall provide the Lessor with a Security Deposit in an amount equal to the rent and Leasehold Tax to be paid during the initial year of this Lease or in such lesser amounts which the Port Commission shall approve. A deposit of funds with the Port or an assignment of a savings account in the amount specified above which can not be released without the approval of the Port will be acceptable as a rent security deposit.

6. TAXES AND ASSESSMENTS. Tenant shall pay all taxes assessed against the buildings and improvements owned only by the Tenant and the other property of Tenant located upon the Property, promptly as the same become due. Tenant shall pay all assessments hereafter levied against the Property, or a portion thereof, during the term of this Lease, including assessments coming due to any special purpose governmental district; provided, however, if the assessment is payable in installments, whether or not interest shall accrue on the unpaid installments, the Tenant may pay the assessments in installments as they become due, provided that the Tenant's obligation to pay the assessments levied during the term of the Lease, even though paid in installments, shall survive the termination or expiration of this Lease.

6.1 Tenant may contest the legal validity or amount of any taxes, assessments or charges which Tenant is responsible for under this Lease, and may institute such proceedings as Tenant considers necessary. If Tenant contests any such tax, assessment or charge, Tenant may withhold or defer payment or pay under protest but shall protect Port and the Property from any lien. Port appoints Tenant as Port's attorney-in-fact for the purpose of making all payments to any taxing authorities and for the purpose of contesting any taxes, assessments or charges.

7. USE. The Tenant shall use the Property for the construction and operation of a golf course, golf clubhouse, restaurant, and retail shop and for uses incidental thereto, and for no other purposes without the prior written consent of the Port.

7.1 The Tenant shall undertake the construction of a nine-hole golf course on the property in accordance with plans approved by the Port. The Tenant shall have the course substantially completed within the first year of the lease term and in the event the construction of the course has not been substantially completed, the Port, at its sole option, may elect to terminate the lease.

7.2 The Port acquired title to the property through funding from the United States of America, Federal Aviation Administration. The Tenant covenants that it will not use the Property in any manner which will violate the terms of the FAA grants.

7.3 The Tenant acknowledges the receipt of a copy of the Protective Covenants applicable to the Richland Airport. The Tenant hereby covenants that it will not use the Property in any manner which is in violation of the protective covenants, as the same may be reasonably amended from time to time. Tenant shall not be bound by any such amendment which would limit, restrict, or otherwise impair any rights, privileges or options granted to the Tenant by this Lease, including without limitation, the permitted use of the Property, or which increases the rent or other charges payable by the Tenant hereunder.

8. MAINTENANCE OF PROPERTY. Throughout the term of this Lease, Tenant, at its sole cost and expense, shall maintain the Property and all improvements then existing thereon in good condition and repair, subject to reasonable wear and tear, and in accordance with all applicable covenants, laws, rules, ordinances, and regulations of governmental agencies.

9. CONDITIONS OF CONSTRUCTION. Before any construction, reconstruction or alteration of the improvements on the Property, is commenced and before any building materials have been delivered to the Property in connection with such construction, reconstruction or alteration by Tenant or under Tenant's authority, Tenant shall comply with all the following conditions or procure Port's written waiver of the following condition or conditions:

9.1 Within three months of the execution of this Lease, Tenant shall deliver to Port, for its approval, one set of preliminary construction plans and specifications prepared by an architect or engineer licensed to practice as such in the State of Washington including, but not limited to, preliminary grading connections, locations of ingress and egress to and from public thoroughfares, curbs, gutters, parkways, street lighting, designs and locations for outdoor signs, storage areas, and landscaping, all sufficient to enable Port to make an informed judgment about the design and quality of construction. All improvements shall be constructed within the exterior property lines of the Property provided that required work beyond the Property on utilities, access, and conditional use requirements will not violate this provision. Tenant shall permit Port to use the plans without payment for purposes relevant to and consistent with this Lease.

9.2 The Port shall examine the plans and specifications for the purpose of determining reasonable compliance with the terms and conditions of this Lease, the Protective Covenants governing the Richland Airport and compatibility with the overall design and use of the Richland Airport. Approval or disapproval shall be communicated to the Tenant, and disapproval shall be accompanied by specification in reasonable detail of the grounds for disapproval; provided that Port's failure to disapprove the initial construction plans within Thirty (30) days after delivery to Port shall be considered to be approval.

9.3 Tenant shall prepare final working plans and specifications substantially conforming to preliminary plans previously approved by the Port, submit them to the appropriate governmental agencies for approval, and deliver to Port one complete set as approved by the governmental agencies.

9.4 Tenant shall notify Port of its intention to commence the initial construction at least fourteen days before commencement of any such work or delivery of any materials. The notice shall specify the approximate location and nature of the intended improvements. During the course of construction, Port shall have the right to post and maintain on the Property any notices of non-responsibility provided for under the applicable law, and to inspect the Property at all reasonable times.

9.5 Except as specifically provided in this Lease, Port makes no covenant or warranties respecting the condition of the soil or subsoil or any other condition of the Property.

9.6 Once work is begun, Tenant shall, with reasonable diligence, complete all construction of improvements. Construction required at the inception of the Lease shall be completed and ready for use within eighteen (18) months after commencement of construction, provided that the time for completion shall be extended for so long as the Tenant is prevented from completing the construction due to delays beyond the Tenant's control; but failure, regardless of cause, to commence construction within eighteen (18) months from the commencement date of the Lease shall, at Port's election exercised by thirty days written notice, terminate this Lease. All work shall be performed in a workmanlike manner, substantially comply with the plans and specifications required by this Lease, and comply with all applicable governmental permits, laws, ordinances, and regulations.

9.7 Tenant shall pay the cost and expense of all Tenant's improvements constructed on the Property. Tenant shall not permit any mechanic's, or construction liens to attach to the Property. Tenant shall not permit any mechanics', materialmen's, contractors' or subcontractors' lien arising from any work of improvement performed by or for the Tenant to be enforced against the Property, however it may arise. Tenant may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, so long as Port's Property interests are not jeopardized. Tenant shall defend and indemnify Port against all liability and loss of any type arising out of the construction of improvements on the Property by Tenant. Unless caused by the Port, its agents, contractors, and invitees, Tenant shall reimburse Port for all sums paid according to this paragraph, together with the Port's reasonable attorneys' fees and costs plus interest on those sums at the legal rate.

9.8 On completion of the construction of any improvements, additions or alterations, covered by this Section 9, Tenant shall give Port notice of all structural or material changes in plans or specifications made during the course of the work and shall at that time supply Port with drawings accurately reflecting all such changes. Changes which are non-structural or which do not substantially alter the plans and specifications as previously approved by the Port do not constitute a material change.

10. OWNERSHIP OF IMPROVEMENTS. All improvements constructed on the Property by Tenant as permitted by this Lease shall be owned by Tenant until termination of this Lease. Subject to the Port's security interest in the event of a breach, within sixty days after the termination of this Lease, the Tenant may remove any buildings, improvements or trade fixtures installed on the Property and owned by the Tenant. Provided, however, in the event, the Tenant has failed to maintain the Property as required by this Lease, or the Property is contaminated by toxic or hazardous materials as the result of the actions of the Tenant or its successors, such that in any event the value of the improvements is less than the cost of removal, remediation or renovation to bring the Property into compliance, then the Port may require the Tenant to remove any improvements or trade fixtures installed by the Tenant. The Tenant shall repair, at Tenant's expense, any damage to the Property resulting from such removal.

11. ASSIGNMENT AND SUBLETTING. Tenant shall neither assign, sublet nor transfer its interest in this Lease, in whole or in part, to any person or entity, without Port's prior written consent.

12. LEASEHOLD MORTGAGES. Tenant shall have the right, exercisable at any time and from time to time, during the term of this Lease, to mortgage the Tenant's interest in this Lease, and to assign the Tenant's interest in this Lease as collateral security for such leasehold mortgage. All rights acquired by the holder of the leasehold mortgage shall be subject to each and every term, covenant and condition of this Lease, and to all rights and interests of the Port. None of the terms, covenants or conditions of the Lease shall be waived by the Port by reason of the right given to the Tenant to assign its interest in this Lease for security purposes.

12.1 In the event the Tenant assigns this Lease for security purposes as provided in this Section 12, after receipt of a written notice from the Tenant giving the name and address of the leasehold mortgagee, the Port agrees that whenever the Port sends a notice to the Tenant under the terms of this Lease, the Port will contemporaneously send a copy of the notice to the leasehold mortgagee.

12.2 In the event of a notice of default from the Port to the Tenant, the leasehold mortgagee may cure any default within the time provided for in the Lease after the leasehold mortgagee's receipt of the notice of default. The Port agrees to accept a tender of cure of default from the leasehold mortgagee as if the cure were tendered by the Tenant. No tender of cure of a default by the leasehold mortgagee shall require the leasehold mortgagee to cure any future defaults by the Tenant or require the leasehold mortgagee to perform any other term or condition of this Lease.

12.3 In the event of a default by the Tenant which would permit the Port to forfeit or otherwise terminate this Lease, or in the event the leasehold mortgagee forecloses upon its leasehold mortgage and becomes the holder of the Tenant's interest in this Lease, the Port agrees to accept the leasehold mortgagee as the Tenant under this Lease, provided the leasehold mortgagee performs all of the obligations and covenants of the Tenant contained in this Lease.

13. PUBLIC LIABILITY INSURANCE. Throughout the term, at Tenant's sole cost and expense, Tenant shall keep or cause to be kept in force, for the mutual benefit of Port and Tenant, comprehensive broad form general public liability insurance (including a contractual liability endorsement) against claims and liability for personal injury, death or property damage arising from the use, occupancy, misuse, or condition of the Property and improvements, with limits of coverage in an amount and with deductibles in such amounts as may be reasonably acceptable to the Port.

13.1 PROOF OF COMPLIANCE. The Tenant shall name the Port as an additional insured on the public liability insurance policy, required to be maintained by the terms of this Lease. Port may require Tenant to deliver to Port, in the manner required for notices, a copy or certificate of all insurance policies required by this Lease. Tenant shall include a provision in each of its insurance policies requiring the insurance carrier to give Port at least thirty (30) days prior written notice before such policy terminates. Tenant shall not substantially modify any of the insurance policies required by this Lease without giving at least thirty (30) days prior written notice to Port.

13.2 WAIVER OF SUBROGATION RIGHT. Each of the parties hereto hereby releases the other, and the agents, employees and successors of such other party, from all claims, demands and liabilities arising from unintentional acts or omissions of the other party which result in loss for which the party sustaining such loss is indemnified under a policy or policies of insurance. Each party shall obtain any special endorsements if required by their respective insurers to evidence compliance with this waiver.

This provision shall be effective to the extent, and only to the extent, that it will not invalidate any insurance coverage.

14. DEFAULT.

14.1 EVENTS OF DEFAULT. Each of the following events shall be a default by Tenant and a breach of this Lease.

14.1.1 The failure or refusal to pay when due any installment of rent or other sum required by this Lease to be paid by Tenant, or the failure to perform as required or conditioned by any other covenant or condition of this Lease.

14.1.2 The appointment of a receiver to take possession of the Property or improvements, or of Tenant's interest in the leasehold estate or of Tenant's operations on the Property for any reason, unless such appointment is dismissed, vacated or otherwise permanently stayed or terminated within sixty days after the appointment.

14.1.3 An assignment by Tenant for the benefit of creditors or the filing of a voluntary or involuntary petition by or against Tenant under any law for the purpose of adjudicating Tenant a bankrupt; or for extending time for payment, adjustment or satisfaction of Tenant's liability; or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency; unless the assignment or proceeding, and all consequent orders, adjudications, custodies, and supervision are dismissed, vacated, or otherwise permanently stayed or terminated within sixty days after the assignment, filing, or other initial event.

14.2 NOTICE. As a precondition to pursuing any remedy for an alleged default by Tenant, Port shall give written notice of default to Tenant, in the manner herein specified for the giving of notices. Each notice of default shall specify the alleged event of default and the intended remedy.

14.3 TENANT'S RIGHT TO CURE. If the alleged default is nonpayment of rent, taxes, or other sums to be paid by Tenant as provided in this Lease, Tenant shall have ten (10) days after receipt of written notice to cure the default. For the cure of any other default, Tenant shall have thirty (30) days after receipt of written notice to cure the default, provided, however, that if it takes more than thirty (30) days to cure a default, the Tenant shall not be in default if it promptly undertakes a cure and diligently pursues it.

14.4 TIME OF THE ESSENCE. Time is of the essence of this Lease, and for each and every covenant or condition which must be performed hereunder.

15. PORT'S REMEDIES. If any default by Tenant continues uncured after receipt of written notice of default and the period to cure as required by this Lease, for the period applicable to the default, Port has the following remedies in addition to all other rights and remedies provided by law or equity to which Port may resort cumulatively or in the alternative:

15.1 Without terminating this Lease, Port shall be entitled to recover from Tenant any amounts due hereunder, or any damages arising out of the violation or failure of Tenant to perform any covenant, condition or provision of this Lease.

15.2 Port may elect to terminate this Lease and any and all interest and claim of Tenant by virtue of such lease, whether such interest or claim is existing or prospective, and to terminate all interest of Tenant in the Property and any improvements or fixtures thereon (except trade fixtures). In the event this Lease is terminated, all obligations and indebtedness of Tenant to Port arising out of this Lease prior to the date of termination shall survive such termination. In the event of termination by Port, Port shall be entitled to recover immediately as damages the total of the following amounts:

15.2.1 The reasonable costs of re-entry and reletting, including, but not limited to, any expenses of cleaning, repairing, altering, remodeling, refurbishing, removing, Tenant's property or any other expenses incurred in recovering possession of the Property or reletting the Property, including, but not limited to, reasonable attorney's fees, court costs, broker's commissions and advertising expense.

15.2.2 The loss of rental on the Property accruing until the date when a new tenant has been or with the exercise of reasonable diligence could have been, obtained.

15.3 Port may re-enter the Property and take possession thereof and remove any persons and property by legal action or by self-help and without liability for damages, and Tenant shall indemnify and hold the Port harmless from any claim or demand arising out of such re-entry and removal of persons and property. Such re-entry by the Port shall not terminate the Lease or release the Tenant from any obligations under the Lease. In the event Port re-enters the Property for the purpose of reletting, Port may relet all or some portion of the Property, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of a period of rent-free occupancy or other rental concession, and Port may not be required to relet to any tenant which Port may reasonably consider objectionable.

15.4 In the event Port re-lets the Property as agent for Tenant, Port shall be entitled to recover immediately as damages the total of the following amounts.

15.4.1 An amount equal to the total rental coming due for the remainder of the term of this Lease, computed based upon the periodic rent provided for herein and without discount or reduction for the purpose of adjusting such amount to present value of anticipated future payments, less any payments thereafter applied against such total rent by virtue of the new lease.

15.4.2 The reasonable costs of re-entry and re-letting, including but not limited to, any expense of cleaning, repairing, altering, remodeling, refurbishing, removing Tenant's property, or any other expenses incurred in recovering possession of the Property or re-letting the Property, including, but not limited to, attorneys' fees, court costs, broker's commissions and advertising expense.

15.5 All payments received by Port from re-letting shall be applied upon indebtedness and damages owing to Port from Tenant, if any, and the balance shall be remitted to Tenant.

16. WAIVER. No waiver of any default shall constitute a waiver of any other breach or default, whether of the same or any other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other any contractual right by custom, estoppel, or otherwise. The subsequent acceptance of rent pursuant to this Lease shall not constitute a waiver of any preceding default by Tenant other than default on the payment of that particular rental payment, regardless of Port's knowledge of the preceding breach at the time of accepting rent. Acceptance of rent or other payment after termination shall not constitute a reinstatement, extension or renewal of this Lease, or revocation of any notice or other act by Port.

17. ATTORNEYS' FEES. If either party brings any action or proceeding to enforce, protect or establish any right or remedy under this Lease, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing party. Arbitration is an action or proceeding for the purpose of this provision. The "prevailing party" means the party determined by the court or the arbitrator to most nearly have prevailed.

18. ACCESS BY PORT. Port, or Port's representatives and agents, shall have access to the Property at reasonable times and upon reasonable notice, for the purpose of inspecting the Property; provided that Port shall exercise all reasonable efforts not to unreasonably disturb the use and occupancy of the Property by Tenant.

19. RECORDING OF LEASE. Either party to this Lease may record the Lease with the Auditor of Benton County. In lieu of recording the entire Lease either party may record a memorandum of lease setting forth the legal description of the property, the parties and the term of the Lease, together with any additional information which the party deems to be relevant, and as long as the information in the memorandum is accurate the other party agrees to sign the memorandum of lease.

20. HOLDING OVER. In the event Tenant shall hold over after the expiration or termination of this Lease, such holding over shall be deemed to create a tenancy from month-to-month on the same terms and conditions of the except that the rental rate shall be adjusted as provided in Section 3 and the rent shall be prorated over a 365 day year and paid by Tenant each month in advance. The tenancy may be terminated by either party giving the other party thirty days written notice of the intent to terminate.

21. SECURITY FOR TENANT'S OBLIGATIONS. In addition to the security provided for in Section 5, in order to secure the prompt, full and complete performance of all of Tenant's obligations under this Lease, including but not limited to, Tenant's obligations to protect and indemnify Port from any liability subject to the lien, if any, of the holder of the first mortgage against the property, Tenant hereby grants to Port a security interest in and assigns to Port all of Tenant's right, title and interest in and to all rents and profits from the Property and improvements thereon as collateral to secure all of Tenant's obligations under this Lease. In the event Tenant defaults in any of its obligations hereunder, Port shall have the right at any time after the period for cure provided in paragraph 15.3, without notice or demand, to collect all rents and profits directly and apply all sums so collected to satisfy Tenant's obligations hereunder, including payment to Port of any sums due from Tenant. The assignment of rents to the Port shall be subordinate to any assignment of rents to a leasehold mortgagee for security purposes. Such remedy shall be in addition to all other remedies under this Lease.

22. HAZARDOUS MATERIALS. Tenant shall not take or store upon the Property any hazardous or toxic materials, as defined by the law of the State of Washington or by federal law, except in strict compliance with all applicable rules, regulations, ordinances and statutes. Tenant shall comply with the Port's Hazardous Materials Communications Policy, but shall not be subject to the notice requirements thereof in connection with the installation, use, operation, or removal of usual office equipment including, without limitation, computers and photocopiers.

22.1 Tenant shall not permit any contamination of the Property. The Tenant shall immediately remove any contaminants or pollutants and shall promptly restore the Property, subject to any

condition existing prior to the commencement of this Lease, which shall be the responsibility of the Port.

22.2 Tenant shall defend Port and hold it harmless from any cost, expense, claim or litigation arising from hazardous or toxic materials on the Property or resulting from the contamination of the Property, caused by the acts or omissions of the Tenant, its subtenants, employees, agents, invitees, or licensees, during the term of this Lease.

22.3 In the event of the termination of this Lease for any reason, the obligation of the Tenant to restore the Property and the obligation to indemnify the Port set forth above, shall survive the termination.

23. GENERAL CONDITIONS.

23.1 NOTICES. Any notices required or permitted to be given under the terms of this Lease, or by law, shall be in writing and may be given by personal delivery, or by registered or certified mail, return receipt requested, or by overnight courier, directed to the parties at the following addresses, or such other address as any party may designate in writing prior to the time of the giving of such notice, or in any other manner authorized by law:

Port: Port of Benton
3100 George Washington Way
Richland, Washington 99352

Tenant: Jeff Marcum
P.O. Box 544
Richland, WA 99352

Any notice given shall be effective when actually received, or if given by certified or registered mail, upon the recipient's receipt of a notice from the U. S. Postal Service that the mailed notice is available for pick up.

23.2 NONMERGER. If both Port's and Tenant's estates in the Property or the improvements or both become vested in the same owner, this Lease shall nevertheless not be destroyed by application of the doctrine of merger except by the express election of the owner and the consent of the mortgagee or mortgagees under all mortgages existing upon the Property.

23.3 CAPTIONS AND TABLE OF CONTENTS. The Table of Contents of this Lease and the captions of the various paragraphs are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content or intent of this Lease or of any part or parts of this Lease.

23.4 EXHIBITS AND ADDENDA. All exhibits and addenda to which reference is made in this Lease are incorporated in the Lease by the respective references to them. References to "this Lease" includes matters incorporated by reference.

23.5 SUCCESSORS. Subject to the provisions of this Lease on assignment and subletting, each and all of the covenants and conditions of this Lease shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators, assigns, and personal representatives of the respective parties. The Port agrees that if the Property is sold, assigned, or conveyed, except for any conveyance to the United States, the Port will place a provision in any conveyance making the conveyance subject to the terms and conditions of this Lease. The Port represents, that if this Lease is recorded, any subsequent conveyance of the Property by the Port will be subject to the terms of this Lease, with the exception of any conveyance to the United States.

23.6 NO BROKERS. Each party warrants and represents that it has not dealt with any real estate brokers or agents in connection with this Lease. Each party will indemnify and hold the other harmless from any cost, expense or liability (including costs of suit and reasonable attorney fees) for any compensation, commission, or fees claimed by any broker or agent in connection with this Lease.

23.7 NO UNREASONABLE WITHHOLDING OR DELAY OF CONSENT. Whenever this Lease requires the consent of either party to an action by the other, the party whose consent is requested shall not unreasonably withhold or delay its consent.

23.8 WARRANTY OF AUTHORITY. The persons executing and delivering this Lease on behalf of Port and Tenant each represent and warrant that each of them is duly authorized to do so and that the execution of this Lease is the lawful and voluntary act of the person on whose behalf they purport to act.

23.9 QUIET POSSESSION. The Port agrees that upon compliance with the terms and conditions of this Lease, the Tenant shall at all times have the right to the quiet use and enjoyment of the Property for the term of the Lease and any extensions.

23.10 LEASE CERTIFICATION. Upon the request of the Tenant the Port agrees to provide a written certification of the status of the Lease, to the best knowledge of the Port at the time of the certification, setting forth the following: I) whether the Lease is in full force and effect; ii) whether there have been any amendments or modifications to the Lease; iii) whether the Tenant is current in the payment of the rent and other charges under the

terms of the Lease; iv) whether the Port is aware of any default or breach on the part of the Tenant.

23.11 NON-DISTURBANCE AND ATTORNMENT. This Lease shall be superior to any mortgage, deed of trust or other lien which may be placed on the Property after the effective date of this Lease. If a mortgage is placed upon the Property, the Port shall deliver to the Tenant a Non-disturbance and Attornment Agreement, in recordable form, which shall covenant that this Lease is superior to such mortgage or deed of trust, and provided the Tenant is not in default under the Lease, neither the Lease nor the Tenant's rights under the Lease shall be terminated by any sale, foreclosure, transfer, assignment or hypothecation of the Property.

23.12 PARTIAL INVALIDITY. If any provision of this Lease is held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

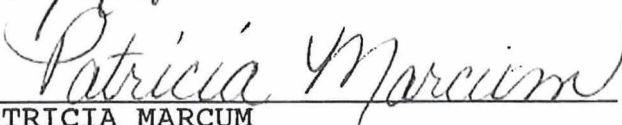
DATED this 4th day of FEBRUARY, 1998

PORT OF BENTON

By: 
BEN BENNETT, Executive Director

TENANT:

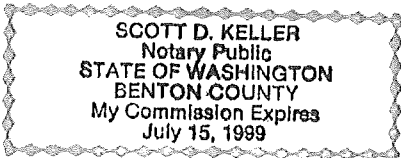

JEFF MARCUM


PATRICIA MARCUM

STATE OF WASHINGTON)
) ss.
County of Benton)

On this 4th day of February, 1998, before me personally appeared Ben Bennett, to me known to be the Executive Director of Port of Benton, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed thereto is the corporate seal of said corporation.

GIVEN UNDER my hand and official seal this 4th day of February, 1998.

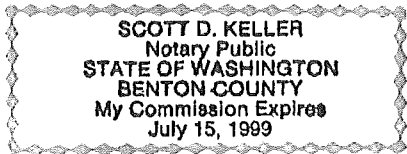


Scott D. Keller
Type/Print Name:
NOTARY PUBLIC in and for the State of
Washington, residing at Richland
My commission expires: 7-15-99

STATE OF WA)
) ss.
COUNTY OF Benton)

On this 4th day of Feb, 1998 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jeff Marcum and Patricia Marcum, known to me to be the individuals who that executed the foregoing instrument.

WITNESS my hand and official hereto affixed the day and year first above written.



Scott D. Keller
Type/Print Name: Scott D. Keller
NOTARY PUBLIC in and for the State of
WA, residing at Richland
My Commission Expires: 7-15-99

Exhibit 2

ORIGINAL

GROUND LEASE **Port of Benton-Marcum**

PARTIES:

LESSOR: PORT OF BENTON, a municipal corporation of the State of Washington, hereafter "Port".

TENANT: JEFF MARCUM, a single person, hereafter "Tenant".

AGREEMENTS:

1. LEASE. Port hereby leases to Tenant upon the terms, covenants and conditions contained herein, the real property at the Richland Airport (hereafter the "Property"). The Property is more particularly described on Attachment 1 to this Lease. This Lease replaces all prior leases entered into between the parties.

The Property consists of 55 acres (45 net usable acres) of real property situated in the Port of Benton's "Richland Airport", as described in its Comprehensive Plan of Harbor Improvements.

The Tenant has inspected the Property and agrees to take the Property in its present condition. The Tenant is relying upon its own inspections of the Property to determine whether to enter into this Lease and the Tenant is not relying upon any representation made by the Port, its employees or agents, except as specifically set forth in this Lease. The Tenant has been advised the Property is within the clear zone for the Richland Airport, which will limit the uses of the Property, and the Property is located within a flood zone.

2. TERM. This lease shall run for a period of ten (10) years commencing on February 4, 2008, and terminating on February 3, 2018.

2.1 The Tenant shall have the option to extend this Lease for eight (8) additional terms of five (5) years each at the end of the initial term and at the end of each renewal term prior to the final renewal term, provided, however, the lease shall terminate no later than February 3, 2058.

2.2 The option to extend this Lease shall be deemed to have been exercised unless the Tenant shall give the Port written notice of its intent not to exercise an option at least one hundred eighty (180) days prior to termination of the initial term or any renewal term except the final renewal term.

2.3 The Tenant may only exercise the right to extend the term of this Lease if the Tenant is not in material default in the performance of the terms of this Lease at the time the Tenant exercises the option or at the time an option is deemed to be exercised under Section 2.2.

2.4 In the event the Tenant elects not to exercise the Lease extensions as provided in this Section, then this Lease shall terminate and the Tenant shall have no further rights to under the terms of the Lease.

3. RENT. Tenant shall pay rent in advance on the first day of each month during the term of this lease in the following amounts:

3.1 The rent for the initial five years of the lease shall be \$5,000.00 per year plus the leasehold tax of \$642.00 for a total of \$5,642.00.

3.2 Rent payments shall be made payable to the Port of Benton. The rent and the applicable leasehold excise tax for each year shall be paid in advance on February 1 of each year. Payments shall be made at the Port offices at 3100 George Washington Way, Richland, Washington, or at such other address as the Port shall direct in writing.

3.3 In addition to the rent provided for herein, the Tenant shall pay the Leasehold Tax as required by the Revised Code of Washington Chapter 82.29A, as the statute may be hereafter amended. The Leasehold Tax shall be paid with each installment of rent. The current leasehold tax rate is 12.84%.

3.4 After the expiration of the initial five years of the Lease and at the end of each five years thereafter, the rent for the demised premises shall be adjusted by the same percentage as the percentage increase in the Consumer Price Index-United States-All items (CPI). The Port will calculate the percentage of change in the CPI from the commencement of the initial lease term until the date the rent adjustment becomes effective. The same percentage shall then be applied to the rent to determine the amount of rent which will be paid during the ensuing five years of the lease. In the event the Consumer Price Index is discontinued, the Port may select another statistical base, which indexes the changes in the cost of living, and substitute this index for the CPI in calculating the change in the rent.

3.5 Any rent payment not paid within thirty (30) days of the date upon which the Tenant receives notice that a payment is past due shall accrue interest on the unpaid rent at the rate of one and one-half percent (1 ½ %) of the late payment for each month or portion of month by which the payment is delayed.

4. CONDITION OF PROPERTY. The Tenant shall take the Property in its present condition without warranties or representations by the Port, except as set forth in this Lease. The Tenant acknowledges that he has been advised that the Property is subject to the clear zone regulations for the Richland Airport, which will limit the uses to which the property can be put or the improvements which may be constructed. The Property is located in a flood plain.

5. SECURITY. The Tenant shall provide the Lessor with a security deposit in an amount equal to the rent and Leasehold Tax to be paid during the initial year of this Lease or such lesser amount which the Port Commission may approve. A deposit of funds with the Port or an assignment of a savings account in the amount specified above which cannot be released without the approval of the Port will be acceptable as a rent security deposit. The amount of the bond or deposit shall be adjusted from time-to-time to reflect the change in the amount of the

rent so that the security equals at a minimum the amount of rent and leasehold tax to be paid during a year of the lease.

6. TAXES AND ASSESSMENTS. Tenant shall pay all taxes assessed against the buildings and improvements owned by the Tenant and the other property of Tenant located upon the Property, promptly as the same become due. Tenant shall pay all assessments hereafter levied against the Property or a portion thereof during the term of this Lease, including assessments coming due to any special purpose governmental district; provided, however, if the assessment is payable in installments, whether or not interest shall accrue on the unpaid installments, the Tenant may pay the assessments in installments as they become due, provided that the Tenant's obligation to pay the assessments levied during the term of the Lease, even though paid in installments, shall survive the termination or expiration of this Lease.

6.1 In the event of a leasehold tax audit, Tenant shall pay any resulting taxes or penalties.

6.2 Tenant may contest the legal validity or amount of any taxes, assessments or charges which Tenant is responsible for under this Lease and may institute such proceedings as Tenant considers necessary. If Tenant contests any such tax, assessment or charge, Tenant may withhold or defer payment or pay under protest, but shall protect Port and the Property from any lien. Port appoints Tenant as Port's attorney-in-fact for the purpose of making all payments to any taxing authorities and for the purpose of contesting any taxes, assessments or charges.

7. USE. The Tenant shall use the Property for the construction and operation of a golf course, golf clubhouse, restaurant and retail shop and for uses incidental thereto and for no other purposes without the prior written consent of the Port.

7.1 The Port acquired title to the Richland Airport by conveyances from the United States of America. The Tenant covenants that it will not use the Property in any manner which would subject the Property to forfeiture under the provisions of the above-described deeds.

7.2 The Tenant acknowledges the receipt of a copy of the Protective Covenants and the Rules and Regulations applicable to the Richland Airport. The Tenant hereby covenants that it will not use the Property in any manner which is in violation of the protective covenants, as the same may be reasonably amended from time to time. The Tenant shall not be bound by any amendment which would limit, restrict or otherwise impair the rights, privileges or options granted to the Tenant by this Lease, including the permitted use of the Property, or which increases the rent or other charges payable by the Tenant hereunder.

8. MAINTENANCE OF PROPERTY. Throughout the term of this Lease, Tenant at its sole cost and expense shall maintain the Property and all improvements then existing thereon in good condition and repair, subject to reasonable wear and tear, and in accordance with all applicable covenants, laws, rules, ordinances and regulations of governmental agencies.

9. CONDITIONS OF CONSTRUCTION. Before any construction, reconstruction or alteration of the improvements on the Property, except for interior improvements or non-structural modifications, is commenced and before any building materials have been delivered to the Property in connection with such construction, reconstruction or alteration by Tenant or under Tenant's authority, Tenant shall comply with all the following conditions:

9.1 Tenant shall deliver to Port for its approval one set of preliminary construction plans and specifications prepared as required by the City of Richland for an application for a building permit, including, but not limited to, preliminary grading utility connections, locations of ingress and egress to and from public thoroughfares, curbs, gutters, parkways, street lighting, designs and locations for outdoor signs, storage areas and landscaping, all sufficient to enable Port to make an informed judgment about the design and quality of construction. All improvements shall be constructed within the exterior property lines of the Property, provided that required work beyond the Property on utilities, access and conditional use requirements will not violate this provision. Tenant shall permit Port to use the plans without payment for purposes relevant to and consistent with this Lease.

9.2 The Port shall examine the plans and specifications for the purpose of determining reasonable compliance with the terms and conditions of this Lease, the Protective Covenants governing the Richland Airport and compatibility with the overall design and use of the Richland Airport. Approval will not be unreasonably withheld. Approval or disapproval shall be communicated to the Tenant and disapproval shall be accompanied by specification in reasonable detail of the grounds for disapproval.

9.3 Tenant shall prepare final working plans and specifications substantially conforming to preliminary plans previously approved by the Port, submit them to the appropriate governmental agencies for approval and deliver to Port one complete set as approved by the governmental agencies.

9.4 Tenant shall notify Port of its intention to commence the initial construction at least fourteen (14) days before commencement of any such work or delivery of any materials. The notice shall specify the approximate location and nature of the intended improvements. During the course of construction, Port shall have the right to post and maintain on the Property any notices of non-responsibility provided for under the applicable law and to inspect the Property at all reasonable times.

9.5 Except as specifically provided in this Lease, Port makes no covenant or warranties respecting the condition of the soil or subsoil or any other condition of the Property.

9.6 Once work is begun, Tenant shall with reasonable diligence complete all construction of improvements. Failure, regardless of cause, to commence construction within eighteen (18) months from the commencement date of the Lease shall, at Port's election exercised by thirty (30) days written notice, terminate this Lease. All work shall be performed in a workmanlike manner, substantially comply with the plans and specifications required by this Lease and comply with all applicable governmental permits, laws, ordinances and regulations.

9.7 Tenant shall pay the cost and expense of all Tenant's improvements constructed on the Property. Tenant shall not permit any mechanic's or construction liens to

attach to the Property. Tenant shall not permit any mechanics', materialmen's, contractors' or subcontractors' lien arising from any work of improvement performed by or for the Tenant to be enforced against the Property, however it may arise. Tenant may withhold payment of any claim in connection with a good faith dispute over the obligation to pay so long as Port's Property interests are not jeopardized. Tenant shall defend and indemnify Port against all liability and loss of any type arising out of the construction of improvements on the Property by Tenant. Unless caused by the Port, its agents, contractors and invitees, Tenant shall reimburse Port for all sums paid according to this paragraph, together with the Port's reasonable attorneys' fees and costs plus interest on those sums at the legal rate.

9.8 On completion of the construction of any improvements, additions or alterations covered by this Section 9, Tenant shall give Port notice of all structural or material changes in plans or specifications made during the course of the work and shall at that time supply Port with drawings accurately reflecting all such changes. Changes which are non-structural or which do not substantially alter the plans and specifications as previously approved by the Port do not constitute a material change.

10. OWNERSHIP OF IMPROVEMENTS. All improvements constructed on the Property by Tenant as permitted by this Lease shall be owned by Tenant until termination of this Lease. Subject to the Port's security interest in the event of a breach, within sixty (60) days after the termination of this Lease the Tenant may remove any buildings, improvements or trade fixtures installed on the Property and owned by the Tenant. Provided, however, in the event the Tenant has failed to maintain the Property as required by this Lease or the Property is contaminated by toxic or hazardous materials as the result of the actions of the Tenant or its successors, then the Port may require the Tenant to remove any improvements or trade fixtures installed by the Tenant. The Tenant shall repair at Tenant's expense any damage to the Property resulting from such removal.

11. ASSIGNMENT AND SUBLETTING. Tenant shall neither assign, sublet nor transfer its interest in this Lease, in whole or in part, to any person or entity without Port's prior written consent.

12. LEASEHOLD MORTGAGES. Tenant shall have the right during the term of this Lease to mortgage the Tenant's interest in this Lease without the prior consent of the Port and to assign the Tenant's interest in this Lease as collateral security for such leasehold mortgage. All rights acquired by the holder of the leasehold mortgage shall be subject to each and every term, covenant and condition of this Lease and to all rights and interests of the Port. None of the terms, covenants or conditions of the Lease shall be waived by the Port by reason of the right given to the Tenant to assign its interest in this Lease for security purposes.

12.1 The Leasehold Mortgage shall contain provisions providing that no purchaser or transferee of the Lease at any foreclosure sale or other transfer authorized by law or by reason of a default under the mortgage where no foreclosure sale is required, shall further assign or transfer any right, title or interest in or to this Lease or the leasehold estate covered by the Leasehold Mortgage unless the Port has approved the assignee or transferee in writing.

12.2 In the event the Tenant assigns this Lease for security purposes as provided in this Section 12, after receipt of a written notice from the Tenant giving the name and address of the leasehold mortgagee, the Port agrees that whenever the Port sends a notice to the Tenant under the terms of this Lease the Port will contemporaneously send a copy of the notice to the leasehold mortgagee.

12.3 In the event of a notice of default from the Port to the Tenant, the leasehold mortgagee may cure any default within the time provided for in the lease after the leasehold mortgagee's receipt of the notice of default. The Port agrees to accept a tender of cure of default from the leasehold mortgagee as if the cure were tendered by the Tenant. Provided, however, that if it takes the leasehold mortgagee more than thirty (30) days to cure a default (other than the payment of any money due under the lease) because the leasehold mortgagee is not in possession of the property, the lease shall not be in default if the leasehold mortgagee promptly undertakes to obtain possession of the property and diligently pursues its right to possession. No tender of cure of a default by the leasehold mortgagee shall require the leasehold mortgagee to cure any future defaults by the Tenant or require the leasehold mortgagee to perform any other term or condition of this Lease.

12.4 In the event of a default by the Tenant which has not been cured by the Tenant or by the leasehold mortgagee and which would permit the Port to forfeit or otherwise terminate this Lease or in the event the leasehold mortgagee forecloses upon its leasehold mortgage and becomes the holder of the Tenant's interest in this Lease, the Port agrees to accept the leasehold mortgagee as the Tenant under this Lease, provided the leasehold mortgagee performs all of the obligations and covenants of the Tenant contained in this Lease which are capable of being performed by the leasehold mortgagee.

12.5 In the event of a default which is personal to the Tenant (such as a bankruptcy) and which cannot be cured by the leasehold mortgagee and the Tenant's interest under this Lease has been terminated or canceled, then, at the written request of the leasehold mortgagee, the Port agrees to enter into a new lease with the leasehold mortgagee under the same terms and conditions as this Lease and for any unexpired term of the lease. The Port's execution and delivery of the lease shall be without any representation or warranty of any kind, including any representations or warranties regarding title to the Property, the improvements or the priority of such new lease.

12.5.1 The Port shall be obligated to enter into a new lease with the leasehold mortgagee only if the leasehold mortgagee has remedied and cured all monetary defaults of the Tenant under this Lease and has remedied and cured or has commenced and is diligently completing the cure of all non-monetary defaults susceptible to cure by any party other than the original Tenant. The leasehold mortgagee shall pay all costs and expenses of the Port, including, but not limited to, attorney fees, real property transfer taxes, escrow fees and recording fees incurred in connection with the preparation and execution of a new lease and any related conveyances.

12.5.2 If more than one leasehold mortgagee requests a new lease or in the event of a dispute between the Tenant and a leasehold mortgagee, the Port shall have no

duty to determine the relative priority of the leasehold mortgages and the Port shall have no obligation to enter into a new lease with any leasehold mortgagees unless the dispute is resolved to the Port's satisfaction within ninety days of the termination of this Lease.

12.5.3 Upon the execution of the new lease by the leasehold mortgagee and the Port, the Port will convey to the leasehold mortgagee by quit claim deed title to any improvements constructed on the Property by the Tenant in which the leasehold mortgagee has a recorded mortgage or other security interest. The conveyance of the improvements shall be in "as is" condition without any warranty or representation by the Port concerning the condition of the improvements. The Port will not warrant the title to the improvements and the leasehold mortgagee shall accept the title to the improvements subject to any existing encumbrances.

12.5.4 Upon the execution of a new lease and the conveyance of title to improvements, if any, it shall be the responsibility of the leasehold mortgagee to cancel and discharge this Lease and remove any persons occupying the premises. The leasehold mortgagee shall indemnify the Port and hold it harmless from any obligations, claims, actions, damages, costs or expense, including attorney fees, which may arise from such action or from the Port's compliance with any of the provisions of this Section 12.6.

13. PUBLIC LIABILITY INSURANCE. Throughout the term at Tenant's sole cost and expense, Tenant shall keep or cause to be kept in force for the mutual benefit of Port and Tenant comprehensive broad form general public liability insurance (including a contractual liability endorsement) against claims and liability for personal injury, death or property damage arising from the use, occupancy, misuse or condition of the Property and improvements with limits of coverage in an amount and with deductibles in such amounts as may be reasonably acceptable to the Port. During the initial three years of the Lease term, the insurance policy limit shall be \$1,000,000.00.

13.1 **PROOF OF COMPLIANCE.** The Tenant shall name the Port as an additional insured on the public liability insurance policy required to be maintained by the terms of this Lease. Port may require Tenant to deliver to Port in the manner required for notices, a copy or certificate of all insurance policies required by this Lease. Tenant shall include a provision in each of its insurance policies requiring the insurance carrier to give Port at least thirty (30) days prior written notice before such policy terminates. Tenant shall not substantially modify any of the insurance policies required by this Lease without giving at least thirty (30) days prior written notice to Port.

14. DEFAULT.

14.1 **EVENTS OF DEFAULT.** Each of the following events shall be a default by Tenant and a breach of this Lease.

14.1.1 The failure or refusal to pay when due any installment of rent or other sum required by this Lease to be paid by Tenant or the failure to perform as required or conditioned by any other covenant or condition of this Lease.

14.1.2 The appointment of a receiver to take possession of the Property or improvements or of Tenant's interest in the leasehold estate or of Tenant's operations on the Property for any reason, unless such appointment is dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the appointment.

14.1.3 An assignment by Tenant for the benefit of creditors or the filing of a voluntary or involuntary petition by or against Tenant under any law for the purpose of adjudicating Tenant a bankrupt or for extending time for payment, adjustment or satisfaction of Tenant's liability or for reorganization, dissolution or arrangement on account of or to prevent bankruptcy or insolvency, unless the assignment or proceeding and all consequent orders, adjudications, custodies and supervision are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing or other initial event.

14.2 NOTICE. As a precondition to pursuing any remedy for an alleged default by Tenant, Port shall give written notice of default to Tenant in the manner herein specified for the giving of notices. Each notice of default shall specify the alleged event of default and the intended remedy.

14.3 TENANT'S RIGHT TO CURE. If the alleged default is nonpayment of rent, taxes or other sums to be paid by Tenant as provided in this Lease, Tenant shall have thirty (30) days after receipt of written notice to cure the default. For the cure of any other default, Tenant shall have thirty (30) days after receipt of written notice to cure the default, provided, however, that if it takes more than thirty (30) days to cure a default, the Tenant shall not be in default if it promptly undertakes a cure and diligently pursues it.

14.4 TIME OF THE ESSENCE. Time is of the essence of this Lease and for each and every covenant or condition which must be performed hereunder.

15. PORT'S REMEDIES. If any default by Tenant continues uncured after receipt of written notice of default and the period to cure as required by this Lease for the period applicable to the default, subject to the provisions of Section 12, the Port has the following remedies in addition to all other rights and remedies provided by law or equity to which Port may resort cumulatively or in the alternative:

15.1 Without terminating this Lease, Port shall be entitled to recover from Tenant any amounts due hereunder or any damages arising out of the violation or failure of Tenant to perform any covenant, condition or provision of this Lease.

15.2 Port may elect to terminate this Lease and any and all interest and claim of Tenant by virtue of such lease, whether such interest or claim is existing or prospective, and to terminate all interest of Tenant in the Property and any improvements or fixtures thereon (except trade fixtures). In the event this Lease is terminated, all obligations and indebtedness of Tenant to Port arising out of this Lease prior to the date of termination shall survive such termination. In the event of termination by Port, Port shall be entitled to recover immediately as damages the total of the following amounts:

15.2.1 The reasonable costs of re-entry and re-letting, including, but not limited to, any expenses of cleaning, repairing, altering, remodeling, refurbishing, removing

Tenant's property or any other expenses incurred in recovering possession of the Property or re-letting the Property, including, but not limited to, reasonable attorney's fees, court costs, broker's commissions and advertising expense.

15.2.2 The loss of rental on the Property accruing until the date when a new tenant has been or with the exercise of reasonable diligence could have been obtained.

15.3 Port may re-enter the Property and take possession thereof and remove any persons and property by legal action or by self-help and without liability for damages and Tenant shall indemnify and hold the Port harmless from any claim or demand arising out of such re-entry and removal of persons and property. Such re-entry by the Port shall not terminate the Lease or release the Tenant from any obligations under the Lease. In the event Port re-enters the Property for the purpose of re-letting, Port may re-let all or some portion of the Property, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of a period of rent-free occupancy or other rental concession, and Port may not be required to re-let to any tenant which Port may reasonably consider objectionable.

15.4 In the event Port re-lets the Property as agent for Tenant, Port shall be entitled to recover immediately as damages the total of the following amounts.

15.4.1 An amount equal to the total rental coming due for the remainder of the term of this Lease, computed based upon the periodic rent provided for herein and without discount or reduction for the purpose of adjusting such amount to present value of anticipated future payments, less any payments thereafter applied against such total rent by virtue of the new lease.

15.4.2 The reasonable costs of re-entry and re-letting, including, but not limited to, any expense of cleaning, repairing, altering, remodeling, refurbishing, removing Tenant's property or any other expenses incurred in recovering possession of the Property or re-letting the Property, including, but not limited to, attorneys' fees, court costs, broker's commissions and advertising expense.

15.5 All payments received by Port from re-letting shall be applied upon indebtedness and damages owing to Port from Tenant, if any, and the balance shall be remitted to Tenant.

16. WAIVER. No waiver of any default shall constitute a waiver of any other breach or default, whether of the same or any other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other any contractual right by custom, estoppel or otherwise. The subsequent acceptance of rent pursuant to this Lease shall not constitute a waiver of any preceding default by Tenant other than default on the payment of that particular rental payment, regardless of Port's knowledge of the preceding breach at the time of accepting rent. Acceptance of rent or other payment after termination shall not constitute a reinstatement, extension or renewal of this Lease or revocation of any notice or other act by Port.

17. **ATTORNEYS' FEES.** If either party brings any action or proceeding to enforce, protect or establish any right or remedy under this Lease, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing party. Arbitration is an action or proceeding for the purpose of this provision. The "prevailing party" means the party determined by the court or the arbitrator to most nearly have prevailed.

18. **ACCESS BY PORT.** Port or Port's representatives and agents shall have access to the Property at reasonable times and upon reasonable notice for the purpose of inspecting the Property, provided that Port shall exercise all reasonable efforts not to unreasonably disturb the use and occupancy of the Property by Tenant.

19. **RECORDING OF LEASE.** Either party to this Lease may record the Lease with the Auditor of Benton County. In lieu of recording the entire Lease, either party may record a memorandum of lease setting forth the legal description of the property, the parties and the term of the Lease, together with any additional information which the party deems to be relevant and, as long as the information in the memorandum is accurate, the other party agrees to sign the memorandum of lease.

20. **HOLDING OVER.** In the event Tenant shall hold over after the expiration or termination of this Lease, such holding over shall be deemed to create a tenancy from month-to-month on the same terms and conditions of this Lease, except that the rental rate shall be adjusted as provided in Section 3 and the rent shall be prorated over a 365 day year and paid by Tenant each month in advance. The tenancy may be terminated by either party giving the other party thirty (30) days written notice of the intent to terminate.

21. **SECURITY FOR TENANT'S OBLIGATIONS.** In addition to the security provided for in Section 5, in order to secure the prompt, full and complete performance of all of Tenant's obligations under this Lease, including, but not limited to, Tenant's obligations to protect and indemnify Port from any liability subject to the lien, if any, of the holder of the first mortgage against the property, Tenant hereby grants to Port a security interest in and assigns to Port all of Tenant's right, title and interest in and to all rents and profits from the Property and improvements thereon as collateral to secure all of Tenant's obligations under this Lease. In the event Tenant defaults in any of its obligations hereunder, Port shall have the right at any time after the period for cure provided in paragraph 15.3, without notice or demand, to collect all rents and profits directly and apply all sums so collected to satisfy Tenant's obligations hereunder, including payment to Port of any sums due from Tenant. The assignment of rents to the Port shall be subordinate to any assignment of rents to a leasehold mortgagee for security purposes. Such remedy shall be in addition to all other remedies under this Lease.

22. **HAZARDOUS MATERIALS.** Tenant shall not take or store upon the Property any hazardous or toxic materials, as defined by the law of the State of Washington or by federal law, except in strict compliance with all applicable rules, regulations, ordinances and statutes. Tenant shall comply with the Port's Hazardous Materials Communications Policy, but shall not be subject to the notice requirements thereof in connection with the installation, use, operation or removal of usual office equipment including, without limitation, computers and photocopiers.

22.1 Tenant shall not permit any contamination of the Property. The Tenant shall immediately remove any contaminants or pollutants and shall promptly restore the Property, subject to any condition existing prior to the commencement of this Lease, which shall be the responsibility of the Port.

22.2 Tenant shall defend Port and hold it harmless from any cost, expense, claim or litigation arising from hazardous or toxic materials on the Property or resulting from the contamination of the Property caused by the acts or omissions of the Tenant, its subtenants, employees, agents, invitees or licensees during the term of this Lease.

22.3 In the event of the termination of this Lease for any reason, the obligation of the Tenant to restore the Property and the obligation to indemnify the Port set forth above shall survive the termination.

23. GENERAL CONDITIONS.

23.1 NOTICES. Any notices required or permitted to be given under the terms of this Lease or by law shall be in writing and may be given by personal delivery or by registered or certified mail, return receipt requested, or by overnight courier directed to the parties at the following addresses or such other address as any party may designate in writing prior to the time of the giving of such notice or in any other manner authorized by law:

Port: Port of Benton
3100 George Washington Way
Richland, Washington 99354

Tenant: Jeff Marcum
P.O. Box 544
Richland, Washington 99352

Any notice given shall be effective when actually received or, if given by certified or registered mail, upon the recipient's receipt of a notice from the U. S. Postal Service that the mailed notice is available for pick up.

23.2 NONMERGER. If both Port's and Tenant's estates in the Property or the improvements or both become vested in the same owner, this Lease shall nevertheless not be destroyed by application of the doctrine of merger except by the express election of the owner and the consent of the mortgagee or mortgagees under all mortgages existing upon the Property.

23.3 CAPTIONS AND TABLE OF CONTENTS. The Table of Contents of this Lease and the captions of the various paragraphs are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content or intent of this Lease or of any part or parts of this Lease.

23.4 EXHIBITS AND ADDENDA. All exhibits and addenda to which reference is made in this Lease are incorporated in the Lease by the respective references to them. References to "this Lease" include matters incorporated by reference.

23.5 SUCCESSORS. Subject to the provisions of this Lease on assignment and subletting, each and all of the covenants and conditions of this Lease shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators, assigns and personal representatives of the respective parties. The Port agrees that if the Property is sold, assigned or conveyed, except for any conveyance to the United States, the Port will place a provision in any conveyance making the conveyance subject to the terms and conditions of this Lease. The Port represents that if this Lease is recorded, any subsequent conveyance of the Property by the Port will be subject to the terms of this Lease with the exception of any conveyance to the United States.

23.6 NO BROKERS. Each party warrants and represents that it has not dealt with any real estate brokers or agents in connection with this Lease. Each party will indemnify and hold the other harmless from any cost, expense or liability (including costs of suit and reasonable attorney fees) for any compensation, commission or fees claimed by any broker or agent in connection with this Lease.

23.7 NO UNREASONABLE WITHHOLDING OR DELAY OF CONSENT. Whenever this Lease requires the consent of either party to an action by the other, the party whose consent is requested shall not unreasonably withhold or delay its consent.

23.8 WARRANTY OF AUTHORITY. The persons executing and delivering this Lease on behalf of Port and Tenant each represent and warrant that each of them is duly authorized to do so and that the execution of this Lease is the lawful and voluntary act of the person on whose behalf they purport to act.

23.9 QUIET POSSESSION. The Port agrees that upon compliance with the terms and conditions of this Lease, the Tenant shall at all times have the right to the quiet use and enjoyment of the Property for the term of the Lease and any extensions.

23.10 LEASE CERTIFICATION. Upon the request of the Tenant, the Port agrees to provide a written certification of the status of the Lease, to the best knowledge of the Port at the time of the certification, setting forth the following: i) whether the Lease is in full force and effect; ii) whether there have been any amendments or modifications to the Lease; iii) whether the Tenant is current in the payment of the rent and other charges under the terms of the Lease and iv) whether the Port is aware of any default or breach on the part of the Tenant.

23.11 NON-DISTURBANCE AND ATTORNMENT. This Lease shall be superior to any mortgage, deed of trust or other lien which may be placed on the Property after the effective date of this Lease. If a mortgage is placed upon the Property, the Port shall deliver to the Tenant a Non-disturbance and Attornment Agreement, in recordable form, which shall covenant that this Lease is superior to such mortgage or deed of trust and, provided the Tenant is not in default under the Lease, neither the Lease nor the Tenant's rights under the Lease shall be terminated by any sale, foreclosure, transfer, assignment or hypothecation of the Property.

23.12 PARTIAL INVALIDITY. If any provision of this Lease is held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

Golf Course Lease Description

The following lots of "Rawhide Ranches" in Richland, Washington:

Lot 7, 8 & 9 in Block 1

Lot 1, 2, 3 & 4 in Block 2

Lot 2 and 3 in Block 3

All of vacated Bronco Lane except the south 30 feet adjacent to Lot 1 in Block 3

Also including land described as follows:

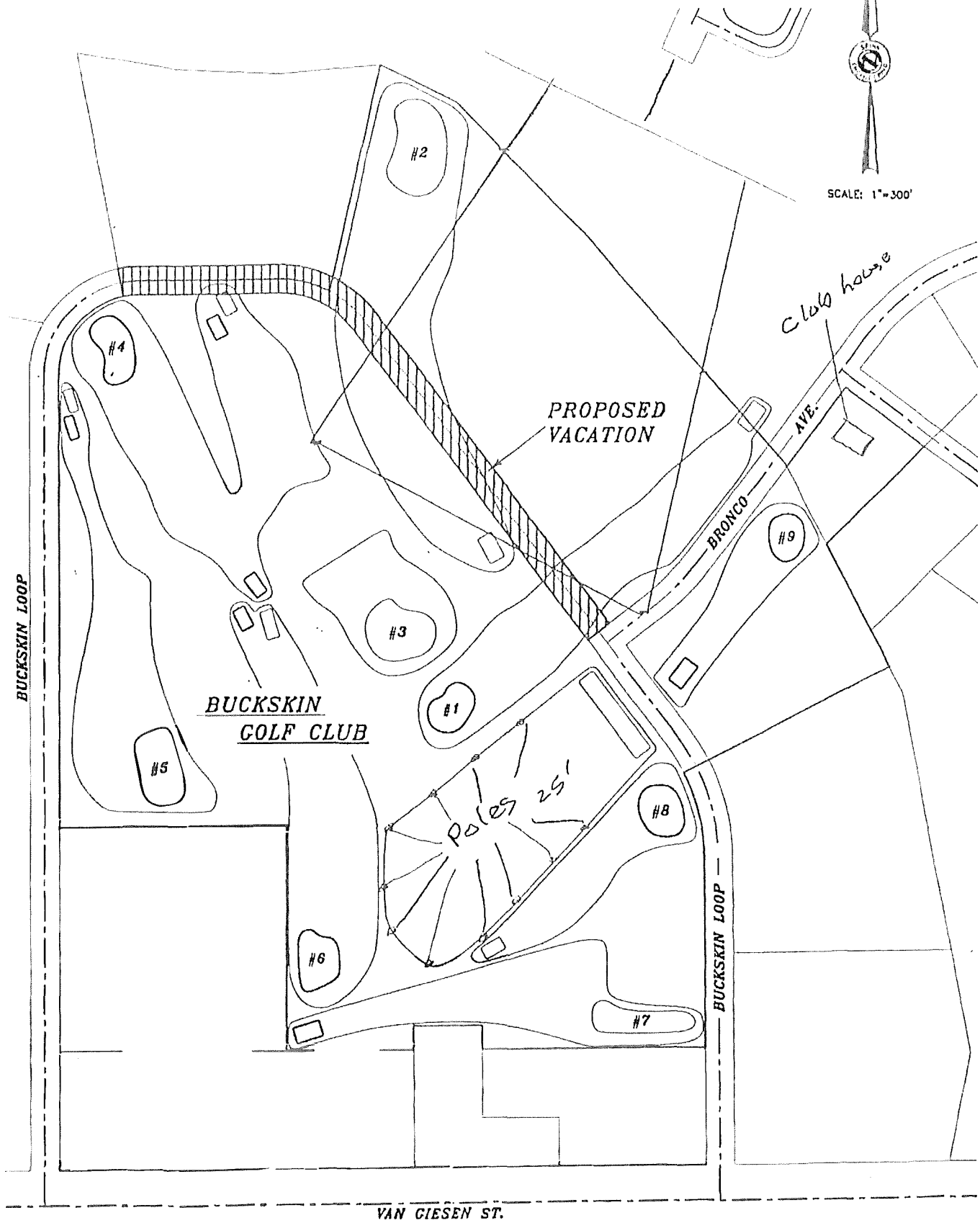
Beginning at a point at the intersection of the east line of Lot 9, Block 1, of Rawhide Ranches, and the easterly corridor line of the Port of Benton Access Road as constructed in 1995, corridor line is 30 feet from the road centerline; thence southeasterly along the east line of Lot 9, Block 1, a distance of 186.25 feet more or less, to a rebar monument, (Rogers); thence N 45°36'10" E a distance of 299.47 feet to another rebar monument, (Rogers); thence N 53°56'46" W a distance of 211.73 feet to a point on the easterly corridor of the Port of Benton Access Road as constructed in 1995; thence southwesterly along the easterly corridor line of said Access Road to the point beginning.

Total area of lease description is 52.90 acres.

RAWHIDE RANCHES
 NE 1/4 SEC. 4, T. 9 N., R. 28 E., W.M.
 RICHLAND WASHINGTON



SCALE: 1"=300'



PORT OF BENTON
PROPOSED BUCKSKIN LOOP VACATION
 EXHIBIT MAP



SPINK ENGINEERING
 601 KNIGHT STREET
 RICHLAND, WASHINGTON 99352
 (509) 946-1581 (OFFICE)
 (509) 946-6483 (FAX)

98101VAC.DWG	
DATE: 2/10/98	SHT. 1 OF 1
DRAWN BY: SWS	JOB # 98-108

NEW LEASE FOR MARCUM:

This will replace the existing lease for Marcum. The initial ten-year term of his original lease expired on Feb. 4 this year.

I understand Jeff is divorced, so I have removed his spouses name.

The initial lease provided for the payment of rent of \$5000 per year for the first five years and the payment of \$7500 per year for the second five years. He has only paid \$5000 per year for ten years.

If the Port keeps the old lease, we will need to collect an additional \$12,500 from Jeff now.

The old lease also required Jeff to pay the Port 10% of the green fees collected each year for rounds of golf in excess of 30,000 rounds each year. The Port has never received an accounting from Jeff of the number of rounds played each year and we do not know if he owes additional rent under this provision.

If the Port keeps the old lease, the Port will need to audit Marcum's records to determine whether additional sums may be due.

The old lease contains the appraisal method for determining the amount of rent increases. Rent is to be 10% per year of the fair market value of the property. The rent was to be adjusted this year and then every five years thereafter.

This lease provides that the CPI is used to adjust the rent every five years from here on. I have set the rent at \$9000 per year in the new lease, which is approximately what the rent would be under a CPI adjustment for the \$7500 rent under the old lease.

The remainder of this lease is about the same as the prior lease with a few minor wording changes to reflect the lease format we are now using.

EXHIBIT 3

POLITICS & GOVERNMENT

Suspended port exec claims commission retaliated to protect one of its own

By Wendy Culverwell

January 14, 2026 5:00 AM

Gift Article



Courtesy photo

 **Listen to this article**

An attorney representing Diahann Howard, who was suspended as executive director of the Port of Benton on Jan. 6, has asked for her to be reinstated with full authority to carry out her duties.

Howard's attorney, Todd Wyatt of Issaquah-based Wyatt Gronski PLLC, made the request in a letter that contemplates future legal action and claims Howard is a victim of retaliation for bringing forth damaging complaints about one of the commission's elected members, Scott Keller.

The [board of commissioners next meets](#) at 8:30 p.m., Wednesday, Jan. 14, at 3250 Port of Benton Blvd., Richland. Meetings are open to the public and include an opportunity for visitors to briefly address the public officials.

Wyatt said Howard's suspension put the port in breach of its contract with her.

"Director Howard has done her job. She has followed the law. We ask that the Port commissioners begin to do the same," he wrote.

Howard was suspended in a unanimous 3-0 vote that followed a lengthy, closed-door executive session. In a series of related votes, it shifted her authority to do her job to the port's newly elected commissioner and board president, Bill O'Neill.

The Port of Benton is a public agency that serves as the economic development entity serving much of Richland and western Benton County. It is overseen by a three-member board and managed by the executive director. O'Neill is currently filling that role.

Officially, Howard was suspended pending an investigation. Wyatt said she is barred from port property.



Port officials will not say what the investigation is about. They also had no response to Wyatt's letter, which was obtained by the Tri-City Herald.

In it, Wyatt linked the suspension to ongoing complaints and investigations centered on Keller, the port's one-time executive director and now an elected commissioner.

According to Wyatt's timeline, Howard forwarded complaints about Keller to the commission in September. The port hired an outside law firm to investigate the complaints, leading to a series of reports in December 2025.

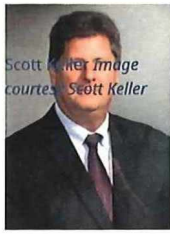
Wyatt said Howard was suspended three weeks after the outside investigator concluded there was sufficient evidence to indicate that Keller violated port rules and the Washington Constitution and two weeks after the same investigator advised that there should be an investigation to determine if Keller violated the state's prohibition against gifts of public resources.

The report has not been publicly released.

Complaints validated?

The Tri-City Herald has requested a copy of the investigation under the Washington Public Records Act.

While it hasn't been publicly released, Wyatt's letter indicates it validated the complaints that triggered the investigation of Keller.



Wyatt wrote that the investigator concluded “that for some of the allegations, sufficient evidence existed to conclude Commissioner Keller had violated the law.” Further, he said the full report given to commissioners in December advised the port that it “should further investigate potentially illegal actions of Commissioner Keller.”

Wyatt said Howard was suspended and stripped of her authority in retaliation. He advised that a lawsuit is likely and reminded it of its obligation to preserve all communications both public and private as potential evidence.

“That Director Howard’s adherence to the rules and statutes led to multiple embarrassing revelations regarding Commissioner Keller is no fault of hers. This ill-considered suspension by the commissioners not only violates state law and Port rules, but constitutes a breach of Director Howard’s employment contract,” Wyatt said.

Wyatt also speculates the commission’s Jan. 6 votes were the result of private conversations conducted in violation of the Public Meetings Act, which requires that the public’s business be conducted in public.

“They obviously discussed the matter. They hid their discussions from the public in violation of law, which of course makes sense considering their illicit intent to punish Director Howard,” said the letter.



The Port of Benton Richland Airport is at 1861 Terminal Drive off the 240 bypass highway in Richland. Bob Brawdy
bbrawdy@tricityherald.com

Tense history

Keller and Howard have a tense history that dates to Keller's 30-year career as a port employee, including serving as its executive director with responsibility for hiring and firing staff and overseeing day-to-day management. The executive director answers to the elected commission.

Keller, as executive director, hired Howard to serve as director of economic development.

She remained his subordinate until she [succeeded him](#) as executive director after he [retired abruptly in 2019](#).

Keller returned to the port when he ran for and won one of the three board seats in 2023. During his campaign, he pledged to support Howard, noting he was the one who hired her.

Complaint timeline

According to Wyatt:

- On Sept. 5, 2025, Howard and her attorney notified the commission it had received numerous reports from subordinates concerning Keller's actions and statements.

- On Sept. 10, Howard forwarded a complaint received by then-Commissioner Roy Keck. As a result, the port hired an attorney to investigate two complaints. Keck, who was up for reelection at the time, would go on to lose his seat to Keller's ally, Bill O'Neill, in the November 2025 general election.
- On an unspecified date in early December 2025, Howard received another complaint from Keck, now a lame-duck commissioner, which she forwarded to the commission for review.
- On Dec. 17, the investigator issued findings, concluding that for some of the allegations, there was "sufficient evidence to conclude Commissioner Keller had violated law."
- On Dec. 29, a subsequent report "concluded that the Port should further investigate potentially illegal actions of Commissioner Keller."

Mark Villa, of Geophysical Survey in Kennewick, maps out underground lines he marked with paint by using ground penetrating radar inside the fenced hangar area at the Port of Benton's Richland Airport. Bob Brawdy bbrawdy@tricityherald.com

Illegal water connections

As a commissioner, Keller came under public scrutiny in 2025 over an unmetered water connection at his private hangar at the Richland Airport. The port owns and operates the airport but leases sites for hangars to tenants, including Keller.

The city of Richland discovered unmetered water connections during a routine inspection of its fire hydrant system.

The port hired a utility surveyor to map out known and unknown underground lines. Howard publicly disclosed the investigation by reading a statement about the matter during a May 2025 commission meeting.

The survey revealed the hangar, which Keller purchased in 2017, had an unpermitted and unmetered water connection. Keller acknowledged he knew about the unmetered water connection at the time, but claimed he'd delegated the job of addressing the problem to subordinates.

Port staff advised Keller [privately to get a water meter in June](#).

Richland confirmed it is still working on the matter. It did not answer questions about potential legal action against those who benefitted from city water without paying for it.

“The few remaining affected property owners are currently in the permit process and are being guided through the steps necessary to bring all connections into compliance with city codes and regulations,” a spokesperson told the Herald.

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June 9, 2025 5:00 AM

Wendy Culverwell *Tri-City Herald* 

Reporter Wendy Culverwell writes about growth, development and business for the Tri-City Herald. She has worked for daily and weekly publications in Washington and Oregon. She earned a degree in English and economics from the University of Puget Sound. Support my work with a digital subscription

EXHIBIT 4

1793 BUCKSKIN LN- METER NO 201205

Electrical

Vendor name	GL posting date	Bill number	Total amount	Description	Reference number	YEAR	TOTAL
CITY OF RICHLAND	10/30/2025	8330791	\$44.04	OCT2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	09/30/2025	8282767	\$107.98	SEPT2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	08/30/2025	8240807	\$150.60	AUG2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	07/31/2025	8203186	\$159.13	JUL2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	06/30/2025	8158064	\$146.34	JUN2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	05/30/2025	8115106	\$95.19	MAY2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	04/30/2025	8077239	\$86.67	APR2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	03/28/2025	8029334	\$244.81	MAR2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	02/28/2025	7975729	\$59.67	FEB2025 SERVICES - 1793 BUCKSKIN LN- METER NO 201205	00178300-00600680		
CITY OF RICHLAND	01/31/2025	7936635	\$66.78	JAN2025 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680	2025	\$1,161.21
CITY OF RICHLAND	12/30/2024	7887175	\$65.36	DEC2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	12/01/2024	7826633	\$65.36	NOV2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	11/30/2024	7795736	\$66.78	OCT2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	09/30/2024	7749000	\$106.56	SEPT2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	08/30/2024	7676505	\$187.54	AUG2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	07/30/2024	7638545	\$181.86	JUL2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	06/30/2024	0-7600157	\$127.87	JUN2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	05/30/2024	7558439	\$163.39	ELECTRIC MAY2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	04/30/2024	7517346	\$182.58	ELECTRIC APR2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	03/30/2024	7478126	\$314.43	MAR2024 SERVICES - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	02/29/2024	7440948	\$65.36	3/18/2024 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	01/31/2024	7398347	\$75.30	2/16/2024 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	12/31/2023	7360125	\$62.51	1/19/2024 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680	2024	\$1,664.90
CITY OF RICHLAND	11/30/2023	7308779	\$72.46	12/13/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	10/31/2023	7268180	\$58.25	11/16/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	09/30/2023	7214782	\$49.73	SEPT 2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	09/14/2023	7176790	\$245.79	09/14/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	07/28/2023	7110043	\$221.64	07/28/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	06/29/2023	7074644	\$174.75	06/29/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	05/31/2023	7037667	\$106.56	05/31/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	04/30/2023	6998611	\$212.13	04/30/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	03/31/2023	6947367	\$0.00	03/31/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	02/28/2023	6904407	\$0.00	02/28/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	01/31/2023	6850151	\$0.00	01/31/2023 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680	2023	\$1,141.31
CITY OF RICHLAND	12/30/2022	6799981	\$99.45	01/2/30/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	11/30/2022	6752475	\$55.41	01/1/30/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	10/31/2022	6706701	\$150.60	01/0/31/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	09/29/2022	6659979	\$132.13	09/29/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	08/30/2022	6622599	\$1.42	08/30/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	07/28/2022	6578852	\$0.00	07/28/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	06/29/2022	6537785	\$0.00	06/30/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	05/31/2022	6499882	\$1.42	05/31/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680		
CITY OF RICHLAND	04/30/2022	6462582	\$213.55	04/30/2022 - 1793 BUCKSKIN LN- METER NO 51573	00178300-00600680	2022	\$655.40
CITY OF RICHLAND	02/28/2022	6383181	\$1.42	02/05/2022 - 1793 BUCKSKIN LN	00178300-00600680		

1858 BUCKSKIN LN- NO METER (old Meter NO 51573)

Rental Lights

Vendor name	GL posting date	Bill number	Total amount	Description	Reference number	YEAR	TOTAL
CITY OF RICHLAND	10/30/2025	8330793	\$13.55	OCT2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	09/30/2025	8282768	\$13.11	SEPT2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	08/30/2025	8240808	\$13.55	AUG2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	07/31/2025	8203187	\$13.55	JUL2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	06/30/2025	8158065	\$13.11	JUN2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	05/30/2025	8115107	\$13.55	MAY2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	04/30/2025	8077240	\$13.11	APR2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	03/28/2025	8029335	\$17.49	MAR2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	02/28/2025	7975730	\$12.24	FEB2025 SERVICES - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	01/31/2025	7936636	\$9.62	JAN2025 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850	2025	\$132.88
CITY OF RICHLAND	12/30/2024	7887176	\$13.55	DEC2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	12/01/2024	7826634	\$17.05	NOV2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	11/30/2024	7795737	\$9.62	OCT2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	09/30/2024	7749001	\$15.30	SEPT2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	08/30/2024	7676506	\$15.30	AUG2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	07/30/2024	7638546	\$9.62	JUL2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	06/30/2024	0-7600158	\$12.24	JUN2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	05/30/2024	7558440	\$13.55	RENTAL/STREET LIGHTS MAY2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	04/30/2024	7517347	\$13.11	RENTAL/STREET LIGHTS APR2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	03/30/2024	7478127	\$13.55	MAR2024 SERVICES - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	02/29/2024	7440949	\$12.24	3/18/2024 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	01/31/2024	7398348	\$13.99	2/16/2024 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	12/31/2023	7360126	\$13.55	1/19/2024 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850	2024	\$172.67
CITY OF RICHLAND	11/30/2023	7308780	\$13.99	12/13/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	10/31/2023	7268181	\$13.55	11/16/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	09/30/2023	7214783	\$13.11	SEPT 2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	09/14/2023	7176791	\$20.55	09/14/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	07/28/2023	7110044	\$11.80	07/28/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	06/29/2023	7074645	\$14.43	06/29/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	05/31/2023	7037668	\$12.68	05/31/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	04/30/2023	6998612	\$12.68	04/30/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	03/31/2023	6947368	\$14.43	03/31/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	02/28/2023	6904408	\$12.24	02/28/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	01/31/2023	6850152	\$14.86	01/31/2023 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850	2023	\$154.32
CITY OF RICHLAND	12/30/2022	6799982	\$10.93	01/30/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	11/30/2022	6752476	\$14.86	01/13/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	10/31/2022	6706702	\$12.68	01/03/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	09/29/2022	6659980	\$13.99	09/29/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	08/30/2022	6622600	\$13.11	08/30/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	07/28/2022	6578853	\$12.68	07/28/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	06/29/2022	6537786	\$15.30	06/30/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	05/31/2022	6499883	\$11.80	05/31/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	04/30/2022	6462581	\$13.11	04/30/2022 - 1858 BUCKSKIN LN- METER NO 51573	00178300-00600850		
CITY OF RICHLAND	02/28/2022	6419917	\$13.55	03/28/2022 - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	02/28/2022	6383182	\$12.68	02/2022 - 1858 BUCKSKIN LN	00178300-00600850		
CITY OF RICHLAND	01/28/2022	6347086	\$14.86	01/07/2022 - 1858 BUCKSKIN LN	00178300-00600850	2022	\$159.55

1740 BRONCO LN - Meter NO 110933

Electrical

Vendor name	GL posting date	Bill number	Total amount	Description	Reference number	YEAR	TOTAL
CITY OF RICHLAND	10/30/2025	8330790	\$56.69	OCT2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	09/30/2025	8282766	\$19.89	SEPT2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	08/30/2025	8240806	\$8.52	AUG2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	07/31/2025	8203185	\$5.40	JUL2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	06/30/2025	8158063	\$12.15	JUN2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	05/30/2025	8115105	\$31.19	MAY2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	04/30/2025	8077238	\$46.82	APR2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	03/28/2025	8029333	\$26.07	MAR2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	02/28/2025	7975728	\$64.36	FEB2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	01/31/2025	7936634	\$72.03	JAN2025 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560	2025	\$593.12
CITY OF RICHLAND	12/30/2024	7887174	\$72.03	DEC2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	12/01/2024	7826632	\$67.63	NOV2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	11/30/2024	7795735	\$48.31	OCT2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	09/30/2024	7748999	\$17.55	SEPT2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	08/30/2024	7676504	\$8.95	AUG2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	07/30/2024	7638544	\$3.77	JUL2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	06/30/2024	0-7600156	\$16.42	JUN2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	05/30/2024	7558438	\$33.46	ELECTRIC MAY2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	04/30/2024	7517345	\$49.30	ELECTRIC APR2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	03/30/2024	7478125	\$274.93	MAR2024 SERVICES - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	02/29/2024	7440947	\$67.06	3/18/2024 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	01/31/2024	7398346	\$71.97	2/16/2024 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	12/31/2023	7360124	\$72.17	1/19/2024 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560	2024	\$803.55
CITY OF RICHLAND	11/30/2023	7308778	\$68.70	12/13/2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	10/31/2023	7268179	\$47.39	11/16/2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	09/30/2023	7214781	\$23.44	SEPT 2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	09/14/2023	7176789	\$11.22	09/14/2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	07/28/2023	7110042	\$11.79	07/28/2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	06/29/2023	7074643	\$2.42	06/29/2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560		
CITY OF RICHLAND	05/31/2023	7037666	\$16.98	05/31/2023 - 1740 BRONCO LN - Meter NO 110933	00178300-00600560	2023	\$181.94

EXHIBIT 5

BENTON COUNTY EXCISE TAX PAID
06/19/2017 127818 \$1,518.00 AAC

When recorded return to:

The Axe LLC
2885 Troon Ct
Richland, WA 99354

CASCADE TITLE COMPANY
STATUTORY WARRANTY DEED

CBF4935


The Grantor, **Alfred C. Skinnell and Sharon L. Skinnell, husband and wife**
for and in consideration of **Ten Dollars and other valuable consideration**
in hand pays, conveys, and warrants to **The Axe LLC, a Washington Limited Liability Company**
the following described real estate, situated in the County of Benton, State of Washington:

SEE ATTACHED EXHIBIT "A"

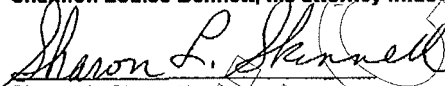
Abbreviated Legal: **Improvements Only: Ptn. of the NE 1/4 of the SW 1/4 of Sec. 34,
T-10N-R28E W.M.**
Tax Parcel Numbers(s): **8-3408-300-0001-018,**

SUBJECT TO covenants, conditions, restrictions, reservations, easements and agreements of
record, if any.

Dated: **6/16/2017**



Alfred C. Skinnell, by
Shannon Louise Bennett, his attorney in fact



Sharon L. Skinnell

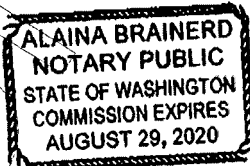
STATE OF **Washington**) ss.
COUNTY OF **Benton**

I certify that I know or have satisfactory evidence that ~~Alfred C. Skinnell and Sharon L. Skinnell~~^{she}
is/are the person who appeared before me, and said person acknowledged that they signed this
instrument and acknowledged it to be their free and voluntary act for the uses and purposes
mentioned in this instrument.

Dated: June 16th, 2017



Alaina Brainerd
Notary Public in and for the State of Washington
Residing at **Richland**
My appointment expires: **8/29/2020**



STATE OF WASHINGTON)

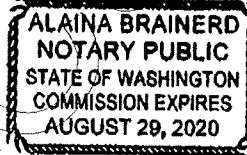
COUNTY OF BENTON)

On this 16th day of **June, 2017** before me personally appeared **Shannon Louise Bennett** to me known to be the individual described in and who executed the foregoing instrument as Attorney in fact for **Alfred C. Skinnell** and acknowledged that she signed and sealed the same as her free and voluntary act and deed as Attorney in Fact for said principal for the uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that the said principal is now living and is not incompetent.



Alaina Brainerd

Notary Public in and for the State of Washington,
residing at Richland
My Commission Expires: 8/29/2020



"Unofficial Copy"

EXHIBIT "A"

IMPROVEMENTS ONLY LOCATED ON THE FOLLOWING DESCRIBED PROPERTY:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 10 NORTH, RANGE 28 EAST, W.M., BENTON COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

**COMMENCING AT MONUMENT PB 11W AS SHOWN ON THE PLAT OF RICHLAND AND MONUMENTED WITH A 5/8" WORLEY REBAR SAID POINT BEARS NORTH 39°59'18" EAST 975.88 FEET FROM MONUMENT PB 10W AS SHOWN ON SAID PLAT;
THENCE NORTH 00°34'09" WEST ALONG A RANDOM LINE 2001.81 FEET TO THE TRUE POINT OF BEGINNING;**

**THENCE NORTH 85°25'46" WEST 86.42 FEET;
THENCE NORTH 04°34'14" EAST 84.00 FEET;
THENCE SOUTH 85°25'46" EAST 86.42 FEET;
THENCE SOUTH 04°34'14" WEST 84.00 FEET TO THE SAID TRUE POINT OF BEGINNING.**

Unofficial Copy

CERTIFICATE OF FORMATION

OF

THE "AXE", L.L.C.

REJECTED

The undersigned, for the purpose of forming a limited liability company under the Washington Limited Liability Company Act, hereby certifies and adopts the following Certificate of Formation

ARTICLE I

The name of this limited liability company shall be The "AXE", LLC.

ARTICLE II

Registered Agent

The registered agent of this limited liability company and the street address of the registered office of this limited liability company are as follows:

Registered Agent

Scott D. Keller

Address

2885 Troon Court
Richland, WA 99354

ARTICLE III

Place of Business

The address of the principal place of business of this limited liability company is 2885 Troon Court, Richland, WA 99354.

ARTICLE IV

Duration

The duration of the limited liability company is perpetual.

ARTICLE V

Management

The management of the limited liability company is vested in its members.

ARTICLE VI

Formation

The name and address of the person executing this Certificate of Formation is:

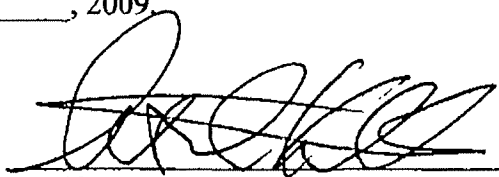
Name

Address

Scott D. Keller

2885 Troon Court
Richland, WA 99354

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation
this 16th day of February, 2009.

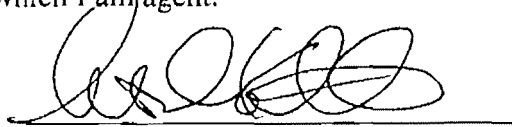

SCOTT D. KELLER

CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, Scott D. Keller, consent to serve as registered agent in the State of Washington for the following limited liability company: The "AXE", LLC.

I understand that, as agent for the limited liability company, it will be my responsibility to accept service of process in the name of the limited liability company; to forward license renewals and other mail to the Limited Liability Company; and to immediately notify the Office of the Secretary of State of my resignation or of any changes in the address of the registered office of the limited liability company for which I am agent.

February 16, 2009

A handwritten signature in black ink, appearing to read 'Scott D. Keller', is written over a horizontal line.

SCOTT D. KELLER
2885 Troon Court
Richland, WA 99354

COWAN MOORE STAM LUKE & PETERSEN

ATTORNEYS AT LAW

A Professional Limited Liability Company
503 KNIGHT STREET, SUITE A
P.O. BOX 927
RICHLAND, WASHINGTON 99352
TELEPHONE (509) 943-2676
FAX (509) 946-4257

THOMAS A. COWAN
PETER P. MOORE
JACQUELINE I. STAM
LUCINDA J. LUKE
DAVID L. PETERSEN
TAWNEY L. CARRIER

PARALEGALS

ETHEL M. NELSON
MARY ANNE KROL
DONNAM.SUTHERLAND
HORTENCIA E. TISCARENO

DARYL D. JONSON
OF COUNSEL

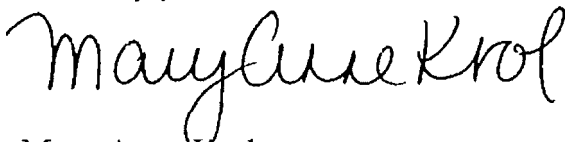
February 25, 2009

Secretary of State
Corporations Division
P.O. Box 40234
Olympia, WA 98504-0234

RE: Limited Liability Company – The “AXE”, LLC

Enclosed herewith for filing please find original Certificate of Formation and Consent to Appointment as Registered Agent for The “AXE”, LLC, along with a check for \$180.00. Please contact us if you have any questions. Thank you for your courtesies in this matter.

Sincerely yours,



Mary Anne Krol
Paralegal
Enclosures
#3101.20



Office of the Secretary of State
Corporations & Charities Division
www.sos.wa.gov/corps



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
BUSINESS LICENSING SERVICE

THE "AXE", L.L.C.
2885 TROON CT
RICHLAND WA 99354-2181

Generated: Mar 20, 2017
Letter ID: L0003027265

THE "AXE", L.L.C.
UBI: 602916472

Thank you for filing your annual report online

Your annual report has been completed. Please print this copy of your annual report and receipt for your records.

Allow 14 days to receive your legal entity registration in the mail.

Your company

Entity name: THE "AXE", L.L.C.

UBI: 602916472

State of formation: WA

Date of formation: Apr-10-2009

New expiration date: Apr-30-2018

Your fees

Limited Liability Company	60.00
Processing fee:	11.00
Total fees:	71.00
Total payment submitted:	71.00

Business information

Principal place of business: 2885 TROON CT
RICHLAND, WA 99354-2181
USA

Company telephone number: (509) 528-8918

Company email address:

Is the mailing address of the place of business different from the physical address above? No

Does your company own real property (including leasehold interests) in Washington? No

1. Has there been a transfer of stock, other financial interest change, or an option agreement exercised during the last 12 months that resulted in a transfer of controlling interest? No

2. Has an option agreement been executed in the last 12 months allowing for the future purchase or acquisition of the entity, that, if exercised would result in a transfer of controlling interest? No

Mailing address of principal place of business: Same as principal place of business

Nature of business

Type: Real Property Investment

Governing People

SCOTT KELLER

Registered agent

Agent type on file: Individual
Agent name on file: SCOTT D KELLER
Agent's office street address on file: 2885 TROON CT
RICHLAND, WA 99354-0000
USA
Agent's mailing address on file: Same as registered office street address

Request agent change to

Request Agent type change to: Individual
Request agent change to: SCOTT D KELLER
Request agent office street address change to: 2885 TROON CT
RICHLAND, WA 99354-2181
USA
Request agent mailing street address change to: Same as registered office street address

Person completing this annual report

Submitted By: SCOTT D KELLER

Annual report certification: I am the person listed above and I certify under penalty of perjury that the renewal information submitted is true and correct to the best of my knowledge. I understand that deliberately submitting false information may be punishable as a gross misdemeanor. RCW 43.07.210

Date Submitted: Mar 20 2017

EXHIBIT 6

**PORT OF BENTON
COMMISSION MEETING MINUTES
June 7, 2017**

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Commission Meeting Room, 3250 Port of Benton Boulevard, Richland, Washington. Present were Commissioners Jane F. Hagarty, Roy D. Keck and Robert D. Larson. Staff members present included Executive Director, Scott D. Keller, PPM ®; Director of Finance, Stuart B. Dezember; Director of Airports, John Haakenson; Director of Maintenance, Kevin Howard; Director of Economic Development and Governmental Affairs, Diahann Howard; Director of Real Estate, Teresa Hancock, Administrative Assistant, Kelly Thompson; Director of Communications and Marketing, Wally Williams and Port Counsel, Tom Cowan. Also in attendance were David Billetdeaux, Roger Wright, Chuck Larson, and Stan Jones.

B. PLEDGE OF ALLEGIANCE: Kevin Howard led those present in reciting the Pledge of Allegiance.

C. CURRENT BUSINESS:

1. CONSENT ITEMS: A motion was made by Commissioner Hagarty, seconded by Commissioner Keck and unanimously passed by the Commission approving the May 10, 2017, Commission Meeting Minutes and the May 25, 2017, Special Commission Meeting Minutes.

2. UNSCHEDULED BUSINESS/VISITORS: There were none.

3. PUBLIC HEARING ON SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM: A Public Hearing was opened at 8:31 a.m. to accept public comment on the Six Year Transportation Improvement Program for the years 2018 through 2023, inclusive. Roger Wright, RGW Enterprises, discussed each of the projects.

Commissioner Larson asked for public comment. No public comment was received. The Public Hearing was closed at 8:34 a.m.

4. A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission approving Resolution 17-13, Accepting the Port's Six Year Transportation Improvement Program for the Years 2018 through 2023, inclusive.

5. RICHLAND AIRPORT PROJECT UPDATE: Chuck Larson, JUB Engineers, provided an update on the overall Richland Airport Entrance Plan, including: status of railroad crossing planning, WSDOT requirements, Connell Oil future meetings to discuss renovation of fuel facilities, monument sign, airplane etched panels, road improvements and landscape package. He explained a letter will have to be sent to Washington State Department of Transportation (WSDOT) to transfer a small triangle piece of land to them. WSDOT's signaling equipment is located on this land.

A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission authorizing the Executive Director to send a letter to WSDOT and transferring a small piece of land to them, containing their signaling equipment.

6. **RESOLUTION 17-14:** Correcting the legal description of the real property declared surplus and delete from the Port of Benton's Comprehensive Plan of Improvements by Resolution 17-08. The Director of Real Estate explained that the Port had held a public hearing to consider declaring 53 acres to be surplus, however the legal description used in the prior Resolution did not describe the entire parcel and Resolution 17-14 would correct the legal description.

A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission approving Resolution 17-14, amending the acreage of real property to 53 acres declared surplus from the Port of Benton's Comprehensive Plan of Improvements, previously by Resolution 17-08.

D. COMMISSIONER COMMENTS:

Commissioner Hagarty commented on her attendance at the Washington Public Ports Association (WPPA) Spring Meeting, stating it was well attended and very informative. She also commented on the importance of WPPA hiring a communications and marketing specialist, as they have not had the position filled on their staff for some time, her attendance at the Clore board meeting and provided updates they are making within the business, such as tasting fees and highlighting smaller, boutique wineries. She also reminded everyone the Prosser Economic Development Association's annual meeting was tonight.

Commissioner Keck commented on his attendance at the WPPA Spring Meeting, highlighting the legal roundtable discussion. He shared with the other Commissioners and staff the documents provided to attendees.

Commissioner Larson commented on his attendance at the Rising Stars Event at the Clore Center, where thirty new wineries were highlighted. He also discussed the Tri City Area Chamber of Commerce "State of the Cities" Luncheon and commented on the future "State of the Ports" Luncheon, to be held in November.

E. COUNSEL COMMENTS: Counsel advised his comments were reserved for Executive Session.

F. EXECUTIVE DIRECTOR COMMENTS: The Executive Director discussed the Total Energy Management Utility Installation Project Electrical Change Order. As part of the recent sale of land and building to Total Energy Management (TEM), the Port agreed to extend utility services to the new building proposed by TEM. During construction of TEM's building, the Port executed a contract with Big D's Construction to extend water and sewer services as well as planning for electrical services to the site. However, at the time of the contract the exact electrical service needs had not yet been determined. During construction it was determined that the City of Richland would require changes to the electrical service including which vault the Port would be able to tie into. Additionally, the electrical service ended up being longer than planned which required more wire. The changes resulted in a

change order of \$22,484.53. In addition, due to a change in conditions associated with the relocated fire hydrant the Port had to provide a taller fire hydrant and modify the valving, which required another change order in the amount of \$2,705. The total project cost is now \$68,460.93. The Executive Director requested approval for Big D's Construction change orders 1 and 2 totaling \$25,190.

A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission authorizing the Executive Director to execute Big D's Construction change orders 1 and 2, for a total amount of \$25,190.

The Executive Director discussed his personal THE AXE, LLC ground lease of .25 acres and purchase of an existing hangar of 2,400 square feet at the Richland Airport. The lease term is for ten years, with four (4) ten year renewal terms for an amount which is consistent with previous hangar ground leases and fair market value of \$1,128.40, per year, including leasehold excise tax.

A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission approving THE AXE, LLC ground lease of .25 acres for the purchase of an existing hangar of 2,400 square feet at the Richland Airport. The term is for ten years, with four (4) ten year renewal terms for an amount which is consistent with previous hangar ground leases and fair market value of \$1,128.40, per year, including leasehold excise tax.

The Executive Director also discussed five (5) 60' x 60' building pad hangar sites: Sites 1 and 2 for Cannon Hill, at \$1,128.40 each per year, including leasehold excise tax; Site 3 for Mark Showalter, at \$1,128.40, per year, including leasehold excise tax; Site 4 for Douglas Cole, at \$1,128.40 per year, including leasehold excise tax; Site 5 for Zero Gravity for \$1,128.40 per year including leasehold excise tax and stated all five leases would be brought to the Commission for formal approval at the July 12, 2017 Commission Meeting.

The Executive Director informed the Commission the Port has received notification from U.S. Maritime Administration (MARAD) regarding the Richland Innovation Center (RIC), stating they request advance payment in the amount of \$60,000 by electronic funds transfer in accordance with the instructions provided in the enclosure titled "Instructions for Electronic Funds Transfer for Maritime Administration." Commission directed staff to continue communications with MARAD and ask for itemization of the requested \$60,000.

The Executive Director discussed the CDC buildings and property purchase finalized in the Technology and Business Campus. Staff continue to negotiate terms with Westinghouse on extending lease. Staff discussed the many marketing and economic development options of owning a large parcel of property with many buildings located near student housing and the Wine Science Center.

The Executive Director discussed the Port continuing to explore possibilities for a Visitor Center at the USS Triton Sail Park. Arculus Design has a contract to work with the Port on the design.

The Executive Director discussed the 2655 Einstein Building and a contract of up to \$100,000, for tenant improvements in the building, including a signed agreement with WSU-TC for cost reimbursement. This amount reflects \$24,918 plus tax for asbestos abatement and \$51,988 plus tax for electrical for a total of \$76,906 plus tax.

A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission authorizing the Executive Director to expend up to \$100,000 , to execute the contract with NW Power Inc. for \$56,457.98, and to execute the contract with All-Safe Abatement for \$27,060.95, for tenant improvements in the building, these are contingent on a signed agreement with WSU-TC for cost reimbursement.

G. STAFF INFORMATION REPORTS:

COMMUNICATIONS AND MARKETING: The Director of Communications and Marketing briefed the Commission on the following upcoming events: Bottles, Brews and BBQs, CRE8 Open House, Food and Beverage Retention and Expansion Opportunities (FABREO) Expo and the Richland Aviation Celebration.

GRANTS: The updated copy of the Grants Status report was reviewed.


GOVERNMENTAL AFFAIRS: The Director of Governmental Affairs provided an update on her projects. She also briefly discussed the Seaport Alliance.

H. SITE PROJECTS UPDATE: The Commission was briefed on the Technology and Business Campus, Tri Cities Enterprise Center Building, Richland Business Park, Railroad, Richland Innovation Center, Richland Airport, Prosser Airport, Prosser Wine and Food Park, Vintners' Village, Walter Clore Wine and Culinary Center, Benton City Downtown Properties and Crow Butte Park.

I. PORT FINANCIAL ISSUES: Vouchers audited by the Auditor as required by RCW 42.24.080 and certified expense reimbursement claims as required by RCW 42.24.090 have been recorded on a listing, which has been made available to the Port Commission. As of this date, June 7, 2017, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 03708 through 03759 totaling \$104,202.83 and General Expense Warrants numbered 066138 through 066312 totaling \$788,792.09 from the General Expense Fund.

J. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 11:10 a.m., and an Executive Session was convened to discuss (a) Potential Litigation pursuant to RCW 42.30.110 (li), (b) Pending Litigation, Evaluating a Legal Risk pursuant to RCW 42.30.110 (2)(a)(iii) and (c) Real Estate Matters pursuant to RCW 42.30.110 (l) (c). The Commission announced the Executive session would last no longer than thirty (30) minutes. At 11:40 a.m. the Commission announced the Executive Session would last an additional twenty (20) minutes. The Executive Session was adjourned at 12:00 p.m. and the regular Commission Meeting was reconvened.

- K. A Motion was made by Commissioner Keck, seconded by Commissioner Hagarty and unanimously passed by the Commission authorizing the Executive Director to proceed with the inspection of 100% of the Port railroad ties.
- L. **ADJOURNMENT:** With no further business, the meeting was adjourned at 12:01 p.m.



Roy D. Keck,
Commission Secretary

EXHIBIT 7

**GROUND LEASE AGREEMENT
[AVIATION]**

BETWEEN

PORT OF BENTON

AND

THE "AXE" LLC

FOR

Richland Airport Park
Land: 7,259 SF
2049 Butler Loop
Richland, WA 99354

**GROUND
LEASE AGREEMENT
(Aviation)**

THIS GROUND LEASE ("Lease") is made and entered into this 29th day of June, 2017, by and between the **PORT OF BENTON**, a Washington municipal corporation (hereinafter referred to as "Lessor"), and **THE "AXE" LLC**, a Washington limited liability company; hereinafter referred to as "Lessee").

**ARTICLE I
Summary of Lease Terms and Definitions**

Lessor: Port of Benton
 Lessor's Address: 3250 Port of Benton Boulevard
 Richland, WA 99354

Lessee (s): The "Axe" LLC

Lessee's Address: 2885 Troon Court
 Richland, WA 99354

Property Address: 2049 Butler Loop
 Auditor Parcel No. (APN): 8-3408-300-0001-018 / PTN of 1-3408-300-0001-006
 Property Lease Area: 0.17 AC (7,259sf)
 Hangar Building Area: 2,400 SF

Use of Property: Aircraft Storage and Aviation Related Uses Only

Exhibits: Exhibit "A" – Legal Description of Premises
 Exhibit "B" – Map of Premises
 Exhibit "C" – Richland Airport Protective Covenants

Commencement Date: July 1, 2017

Lease Term: 10 Year

Renewals: (4) 10 Year Renewal Options

Base Rent:	Years of Lease Term	Annual Rent (Excluding LHT)	Annual Rent (Including LHT)
	1-3	\$ 725.90	\$ 819.11

Initial Amount of Surety Bond or Security Deposit: \$ 819.11 (excluding Additional Rent "Utilities")

Name and Address of Surety or Bank: _____ N/A _____

GROUND LEASE
(Aviation)

PORT OF BENTON – THE “AXE” LLC

PARTIES:

LESSOR: PORT OF BENTON, a Washington municipal corporation, hereafter "Port."

LESSEE: THE “AXE” LLC, a Washington limited liability company, hereafter "Lessee."

AGREEMENTS:

1. LEASE. Port hereby leases to Lessee upon the terms, covenants and conditions contained herein the real property in the Port of Benton Richland Airport (hereafter the "Property"). The Property is more particularly described on **Exhibit A (Legal Description)** and **Exhibit B (Lease Premises)** to this Lease.

The Property consists of 0.16 acres or 7,259 square feet of real property situated in the Port of Benton's "Richland Airport," as described in its Comprehensive Plan of Harbor Improvements.

The Lessee has inspected the Property and agrees to take the Property in its present condition. The Lessee is relying upon its own inspections of the Property to determine whether to enter into this Lease, and the Lessee is not relying upon any representation made by the Port, its employees or agents, except as specifically set forth in this Lease.

2. TERM. This lease shall run for a period of ten (10) years commencing on July 1, 2017 and terminating on June 30, 2027.

2.1 The Lessee shall have the option to extend this Lease for four (4) additional terms of ten (10) years each.

2.2 The option to extend this Lease shall be deemed to have been exercised unless the Lessee shall give the Port written notice of its intent not to exercise an option at least one hundred eighty (180) days prior to termination of the initial term or any renewal term except the final renewal term.

2.3 The Lessee may only exercise the right to extend the term of this Lease if the Lessee is not in material default in the performance of the terms of this Lease at the time the Lessee exercises the option or at the time an option is deemed to be exercised under Section 2.2.

2.4 In the event the Lessee elects not to exercise the Lease extensions as provided in this Section, then this Lease shall terminate and the Lessee shall have no further rights under the terms of the Lease.

3. **RENT.** Lessee shall pay rent in advance or on July 1st of each year during the term of this Lease. The annual base rent shall be \$725.90 plus the applicable leasehold tax of \$93.21 for a total annual payment of \$819.11

3.1 Rent payments shall be made payable to the Port of Benton and shall be paid on or before the first day of 1st day of July each year at the Port offices at 3250 Port of Benton Blvd., Richland, Washington, or at such other address as the Port shall direct in writing.

3.2 In addition to the rent provided for herein, the Lessee shall pay the Leasehold Tax as required by the Revised Code of Washington Chapter 82.29A, as the statute may be hereafter amended. The Leasehold Tax shall be paid with each payment of rent. The current leasehold tax rate is 12.84%.

3.3 At the end of the first three years of the lease term and at the end of each three years thereafter, the rent for the demised premises shall be adjusted to be the same percentage as the percentage increase in the Consumer Price Index – United States – All items (CPI). The Lessor will calculate the percentage on change in the CPI from the inception of the lease or from the date of last rental adjustment until the date the rent adjustment becomes effective. The same percentage shall then be applied to the rent to determine the amount of rent which will be paid during the ensuing term of the lease. Provided, however, that the rent shall not be reduced below the rent which has been agreed upon for the initial three years of the lease. In the event the Consumer Price Index is discontinued, the Lessor may select another statistical base which indexes the change in the cost of living and substitute this index for the CPI in calculating the change in the rent.

3.4 Any rent payment not paid within ten (10) days of the due date shall accrue interest on the unpaid rent at the rate of one and one-half percent of the late payment for each month or portion of month by which the payment is delayed.

4. **CONDITION OF PROPERTY.** The Lessee shall take the Property in its present condition, without warranties or representations by the Port except as set forth in this Lease.

5. **SECURITY.** The Lessee shall provide the Lessor with a rent security deposit or bond in the amount of \$819.11, which is equal to the rent and Leasehold Tax to be paid during the initial year of the Lease. A deposit of funds with the Port or an assignment of a savings account in the amount specified above which cannot be released without the approval of the Port will be acceptable in lieu of a rent bond. In the event the rent is adjustable as provided in Section 3, then the security bond or security deposit shall be adjusted so the amount of the security equals the rent and leasehold excise tax due during the year.

6. TAXES AND ASSESSMENTS. Lessee shall pay all taxes assessed against the buildings and improvements owned only by the Lessee and the other property of Lessee located upon the Property, promptly as the same become due. Lessee shall pay all assessments hereafter levied against the Property or a portion thereof during the term of this Lease, including assessments coming due to any special purpose governmental district; provided, however, if the assessment is payable in installments, whether or not interest shall accrue on the unpaid installments, the Lessee may pay the assessments in installments as they become due, provided that the Lessee's obligation to pay the assessments levied during the term of the Lease, even though paid in installments, shall survive the termination or expiration of this Lease.

6.1 Lessee may contest the legal validity or amount of any taxes, assessments or charges which Lessee is responsible for under this Lease and may institute such proceedings as Lessee considers necessary. If Lessee contests any such tax, assessment or charge, Lessee may withhold or defer payment or pay under protest but shall protect Port and the Property from any lien. Port appoints Lessee as Port's attorney-in-fact for the purpose of making all payments to any taxing authorities and for the purpose of contesting any taxes, assessments or charges.

7. USE. The Lessee shall use the Property for aircraft and aviation storage and for uses incidental thereto and for no other purposes without the prior written consent of the Port.

7.1 Lessee shall have the right, in common with other users of the Airport, to use the common areas of the Airport, including runways, taxiways, aprons and roadways. Lessee may drive personal vehicles to the Property to access lease premises only or roads approved in advance by Lessor.

7.2 Lessee shall comply with all governmental rules, regulations, ordinances and laws, including the rules and regulations of the Federal Aviation Administration. Lessee shall comply with the Protective Covenants and the Rules and Regulations for Port of Benton Airports at Prosser and Richland and hereby covenant that it will not use the Property in any manner which is in violation of the protective covenants, as the same may be reasonably amended from time to time.

8. MAINTENANCE OF PROPERTY. Throughout the term of this Lease, Lessee at its sole cost and expense shall maintain the Property and all improvements then existing thereon in good condition and repair, subject to reasonable wear and tear, and in accordance with all applicable covenants, laws, rules, ordinances and regulations of governmental agencies.

9. CONDITIONS OF CONSTRUCTION. Before any construction, reconstruction or alteration of the improvements on the Property, except for interior improvements or non-structural modifications, is commenced and before any building materials have been delivered to the Property in connection with such construction, reconstruction or alteration by Lessee or under Lessee's authority, Lessee shall comply with all the following conditions:

9.1 Lessee shall deliver to Port for its approval one set of preliminary construction plans and specifications prepared by an architect or engineer licensed to practice as such in the State of Washington including, but not limited to, preliminary grading utility

connections, locations of ingress and egress to and from public thoroughfares, curbs, gutters, parkways, street lighting, designs and locations for outdoor signs, storage areas and landscaping, all sufficient to enable Port to make an informed judgment about the design and quality of construction.

All improvements shall be constructed within the exterior property lines of the Property provided that required work beyond the Property on utilities, access and conditional use requirements will not violate this provision. Lessee shall permit Port to use the plans without payment for purposes relevant to and consistent with this Lease.

9.2 The Port shall examine the plans and specifications for the purpose of determining reasonable compliance with the terms and conditions of this Lease, the Protective Covenants governing the Property and compatibility with the overall design and use of the Richland Airport attached hereto in **Exhibit C**. Approval will not be unreasonably withheld. Approval or disapproval shall be communicated to the Lessee and disapproval shall be accompanied by specification in reasonable detail of the grounds for disapproval.

9.3 Lessee shall prepare final working plans and specifications substantially conforming to preliminary plans previously approved by the Port, submit them to the appropriate governmental agencies for approval and deliver to Port one complete set as approved by the governmental agencies.

9.4 Lessee shall notify Port of its intention to commence the initial construction at least fourteen (14) days before commencement of any such work or delivery of any materials. The notice shall specify the approximate location and nature of the intended improvements. During the course of construction, Port shall have the right to post and maintain on the Property any notices of non-responsibility provided for under the applicable law and to inspect the Property at all reasonable times.

9.5 Except as specifically provided in this Lease, Port makes no covenant or warranties respecting the condition of the soil or subsoil or any other condition of the Property.

9.6 Once work is begun, Lessee shall with reasonable diligence complete all construction of improvements. Construction required at the inception of the Lease shall be completed and ready for use within six (6) months after commencement of construction, provided that the time for completion shall be extended for so long as the Lessee is prevented from completing the construction due to delays beyond the Lessee's control; but failure, regardless of cause, to commence construction within eighteen (18) months from the commencement date of the Lease shall, at Port's election exercised by thirty (30) days written notice, terminate this Lease. All work shall be performed in a workmanlike manner, substantially comply with the plans and specifications required by this Lease and comply with all applicable governmental permits, laws, ordinances and regulations.

9.7 Lessee shall pay the cost and expense of all Lessee's improvements constructed on the Property. Lessee shall not permit any mechanic's or construction liens to attach to the Property. Lessee shall not permit any mechanics', materialmen's, contractors' or

subcontractors' lien arising from any work of improvement performed by or for the Lessee to be enforced against the Property, however it may arise. Lessee may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, so long as Port's Property interests are not jeopardized. Lessee shall defend and indemnify Port against all liability and loss of any type arising out of the construction of improvements on the Property by Lessee. Unless caused by the Port, its agents, contractors and invitees, Lessee shall reimburse Port for all sums paid according to this paragraph, together with the Port's reasonable attorneys' fees and costs plus interest on those sums at the legal rate.

9.8 On completion of the construction of any improvements, additions or alterations covered by this Section 9, Lessee shall give Port notice of all structural or material changes in plans or specifications made during the course of the work and shall at that time supply Port with drawings accurately reflecting all such changes. Changes which are non-structural or which do not substantially alter the plans and specifications as previously approved by the Port do not constitute a material change.

10. OWNERSHIP OF IMPROVEMENTS. All improvements constructed on the Property as permitted by this Lease shall be owned by Lessee until termination of this Lease. Subject to the Port's security interest in the event of a breach, within sixty (60) days after the termination of this Lease, the Lessee may remove any buildings, improvements or trade fixtures installed on the Property and owned by the Lessee. Provided, however, in the event the Lessee has failed to maintain the Property as required by this Lease or the Property is contaminated by toxic or hazardous materials as the result of the actions of the Lessee or its successors such that in any event the value of the improvements is less than the cost of removal, remediation or renovation to bring the Property into compliance, then the Port may require the Lessee to remove any improvements or trade fixtures. The Lessee shall repair at Lessee's expense any damage to the Property resulting from such removal.

11. ASSIGNMENT AND SUBLETTING. Lessee shall not assign, sublet or transfer its interest in this Lease in whole or in part to any person or entity without Port's prior written consent.

12. LEASEHOLD MORTGAGES. Lessee shall have the right during the term of this Lease to mortgage the Lessee's interest in this Lease, without the prior consent of the Port, and to assign the Lessee's interest in this Lease as collateral security for such leasehold mortgage. All rights acquired by the holder of the leasehold mortgage shall be subject to each and every term, covenant and condition of this Lease and to all rights and interests of the Port. None of the terms, covenants or conditions of the Lease shall be waived by the Port by reason of the right given to the Lessee to assign its interest in this Lease for security purposes.

12.1 The Leasehold Mortgage shall contain provisions providing that no purchaser or transferee of the Lease at any foreclosure sale or other transfer authorized by law or by reason of a default under the mortgage where no foreclosure sale is required shall further assign or transfer any right, title or interest in or to this Lease or the leasehold estate covered by the Leasehold Mortgage unless the Port has approved the assignee or transferee in writing.

12.2 In the event the Lessee assigns this Lease for security purposes as provided in this Section 12, after receipt of a written notice from the Lessee giving the name and address of the leasehold mortgagee, the Port agrees that whenever the Port sends a notice to the Lessee under the terms of this Lease, the Port will contemporaneously send a copy of the notice to the leasehold mortgagee.

12.3 The Port further agrees that it will not accept a voluntary cancellation or surrender of the Lease by the Lessee without prior written consent of the leasehold mortgagee and the Port will not enter into any amendments of the lease which modifies any material provision of the lease without prior written approval of the leasehold mortgagee. No merger shall result from the acquisition by or the devolution upon any one entity of the fee and leasehold estates in the property.

12.4 In the event of a notice of default from the Port to the Lessee, the leasehold mortgagee may cure any default within the time provided for in the lease after the leasehold mortgagee's receipt of the notice of default. The Port agrees to accept a tender of cure of default from the leasehold mortgagee as if the cure were tendered by the Lessee. Provided, however, that if it takes the leasehold mortgagee more than thirty (30) days to cure a default (other than the payment of any money due under the lease) because the leasehold mortgagee is not in possession of the property, the lease shall not be in default if the leasehold mortgagee promptly undertakes to obtain possession of the property and diligently pursues its right to possession. No tender of cure of a default by the leasehold mortgagee shall require the leasehold mortgagee to cure any future defaults by the Lessee or require the leasehold mortgagee to perform any other term or condition of this Lease.

12.5 In the event of a default by the Lessee which has not been cured by the Lessee or by the leasehold mortgagee and which would permit the Port to forfeit or otherwise terminate this Lease or in the event the leasehold mortgagee forecloses upon its leasehold mortgage and becomes the holder of the Lessee's interest in this Lease, the Port agrees to accept the leasehold mortgagee as the Lessee under this Lease, provided the leasehold mortgagee performs all of the obligations and covenants of the Lessee contained in this Lease which are capable of being performed by the leasehold mortgagee.

12.6 In the event of a default which is personal to the Lessee (such as a bankruptcy) and which cannot be cured by the leasehold mortgagee and the Lessee's interest under this Lease has been terminated or canceled, then at the written request of the leasehold mortgagee, the Port agrees to enter into a new lease with the leasehold mortgagee under the same terms and conditions as this Lease and for any unexpired term of the lease. The Port's execution and delivery of the lease shall be without any representation or warranty of any kind, including any representations or warranties regarding title to the Property, the improvements or the priority of such new lease.

12.6.1 The Port shall be obligated to enter into a new lease with the leasehold mortgagee only if the leasehold mortgagee has remedied and cured all monetary defaults of the Lessee under this Lease and has remedied and cured or has commenced and is diligently completing the cure of all non-monetary defaults susceptible to cure by any party other than the

original Lessee. The leasehold mortgagee shall pay all costs and expenses of the Port, including, but not limited to, attorney fees, real property transfer taxes, escrow fees and recording fees incurred in connection with the preparation and execution of a new lease and any related conveyances.

12.6.2 If more than one leasehold mortgagee requests a new lease or in the event of a dispute between the Lessee and a leasehold mortgagee, the Port shall have no duty to determine the relative priority of the leasehold mortgages and the Port shall have no obligation to enter into a new lease with any leasehold mortgagees unless the dispute is resolved to the Port's satisfaction within ninety (90) days of the termination of this Lease.

12.6.3 Upon the execution of the new lease by the leasehold mortgagee and the Port, the Port will convey to the leasehold mortgagee by quit claim deed, title to any improvements on the Property by the Lessee in which the leasehold mortgagee has a recorded mortgage or other security interest. The conveyance of the improvements shall be in "as is" condition without any warranty or representation by the Port concerning the condition of the improvements. The Port will not warrant the title to the improvements and the leasehold mortgagee shall accept the title to the improvements subject to any existing encumbrances.

12.6.4 Upon the execution of a new lease and the conveyance of title to improvements, if any, it shall be the responsibility of the leasehold mortgagee to cancel and discharge this Lease and remove any persons occupying the premises. The leasehold mortgagee shall indemnify the Port and hold it harmless from any obligations, claims, actions, damages, costs or expense, including attorney fees, which may arise from such action or from the Port's compliance with any of the provisions of this Section 12.6.

13. PUBLIC LIABILITY INSURANCE. Throughout the term at Lessee's sole cost and expense, Lessee shall keep or cause to be kept in force for the mutual benefit of Port and Lessee comprehensive broad form general public liability (CGL) insurance (including a contractual liability endorsement) against claims and liability for personal injury, death or property damage arising from the use, occupancy, misuse or condition of the Property and improvements with limits of coverage in an amount and with deductibles in such amounts as may be reasonably acceptable to the Port, in limits not less than \$1,000,000 aggregate/each occurrence.

13.1 **PROOF OF COMPLIANCE.** The Lessee shall name the Port as an additional insured on the public liability insurance policy required to be maintained by the terms of this Lease. Port may require Lessee to deliver to Port in the manner required for notices a copy or certificate of all insurance policies required by this Lease. Lessee shall include a provision in each of its insurance policies requiring the insurance carrier to give Port at least thirty (30) days prior written notice before such policy terminates. Lessee shall not substantially modify any of the insurance policies required by this Lease without giving at least thirty (30) days prior written notice to Port.

14. DEFAULT.

14.1 EVENTS OF DEFAULT. Each of the following events shall be a default by Lessee and a breach of this Lease.

14.1.1 The failure or refusal to pay when due any installment of rent or other sum required by this Lease to be paid by Lessee or the failure to perform as required or conditioned by any other covenant or condition of this Lease.

14.1.2 The appointment of a receiver to take possession of the Property or improvements or of Lessee's interest in the leasehold estate or of Lessee's operations on the Property for any reason, unless such appointment is dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the appointment.

14.1.3 An assignment by Lessee for the benefit of creditors or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee a bankrupt; or for extending time for payment, adjustment or satisfaction of Lessee's liability; or for reorganization, dissolution or arrangement on account of or to prevent bankruptcy or insolvency, unless the assignment or proceeding and all consequent orders, adjudications, custodies and supervision are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing or other initial event.

14.2 NOTICE. As a precondition to pursuing any remedy for an alleged default by Lessee, Port shall give written notice of default to Lessee in the manner herein specified for the giving of notices. Each notice of default shall specify the alleged event of default and the intended remedy.

14.3 LESSEE'S RIGHT TO CURE. If the alleged default is nonpayment of rent, taxes or other sums to be paid by Lessee as provided in this Lease, Lessee shall have ten (10) days after receipt of written notice to cure the default. For the cure of any other default, Lessee shall have thirty (30) days after receipt of written notice to cure the default, provided, however, that if it takes more than thirty (30) days to cure a default, the Lessee shall not be in default if it promptly undertakes a cure and diligently pursues it.

14.4 TIME OF THE ESSENCE. Time is of the essence of this Lease and for each and every covenant or condition which must be performed hereunder.

15. PORT'S REMEDIES. If any default by Lessee continues uncured after receipt of written notice of default and the period to cure as required by this Lease for the period applicable to the default, subject to the provisions of Section 12, the Port has the following remedies in addition to all other rights and remedies provided by law or equity to which Port may resort cumulatively or in the alternative:

15.1 Without terminating this Lease, Port shall be entitled to recover from Lessee any amounts due hereunder or any damages arising out of the violation or failure of Lessee to perform any covenant, condition or provision of this Lease.

15.2 Port may elect to terminate this Lease and any and all interest and claim of Lessee by virtue of such lease, whether such interest or claim is existing or prospective, and to terminate all interest of Lessee in the Property and any improvements or fixtures thereon (except trade fixtures). In the event this Lease is terminated, all obligations and indebtedness of Lessee to Port arising out of this Lease prior to the date of termination shall survive such termination. In the event of termination by Port, Port shall be entitled to recover immediately as damages the total of the following amounts:

15.2.1 The reasonable costs of re-entry and re-letting, including, but not limited to, any expenses of cleaning, repairing, altering, remodeling, refurbishing, removing Lessee's property or any other expenses incurred in recovering possession of the Property or re-letting the Property, including, but not limited to, reasonable attorney's fees, court costs, broker's commissions and advertising expense.

15.2.2 The loss of rental on the Property accruing until the date when a new Lessee has been or with the exercise of reasonable diligence could have been obtained.

15.3 Port may re-enter the Property and take possession thereof and remove any persons and property by legal action or by self-help and without liability for damages and Lessee shall indemnify and hold the Port harmless from any claim or demand arising out of such re-entry and removal of persons and property. Such re-entry by the Port shall not terminate the Lease or release the Lessee from any obligations under the Lease. In the event Port re-enters the Property for the purpose of re-letting, Port may re-let all or some portion of the Property, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of a period of rent-free occupancy or other rental concession, and Port may not be required to re-let to any Lessee which Port may reasonably consider objectionable.

15.4 In the event Port re-lets the Property as agent for Lessee, Port shall be entitled to recover immediately as damages the total of the following amounts.

15.4.1 An amount equal to the total rental coming due for the remainder of the term of this Lease, computed based upon the periodic rent provided for herein and without discount or reduction for the purpose of adjusting such amount to present value of anticipated future payments, less any payments thereafter applied against such total rent by virtue of the new lease.

15.4.2 The reasonable costs of re-entry and re-letting, including, but not limited to, any expense of cleaning, repairing, altering, remodeling, refurbishing, removing Lessee's property or any other expenses incurred in recovering possession of the Property or re-letting the Property, including, but not limited to, attorneys' fees, court costs, broker's commissions and advertising expense.

15.5 All payments received by Port from re-letting shall be applied upon indebtedness and damages owing to Port from Lessee, if any, and the balance shall be remitted to Lessee.

16. WAIVER. No waiver of any default shall constitute a waiver of any other breach or default, whether of the same or any other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other any contractual right by custom, estoppel or otherwise. The subsequent acceptance of rent pursuant to this Lease shall not constitute a waiver of any preceding default by Lessee other than default on the payment of that particular rental payment, regardless of Port's knowledge of the preceding breach at the time of accepting rent. Acceptance of rent or other payment after termination shall not constitute a reinstatement, extension or renewal of this Lease or revocation of any notice or other act by Port.

17. ATTORNEYS' FEES. If either party brings any action or proceeding to enforce, protect or establish any right or remedy under this Lease, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing party. Arbitration is an action or proceeding for the purpose of this provision. The "prevailing party" means the party determined by the court or the arbitrator to most nearly have prevailed.

18. ACCESS BY PORT. Port or Port's representatives and agents shall have access to the Property at reasonable times and upon reasonable notice for the purpose of inspecting the Property; provided that Port shall exercise all reasonable efforts not to unreasonably disturb the use and occupancy of the Property by Lessee.

19. RECORDING OF LEASE. Either party to this Lease may record the Lease with the Auditor of Benton County. In lieu of recording the entire Lease, either party may record a memorandum of lease setting forth the legal description of the property, the parties and the term of the Lease, together with any additional information which the party deems to be relevant and, as long as the information in the memorandum is accurate, the other party agrees to sign the memorandum of lease.

20. HOLDING OVER. In the event Lessee shall hold over after the expiration or termination of this Lease, such holding over shall be deemed to create a tenancy from month-to-month on the same terms and conditions of the Lease, except that the rental rate shall be adjusted as provided in Section 3 and the rent shall be prorated over a 365 day year and paid by Lessee each month in advance. The tenancy may be terminated by either party giving the other party thirty (30) days written notice of the intent to terminate.

21. SECURITY FOR LESSEE'S OBLIGATIONS. In addition to the security provided for in Section 5, in order to secure the prompt, full and complete performance of all of Lessee's obligations under this Lease, including, but not limited to, Lessee's obligations to protect and indemnify Port from any liability subject to the lien, if any, of the holder of the first mortgage against the property, Lessee hereby grants to Port a security interest in and assigns to Port all of Lessee's right, title and interest in and to all rents and profits from the Property, any personal property located upon the premises and improvements thereon, and all equipment, fixtures and furnishings in the premises as collateral to secure all of Lessee's obligations under this Lease as collateral to secure all of Lessee's obligations under this Lease. In the event Lessee defaults in any of its obligations hereunder, Port shall have the right at any time after the period for cure provided in paragraph 14.3, without notice or demand, to collect all rents and profits directly and apply all sums so collected to satisfy Lessee's obligations hereunder, including payment to Port of any sums

due from Lessee. The assignment of rents to the Port shall be subordinate to any assignment of rents to a leasehold mortgagee for security purposes. Such remedy shall be in addition to all other remedies under this Lease.

22. HAZARDOUS MATERIALS. Lessee shall not take or store upon the Property any hazardous or toxic materials as defined by the law of the State of Washington or by federal law, except in strict compliance with all applicable rules, regulations, ordinances and statutes. Lessee shall comply with the Port's Hazardous Materials Communications Policy, but shall not be subject to the notice requirements thereof in connection with the installation, use, operation or removal of usual office equipment including, without limitation, computers and photocopiers.

22.1 Lessee shall not permit any contamination of the Property. The Lessee shall immediately remove any contaminants or pollutants and shall promptly restore the Property, subject to any condition existing prior to the commencement of this Lease, which shall be the responsibility of the Port.

22.2 Lessee shall defend Port and hold it harmless from any cost, expense, claim or litigation arising from hazardous or toxic materials on the Property or resulting from the contamination of the Property caused by the acts or omissions of the Lessee, its sub Lessees, employees, agents, invitees or licensees during the term of this Lease.

22.3 In the event of the termination of this Lease for any reason, the obligation of the Lessee to restore the Property and the obligation to indemnify the Port set forth above shall survive the termination.

23. GENERAL CONDITIONS.

23.1 NOTICES. Any notices required or permitted to be given under the terms of this Lease or by law shall be in writing and may be given by personal delivery or by registered or certified mail, return receipt requested, or by overnight courier directed to the parties at the following addresses or such other address as any party may designate in writing prior to the time of the giving of such notice or in any other manner authorized by law:

Port: Port of Benton
3250 Port of Benton Boulevard
Richland, Washington 99354
(509) 375-3060

Lessee: The "Axe", LLC
2885 Troon Court
Richland, WA 99354
(509) 371-9552

Any notice given shall be effective when actually received or if given by certified or registered mail, upon the recipient's receipt of a notice from the U. S. Postal Service that the mailed notice is available for pick up.

23.2 NONMERCER. If both Port's and Lessee's estates in the Property or the improvements or both become vested in the same owner, this Lease shall nevertheless not be destroyed by application of the doctrine of merger except by the express election of the owner and the consent of the mortgagee or mortgagees under all mortgages existing upon the Property.

23.3 CAPTIONS AND TABLE OF CONTENTS. The Table of Contents of this Lease and the captions of the various paragraphs are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content or intent of this Lease or of any part or parts of this Lease.

23.4 EXHIBITS AND ADDENDA. All exhibits and addenda to which reference is made in this Lease are incorporated in the Lease by the respective references to them. References to "this Lease" include matters incorporated by reference.

23.5 SUCCESSORS. Subject to the provisions of this Lease on assignment and subletting, each and all of the covenants and conditions of this Lease shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators, assigns and personal representatives of the respective parties. The Port agrees that if the Property is sold, assigned or conveyed, except for any conveyance to the United States, the Port will place a provision in any conveyance making the conveyance subject to the terms and conditions of this Lease. The Port represents that if this Lease is recorded, any subsequent conveyance of the Property by the Port will be subject to the terms of this Lease, with the exception of any conveyance to the United States.

23.6 NO BROKERS. Each party warrants and represents that it has not dealt with any real estate brokers or agents in connection with this Lease. Each party will indemnify and hold the other harmless from any cost, expense or liability (including costs of suit and reasonable attorney fees) for any compensation, commission or fees claimed by any broker or agent in connection with this Lease.

23.7 NO UNREASONABLE WITHHOLDING OR DELAY OF CONSENT. Whenever this Lease requires the consent of either party to an action by the other, the party whose consent is requested shall not unreasonably withhold or delay its consent.

23.8 WARRANTY OF AUTHORITY. The persons executing and delivering this Lease on behalf of Port and Lessee each represent and warrant that each of them is duly authorized to do so and that the execution of this Lease is the lawful and voluntary act of the person on whose behalf they purport to act.

23.9 QUIET POSSESSION. The Port agrees that upon compliance with the terms and conditions of this Lease, the Lessee shall at all times have the right to the quiet use and enjoyment of the Property for the term of the Lease and any extensions.

23.10 LEASE CERTIFICATION. Upon the request of the Lessee, the Port agrees to provide a written certification of the status of the Lease, to the best knowledge of the Port at the time of the certification, setting forth the following: i) whether the Lease is in full force and effect;

ii) whether there have been any amendments or modifications to the Lease; iii) whether the Lessee is current in the payment of the rent and other charges under the terms of the Lease; and iv) whether the Port is aware of any default or breach on the part of the Lessee.


23.11 NON-DISTURBANCE AND ATTORNMENT. This Lease shall be superior to any mortgage, deed of trust or other lien which may be placed on the Property after the effective date of this Lease. If a mortgage is placed upon the Property, the Port shall deliver to the Lessee a Non-disturbance and Attornment Agreement in recordable form which shall covenant that this Lease is superior to such mortgage or deed of trust and, provided the Lessee is not in default under the Lease, neither the Lease nor the Lessee's rights under the Lease shall be terminated by any sale, foreclosure, transfer, assignment or hypothecation of the Property.

23.12 PARTIAL INVALIDITY. If any provision of this Lease is held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

DATED this 29th day of June, 2017.

PORT OF BENTON

THE "AXE" LLC

By: 

Stuart Dezember, CPA
Director of Finance/Auditor

By: 

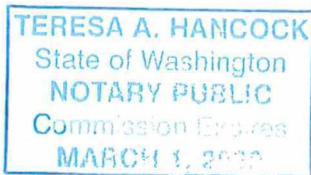
Scott D. Keller
Managing Member

(ACKNOWLEDGEMENT PAGE TO FOLLOW)

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

On this day before me personally appeared STUART DEZEMBER, to me known to be the DIRECTOR OF FINANCE/AUDITOR of the PORT OF BENTON, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed thereto is the corporate seal of said corporation.

GIVEN UNDER my hand and official seal this 29th day of June 2017.

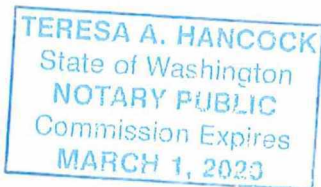


Teresa A. Hancock
NOTARY PUBLIC in and for the State of
Washington, residing at Kennecook
My commission expires: 03/01/2020

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

On this day before me personally appeared SCOTT D. KELLER, to me known to be the MANAGING MEMBER of THE AXE, LLC and who acknowledged the said instrument to be his/her free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned and upon oath stated that he/she are authorized to execute said instrument.

GIVEN UNDER my hand and official seal the 29th day of June, 2017.



Teresa A. Hancock
NOTARY PUBLIC in and for the State of
Washington, residing at Kennecook
My commission expires: 03/01/2020

EXHIBIT A
Leasehold Legal Description

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 10 NORTH, RANGE 28 EAST, W.M., BENTON COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT MONUMENT PB 11W AS SHOWN ON THE PLAT OF RICHLAND AND MONUMENTED WITH A 5/8" WORLEY REBAR SAID POINT BEARS NORTH 39°59'18" EAST 975.88 FEET FROM MONUMENT PB 10W AS SHOWN ON SAID PLAT; THENCE NORTH 00°34'09" WEST ALONG A RANDOM LINE 2001.81 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 85°25'46" WEST 86.42 FEET;
THENCE NORTH 04°34'14" EAST 84.00 FEET;
THENCE SOUTH 85°25'46" EAST 86.42 FEET;
THENCE SOUTH 04°34'14" WEST 84.00 FEET TO THE SAID TRUE POINT OF BEGINNING.

CONTAINS 7259 SF

TOGETHER WITH AND SUBJECT TO EASEMENTS, RESERVATIONS, COVENANTS AND RESTRICTIONS OF RECORD AND IN VIEW.

EXHIBIT B Property Outline

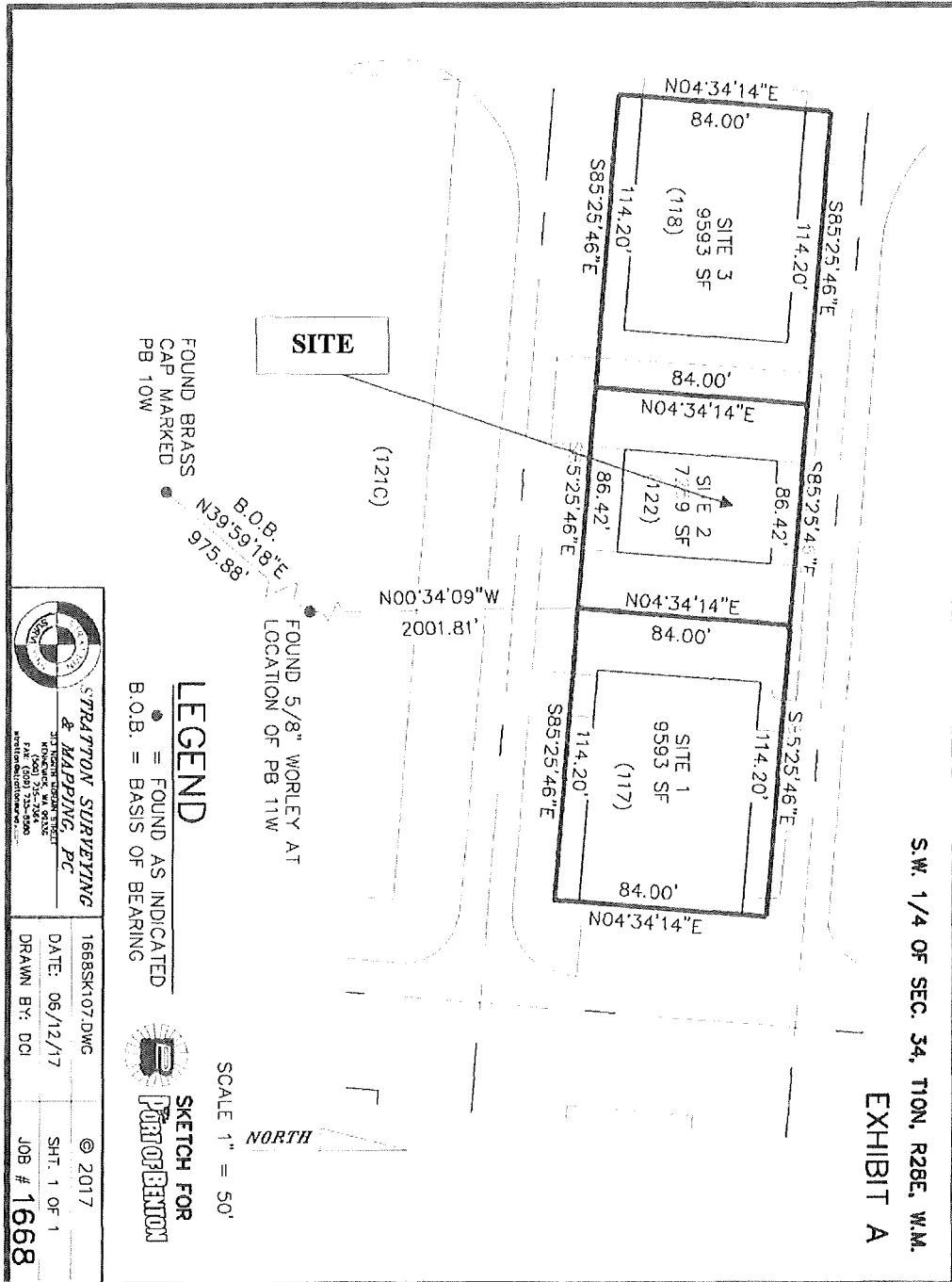


EXHIBIT C
Protective Covenants

PROVIDED UNDER SEPARATE COVER

Map No.	Owner	Yardi No	Location	\$PSF	FMV	CPI	SQF	Actual Rent	Lease Type
2	SKY HANGARS ASSOCIATION	t0000009	1945 TERMINAL DR RICHLAND, WA	\$ 0.10	\$ 0.10		56192.4	\$5,619	LAND
3	RICHLAND HANGER ASSOC	t0000161	1965 TERMINAL DR RICHLAND, WA	\$ 0.22	\$ 0.22		31363.2	\$6,900	LAND
4	BARINAGA CHARLES J	t0000037	1985 TERMINAL DR RICHLAND, WA	\$ 0.17	\$ 0.17		34412.4	\$5,850	LAND
33	TYM2FLY	t0000095	2040 BUTLER LOOP RICHLAND, WA	\$ 0.15	\$ 0.15		24829.2	\$3,724	LAND
26	LEEDY JAMES & MARILEA	t0000087	2048 BUTLER LOOP RICHLAND, WA	\$ 0.05	\$ 0.05	0.05	13503.6	\$675	LAND
24	MANAWADU BING	t0000068	2050 BUTLER LOOP RICHLAND, WA	\$ 0.18	\$ 0.18		10454.4	\$1,882	LAND
28	BRAYTON HERB & JENNIFER	t0000216	2082 BUTLER LOOP RICHLAND, WA	\$ 0.32	\$ 0.32		47916	\$15,333	LAND
30	CLEARED FOR ARRIVAL LLC	t0000145	2054 BUTLER LOOP RICHLAND, WA	\$ 0.32	\$ 0.32		6534	\$2,091	LAND
31	COLLINS ENTERPRISES	t0000053	2010 & 2014 BUTLER LOOP RICHLAND, WA	\$ 0.16	\$ 0.16	0.16	28000	\$8,960	LAND
32	COLLINS ENTERPRISES	t0000052	2020/2030 BUTLER LOOP RICHLAND, WA	\$ 0.18	\$ 0.18	0.18	16000	\$2,880	LAND
36	LIFE FLIGHT	t0000209	1901 & 1909 AIRPORT WAY RICHLAND, WA	\$ 0.07	\$ 0.07	0.07	35283.6	\$2,470	LAND
27	BRAYTON HERB & JENNIFER Hangar 2060)	t0000200	2060 BUTLER LOOP RICHLAND, WA	\$ 0.03	\$ 0.03	0.03	24829.2	\$745	LAND
34	C & S HANGAR LLC	t0000045	2002 BUTLER LP RICHLAND, WA	\$ 0.06	\$ 0.06	0.06	25410	\$8,131	LAND
6	MEAD JEROMIE & KATIE	t0000070	1925 TERMINAL DR UNIT C RICHLAND, WA	\$ 0.23	\$ 0.23	0.23	3920.4	\$902	LAND
29	C & H AVIATION LLC	t0000142	2090, 2094 & 2096 BUTLER LP, RICHLAND, WA	\$ 0.03	\$ 0.03	0.03	30056.4	\$902	LAND
20	BRAYTON HERBERT E & JENNIFER (Hangar 2120)	t0000042	2120 BUTLER LOOP RICHLAND, WA	\$ 0.11	\$ 0.11	0.11	12338	\$1,357	LAND
19	GEHLEN MARK	t0000057	2126 BUTLER LOOP RICHLAND, WA	\$ 0.19	\$ 0.19	0.19	6534	\$1,241	LAND
18	URBAN SCOTT J	t0000099	2132 BUTLER LOOP RICHLAND, WA	\$ 0.23	\$ 0.23	0.23	6534	\$2,091	LAND
7	BARNES DON & CHRISTINE	t0000038	1925 TERMINAL DR UNIT B RICHLAND, WA	\$ 0.24	\$ 0.24	0.24	3484.8	\$836	LAND
21	GARZA III & GARZA JR	t0000097	2114 BUTLER LOOP RICHLAND, WA	\$ 0.32	\$ 0.32		6583	\$2,107	LAND
83	SUNDANCE AVIATION	t0000064	1903 TERMINAL DR RICHLAND, WA	\$ 0.34	\$ 0.34	0.34			BUILDING & LAND
82	ANN'S BEST	t0000034	1901 TERMINAL DR RICHLAND, WA	\$ 2.84	\$ 2.84				BUILDING & LAND
35	C&S HANGAR LLC	t0000046	2004 BUTLER LOOP RICHLAND, WA	\$ 0.17	\$ 0.17	0.17	9600	\$1,632	LAND
37	VERIZON (VAW) TRI-HADWIN	t0000104	1947 TERMINAL DR RICHLAND WA	\$ 9.39	\$ 9.39				CELL TOWER
5	BERLIN GREGORY & PENELOPE	t0000040	1925 TERMINAL DR UNIT D RICHLAND, WA	\$ 0.13	\$ 0.13	0.13	4653	\$605	LAND
25	THE AXE LLC	t0000096	2049 BUTLER LOOP RICHLAND, WA	\$ 0.12	\$ 0.12	0.12	7259	\$871	LAND
23	HOLD SHORT LLC / T HARRISON	t0000151	2102 BUTLER LP, RICHLAND WA	\$ 0.21	\$ 0.21	0.21	6098.4	\$1,281	LAND
8	TYM2FLY	t0000167	2200 AIRPORT WAY RICHLAND WA	\$ 0.20	\$ 0.20		6400	\$1,280	LAND
10	SHOWALTER MARK W & MARY ANN	t0000092	2240 AIRPORT WAY RICHLAND, WA	\$ 0.20	\$ 0.20	0.20	6400	\$1,280	LAND
12	COLE DOUGLAS W AND BONNIE A	t0000206	2201 AIRPORT WAY RICHLAND, WA	\$ 0.20	\$ 0.20	0.20	6534	\$1,307	LAND
17	O'NEIL WILLIAM	t0000075	2146 BUTLER LOOP RICHLAND, WA	\$ 0.18	\$ 0.18	0.18	7134	\$2,283	LAND
13	HAILEY JEREMY & VANESSA	t0000041	2221 AIRPORT WAY RICHLAND, WA	\$ 0.25	\$ 0.25	0.25	6534	\$1,634	LAND
9	SHAW, GREG	t0000090	2220 AIRPORT WAY, RICHLAND WA	\$ 0.19	\$ 0.19	0.19	6400	\$1,216	LAND
14	MYPROCONTRACTOR LLC	t0000093	2241 AIRPORT WAY, RICHLAND WA	\$ 0.19	\$ 0.19	0.19	6534	\$1,241	LAND
15	FOGELSON, ROBERT	t0000055	2261 AIRPORT WAY, RICHLAND, WA	\$ 0.37	\$ 0.37	0.37	6400	\$2,368	LAND
16	ZERO GRAVITY BUILDERS INC	t0000177	2105 BUTLER LP, RICHLAND WA	\$ 0.23	\$ 0.23	0.23	9583.2	\$2,204	LAND
1	QB AVIATION LLC	t0000074	1925 TERMINAL DR RICHLAND, WA	\$ 0.18	\$ 0.18	0.18	13013	\$2,342	LAND
11	BERKEY, CLIFTON	t0000207	2260 AIRPORT WAY RICHLAND WA	\$ 0.22	\$ 0.22	0.22	6534	\$1,437	LAND
72	JR IMAGING LOGISTICS	t0000251	1865 BRONCO LN	\$ 1.06	\$ 1.06				BUILDING & LAND
22	AIRCOOLED ADVENTURES LLC	t0000062	2108 BUTLER LOOP RICHLAND, WA	\$ 0.26	\$ 0.26		6534	\$1,699	LAND
not listed	Henningsen Cold Storage (Lineage Logistics)	t0000158	2025 Saint Street	\$ 0.03	\$ 0.03	0.03	52708	\$1,581	LAND
							592497.2	\$88,284	
								\$189,599	

EXHIBIT 8

PORT OF BENTON
COMMISSION MEETING MINUTES
May 22, 2025

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Commission Meeting Room, 3250 Port of Benton Blvd., Richland, Washington.

PRESENT: Commissioner Scott D. Keller, Commissioner Lori Stevens (attended virtually), Commissioner Roy D. Keck

PORT STAFF PRESENT: Diahann Howard, Quentin Wright, Summers Miya, Ron Branine, Brandin Lopez, Audrey Burney, Jeff Lubeck, Cassie Hammond; Julia Mora

ALSO PRESENT: John O’Leary, Gravis Law; Ashley Garza; Clif Dyer, Sundance Aviation; Jon Ray, Rest on High; Teresa Hancock; Bill O’Neil; Christy Rasmussen; Aaron DeWitt

The following attendees attended via remote communications: Sheri Collins; Angela Saraceno-Lyman; Jorge Celestino; Bryan Bell; Wendy Culverwell, Tri-City Herald

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Teresa Hancock led those present to recite the Pledge of Allegiance.

C. CONSENT AGENDA:

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the agenda for the May 22, 2025, Commission meeting, approval of minutes from the April 9, 2025, Commission meeting, and approval of vouchers and certifications, including payroll, for the month of April totaling \$1,355,955.91 and Resolution 25-15, to cancel warrant Nos. 084522 and 084670, which were printed with errors and not issued.

D. PUBLIC COMMENT:

Bill O’Neil, a Richland Airport tenant, introduced himself and stated that he was running for District 1 Commissioner, requesting consideration to postpone the update to the strategic plan, stating he would like to participate in this update, if elected.

Clif Dyer, of Sundance Aviation at Richland Airport, noted that there was a recent issue with flooding at the building he leases at the airport. Dyer explained the timing of the updates to the building’s roof and the rainstorm.

Dyer stated that the building sustained flood damage and asked the Commission to consider extra funding to upgrade the area.

Dyer complimented the Port team for their attention to the matter.

E. PUBLIC HEARING

Commission President Scott Keller opened the public hearing at 8:35 a.m.

1. For the Purpose of Receiving Public Comment Concerning Declaring Property Excess of the Future Needs of the Port and Advisability of Potential to Sell, Lease, Transfer or Otherwise Exchange Real Property and Improvements Owned by the Port of Benton

Real Estate Manager Audrey Burney stated in accordance with RCW 53.08.090, related to the Comprehensive Plan of Harbor Improvements, that the Commission consider removing 1.5 acres from the Technology & Business Park.

Burney highlighted that the Port has followed proper steps in advertising the public hearing. Burney clarified that the parcel was land only, on which one of the Sigma buildings sits, 3160 9th Street. The total selling price is \$447,500, which is the midpoint of two evaluations.

Commission President Scott Keller closed the public hearing at 8:36 a.m.

F. ITEMS OF BUSINESS

1. Resolution 25-16, To Surplus Real Property and Amend the Comprehensive Plan of Harbor Improvements – Technology & Business Campus

Real Estate Manager Audrey Burney reviewed the information provided in the public hearing, asking for Commission considering to amend the Comprehensive Plan of Harbor Improvements and to surplus real property.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-16, to surplus real property and amend the Comprehensive Plan of Improvements in the Technology and Business Campus.

2. Resolution 25-17, Authorizing the Sale of Real Property – Technology & Business Campus

Real Estate Manager Audrey Burney provided an overview of the real property located at 3190 9th Street, Richland, Washington, located in the Technology & Business Campus.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving Resolution 25-17, authorizing the Port of Benton to proceed with the sale of real property located at 3190 9th Street, Richland, Washington, located in the Technology & Business Campus.

3. Butler Loop Mini Storage, LLC – Richland Airport

Port of Benton tenant and owner of Butler Loop Mini Storage, LLC, Aaron DeWitt noted that he was back to follow up from the February Commission meeting, where he presented the concerns about his lease rate.

Extended discussion regarding attempts to re-negotiate the lease at Richland Airport for Butler Loop Mini Storage ensued.

DeWitt provided background that at the February 12, 2025 Commission meeting, the Commission voted to renegotiate the lease at an average of adjacent lease rates.

A verbal agreement was reached at 10 cents/sq. foot, but DeWitt stated that it was subsequently withdrawn due to claims of FAA requirements.

DeWitt pointed out that no FAA approval language was in the formal motion, and sought written proof of this FAA requirement.

Executive Director Diahann Howard explained that the Port must comply with FAA grant assurances regarding fairness and consistency, and the average lease rates put DeWitt's proposal below what is considered acceptable. Existing older contracts with other tenants are far below new market values due to historic rates not being adjusted; the Port aims to stair-step all rates up for fairness.

Howard explained that the FAA does not set explicit lease rates, but requires fair market value across the board and legal counsel and both the State Auditor's Office (SAO) and FAA want to see a consistent, non-differential approach.

DeWitt stated that he is paying significantly (2x-9x) higher rates than adjacent or competitor storage tenants, many of whom have had little to no increases in decades.

The Commissioners deliberated on Port precedent, ethical obligations and the lack of documentary evidence for an FAA-imposed minimum. Several challenged staff to provide the guidelines in writing. The Commission agreed to obtain and review all relevant FAA and SAO correspondence and guidance regarding minimum lease rates and correspondence and guidance regarding minimum lease rates and fairness, particularly as they impact this and other leases. Staff will collect written documentation before any final solution is adopted.

4. Resolution 25-18, Acceptance of Completion of Work, Inland Asphalt Inc. – Port of Benton Blvd. Pavement Replacement Project – Technology & Business Campus

Director of Facilities & Operations Ron Branine explained that this project completed pavement work on Port of Benton Blvd. Branine explained that there were two change orders on this project, but the total cost, including Washington State Sales Tax, came to \$104,710.01.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-18, Acceptance of Completion of Work, Inland Asphalt Inc. – Port of Benton Blvd. Pavement Replacement Project – Technology & Business Campus, at a total project cost of \$104,710.01.

5. Resolution 25-19, Acceptance of Completion of Work, Railworks Track Systems, LLC – Saint Street and Airport Way Railroad Crossing Replacement Project (FRAP)

Engineering and Capital Development Manager Brandin Lopez explained that this resolution will wrap up the rail crossing replacement projects at Airport Way, Saint Street and Kingsgate, noting that total cost with Washington State Sales Tax came to \$1,145,830.71.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving Resolution 25-19, acceptance of work, Railworks Track Systems, LLC – Saint Street and Airport Way Crossing Replacement Project (FRAP), at a total project cost of \$1,145,830.71.

6. Resolution 25-20, Acceptance of Completion of Work, Railworks Track Systems, LLC – 2024 Tie Replacement Project

Engineering and Capital Development Manager Brandin Lopez noted that this grant-funded project was completed a few months ago and was an integral piece of improving the rail. Lopez stated that total project cost with Washington State Sales Tax was \$673,827.07.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-20, acceptance of completion of work, Railworks Track Systems, LLC – 2024 Tie Replacement Project, at a total project cost of \$673,827.07.

7. Approval of New Contract with Columbia Sweeping Service, Inc. – Crack Seal and Seal Coat Project – 2579 Stevens Dr., Richland Business Park

Director of Facilities & Operations Ron Branine explained that this contract is for 2579 Stevens Drive pavement, which has not been maintained in ten years. Branine noted that approximately 75% of the project will get completed with this contract.

Branine stated that four bids were received and Columbia Sweeping Service was the lowest bidder. Total project bid was \$160,187.20.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving a new contract with Columbia Sweeping Service, Inc. – Crack Seal and Seal Coat Project – 2579 Stevens Dr., Richland Business Park for \$160,187.20.

8. Amendment to Contract – HDR Engineering, Inc., - Construction Engineering Assistance – Steptoe/Tapteal Intersection Project

Engineering & Capital Development Manager Brandin Lopez explained that this engineering amendment for HDR Engineering, Inc. is for the Steptoe/Tapteal intersection project and is a cost-sharing adjust as City and railroad requirements increased to \$150,000, with the Port responsible for the first \$100,000.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving an amendment to the contract with HDR Engineering, Inc., Construction Engineering Assistance, Steptoe/Tapteal Intersection Project

9. Acceptance of Change Order – 1845 Terminal Drive Window Replacement Project, Richland Airport

Airport Manager Quentin Wright explained that there was a minor increase of \$2,830 to finish the window replacements at 1845 Terminal Drive, which will allow the Port to complete the project for the entire building.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving the acceptance of a change order for the 1845 window replacement project at Richland Airport for \$2,830.

10. Proclamation 25-01, Honoring USS Triton Veterans and Dedicating a Commemorative Wall at the USS Triton Sail Park

Public Information Officer Summers Miya read Proclamation 25-01, honoring USS Triton Veterans and Dedicating a Commemorative Wall at the USS Triton Sail Park.

**PORT OF BENTON
OFFICIAL PROCLAMATION – 25-01
HONORING USS TRITON VETERANS AND DEDICATING A
COMMEMORATIVE WALL AT THE USS TRITON SAIL PARK**

WHEREAS, USS Triton (SSRN 586) was one of the first nuclear-powered submarines operated by dual nuclear reactors, direct descendants of Hanford reactors; and

WHEREAS, in 1960, in a historic first mission, Triton covered 26,723 nautical miles, completely submerged, and generally followed the around-the-world route explorer Ferdinand Magellan had attempted to navigate in 1521; and

WHEREAS, Triton completed this top-secret expedition called Operation Sandblast, acquiring valuable data and demonstrating the crew's endurance and the submarine's technical capabilities during the Cold War; and

WHEREAS, in May of 1960, President Dwight D. Eisenhower presented Captain Edward L. Beach Jr. with the Legion of Merit and Secretary of the Navy William B. Frank presented Triton's officers and crew with the Presidential Unit Citation; and

WHEREAS, Triton stayed in operation until May 1969, and during its years of service, served as a temporary home to 857 chief petty officers, officers and enlisted personnel; and

WHEREAS, Triton performed several vital missions, demonstrating the capabilities of the first-generation nuclear-powered submarines and American military and technological dominance during the Cold War; and

WHEREAS, the USS Triton Sail Park Commemorative Wall located at 3300 Port of Benton Boulevard in Richland, Washington, stands as a tribute to the dedication and sacrifice of all the individuals who served aboard Triton; and

WHEREAS, this wall will serve as a symbol of remembrance and gratitude for the community; and

NOW, THEREFORE, BE IT PROCLAIMED that the Port of Benton Commission expresses its sincere and wholehearted appreciation to all USS Triton's officers and crew who served aboard Triton throughout its commissioning and do hereby proclaim June 14, 2025, as a day to celebrate Triton's veterans commemorated on the USS Triton Sail Park wall, and to reflect upon their sacrifices and honor their legacy.

DATED AND SIGNED at Richland, Washington, on the 22nd day of May 2025.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Proclamation 25-01, which honors USS Triton Veterans and Dedicates a Commemorative Wall at the USS Triton Sail Park.

G. INFORMATION REPORTS:

1. Grants Update

Executive Director Diahann Howard reviewed the grants report.

Item 5 – Port Infrastructure Development Program, Discussion of project with MARAD, application deadline is September 10.

Item 6 – State Capital Request, \$240,000 capital request, \$3.55 million earmark lost. Currently rescoping for design/engineering work on intermodal projects.

Item 9 – CERB/EDA - \$2.4 million CERB loan awarded for major renovation at 2579 Stevens Drive building. Ongoing pursuit of Benton County Rural County Capital Funds (\$1.5 million) and EDA grant, which is delayed, but will seek for future build-out.

Item 10 – NSF Engine, Application, with Port as supporting administrator, for National Science Foundation “engine” and the dollars are through VERTICAL partnerships, with a potential for award mid-2026 and alternative interim funding possible.

2. Intermodal Update

Engineering & Capital Development Manager Brandin Lopez stated that a successful presentation was given to the CERB board.

Lopez noted that he would present a visual summary of the Port’s multimodal connectivity – road, river, rail, air.

Lopez stated that there are currently several active tenants and facilities utilizing rail, including Barnhart, American Rock, Central Washington Corn Processors.

Lopez reviewed current visions for intermodal, depending on available funding.

H. COMMISSIONER REPORTS/COMMENTS

Commissioner Lori Stevens attended Prosser EDA and Prosser Chamber meetings, all with great updates.

Commissioner Scott D. Keller noted that he attended the WPPA spring meeting, noting that a lot is on hold at the moment. Commissioner Keller noted that he also attended the Washington Airport Managers Association annual meeting, which featured a discussion on the fuel tax on aviation fuel topic. Keller added history on the fuel tax topic, noting that the taxes are meant to go back to the airports throughout the state, which has not been happening, but would help airports tremendously.

Commissioner Roy D. Keck stated that he attended the Energy Communities Alliance (ECA) event in Idaho Falls, where they are developing new modular reactors on site. Keck noted that there was discussion about new nuclear siting and projects, including the permitting process.

Keck added that he attended the WPPA spring meeting, which he felt that other ports are also looking at other sites for future nuclear plants, which confirmed that the Port and VERTICAL are on the right track and will ultimately produce thousands of jobs.

Keck requested copies of the airport minimum operation standards be shared with all Commissioners.

I. DIRECTOR REPORTS/COMMENTS:

1. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck provided a financial status report as of April 2025.

Lubeck provided a status update of the 2023 audits (financial statement, accountability and single audit), noting that the SAO has completed field work for each audit and will be scheduling an exit conference soon. Lubeck added that no financial adjustments were required for submission.

Lubeck stated that the financial information for the 2024 financial statement submission is on time and will be submitted next week, noting that the complete final package will be submitted in draft form as 2024 cannot be finalized until SAO publishes the 2023 report.

Lubeck provided an update on the HR policy refresh, which was last updated in 2021 and 2022, stating that the updated policy manual will be brought forward for Commission review.

Lubeck provided an overview of current cash balances, noting to expect continued volatility due to timing of large projects, grant expenditures and grant reimbursements.

Lubeck reviewed April cash receipts and disbursements and the current accounts receivable report. Lubeck reviewed the operating expense summary, including providing a visual of the operating budget variance by department through March 31, 2025, showing that actual expenditures are under budget through March 31.

2. PORT ATTORNEY:

Contract Port attorney John O'Leary stated that he will work with staff to assemble the FAA/SAO guidance and minimum standards for lease and compliance discussions, to inform next steps in the Bulter Loop Mini Storage matter and broader tenant policy.

3. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard provided an update on waterfront planning and engineering, which has been contracted with Maul Foster Alongi.

Howard notified the Commission that the State Route 240 railroad crossing replacement project was scheduled for Thursday, May 29, through Monday, June 2, by 6 a.m.

Howard stated that CKJT has is performing a building assessment on 2579 Stevens Drive and the shore power project (barge facility) is in the concept and engineering stage.

Howard stated that the Port and Central Washington Corn Processors were involved in ongoing lease negotiations and a new lease may be presented to the Commission in the next 60 days.

Howard stated that the car charge agreement with BN and UP is under legal review and continue to target a July start.

Howard announced that she was appointed to the WPPA legislative committee as chair, beginning in June.

Howard notified the Commission that the Subway sale would close in June and provided updates on several rental and land prospects.

Howard added that upcoming events include the M-84 event in Kalama and the I-90 manufacturing conference.

Howard added that the strategic plan update may be deferred pending Commissions decision.

Howard provided an update on the discovery of unpermitted water lines at Richland Airport hangars.

During a City of Richland inspection in April, unpermitted and unmetered water lines to private airport hangars were found. Additional lines may exist. The Port has notified some of the current tenants and is hiring a company to use ground-penetrating radar to locate all underground lines.

Future inspections may include a "doors up" audit of all hangars, with requested participation from city, county, FAA and Port staff.

The intent is to ensure full compliance with all utility, safety, and regulatory requirements moving forward.

Comments were made related to attempts in 2017 to address utility issues.

Commissioner Scott Keller stated for public record, that in 2017, he notified Roger Wright, the Port's engineer, of the meter concerns, prior to the purchase of the building and requested his help with the City to rectify the issue. Commissioner Keller added that he has emails to backup these attempts.

J. FOR THE GOOD OF THE ORDER

There were no comments regarding the Good of the Order schedule of events.

K. **EXECUTIVE SESSION:** An executive session was not called.

L. **ADJOURNMENT:** The meeting was adjourned at 10:12 a.m. with an announcement that the next regular Port of Benton Commission meeting would be held at 8:30 a.m. on Wednesday, June 18, 2025, at the Port of Benton Commission meeting room, 3250 Port of Benton Boulevard, Richland, Washington.



Roy D. Keck, Commission Secretary

EXHIBIT 9

\$85,000



FEATURES

- 2,400 SF
- 0.25 Acres
- 1/2 bath
- 60' x 40' building size
- 36' Bi-Fold doors
- Kitchen space
- Heated & Insulated
- Private Road
- Floor epoxied

BLDG 2049 BUTLER LOOP H-2, RICHLAND

MLS#219516



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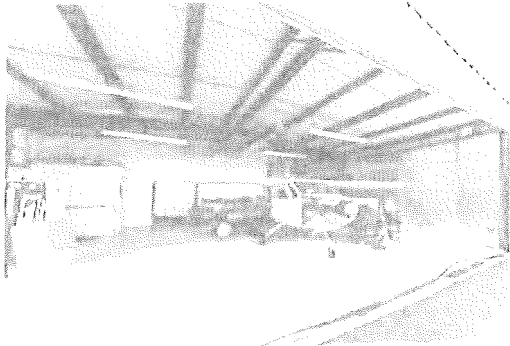
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TRI-CITIES

\$85,000

BLDG 2049 BUTLER LOOP
RICHLAND, WA
MLS 219516



Built on Grade	Yes	Elevator(s)	Unknown
Dock-High	Unknown	Cold Storage	Unknown
Clear Span	Unknown	Truck Doors	Unknown
Parking	0 - 10 Spaces	Sprinkler System	Unknown
Rail Access	Unknown	Number of Acres	0.25

THOMAS MAYHEW - 509-302-7145
CENTURY 21 TRI-CITIES

Business Name
Franchise (Y/N)
Total Building SQF **2,400**
Finished SQFT
Below Grade SQFT **0**
Lot Dimensions
Year Built **2000**
Retail SQFT
Office SQFT
Warehouse SQFT
Showroom SQFT
Frontage (Linear Ft.)
Ceiling Height

Zoning Type **SEE REMARKS**
Percent Leased
of Tenants
Annual Lease Rate
Furniture/Fixtures/Equip.
Inventory
Goodwill
Non Complete
Type Business Opportunity
Daily Traffic Count
Safe Includes **Hanger**

Assumable
Accelerate
Qualify
Avg. Monthly Utilities
Proj. Annual Income
Proj. Annual Vacancy
Proj. Annual Expenses
Projected NOI
Projected Cap Rate
Points Offered

STYLE/BUILDING **Steel Frame**
BUILDING EXTERIOR **Metal**
ROOF **Metal**
PROPERTY DESCRIPTION **Leased Land**
INTERIOR FEATURES **Floors - Concrete**
Utilities/Electricity **Electric**

AIR CONDITIONING **Heat Pump**
WATER/SEWER **Public Water, Sewer Connected**
Heating **Heat Pump**
STREET/ROAD INFORMATION **Paved, Private Road**

Public Remarks **Great 2,400 SF GBA containing two 40' wide x 30' deep Airplane hangers, with 36' Bi-Fold doors, each side. Building dimensions are 60' x 40'. One side leased to tenant. Kitchen space on one side and a tiled 1/2 bath accessible from either side. Heated and insulated. Floor epoxied. Secure and convenient Richland Airport location. Land lease is currently: \$329,82 per year. Average electric bill for 2016 was \$96.50 per month. Current tenant would like to stay if the new buyer wants a tenant. It is possible to run an aviation business out of this location. Zoning: Aviation Hanger. A new land lease would need to be negotiated with Port of Benton.**

Hwy 240 to Richland Airport

BLDG 2049 Butler Loop H-2, Richland, WA 99354

\$85,000 For Sale

Type: Industrial Sq Ft: 2,400 Lot Size: 0.25 Sq. Ft.



Property Details for BLDG 2049 Butler Loop H-2, Richland, WA...

Listed By CENTURY 21 Tri-Cities

Property Overview

Great 2,400 SF GBA containing two 40' wide x 30' deep Airplane hangers, with 36' Bi-Fold doors, each side. Building dimensions are 60' x 40'. One side leased to tenant. Kitchen space on one side and a tiled 1/2 bath accessible from either side. Heated and insulated. Floor epoxied. Secure and convenient Richland Airport location. Land lease is currently: \$329.82 per year. Average electric bill for 2016 was \$96.50 per month. Current tenant would like to stay if the new buyer wants a tenant. It may be a possibility to run an aviation business out of this location. Zoning: Aviation Hanger.

Features

- Age: 11-20 Years Old
- Area Description: Suburban
- Building Area: 2400.00 SF
- Cross Docks: N
- For Auction: N
- Half Bathrooms: 1
- Industrial Ground Level: N
- Location Name: Richland Airport
- Lot Size: 0.26
- Lot Size Desc: Under 1/2 Acre
- Lot Size In Text: 0.25 Sq. Ft.
- MLSID: 219516
- Price Upon Request: N
- Property Use: Other Commercial
- Rail: N
- Roof: Metal Roof
- Sprinklers: N
- Style: Other Style
- Sublease: N
- Tax Year: 2016
- Taxes: \$924.24
- Year Built: 2000
- Zoning: Aviation Hanger

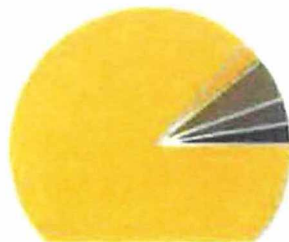
Demographic Data for Richland, WA 99354

ASK A QUESTION

HOUSEHOLD INCOME	MEDIAN AGE	OWNER OCCUPIED DWELLINGS	VACANT DWELLINGS	HOUSEHOLDS WITH CHILDREN
\$77K	39	5,668	530	2,824

ETHNIC BACKGROUND

- WHITE 87%
- AFRICAN AMERICAN 2%
- AMERICAN INDIAN 1%
- NATIVE ISLANDER 0%
- ASIAN 5%
- MULTIPLE TYPES 3%
- OTHER 3%



POPULATION

22,044

Population per Square Mile

1,085.4

Population Change Since 2000

Benton County, Washington

generated on 3/20/2015 12:48:20 PM PDT

Property Report

Parcel ID	Address	Index Order	Card
834083000001018	2049 BUTLER LOOP,RICHLAND,WA,9935	Street Address	1 of 3

Summary

Summary			
Property Location	2049 BUTLER LOOP,RICHLAND	Number of Stories	
Land Use	843 843 Aircraft Transport	Finished Square Footage	0
Neighborhood	670100	Year Built	
Acres		Total Rooms	0
		Full Bathrooms	0
		Half Bathrooms	0
		Foundation	

Legal Description

Property Information
 Section 34 Township 10 Range 28: IMPROVEMENTS/LEASEHOLD ONLY: (Legal to follow is for real property (1-3408-300-0001-006) that these improvements are situated on): THAT PORTION OF THE WEST ONE HALFA

Owner Information

SKINNELL AIRPLANE HANGAR

Mall Information

9207 MAJESTIA LN,PASCO,WA,99301

Mkt. Land	\$0
Mkt. Improvement	\$80,480
Mkt. Total	\$80,480
Total	\$80,480

Most Recent Sale

Sale Amount

Sale Date
 Exclse Number

Residential

Type

Year Built
 Building Style

Exterior Wall Type
 Heating
 Central Air
 Fire Place(s)
 Garage Type

Attributes

Number of Stories
 Total Rooms 0

Half Bathrooms
 Full Bathrooms
 Condition

Dimensional Attributes

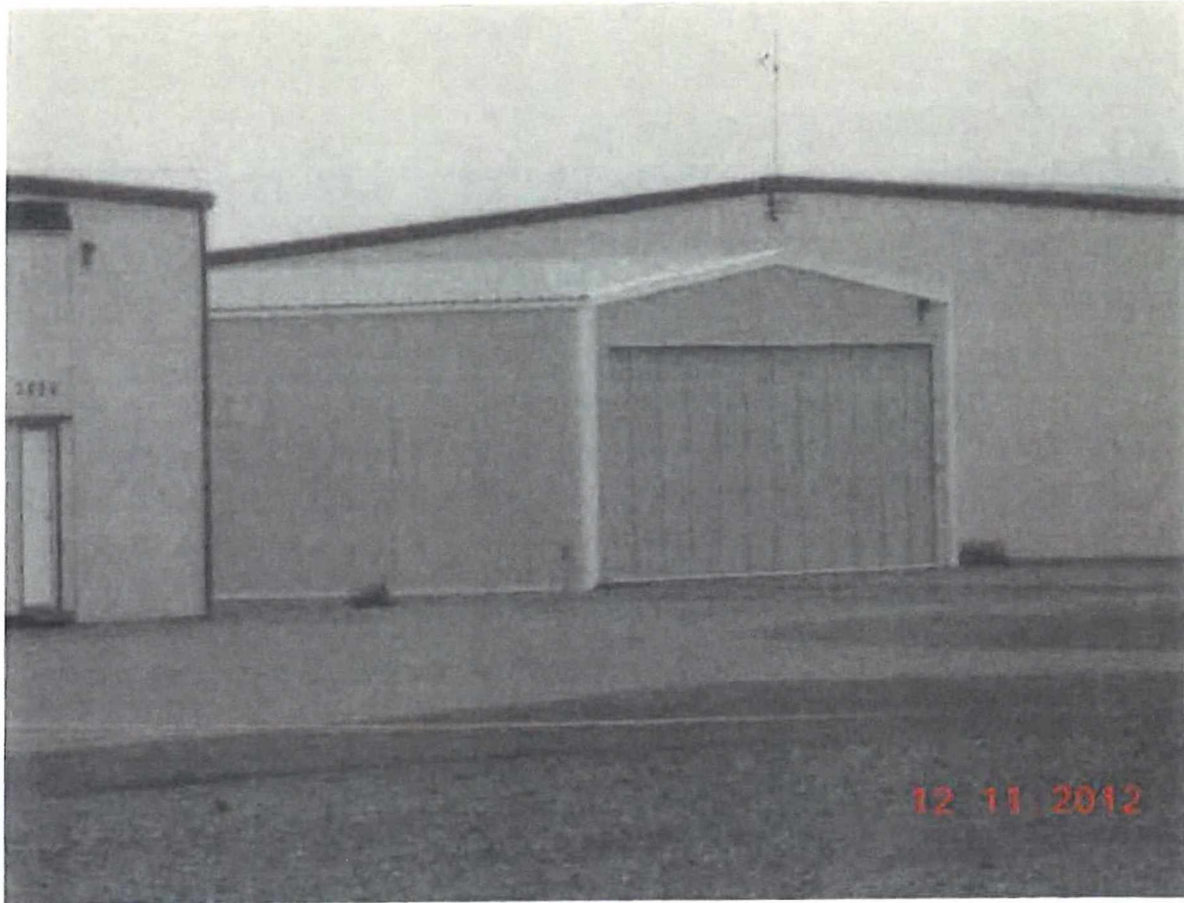
Finished Square Footage 0
 Total Lower Level Area
 Finished Lower Level Area

Total Basement
 Finished Basement

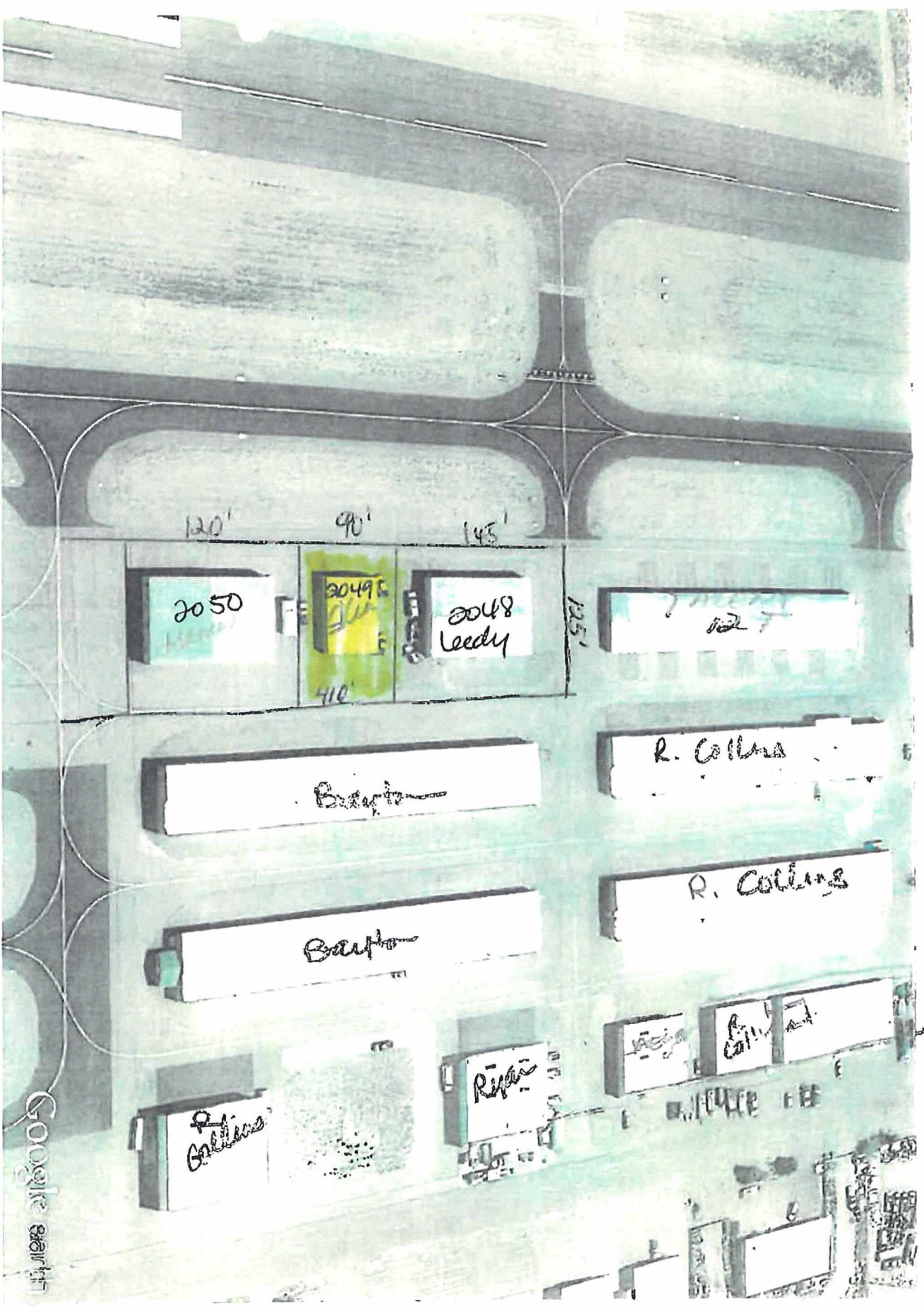
Transfer

Book	Page	Sale Price	Sale Date	Current Owner	Previous Owner
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Image

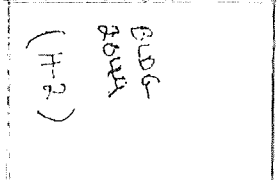
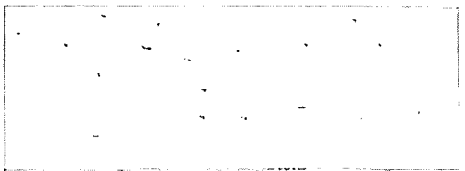
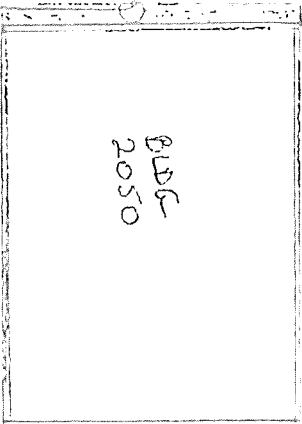
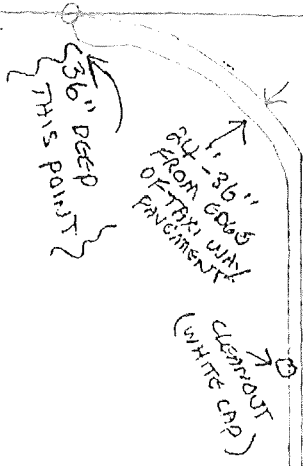


No
Image
Found

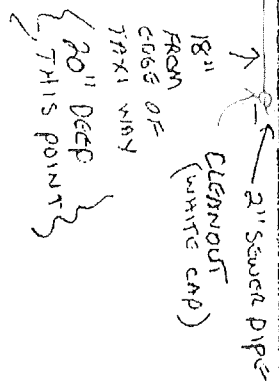


TAXI WAY

8" SEWER
36" DEEP
THIS POINT



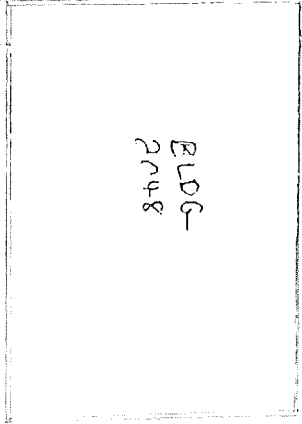
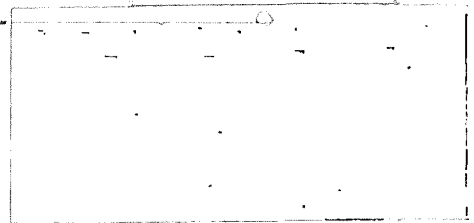
TAXI WAY



STOPS

2" SEWER PIPE

TAXI WAY

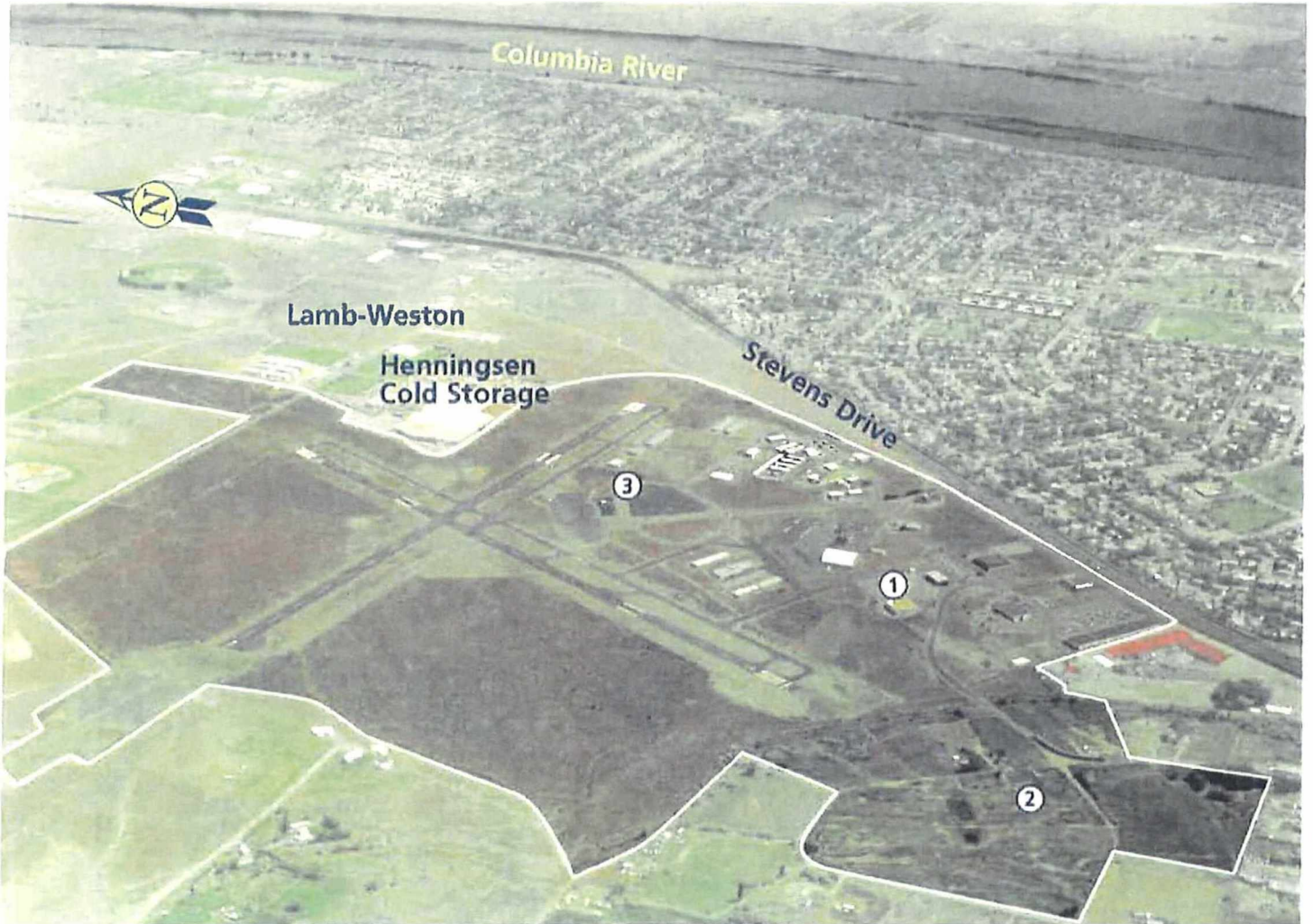


AS-BUILT

SEWER PIPE
2049 ENTER LOOP



Ricnland Airport



Description/Size:

The Ricnland Airport totals 650 acres. Of that, 290 support airport operations, 120 are ready to develop. Office, commercial and industrial facilities make up the light industrial complex. The airport is zoned light to medium industrial. Phase 1 EIS is not completed.

Location:

Located in western Ricnland, bounded by SR 240 to east, industrial sites to north, commercial complex to south and mostly open land to west.

Comments:

The Ricnland Airport is about two miles from downtown Ricnland. Airborne Express is located here and 85 general aviation aircraft utilize the two 4,000 ft runways.

Transportation Links:

Access to I-82 three miles south. Rail available to site. Barge access located four miles north at Technology and Business Campus.

Utilities:

Water, sewer, and electrical provided by City of Ricnland. Natural gas also available to all sites.

1. Airborne Express
2. Buckskin Golf Club
3. Ricnland Skysports



For further information, please contact:
Scott Keller

Port of Benton

3100 George Washington Way
Ricnland, WA 99352
(509) 375-3060/FAX: (509) 375-5287
Email: keller@port-of-benton.com
Website: www.port-of-benton.com

EXHIBIT 10

EXHIBIT 11

From: Diahann Howard <dhoward@portofbenton.com>
Sent: Tuesday, May 13, 2025 8:24 AM
To: DAlessandro, Carlo
Cc: Quentin Wright; Brandin Lopez; Audrey Burney; Ashley Garza; Summers Miya; Jeff Lubeck
Subject: RE: Illicit Connection(s) to Water System at Airport

Carlo,

Thank you for your communication regarding the illicit water connection issue. The Port plans to hire a utility locate service to use ground penetrating radar to find all the water connections in the area of concern in addition to other utilities as requested. We plan to get this contract completed by next week and get the issue communicated to our commission, community and airport users.

Once we get that data, we will correlate with our information in addition to providing it to the city so that you can do the same. We hope this will provide us with enough information and identify the existing water and other utility meters that we should be able to determine who has a legitimate connections and who does not.

Our next step would be to notify the parties and provide them 3-6mths to remedy the issue with the city and port. For any further actions needed we will remain coordinated with the city.

We appreciate your coordination with the Port and look forward to resolving this matter together.

Thank you,

Diahann

Diahann Howard | [Port of Benton](#), Executive Director PPM®, PPX®
3250 Port of Benton Blvd. | Richland, WA 99354
509. 375. 3060 | Office
Email: dhoward@portofbenton.com

This email may contain privileged or confidential information disclosed only to the addressee. If you have received this email in error, do not copy or distribute it to other persons not authorized to receive it. Please call the sender at 509.375.3060 to make arrangements for the document to be retrieved or destroyed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. Warning: Although the Port of Benton has taken reasonable precautions to ensure no viruses are present in this email, the Port shall not accept responsibility for any loss or damage arising from the use of this email or attachments.

Disclaimer: Public documents and records are available to the public as provided under the Washington State Public Records Act (RCW 42.56). This e-mail may be considered subject to the Public Records Act and may be disclosed to a third-party requestor.

From: DAlessandro, Carlo <cdalessandro@CI.RICHLAND.WA.US>
Sent: Wednesday, April 30, 2025 12:56 PM
To: Diahann Howard <dhoward@portofbenton.com>
Subject: RE: Illicit Connection(s) to Water System at Airport

CAUTION: This email originated from outside of the Port of Benton. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thanks for your response. Please let me know how we can assist you.



Carlo D'Alessandro, PE
Public Works Director
625 Swift Blvd., MS-26 | Richland, WA 99352
(509) 942-7558

From: Diahann Howard <dhoward@portofbenton.com>
Sent: Wednesday, April 30, 2025 12:50 PM
To: DAlessandro, Carlo <cdalessandro@CI.RICHLAND.WA.US>
Subject: RE: Illicit Connection(s) to Water System at Airport

[EXTERNAL EMAIL] Exercise caution before clicking links or opening attachments.

Carlo,

Thank you, I will be working with our team to discuss and find resolution to this issue. We will outline next steps, including completion of inventory and get back to you early next week with proposed plans.

Appreciate you bringing this to our attention and working with us to successfully remedy this issue.

Sincerely,

Diahann

Diahann Howard | Port of Benton, Executive Director PPM®, PPX®
3250 Port of Benton Blvd. | Richland, WA 99354
509. 375. 3060 | Office
Email: dhoward@portofbenton.com

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Disclaimer: Public documents and records are available to the public as provided under the Washington State Public Records Act (RCW 42.56). This e-mail may be considered subject to the Public Records Act and may be disclosed to a third-party requestor.

From: DAlessandro, Carlo <cdalessandro@CI.RICHLAND.WA.US>
Sent: Wednesday, April 30, 2025 11:28 AM
To: Diahann Howard <dhoward@portofbenton.com>
Subject: Illicit Connection(s) to Water System at Airport

CAUTION: This email originated from outside of the Port of Benton. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Diahann,

City of Richland Public Works staff discovered an unpermitted and unmetered connection to our water distribution system serving Port of Benton property at the Airport. I was told that the Port was informed verbally and that the Port is performing an inventory of potential unmetered services to provide to the City. Under Richland Municipal Code Title 18, I am informing you of the City’s discovery and I would like to know what you propose to address the issue. Please let me know what the plan is regarding the Port’s inventory, communication, and schedule regarding the illicit connection and potential theft of water.

Please also provide information on sewer services discovered during your inventory.

Thank you,



Carlo D’Alessandro, PE
Public Works Director
625 Swift Blvd., MS-26 | Richland, WA 99352
(509) 942-7558

Disclaimer: Emails and attachments sent to or from the City of Richland are public records subject to release under the Washington Public Records Act, Chapter 42.56 RCW. Sender and Recipient have no expectation of privacy in emails transmitted to or from the City of Richland.

This email may contain privileged or confidential information disclosed only to the addressee. If you have received this email in error, do not copy or distribute it to other persons not authorized to receive it. Please call the sender at 509.375.3060 to make arrangements for the document to be retrieved or destroyed. Any use, copying, retention or disclosure by any person other than the intended recipient’s designee is strictly prohibited. Warning: Although the Port of Benton has taken reasonable precautions to ensure no viruses are present in this email, the Port shall not accept responsibility for any loss or damage arising from the use of this email or attachments.

Disclaimer: Public documents and records are available to the public as provided under the Washington State Public Records Act (RCW 42.56). This e-mail may be considered subject to the Public Records Act and may be disclosed to a third-party requestor.

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EXHIBIT 12

Herb Brayton
3104 Kathemein
Pasco, Washington 99301
Telephone 545-1302 Fax 545-0213

May 17, 1999

Scott Keller
Port of Benton
3100 George Washington Way
Richland, Washington 99352

Dear Mr. Keller,

This letter is to confirm and clarify our telephone discussions of last week between you, JUB Engineering and me.

The bottom line cost on the utility realignment is \$ 21,000.00. This is the figure that Allan at JUB Engineering quoted me. I also understand that the POB will own the sewer and water lines. The routing of the sewer line along the West side of the hangars was the only way Bing's hangar could be serviced. If the sewer had been routed down the entrance road, Bing would have been left out.

At this time I agree to participate in the cost of this realignment. Presently there are four interested parties:

Herb Brayton	2 shares; one for each of hangars
Jim Leedy	1 share, he talked to me yesterday, I didn't quote price
David Kleese	1 share, we talked last week and he wanted in
Bing M.	1 share, JUB was to meet with him and talk price

Total Shares 5 Each share \$21,000.00 divided by 5 = \$ 4,200.00

My commitment to this project would be 2 shares or \$ 8,400.00. This is the amount due to POB 30 days after completion of the job.

I also understand that any additional users of this infrastructure would pay prorated late comer's fee, which would come back to the original participants. This could be in the form of lease credits.

Sincerely,


Herb Brayton

C: JUB Engineering-fax
file

LOCAL

Retired judge accuses Tri-Cities port of protecting 'guilty' commissioner

By **Wendy Culverwell**

February 12, 2026 6:04 PM

The Port of Benton misled the public about illegal water use at Richland Airport, ex-judge says.
By Port of Benton meeting archives

✦ Key Takeaways

AI-generated summary reviewed by our newsroom.

KENNEWICK, WA

A judge for 39 years in the Tri-Cities accused the president of the Port of Benton this week of misrepresenting the content of a letter that allegedly exonerated another port commissioner.

Retired Judge Eugene Pratt delivered his blistering message during this week's Port of Benton commission meeting, specifically calling out President Bill O'Neil.

"I'm appalled that there has been zero action taken by Commissioner (Lori) Stevens and Commissioner O'Neil to ensure accountability or rectify the misuse of public funds. Rather, the response has been to justify the actions and protect the guilty," Pratt told them.

Pratt said O'Neil misled the public in January when, along with Stevens, he largely dismissed evidence that [Scott Keller violated port policies and broke state laws](#) both as a former port employee and now as one of its elected leaders.

Pratt, who retired in 2009 from the Benton County District Court, spoke out during the public comment session Feb. 11. Until recently, Pratt's daughter, Ashley Garza, worked as a contractor for the port.

The port commission thanked Pratt but did not respond and moved on to other port business.

The Port of Benton, based in Richland, employs 22 people and has a \$26 million annual budget. Bob Brawdy
bbrawdy@tricityherald.com

Keller allegations investigation

Last fall, the port hired law firm Schwabe, Williamson & Wyatt to investigate 24 allegations contained in two complaints targeting Keller's conduct.

Keller worked for the port for 30 years until retiring in 2019 as executive director. He returned four years later as an elected commissioner.

The complaints spanned decades and were filed by then-Commissioner Roy Keck, and by Diahann Howard, the now suspended executive director who forwarded a batch of complaints to the commission.

The public port with an annual budget of \$26 million is based in Richland and serves western Benton County, including Prosser.

It employs 22, operates numerous business parks and the airports in Richland and Prosser and is funded with a mix of rent payments by tenants, grants and property taxes.

It is led by an executive director who answers to the three-person commission.



Port of Benton commissioners Scott Keller, Lori Stevens and Bill O'Neil, from left.

No action on most serious findings

The Schwabe report found that Keller violated port policies and Washington state law on four occasions, first as a staff member and then, as a commissioner.

O'Neil, who took office in January, and Stevens voted to censure Keller for violating a port policy by telling an employee things would change after the election.

But the board took no action on the more serious findings that Keller violated state laws concerning misuse of public funds and for tapping into the city water

system without a legal connection at his Richland Airport hangar.

This week, Pratt expressed shock the investigation was mostly ignored.

“I am in disbelief at your continued willful disregard of the law, truth and more importantly, your public duty of service,” he told the commission.



Judge Eugene F. Pratt retired as a Benton County District Court judge in 2009. *Tri-City Herald file*

The law firm concluded Keller:

- Violated port rules in his dealings with an employee.
- Violated state law against gifts of public resources in how he handled port-owned land when he was the executive director by making a below-market price deal with a relative for a golf course on port land.
- Violated state law in his personal use of Richland water without a legal connection at his personal airport hangar.

- Violated state law when he reduced his own lease payment with the port for his private hangar.



The Port of Benton operates the Richland Airport at 1903 Terminal Drive off Highway 240 in Richland. Bob Brawdy
bbrawdy@tricityherald.com

New evidence?

In January, O'Neil claimed a newly-discovered document from 1999 indicated the port had agreed to provide water to private hangars, including Keller's, at the airport. The hangars are privately owned, but their sites are leased from the port.



The Port of Benton operates the Richland Airport at 1903 Terminal Drive off Highway 240 in Richland. Bob Brawdy bbrawdy@tricityherald.com

The port didn't release the letter to the public until a week later in response to Washington Public Records Act requests from the Tri-City Herald and others, including Pratt and Garza.

The letter turned out to be a proposal from Herb Brayton, a hangar tenant, to Keller, then a port employee, to split the \$21,000 cost of building a water line to serve private hangars, including Brayton's.

There is no other evidence in the record to indicate the port ever agreed to Brayton's proposal or that it agreed to provide water to private hangars.

The port did not release any other documents or had no reply in response to the request for documents supporting O'Neil's claim.

Brayton could not be reached by email by the Herald to confirm he wrote the letter.

"If the letter is in fact valid, even though it was presented months after the (Schwabe) investigation was completed, I would not consider this an agreement,"

the retired judge told the commission.

Rather, Pratt said it showed that Keller knew that the water line was being installed decades ago, long before 2017, when he bought one of the affected hangars at 2049 Butler Loop.

“Commissioner Keller was not truthful when he stated multiple times on the public record that he was unaware that his personal hangar had unpermitted connections,” Pratt said.



Mark Villa, of Geophysical Survey in Kennewick, maps out underground lines he marked with paint by using ground penetrating radar inside the fenced hangar area at the Port of Benton's Richland Airport. Bob Brawdy bbrawdy@tricityherald.com

Richland Airport hangars

The city of Richland [discovered the illegal connections in 2025](#) when it conducted a test of fire hydrants at the airport.

The port brought in ground-penetrating radar to create a map of unpermitted utility lines and connections, finding hangars using water from fire hydrant lines and the city water supply.

The commission agreed to set up a committee to look at the illegal and unpermitted water lines and connections.

Keller's hangar was one of the hangars connected without a meter.

O'Neil, a Keller ally, defeated Roy Keck, who often sparred with Keller, in the November election and took office in January. At the time, he took over for Keller as the board's president.

Since the change on the board two months ago, the board has suspended its executive director Diahann Howard who took the allegations against Keller to the full board and the commission fired its new finance director, who was hired by Howard.

Both woman have said the commission is retaliating against them for raising the concerns.

Related Stories from Tri-City Herald

POLITICS & GOVERNMENT

Port fires its top financial executive. She says it is retaliation

February 2, 2026 12:55 PM

POLITICS & GOVERNMENT

Investigation finds Tri-Cities official violated WA law and port rules

February 1, 2026 5:00 AM

Wendy Culverwell *Tri-City Herald* 

Reporter Wendy Culverwell writes about growth, development and business for the Tri-City Herald. She has worked for daily and weekly publications in Washington and Oregon. She earned a degree in English and economics from the University of Puget Sound. Support my work with a digital subscription

STATEMENT MADE BY EUGENE PRATT _ February 4, 2026 Commission Meeting

My name is Gene Pratt, I am a retired Benton County Judge and Benton County taxpayer. I am speaking today in response to the concerns I have regarding the Commissioners' apparent conflict of interest, the findings of gifting of public funds and the actions taken in response to those findings.

As you likely know my daughter Ashley Garza, until recently has been consultant for the Port of Benton. She has shared with me her concerns about the actions taken by Commissioner Keller, specifically in regard to the shared water meter and the unpermitted utility installation and unpermitted building improvements by a handful of tenants, including Commissioner Keller. I am appalled that there has been zero action taken by Commissioner Stevens and Commissioner O'Neil to ensure accountability or rectify the misuse of public funds. Rather, the response has been to justify the actions and protect the guilty. I have read the letter written by Herb Brayton, dated May 17, 1999, to Scott Keller. If the letter is in fact valid, even though it was presented months after an investigation was completed, I would not consider this an agreement between the Port of Benton and its tenants. It is merely a proposal made to Scott Keller. It appears to support the finding and complaint that Scott Keller knew and authorized unpermitted utility installation and connection to the Port Meter in question. It further suggests that he did this without the consent or knowledge of the Commission. Which also means that Commissioner Keller was not truthful when he stated multiple times on the public record that he was unaware that his personal hangar had unpermitted connections. Lastly, Commissioner O'Neil has misled the public by stating in the January meeting that said letter was an "Agreement", when it clearly is not. At the very least an acceptance by both parties is needed to constitute an agreement.

And now I sit here today to understand how you plan to justify more public dollars spent to assist the same tenants who avoided the regulatory process, one of which is Commissioner Keller himself. I am in disbelief at your continued willful disregard for the law, the truth and most importantly your duty as a public servant.

EXHIBIT 13



711 Capitol Way Suite 206
 PO Box 40908 Olympia, WA 98504-0908
 (360) 753-1111
 Toll Free 1-877-601-2828

Financial Affairs Disclosure (F-1)

For: **Scott D Keller**
 Covering: **05/15/2022 - 05/14/2023**

* Unless otherwise indicated, all reported information pertains to Scott D Keller.

Submitted Date: 05/23/2023
Certified by: Scott D. Keller

Candidacies

PORT COMMISSIONER

PORT OF BENTON

2885 Troon Ct
 Richland, Washington 99354
 scottkeller1955@gmail.com
 5095288918

Income

Reportable income, including wages, tips, sales commissions, stock options, non-investment retirement income and miscellaneous income such as legal judgments, rental property income, etc.:

U S Government

U. S. Government
Washington D. C., DC 20001

Earned by: Scott D Keller
Income: \$30,000.00 - \$59,999.99
Type: Social Security

Assets

Financial assets and interest income are reported from bank accounts, insurance policies, broker-directed investment accounts, self-directed investment accounts and other financial assets:

Edward Jones
3616 W. Court Street Unit 1
Pasco, WA 99301
Account owner: Scott D Keller
Type: Stock and Bonds
Income:

PERS
State of Washington
Olympia, WA 98500
Account owner: Scott D Keller
Type: Retirement Income
Income:

Value: \$200,000.00 - \$499,999.99

Value: \$60,000.00 - \$99,999.99

Real estate

2885 Troon Ct

Richland,

Owned by: Scott D Keller

Assessed value: \$200,000.00 - \$499,999.99

Creditor: Banner Bank

Address: 1221 Jadwin Ave

Terms: 20 years at 3%

Security given: Mortgage, 20 % down

Original amount: \$200,000.00 - \$499,999.99

Current amount: \$100,000.00 - \$199,999.99

2049 Butler Loop

Richland,

Owned by: Scott D Keller

Assessed value: \$100,000.00 - \$199,999.99

Debt

Creditors owed more than \$2,400:

Creditor name: **Banner Bank**

Owned by: **Scott D Keller**

2885 Troon Ct

Richland, WA 99354

Original amount: \$200,000.00 - \$499,999.99

Ending amount: \$100,000.00 - \$199,999.99

Payment terms: 20 years at 3%

Security given: Mortgage

Business

Business entities where filer owns 10 percent or more, or serves as an officer, director or general partner.

There is no business ownership, nor is there involvement as an officer, director or general partner.

Lobbying activity

Compensation received for lobbying activities:

No qualifying lobbying activity was done.



711 Capitol Way Suite 206
PO Box 40908 Olympia, WA 98504-0908
(360) 753-1111
Toll Free 1-877-601-2828

Financial Affairs Disclosure (F-1)

For: **Scott Keller**

Covering: 01/02/2023 - 01/01/2024

* Unless otherwise indicated, all reported information pertains to Scott Keller.

Submitted Date: 03/13/2024

Certified by: Scott D. Keller

Offices

**PORT COMMISSIONER
PORT OF BENTON**
2885 Troon Ct.
Richland, WA 99354
keller@portofbenton.com

Candidacies

**PORT COMMISSIONER
PORT OF BENTON**
2049 BUTLER LOOP
RICHLAND, WA 99352
ScottKeller4comm@gmail.com

Income

Reportable income, including wages, tips, sales commissions, stock options, non-investment retirement income and miscellaneous income such as legal judgments, rental property income, etc.:

U S Government

U. S. Government
Washington D. C., DC 20001

Earned by: Scott Keller

Income: \$30,000.00 - \$59,999.99

Type: Social Security

Assets

Financial assets and interest income are reported from bank accounts, insurance policies, broker-directed investment accounts, self-directed investment accounts and other financial assets:

Edward Jones
3616 W. Court Street Unit 1
Pasco, WA 99301

Account owner: Scott Keller

Type: Stock and Bonds

Income:

Value: \$200,000.00 - \$499,999.99

PERS
State of Washington
Olympia, WA 98500

Account owner: Scott Keller

Type: Retirement Income

Income:

Value: \$60,000.00 - \$99,999.99

Real estate

2885 Troon Ct
Richland,

Owned by: Scott Keller

Assessed value: \$200,000.00 - \$499,999.99

Creditor: Banner Bank

Address: 1221 Jadwin Ave

Terms: 20 years at 3%

Security given: Mortgage, 20 % down

Original amount: \$200,000.00 - \$499,999.99

Current amount: \$100,000.00 - \$199,999.99

2049 Butler Loop
Richland,

Owned by: Scott Keller

Assessed value: \$100,000.00 - \$199,999.99

Debt

Creditors owed more than \$2,400:

Creditor name: Banner Bank

Owned by: Scott Keller

2885 Troon Ct

Richland, WA 99354

Original amount: \$200,000.00 - \$499,999.99

Ending amount: \$100,000.00 - \$199,999.99

Payment terms: 20 years at 3%

Security given: Mortgage

Business

Business entities where filer owns 10 percent or more, or serves as an officer, director or general partner.

There is no business ownership, nor is there involvement as an officer, director or general partner.

Lobbying activity

Compensation received for lobbying activities:

No qualifying lobbying activity was done.

Gifts

Gifts of food and beverages worth more than \$50, and travel or seminar expenses made by any outside government agency:



711 Capitol Way Suite 206
PO Box 40908 Olympia, WA 98504-0908
(360) 753-1111
Toll Free 1-877-601-2828

Financial Affairs Disclosure (F-1)

For: **Scott Keller**

Covering: 01/02/2023 - 01/01/2024

* Unless otherwise indicated, all reported information pertains to Scott Keller.

Submitted Date: 03/13/2024

Certified by: Scott D. Keller

Offices

PORT COMMISSIONER

PORT OF BENTON

2885 Troon Ct.

Richland, WA 99354

keller@portofbenton.com

Candidacies

PORT COMMISSIONER

PORT OF BENTON

2049 BUTLER LOOP

RICHLAND, WA 99352

ScottKeller4comm@gmail.com

Income

Reportable income, including wages, tips, sales commissions, stock options, non-investment retirement income and miscellaneous income such as legal judgments, rental property income, etc.:

U S Government

U. S. Government

Washington D. C., DC 20001

Earned by: Scott Keller

Income: \$30,000.00 - \$59,999.99

Type: Social Security

Assets

Financial assets and interest income are reported from bank accounts, insurance policies, broker-directed investment accounts, self-directed investment accounts and other financial assets:

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3616 W. Court Street Unit 1
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Account owner: Scott Keller

Type: Stock and Bonds

Income:

Value: \$200,000.00 - \$499,999.99

PERS
State of Washington
Olympia, WA 98500

Account owner: Scott Keller

Type: Retirement Income

Income:

Value: \$60,000.00 - \$99,999.99

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2885 Troon Ct
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Creditor: Banner Bank

Address: 1221 Jadwin Ave

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Security given: Mortgage, 20 % down

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2049 Butler Loop
Richland,

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Assessed value: \$100,000.00 - \$199,999.99

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Business

Business entities where filer owns 10 percent or more, or serves as an officer, director or general partner.

There is no business ownership, nor is there involvement as an officer, director or general partner.

Lobbying activity

Compensation received for lobbying activities:

No qualifying lobbying activity was done.

Gifts

Gifts of food and beverages worth more than \$50, and travel or seminar expenses made by any outside government agency:

EXHIBIT 14

PORT OF BENTON
COMMISSION MEETING MINUTES
June 18, 2025

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Commission Meeting Room, 3250 Port of Benton Blvd., Richland, Washington.

PRESENT: Commissioner Scott D. Keller, Commissioner Lori Stevens (attended virtually), Commissioner Roy D. Keck

PORT STAFF PRESENT: Diahann Howard, Quentin Wright, Summers Miya, Ron Branine, Brandin Lopez, Audrey Burney, Jeff Lubeck, Cassie Hammond

ALSO PRESENT: John O’Leary, Gravis Law; Clif Dyer, Sundance Aviation; Jon Ray, Rest on High; Christy Rasmussen; Michelle Hrycauk Nassif, Washington State University Cougar Tracks

The following attendees attended via remote communications: Sheri Collins; Angela Saraceno-Lyman; Jorge Celestino; Wendy Culverwell, Tri-City Herald; Ashley Garza; Julia Mora; Tristan Nowak; Jeff (no last name given); Joe Pisca

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Summers Miya led those present to recite the Pledge of Allegiance.

C. CONSENT AGENDA

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the agenda for the June 18, 2025, Commission meeting, approval of minutes from the May 22, 2025, Commission meeting, and approval of vouchers and certifications, including payroll, for the month of May totaling \$1,594,940.63 and Resolution 25-21, to cancel warrant no. 084740, which was not issued due to printer issues and warrant no. 084158, which has been deemed lost.

D. PUBLIC COMMENT

Jon Ray, Richland Airport tenant, thanked the Commissioners and staff for their support and assistance with the first annual Richland Airport Career Day and Job Fair.

Ray provided an overview of the event.

Clif Dyer, a tenant at Richland Airport, complimented the aviation event at the airport. Dyer mentioned the recent negative press associated with the airport and urged the Port to investigate the matter thoroughly.

E. PUBLIC HEARING

Commission President Scott Keller opened the public hearing at 8:35 a.m.

1. Six-Year Transportation Improvement Program for Years 2026-2031

Engineering & Capital Development Manager, Brandin Lopez explained that per Washington State law, entities must annually update their six-year transportation programs for state/federal funding eligibility. Lopez noted that current projects remain listed until fully closed. The plan being presented covered years 2026-2031.

No public comments were received on this item.

Commission President Scott Keller closed the public hearing at 8:36 a.m.

F. ITEMS OF BUSINESS

1. Resolution 25-22, Approving the Port of Benton's Six-Year Transportation Improvement Program for the Years 2026-2031 Inclusive

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving Resolution 25-22, approving the Port of Benton's Six-Year Transportation Improvement Program for the Years 2026-2031 inclusive.

2. Welcome and Update from Michelle Hrycauk Nassif, Director, WSU Tri-Cities Cougar Tracks

Michelle Hrycauk Nassif provided an overview of the WSU Tri-Cities Cougar Tracks program and the partnership with the Port for workforce education and development.

Nassif overviewed the recent wine service excellence workshop, which the Port sponsored, noting that there were 47 participants from regional wineries. Statewide interest was received. Notable wineries sent their entire teams.

Nassif noted that the next step was a sensory workshop in the fall, possibly at the Clore Center in Prosser.

The Commission affirmed its support for hosting the sensory workshop at the Clore Center and encouraged offline conversations to further partnerships.

3. Resolution 25-23, Authorize Executive Director to Award the Richland Airport Apron Reconfiguration Design Services to Century West Engineering, \$181,761.00 – Richland Airport

Airport Manager Quentin Wright noted that this resolution allows the executive director to award the Richland Airport Apron Reconfiguration Design Services to Century West Engineering for \$181,761.00. Wright stated that the FAA grant covers 95% of the cost, the Port matches the remaining 5%.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-23, authorizing the executive director to award the Richland Airport Apron Reconfiguration Design Services to Century West Engineering for \$181,761.00, for Richland Airport.

4. Authorize Executive Director to Award the 2579 Stevens Drive Roof Replacement Project to C&C Construction Services, \$50,518.33 – Richland Business Park

Director of Facilities & Operations Ron Branine stated that two bids were received for the 2579 Stevens Drive Roof Replacement Project, with C&C Construction Services coming in with the lowest bid of \$50,518.33. Branine noted that this project was budgeted at \$60,000.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, authorizing the executive director to award the 2579 Stevens Drive Roof Replacement Project to C&C Construction Services, \$50,518.33.

5. Resolution 25-24, Authorizing a Contract for Engineering and Architectural Services for the Pre-Design Assessment of the 2579 Stevens Drive Railroad Building, \$350,859.26 – Richland Business Park

Engineering & Capital Development Manager Brandin Lopez stated that this resolution authorizes a contract with a local company, CKJT, for \$350,859.26 for a pre-design assessment of the 2579 Stevens Drive railroad building.

Lopez reviewed the funding sources and plans for the building, which include a minimally disruptive modernization plan.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-24, authorizing a contract for engineering and architectural services for the pre-design assessment of the 2579 Stevens Drive railroad building.

G. INFORMATION REPORTS

1. Grants Update

Executive Director Diahann Howard reviewed the grants report.

Item 5 – Congressional Directed Spending Requests. A new request has been submitted to all congressional offices for 2026. Cantwell CDS has advanced, and the port request is back in the queue.

Item 7 – CERB/EDA – Submitted to CERB on May 15, loan secured: Benton County Rural County Capital Funds, .09 grant request submitted and presentation scheduled for July 24.

Item 8 – NSF Engine – NSF is proceeding with reviews; a notice of the virtual site visit is anticipated the week of July 7. Competing across the nation with 71 other applicants.

Item 10 – Infrastructure Investment and Jobs Act at Richland Airport. Grant awarded and design work is underway.

2. Waterfront Update

Engineering & Capital Development Manager Brandin Lopez stated that the RFQ process has been completed for the waterfront planning and Maul Foster Alongi was selected. The scope includes existing conditions, market/cultural/geotechnical assessments, utility and power analysis, boat dock feasibility with the Corps of Engineers, public and stakeholder engagement, cost analysis and graphic renderings.

Lopez stated that there is an emphasis on cultural and tribal consultation, and the costs for the pre-development work are expected to be around \$300,000.

Lopez stated that there are multiple parties interested in land lease opportunities and community involvement will be prioritized.

Lopez announced that the final proposal will be presented at a future Commission meeting.

3. Crow Butte Park Update

Director of Facilities & Operations Ron Branine reviewed Crow Butte Park's financials, operations, and proposed fee changes.

Since 2012, the park has averaged \$213,000 in annual loss, noting a positive trend since 2020 amid operational reforms.

Branine stated that there is currently \$750,000 in deferred maintenance, including a sewer lagoon liner and pavement repair.

Branine explained that current site fees are lower than comparable Washington State Parks and overviewed that Crow Butte does not charge for boat launch, moorage, reservation changes, docking electricity or reservation fees, as state parks do. Additionally, the current system only captures an estimated 50-60% of day use traffic.

Branine reviewed proposed changes including:

- Raise full hookup and tent site to \$45-\$50 to align with the state market
- Implement \$8-\$10 online/phone reservation fee and an \$8 change/cancellation fee
- Reinstitute entrance gate/kiosk system to ensure full revenue capture
- Deploy ice and water vending machines (ROI in 18 months, \$15,000 per machine)
- Begin charging for boat launches and dock power

The Commission was supportive and direction was given to proceed with fee increases and infrastructure improvements as soon as practical, with a formal proposal at the next meeting, if needed.

Discussion ensued on the park's regional impact and the Port's presence is important for the Port's agricultural engagement in southern Benton County.

H. COMMISSIONER REPORTS/COMMENTS

Commissioner Lori Stevens announced that the annual Scottish Fest festival is coming up this weekend. Prosser Wine Network is also hosting a World Music Festival at Vintners Village and the Clore Center.

Commissioner Lori Stevens proposed pausing the final stages of the strategic planning update until after the November election.

Discussion ensued on whether to suspend the strategic plan update in light of the election.

Executive director Diahann Howard stated that the process is 80% complete.

A discussion on adding a public workshop and involving stakeholders was suggested for an additional \$4,000 - \$5,000, which was supported by the Commission.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Scott Keller, and opposed by Commissioner Roy Keck to suspend the strategic plan update until January or February 2026. Motion carried.

Commissioner Scott D. Keller complimented the recent USS Triton commemorative event,

noting that retired Commissioner Bob Larson deserves recognition for his role and impact in the history of bringing the Triton to the Port of Benton.

1. Workshop Discussion

Commissioner Keller announced that he would like to call a workshop on the Richland Airport utility connection issue.

Commissioner Keller announced that he would like to move to instruct the executive director to set a public workshop meeting to address approximately 30 years of history relating to:

- Utility infrastructure upgrades to Richland Airport
- Who paid for the infrastructure upgrades? Tenant and/or POB
- What agreements were made between POB and tenants regarding water usage and billing?
- What actions were taken to correct any perceived water meter issues during the meter relocation in or around 2013?
- Schedule the workshop meeting for the week of July 7-11
- Invitees:
 - Herb Brayton
 - Bing Matawato
 - Jim Leedy
 - John Haakenson
 - Ryan Hone
 - Roger Wright

Commissioner Keller read an email that he had from 2017. (Addendum A)

Commissioner Roy D. Keck suggested expanding the workshop to discuss compliance issues, as well as utility billing. Commissioner Keck questioned Commissioner Keller on his utility bills for his hangar.

A motion was made by Commissioner Scott D. Keller, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving an airport workshop to discuss utility connections at Richland Airport.

I. DIRECTOR REPORTS/COMMENTS

1. FINANCE DIRECTOR

Director of Finance Jeff Lubeck provided a financial status report, including an HR policy update, financial review and 2023 SAO audit update.

Lubeck stated that he is working on updates to the HR handbook to ensure it is in alignment with current regulations. Draft comments have been received from the HR consultant and will bring to Commission when ready.

Lubeck provided a financial status report of current cash activity, including cash receipts and disbursements.

A review of accounts receivable was provided.

Lubeck overviewed 2023 draft State Auditors Office recommendations:

- Finalizing revisions to draft financial statements

- Clean audit – no adjustments
- Received draft “management recommendations” last week
- Recommendations included:
 - Strengthen its internal controls over capital asset reporting to evaluate and reassess the accuracy of the useful lives of its assets periodically, as required by GASB
 - Evaluate its method for implementing SBITAs and reporting amounts on its financial statements
 - Dedicate sufficient resources to preparing and reviewing accurate financial statements.
 - The Port should strengthen its review process to ensure lease calculations, expense classifications and the prepared financial statements are accurate and complete
- Fixed Assets
 - Port had 221 fully depreciated assets totaling \$2.8 million that are no longer in use
 - These have now been removed from the asset listing
 - \$0 impact to financial statements since these are fully depreciated
 - Asset list has not been reviewed/scrubbed for many years

Lubeck reviewed additional details on fixed assets, SBITA implementation, and sufficient resources related to GASB requirements and administration, including lease entry, billing, and modifications.

Lubeck stated that new internal processes and documentation has been developed, including the implementation of a year-end closing calendar, year-end assignments, year-end closing checklists.

2. PORT ATTORNEY

Contract Port attorney John O’Leary stated that he had an item related to legal course of action and real estate to discuss during executive session.

3. EXECUTIVE DIRECTOR

Executive Director Diahann Howard reviewed recent and future speaking opportunities, including I-90 Manufacturing Conference, WSU Wine Science Center anniversary, CARB Board, Elevate Networking group.

Howard stated that the Tri-Cities Research District recently held its quarterly meeting. Howard noted that she met with the City of Prosser and Prosser representatives to review the Spring Barrel wrap-up, noting that the conversation has spurred the necessity to create an owners’ association or covenants.

Howard stated that she is now representing the Washington Public Ports Association as chair of the Legislative Committee.

Howard requested the August Commission meeting change from August 13 to August 6 to allow for her to attend a workshop with the state Governor’s office.

Howard updated on the rail car charge documents currently with Class I attorneys, noting that the Port remains committed to bringing this forward to the Commission at an upcoming meeting.

Howard overviewed several real estate leads and activities, including lease and land prospects and the closing of the Sigma land.

Howard noted that she had two items related to real estate to discuss in executive session.

J. FOR THE GOOD OF THE ORDER

There were no comments regarding the Good of the Order schedule of events.

K. EXECUTIVE SESSION: The regular meeting was recessed at 10:02 a.m. with an announcement that an Executive Session would commence at 10:02 a.m. for 10 minutes to discuss two real estate items. It was noted that the regular meeting would be reconvened at 10:12 a.m.

The regular meeting was reconvened at 10:11 a.m.

L. ADJOURNMENT: No action required. The meeting was adjourned at 10:12 a.m. with an announcement that the next regular Port of Benton Commission meeting would be held at 8:30 a.m. on Wednesday, July 9, 2025, at the Port of Benton Commission meeting room, 3250 Port of Benton Boulevard, Richland, Washington.



Roy D. Keck, Commission Secretary

EXHIBIT 15

**PORT OF BENTON
COMMISSION WORKSHOP MINUTES
July 8, 2025**

A. CALL TO ORDER: The Commission Workshop was called to order at 9:30 a.m. at the Port of Benton Commission Meeting Room, 3250 Port of Benton Blvd., Richland, Washington.

PRESENT: Commissioner Scott D. Keller, Commissioner Lori Stevens, Commissioner Roy D. Keck

PORT STAFF PRESENT: Diahann Howard, Quentin Wright, Jeff Lubeck, Ron Branine, Brandin Lopez, Audrey Burney, Cassie Hammond, Summers Miya

ALSO PRESENT: John O’Leary, Gravis Law; Clif Dyer, Sundance Aviation; Herb Brayton; Mark Underwood; Scott Urban; Dennis Collins; Gareth Nisbett; Helen den Hoed; Jane Hagarty; Teresa Hancock; Christy Rasmussen; Jon Ray

The following attended via remote communications:

Sheri Collins, Cassie Hammond, Ashley Garza, Angela Saraceno-Lyman, Joe Pisca, Bryan Bell, Julia Mora, Jeff (No last name given)

The Commission Workshop was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: John O’Leary led those present to recite the Pledge of Allegiance.

C. WORKSHOP

1. Richland Airport Infrastructure Timeline and Discussion

Legal counsel John O’Leary reviewed the meeting structure and protocol, noting that the workshop format is designed for information gathering, and no decisions are to be made. Information from this session will inform Commission decisions later.

The Commission had outlined specific areas they wanted addressed:

- **History and documentation** of utility (water/sewer/electric) infrastructure, particularly any upgrades made since 1995.
- **Who paid for various upgrades:** distinctions between expenses covered by the Port or by tenants.
- **Agreements** between the Port and tenants for water usage and billing.
- **Billing statements**, commission meeting minutes, emails related to water meters (especially 1995–2001).

- **Drawings** related to water and sewer lines.
- **Utility locating findings** (including results from a ground-penetrating radar survey).
- **Legal/Procedural Clarifications:** Workshop procedures, documentation/evidence status, applicable regulations, transparency, fair participation.

Commission expressed the following concerns:

- Status and security of utilities serving tenants.
- Need for clarity on financial responsibility—ensuring taxpayers are not subsidizing airport tenants’ utility costs.
- Request for transparency, documentation, and adherence to law and due process.

Port of Benton executive director Diahann Howard presented a historical review and timeline, and a summary timeline of airport water and sewer infrastructure along with port investment.

Howard clarified that in 2022, an aircraft accident took place at Richland Airport, triggering a fire department review and subsequent request for training of the hydrants and requested inspection.

1993 – Port designed and built water mains and fire hydrants north of Butler Loop - \$53,765 (Port-funded)

1999 – (AIP 08) Utility upgrades for future hangars; pro-rata share paid by at least three tenants. No full project records found, but evidence from as-builts.

2012 – (AIP 24) Major airport project with utility relocations, including water meter relocation. FAA/WSDOT funded \$965,000, Port funded \$136,167.

2013 – Additional service lines and meter installation, Port paid \$25,904 for design, \$72,000 for construction. Utilities extended only to leased boundaries; tenants were responsible for further connections.

2025 – Ground penetrating radar used to map unrecorded utilities, identify discrepancies and undocumented hookups, particularly in the north end of Richland Airport.

Howard noted the Port typically funds mainline to encourage development, with hangar owners responsible for connections within the lease boundary. Several shell hangars were submitted without utilities, and later, many had undocumented or improperly permitted connections.

Several clusters identified:

Area 1 (West) – Proper main/private connections, fully permitted.

Area 2 – Port paid for and permitted mainlines, but a subsequent undocumented private system was built with only one Port-paid meter serving multiple hangars, public restroom, and office facilities – contrary to the current city code.

Area 3-4 – Some buildings permitted, others setting up shared, unmetered, or undocumented connections.

Area 5 – Port denied extension funding in 2012, later developer-built hangars without permitted hookup, currently being addressed with the City.

Area 6 – Utilities still under investigation as of July 8, 2025. Inspections are scheduled for July 10, 2025.

Several public comments noted that for decades, many connections were handled by handshake/verbal agreements with Port managers, with tenants not often billed directly for utilities (beyond initial pro-rata investments).

The port has paid an average of \$93 to \$104 per month for the meter in question.

Diahann Howard read a statement provided by Ryan Hone.

Diahann Howard read a statement provided by Roger Wright.

Individual hangar owner, Herb Brayton, initially invested \$21,000 and a pro-rata share, and has never paid utilities per verbal agreement with Port management.

Brayton stated that he has been an airport tenant since 1973, noting that he agreed to fund the public restroom at the time as the Port was tight on resources, with an agreement that the Port would cover the utility cost. It was noted that the restroom has been seen as essential public infrastructure, not merely a tenant benefit.

Brayton added that Scott Siefken, from the City of Richland, walked the utilities around 2010 and did not provide any comments.

Scott Urban, an airport user, provided a statement, noting that the communication from the port has been poor, with no transparency, related to this issue. Urban stated that the workshop should have been held five weeks ago. Urban stated that his trust level in the Port of Benton is pretty low currently and the port should have involved the people who own or operate hangars. Urban stated that he witnessed the ground penetrating radar and was not notified beforehand that this testing was taking place.

Clif Dyer, Sundance Aviation, provided a statement, asking why we are here in this setting, noting that this issue provided the port with an opportunity to show leadership.

Dyer echoed what Scott Urban stated and added that this situation provided the port with the *opportunity to display leadership and the ability to discover things without having newspaper articles written, which puts the airport in a bad light to the community.* Dyer added that he has worked very hard for many years to make sure the airport is always in the best light.

Dyer stated that he has no problem with city code, adding that Sundance Aviation's building is not metered individually and the port pays, which has been a verbal agreement. Dyer added that the airport standards are a certain way and those standards should not be changed to fit a new

standard for 2025, when it would cause a taxiway to be torn up and new infrastructure.

Dyer explained that the port admitted to not having budget to add infrastructure years ago when Herb Brayton stepped up to build the restroom. Dyer stated that Brayton was aware that once he put the pipe in the ground and covered it with dirt, the port would own the pipe even though it was financed by Brayton. Dyer stated that is how it works and there is not a long line of people lined up ready to invest in the airport. At the time, the deal was made that Brayton would take on the investment and the port would pay the bill. Dyer added that the infrastructure needed to be built in order for the people to come.

Dyer stated that you don't nickel and dime people to death and he will walk away from doing business in that scenario.

Discussion ensued between Commissioner Roy Keck and Clif Dyer related to compliance and return on investment.

Gareth Nisbet provided a statement, noting that he is not an airport user, but commented that this meeting was a waste of time and resources.

Nisbet asked what the cost of this workshop was costing taxpayers and the return on investment on this meeting over a \$100 a month bill. Nisbet stated that the appearance of this workshop to the taxpayers is over nothing and is a waste of time and resources.

Jon Ray, an airport user, provided a statement addressed to Commissioner Keck, noting that an airport serves as an economic engine, offering numerous benefits to the community and the general aviation community.

Ray noted that the FAA spends a lot of money on airports around the country because airports are valuable infrastructure and an economic engine. Ray stated that the FAA values the infrastructure and economic engine that airports across the country bring. Ray provided examples such as the Young Eagles program, which is a great program, but would not exist locally without FAA support.

Ray added the airport also houses a lifeline in the time of need and aiding natural disasters, the Richland Airport currently is housing fire planes.

Commissioner Roy Keck stated that he appreciates the airport for those services, but the FAA funds 95% of all capital improvements, with the port covering the remaining 5% and the airport is upside down and the port needs to push leases so they are in accordance with FAA. Keck clarified that there is a \$300,000 liability to taxpayers every year.

Jane Hagarty, retired Port of Benton Commissioner of 25 years, provided a statement, noting that the restroom was a good investment, but the scope of the original utility agreement may have carried further than intended.

Hagarty recommended increasing transparency and ensuring all future agreements are documented to avoid repeating past ambiguities.

Hagarty stated that the port has a mess in front of them currently and encouraged all to think deeply about what's going on because what she witnessed today is not the Port of Benton.

Hagarty stated that when she served as Commissioner, they were very transparent, but looking at things now, perhaps they were not as transparent as they could have been from the Commission standpoint as far as some of the guidelines for the people who worked with the port and what was allowed. Hagarty stated that it was not their place to micromanage, but it is important to know what agreements are out there, verbal or not, so everyone is aware of what is going on.

Hagarty stated that there should never be a meeting like this again.

Hagarty stated that she was not involved in the Richland Airport bathrooms, but would have voted for it because it was a fabulous investment. Hagarty added that the agreement got out of hand, as it was created for a purpose, but was carried on longer than the purpose was expected, which is the issue that should be addressed.

Commissioner Scott Keller stated that he got a hold of Carlo's assistant, with the City of Richland's assistance and offered for them to come out and look at things at his hangar. Keller noted that he reached out a few weeks to a month ago and has not heard back. Keller added that he would be working with Port staff to take care of the issue.

Commissioner Lori Stevens stated that she looks forward to having continued conversations and develop clear policies and guidelines for the staff to prevent issues like this in the future.

Commissioner Roy Keck stated that he believes there are compliance issues at the Richland Airport and feels a doors up inspection would be the best way to approach the issue.

Detailed information and statements in full can be found by viewing the meeting recording on portofbenton.com/commission.

D. **ADJOURNMENT:** With no further business, the meeting was adjourned at 10:59 a.m.



Roy Keck

Commission Secretary

EXHIBIT 16

Audrey Burney

From: Scott Keller <Keller@portofbenton.com>
Sent: Friday, June 27, 2025 1:14 PM
To: Audrey Burney
Subject: Inspection Request-Hangar 2049 Bulter Loop

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Audrey,

I would like to schedule my hangar inspection by the Port of Benton on Wednesday July 2 at 9 a. m.

On the advice of my attorney, I will allow Port of Benton staff only with no other third party. If the City of Richland has reason/reasons to inspect my hangar, they can contact me directly. Please respond with your agreement to date/time and terms.

Thank you.

Scott Keller

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EXHIBIT 17

A MEMORANDUM

TO: Diahann Howard, Executive Director

FROM: Roger Wright, P.E., Port Contract Engineer

DATE: July 1, 2025

SUBJECT: Richland Airport Utilities Investigation

Diahann:

I'm providing a response to Commissioner Keller's statement at the May 22nd, 2025 Commission meeting about utilities to his hangar within the Richland Airport. Commissioner Keller made statements that implied that I received confirmation from the City of Richland of approval for utilities to his hangar. That statement was incorrect.

From 2001 until present, I have provided engineering assistance to the Port of Benton. During this time, I received weekly assignments from the Port to provide engineering assistance, inspection, and investigation on Port projects. I received these assignments from Port staff, and often directly from the Executive Director.

In 2017, Scott Keller, the Port's Executive Director at that time, informed me that he was purchasing a new hangar at the airport located at 2049 Butler Loop. He informed me that the hangar apparently had water and sewer but that he was unsure of how the utilities were provided and he asked me to investigate. I understood that this was a Port assignment.

I arranged to meet with the City of Richland's Water Maintenance Supervisor at the Richland airport to investigate the utilities to the hangars adjacent to Runway 26. We inspected each of the water meters connected to the City mainline. At the time, I did not discover that 2049 Butler Loop (Mr. Keller's hangar) was connected to the Port's meter, nor did I go into his hangar at that time. However, we did discover that there were at a minimum, a few hose bibs next to hangars that we could not find a meter for, and we discovered that there were several water main lines and water services that did not appear to be on any City mapping. We also could not find a meter for Mr. Keller's hangar at that time. Following this inspection, I informed the City of Richland public works staff that I would look into it further.

After the investigation, I reported to Mr. Keller and informed him that there were clearly water services to hangars at the Richland airport that did not appear to be metered, and that there were no records of those services or mainlines on City

mapping. I told him that I did not know how his hangar received utilities and that the utilities to the hangars adjacent to Runway 26 looked like a “real mess”. As I recall, at that meeting Mr. Keller instructed me to stop working on this effort and “let the City worry about it”.

In 2022, I was serving as the temporary Airport Manager while the Port’s position was vacant. We had several projects going on at the Richland Airport in 2022. That summer, we had an airplane accident on Runway 01. The Richland Fire Department responded to the incident, but there were issues with the Fire Department entering the airport which delayed their response. Because of this, I scheduled airport emergency response training with the Richland Fire Department. During this training, we reviewed the underground fire hydrants that exist inside the fence of the Richland airport. This is the only location in Richland that has these types of underground fire hydrants. The crews were completely unaware of, and untrained on, these types of hydrants and asked if they had ever been exercised or tested. I responded that to the best of my knowledge they had never been tested. Richland Fire asked if we could get testing of the hydrants scheduled with the Richland Water Department.

Shortly after the Fire Department request, I contacted Richland Water Maintenance and asked if we could get the hydrant testing scheduled. Since it was fall of 2022, and we were approaching cold temperatures, they suggested we wait until spring to test the hydrants. Unfortunately, Richland Water Maintenance was not able to schedule the testing until this spring, 2025. While testing the hydrants, they found an unpermitted water connection next to 2002 Butler Loop. As they continued to investigate water connections and water meters, Richland Water Maintenance found several other undocumented water lines and service connections. Richland Public Works then notified the Port concerning these unpermitted and undocumented connections.

EXHIBIT 18

PORT OF BENTON
SPECIAL COMMISSION MEETING MINUTES
January 7, 2026

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Commission room, 3250 Port of Benton Blvd., Richland, Washington.

PRESENT: Commissioner Scott D. Keller, Commissioner Bill O'Neil, Commissioner Lori Stevens

PORT STAFF PRESENT: Diahann Howard, Alicia Myers, Quentin Wright, Summers Miya, Ron Branine, Audrey Burney

ALSO PRESENT: John O'Leary, Gravis Law; Clif Dyer, Richland Airport; Roy Keck, Richland; Gareth Nisbett; Dennis Collins; Mark Underwood; Council Member Shayne Van Dyke, City of Richland; Joe Pisca; Lori French

The following attendees attended via remote communications: Sheri Collins; Angela Saraceno-Lyman; Julia Mora; Bryan Bell; Cassie Losey; Wendy Culverwell, Tri-City Herald; Rachel Visick, Tri-Cities Area Journal of Business; Trent Hall; Jon Ray; Ashley Garza; Christy (No Last Name); R. Howard; Jeannie Beckett; Guest; 253-229-6727; 206-910-4573; Samsung

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Commissioner Bill O'Neil led those present in reciting the Pledge of Allegiance.

C. PUBLIC COMMENT:

Roy Keck read a prepared statement. * *Included as attachment A.*

Clif Dyer acknowledged retaliatory behavior as a central concern and called for process-driven, unemotional correction of dysfunction at the port. Dyer cited high costs incurred during recent investigations, attributing some to personal conflicts. Dyer emphasized a need for unity and forward progress post-election. Dyer urged all parties to do their jobs with honesty and integrity.

D. CONSENT AGENDA

1. Approval of Agenda

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Bill O'Neil, and unanimously passed by the Commission, approving the January 7, 2026, special Commission meeting agenda.

E. ITEMS OF BUSINESS

1. Motion to Amend the Rules of Port of Benton Port Commission Rules of Policy and Procedure

A motion was made by Commissioner Bill O'Neil, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving the motion to amend the rules of Port of Benton Port Commission Rules of Policy and Procedure.

2. Election of Commission Officers

Commissioner Bill O'Neil presented a slate of officers for consideration, with Commissioner Bill O'Neil, president, Commissioner Scott Keller, secretary, and Commissioner Lori Stevens, secretary.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Bill O'Neil and unanimously passed by the Commission, approving Bill O'Neil as president, Scott Keller as Vice President and Lori Stevens as secretary.

3. Resolution 26-01, Resolution to Amend the Port Executive Director's Delegation of Authority

A motion was made by Commissioner Scott Keller, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, approving Resolution 26-01, amending the Port's executive director's delegation of authority.

4. Motion To Delegate Authority to the Commission President to Review, Take Action, and Make Recommendations to the Commission at the Commission's next Meeting of January 14, 2026, on Port Organizational & Structure of Business Lines and Consultant Contracts, which may include directing the Executive Director to initiate any action, prepare any report, or initiate any project or study (Rules 13.2), and which may include communicating with Staff, seeking information from and giving direction to persons who report directly or indirectly to the Executive Director. (Rules 12.3)

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Scott Keller and unanimously passed by the Commission, approving the Commission president to review, take action, and make recommendations to the Commission at the Commission's next meeting of January 14, 2026, on Port Organizational & Structure of business lines and consultant contracts, which may include directing the Executive Director to initiate any action, prepare any report, or initiate any project or study (Rules 13.2), and which may include communicating with Staff, seeking information from and giving direction to persons who report directly or indirectly to the Executive Director. (Rules 12.3)

F. RECESS TO EXECUTIVE SESSION as legally allowed pursuant to RCW 42.30.110(1)(f), to discuss personnel and "to receive and evaluate complaints or charges brought against a public officer or employee."

The regular meeting was recessed at 9:15 a.m. It was announced that an Executive Session would commence at 9:15 a.m. for 30 minutes to discuss the items noted.

At 9:45 a.m., it was announced that an additional 30 minutes were required for the Executive Session, and the regular meeting would reconvene at 10:15 a.m.

At 10:15 a.m., it was announced that an additional 45 minutes were required for the Executive Session, and the regular meeting would reconvene at 11:00 a.m.

At 11 a.m., it was announced that an additional 30 minutes were required for the Executive Session, and the regular meeting would reconvene at 11:30 a.m.

At 11:30 a.m., the regular meeting was reconvened.

Commissioner Bill O'Neil made a motion to defer action until the next Port of Benton Commission meeting, on January 14, 2026, regarding the complaints or charges brought against a public officer or employee. Commissioner Lori Stevens seconded the motion and it was unanimously passed by the Commission.

Commissioner Bill O'Neil made a motion to suspend executive director Diahann Howard with pay, while an investigation takes place related to employee complaints, effective January 7, 2026. Commissioner Lori Stevens seconded the motion and it was unanimously passed by the Commission.

Commissioner Lori Stevens made a motion to appoint Commission president Bill O'Neil to facilitate any necessary personnel changes and any other steps as a result of the suspension. Commissioner Scott Keller seconded the motion and it was unanimously passed by the Commission.

K. ADJOURNMENT: The meeting was adjourned at 11:35 a.m. with an announcement that the next regular Port of Benton Commission meeting would be held at 8:30 a.m. on Wednesday, January 14, 2026, at the Port of Benton Commission meeting room located at 3250 Port of Benton Blvd., Richland, Washington.



Lori Stevens, Commission Secretary

The Port of Benton Commission Meetings are open to the public.

The regular Commission meeting will be available via Zoom, telephone conference call-in line, and in-person. The link to access this broadcast via Zoom and the call-in number to participate via telephone will be made available on the morning of the meeting on the Port of Benton's website at the link below, along with the meeting agenda and minutes from past meetings. Live broadcast information:

www.portofbenton.com/commission

For those unable to access the internet, please call 509-375-3060 by 8:00 a.m. on January 7, 2026, to receive call-in details.

All participants will be muted upon entry; when prompted, click 'raise hand' in Zoom or dial star + 9 (*9) to raise your hand. The host will unmute you to speak in the order your hands are raised. Press star + 6 (*6) when the host calls on you to unmute yourself.

**PORT OF BENTON
SPECIAL COMMISSION MEETING
Agenda
8:30 a.m., January 7, 2026
3250 Port of Benton Blvd., Richland, WA 99354**

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. PUBLIC COMMENT

D. CONSENT AGENDA

1. Approval of Agenda

E. ITEMS OF BUSINESS

1. Motion to Amend the Rules of Port of Benton Port Commission Rules of Policy and Procedure.

2. Election of Commission Officers

3. Resolution 26-01, Resolution to Amend the Port's Delegation of Authority

4. Motion To Delegate Authority to the Commission President to Review, Take Action, and Make Recommendations to the Commission at the Commission's next Meeting of January 14, 2026, on Port Organizational & Structure of Business Lines

and Consultant Contracts, which may include directing the Executive Director to initiate any action, prepare any report, or initiate any project or study (Rules 13.2), and which may include communicating with Staff, seeking information from and giving direction to persons who report directly or indirectly to the Executive Director. (Rules 12.3)

F. RECESS TO EXECUTIVE SESSION as legally allowed pursuant to RCW 42.30.110(1)(f), to discuss personnel and “to receive and evaluate complaints or charges brought against a public officer or employee.” The session is expected to take 15 minutes, and action is expected in the public session following, as a result of the Executive Session. (Attendees limited to Commissioner Stevens, Commissioner O’Neil and Port Legal Counsel)

G. RE-OPEN PUBLIC SESSION

H. COMMISSION ACTION AS A RESULT OF EXECUTIVE SESSION

1. Commission Action following Receipt of Investigation Report

I. ADJOURNMENT

The next Port of Benton Commission meeting will be held on **Wednesday, January 14, 2026, at 8:30 AM**, at the Port of Benton Commission Room at 3250 Port of Benton Blvd., Richland, Washington. Visit portofbenton.com for notices and information.

I MOVE TO AMEND THE FOLLOWING PORT COMMISSION RULES OF POLICY AND PROCEDURE LAST ADOPTED AT A REGULAR OPEN MEETING OF THE PORT COMMISSION ON DECEMBER 18, 2024; EFFECTIVE THROUGH _____ (FEBRUARY 28, 2026) UNLESS FURTHER EXTENDED BY VOTE OF THE COMMISSION.

THE MOTION INTENDS THE ENTIRE SECTION STATED OF THE FOLLOWING NUMBERED RULES OF PROCEDURE ARE STRICKEN UNLESS JUST A PORTION OF THE SECTION CONTAINS STRICKEN TEXT; UNDERLINED TEXT DENOTES AMENDED TEXT.

~~4.5 All information any person or entity would like distributed to Commissioners shall be should be first provided to Port staff; staff will then consistently distributed-distribute the information to all Commissioners and file the information filed as appropriate.~~

The following portions of: **5.7 Reconsideration.** A decision is subject to reconsideration upon written request by a respondent. ~~But the sole ground for reconsideration shall be that the Respondent has new, relevant information which was not considered by Port counsel.~~ A respondent ~~having new information to submit to the Commissioners~~ may, within fifteen (15) days of receipt of the written notice of determination, file with the Commission a written request for reconsideration stating the reason ~~and including the new information not considered by the Port counsel.~~ Following review of the entire investigative file, the decision and recommendation of the Port counsel ~~and the new information submitted by a respondent,~~ the Commission shall, within fifteen (15) days of receipt of such new information, hear, consider or render a final decision which may not be further appealed.

6.1.2 Election. The officers shall be elected at the first ~~regularly~~ regular or special scheduled Port Commission meeting in January in even years. Newly elected officers shall take office effective the next regularly scheduled meeting following the election, unless otherwise agreed by the Commission.

7.2 Agenda Preparation. The Executive Director ~~and Commission President~~ shall jointly prepare a preliminary agenda for each Commission meeting. The preliminary agenda shall set forth a brief general description of each item to be considered by the Commission. If joint preparation is not feasible, the Commission President may independently prepare the preliminary agenda. The Executive Director shall promptly forward the preliminary and final agenda to the Commission for review. The Commission shall have the option to delete or add any item from the preliminary agenda.

7.3 Agenda Materials. Agenda materials will be available on the Friday prior to the Commission meeting, if possible. Agenda materials will be delivered to Commissioners via email or other electronic means.

~~12.2 In the case of Commissioners requesting information or assistance without Commission authorization, the Executive Director and staff must refuse such requests that require, upon evaluation by the Executive Director, a material amount of staff time or funds, are disruptive to the Port, or which may involve a conflict of interest between the Port and the~~

Commissioner requesting the information or assistance.

~~12.3 Commissioners individually may communicate directly with Port employees for the purpose of inquiry only. Commissioners should not directly communicate with contractors. Commissioners shall, on business matters, deal with staff through the Executive Director. However, the Commission as a body and the Commissioners individually do not give direction to persons who report directly or indirectly to the Executive Director. If an individual Commissioner is dissatisfied with the response from the Executive Director or staff, the Commissioners may seek resolution through the Commission as a body.~~

The following portions of 13.2 Commissioner's Role. [See also, Section 2.] The Executive Director is authorized to make recommendations on policy matters to the Commission, and the Commission retains the authority to accept, reject, or amend the recommendations. Individual Commissioners may not intervene in staff decision-making, scheduling of work, and executing department priorities. This is necessary to allow staff to execute priorities given by the Executive Director. All Commissioners with concerns affecting the Port of Benton should address those concerns with the full Commission or with the Executive Director. No Commissioner shall direct the Executive Director to initiate any action, prepare any report, or initiate any project or study without the authorization of a majority of the Commission. ~~Commissioner requests for information shall be made to the Executive Director, unless otherwise determined by the Executive Director. Commissioners needing staff assistance shall work through the Executive Director.~~

The following portions of 13.4 Staff Role. The Commission recognizes the primary functions of staff as 1) executing the policies and actions taken by the Commission as a whole, and 2) keeping the Commission informed. ~~Staff is obligated to take guidance and direction from the Executive Director or appropriate supervisor. This direction follows the policy guidance from the Port Commission to the Executive Director through the Delegation Policy, as amended. Port staff will, acting through the Executive Director, make every effort to respond in a timely and professional manner to all individual Commissioner's requests for information or assistance; providing, in the judgment of the Executive Director, the request is not of such magnitude (in terms of workload, resources, or policy) that it should instead be assigned to the Executive Director through the direction of the full Port Commission.~~

15.2.1 The Commission shall evaluate the Executive Director's performance on an annual or more frequent basis.

17.1.1 Legal Counsel Supervision. The port attorney's day-to-day service to the port is provided to and supervised by the Commission President Executive Director per the delegation of powers Resolution. ~~The Executive Director~~ Commission is responsible For evaluating the port attorney's performance.

The following portions of 17.1.2 REPRESENTATION OF THE PORT ONLY. ~~IT IS IMPORTANT TO NOTE THAT~~ the Port Attorney represents ~~does not represent individual members of commission, but rather~~ the port acting through the Port Commission as a whole or as jointly directed by the Executive Director and Commission. Individual commissioners cannot engage the services of the Port Attorney unless approved by the Port Commission; however, all

~~Commission members may consult with the Port Attorney on matters pertaining to the Port. or the executive director. The executive director may waive the attorney-client privilege of the port vis-à-vis third parties.~~

The following portions of: 17.1.3 Information Available To All Commissioners And The Executive Director. ~~There is no attorney-client privilege between the port attorney and any Commissioner.~~ The best practice for the Port Attorney is to keep all the commissioners and the Executive Director reasonably informed about significant communications with an individual Commissioner so that all port commissioners and the Executive Director receive the same information. However, if the attorney is contacted by a commissioner on behalf of the port commission dealing with a matter that the port commission does not want the Executive Director to know about (for example termination of the Executive Director) then that communication shall not be disclosed by the Port Attorney without the consent of the Port Commission.

The following portions of 17.2: Port Attorney Responsibilities. The general legal responsibilities of the Port Attorney are to:

17.2.10 provide training on legal matters as requested by the Port Commission ~~or the executive Director.~~

17.2.11 other matters as designated by the Port Commission ~~or the executive director.~~

**RESOLUTION 26-01
DELEGATION OF AUTHORITY**

**A RESOLUTION OF THE PORT OF BENTON AMENDING
RESOLUTION 25-01, A MASTER POLICY DIRECTIVE ON THE
ADMINISTRATIVE AUTHORITY OF THE EXECUTIVE DIRECTOR
AND HER DESIGNEES**

WHEREAS, Section 53.12.270 of the Revised Code of Washington provides authority to the Port Commission for delegation of powers to the Executive Director: and

WHEREAS, the Port Commission has previously adopted policy directives in Resolution 94-01 and Resolution 25-01 delegating administrative authority to the Executive Director and his/her designees for the purpose of expeditious administration of the Port; and

WHEREAS, the Port Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port; and

WHEREAS, the Port Commission now wishes to amend the master policy directive on the administrative authority of the Executive Director and her designees.

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Benton as follows:

SECTION 1. Resolution 25-01, the master policy directive of the Port Commission of the Port of Benton adopted for the purpose of establishing administrative authority for the Executive Director and her designees is **amended** as set forth as Exhibit "A" attached to this Resolution and incorporated herein by such reference.

ADOPTED by the Commission of the Port of Benton this January 2, 2026, at Richland, Washington and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof.

_____, President

_____, Vice President

_____, Secretary

EXHIBIT "A" TO RESOLUTION 26-01

Port of Benton

COMMISSION POLICY DIRECTIVE

AUTHORITY OF EXECUTIVE DIRECTOR AND DESIGNEES

The following policy is adopted by the Port Commission for the purpose of establishing the administrative authority of the Executive Director who is responsible for normal Port operations. The phrase "normal Port operations" as used herein, means regular day-to-day business transactions involving personnel, materials and money. The Commission shall retain an Executive Director to implement the objectives of the Port, which shall be established by the Port Commission. The Executive Director derives authority from the Commission acting as the governing body. The Executive Director shall work with ~~retain~~ professional staff, which shall operate and manage according to directives from the Executive Director, as overseen by the Commission. The Executive Director shall regularly inform and consult with the Commission regarding significant information and business transactions, by a method mutually agreeable to the Commission ~~and the Executive Director~~. The Executive Director shall serve as the primary spokesman for management. ~~The Executive Director shall be solely responsible for the conduct of business transactions of the Port.~~

The Commission is responsible for setting policy and direction for all Port business. It does so by annually adopting a budget and, from time to time, adopting other policy-setting documents. ~~Within the general scope of and in~~ In conformance with the direction established by such documents and with the exception of the limitations identified in the specific policies which follow, the Executive Director shall be responsible for the operation, maintenance, administration and use of the Port's properties and facilities; the development of industrial districts; the implementation of construction work and alterations and improvements to the Port's real estate and physical facilities and necessary planning incidental thereto; the administration of the day-to-day operations which include personnel administration (salary and benefit matters including the fixing of wages and benefits within overall budgetary guidelines, task and project assignments, ~~hiring, firing,~~ training, grievance procedures, employee enrichment and improvement, etc.); execution. of contracts; the delivery of services essential to the Port's mission; financial and accounting related matters; ~~legal matters and~~ all other administrative matters. The Executive Directors' authority to hire and fire port personnel is temporarily suspended. Legal matters will be managed jointly by the Commission and Executive Director; in case of disagreement, the Commission shall make the final decision. Further, Executive Director is hereby authorized to publish notice of any and all public hearings which are required by law or are necessary for Port Commission action. Except as may be prohibited by state law, all delegations described herein with monetary limitation shall be automatically adjusted at the beginning of each year to conform with the preceding years, etc.

Prior to implementation, the Executive Director will notify the Port Commission of the index

adjustments which will then become effective as of February 1.

The Executive Director may delegate to appropriate Port staff such of his/her administrative authority or reporting requirements herein established as, in his/her discretion, is necessary and advisable in the efficient exercise of such authority. To implement delegations of authority to Port staff, the Executive Director shall promulgate Port of Benton Policy and Procedure Manuals, monetary delegations, authority to execute contracts, and other documents such as employee position descriptions, affirmative action plans, office manuals, etc., which shall include such delegations as appropriate. ~~The responsibility for all administration and day-to-day operations of the Port rests solely with the Executive Director.~~ Any Commission directives or initiatives shall be ~~made through the Executive Director and shall be made only by the Port Commission acting as a body, or by a single Commissioner if delegated by the Commission to do so.~~

**PORT OF BENTON
SPECIFIC POLICY DIRECTIVES OF
ADMINISTRATIVE AUTHORITY OF EXECUTIVE DIRECTOR
AND DESIGNEES**

I. REAL PROPERTY AGREEMENTS

A Types of Agreements

The following directives of this Article I apply to all agreements for use of Port real property, including but not limited to leases, license agreements, rental agreements, operating agreements and use agreements (all hereinafter referred to as "Real Property Agreements or "Agreements").

B. General Real Property Agreement Policy

Except as provided in Paragraph I(c), all real property of the Port shall be used pursuant to an appropriate written instrument approved by the Port Commission and accompanied by security in accordance with law.

Prior to the execution of such instrument, the Executive Director shall have secured authority to enter negotiations and shall have appraised the Port Commission of the progress of such negotiations; provided for proper security, submitted the Agreement to Port Counsel for approval; and followed all other applicable laws and Port Commission created Lease Policy.

C. Real Property Agreement Procedures

The Executive Director is authorized to perform the following actions without Port Commission approval, but must quarterly provide the Port Commission a report

summarizing actions: Agreements having a term (including any options) of ~~five years duration or less than one year~~ may be approved and signed by the Executive Director provided the Port's standard Agreement form is used (except for provisions inapplicable), Agreement terms conform to proper real estate practices and the guidelines set forth in the Lease Policy, and there is no financial obligation of the Port for improvements.

1. To the extent assignments, subleases, or options are permitted in the ~~basic~~ originally approved Agreement the same may be approved by the Executive Director, provided; other substantive terms of the Agreement are unchanged; any option or options do not result in an Agreement term (including options) of more than one year ~~five years~~; rental adjustments consistent with Port Lease Policy are made; and provided an amendment to the Agreement may be approved by the Executive Director if the scope of the amendment is otherwise within the authority of the Executive Director under this Resolution.
2. Easements of ~~five years~~ one year or less, licenses and permits ancillary to the normal operation of the Port may be granted by the Executive Director.
3. The Executive Director is charged with the responsibility to insure that all agreement terms are complied with and is authorized to take necessary measures to cause compliance or to protect the Port's legal position, including but not limited to the giving of all notices provided for in the Agreement.
4. Customary and usual easements granted for installation of utilities to service Port properties or for rights of way for access to Port properties may be executed by the Executive Director on behalf of the Port regardless of the length of the term. Other easements with a term of ~~five years~~ less than one year ~~or less~~, licenses or permits ancillary to the normal operation of the Port may be executed by the Executive Director on behalf of the Port.

II. REAL PROPERTY AGREEMENT SECURITY AND INSURANCE

The Executive Director is authorized to take all necessary actions on behalf of the Port Commission in connection with Agreement surety bonds, Agreement surety, rental insurance, or other security (hereinafter referred to as "Agreement Security") and insurance coverage required pursuant to any Agreements of the Port, including any of the following actions:

- A. Where the Agreement is not in default, to release any Agreement Security where an adequate substitute security has been provided.
- B. To approve any Agreement Security or insurance submitted in fulfillment of the requirements of any Agreement, including substitute or replacement coverage for any terminated bond or other Agreement Security.

- C. To approve any substitute or modification of insurance, and to release any insurance company when substitute or replacement insurance coverage has been provided.

III. REAL PROPERTY TRANSACTIONS

- A. When the Port Commission authorizes the acquisition of real property by negotiated purchase or condemnation, the Executive Director shall take all necessary steps, including appraisals, to secure title of such property for the Port. The acquisition price of individual properties (or ownerships) shall in no case exceed the Port's appraisal without further specific Commission approval. When several parcels are authorized for purchase by the Port Commission, the total price paid for all such properties shall not exceed the Port's appraisal without further specific Commission approval.
- B. When the Port Commission authorizes the sale of Port real property, the Executive Director shall be empowered to take all necessary administrative steps including the acquisition of appraisals in order that execution of the conveyance instrument by the Commission may occur. After execution of the instrument by the Commission, the Executive Director is authorized to take any and all other necessary steps, including delivery, to finalize the sale.
- C. The Executive Director is authorized to enter into Non-Disclosure Agreements (“NDAs”) to the extent permitted by law in order to provide for the furtherance of the public good in regards to price, technical information, business information, and other competitive real property features in negotiations with entities seeking to do business with the Port.

IV. CONTRACTS FOR PERFORMANCE OF WORK

- A. Contract Awards for Construction and Maintenance
 - 1. The Executive Director may, without prior Commission approval, execute on its behalf small works roster contracts where the total estimated contract price does not exceed Fifty Thousand Dollars (\$50,000), the work is within Capital Budget authorized limits, and so long as all statutory procedures are followed.
 - 2. The Executive Director may, without Port Commission approval, prepare plans and specifications, issue notices calling for bids, award and accept contracts for work where the total estimated contract price does not exceed Fifty Thousand Dollars (\$50,000), provided that all requirements of R.C.W. 53.08.120-135 are met, and the work is within authorized Capital Budget limits. Change order amounts are at the discretion of the Executive Director, provided they do not increase the adjusted contract to an amount in excess of \$50,000. If the project scope varies from the Commission approved Capital Budget, it will be brought before the Commission before obligation of any funds.

3. On contracts for work exceeding Fifty Thousand Dollars (\$50,000), Commission approval shall be required prior to the preparation of plans and specifications for such work. Request for authorization to prepare plans and specifications shall include an estimate as to the total cost of the work. Upon completion of plans and specifications, the Executive Director is authorized to publish notice calling, for bids. Award of contract will be made with Commission approval unless there is a time constraint. In the event of a time constraint, Commission approval for award by the Executive Director will be requested in connection with the request for authorization to prepare plans and specifications. If an award is to be made to other than the lowest responsible bidder; if there is a material deviation from the Port's General Conditions; or if the bid is in dispute, Port Commission approval shall be sought prior to the award. Port Commission approval shall be required for the rejection of all bids.
4. When any emergency shall require the immediate execution of a contract for work, the Executive Director, pursuant to the procedures of R.C.W. 39.04.020 (as it may be amended or succeeded), is authorized to make a finding of the existence of such emergency and execute any contracts necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Port Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of emergency and any contracts awarded and/or executed pursuant to that finding.

B. Change Orders

Where contracts for the performance of work exceeding \$50,000 have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized to execute individual change orders to the contract provided the following conditions are met:

1. The estimated cost of the individual changes in plans and/or specifications will not exceed Ten Thousand Dollars (\$10,000) or 10% of the contract price, whichever is less. However, when an individual change order issued under any contract shall cause the total cash amount of change orders to that contract to exceed a sum equal to 20% of the original contract amount, or Fifty Thousand (\$50,000), whichever is less, such change order shall not be issued without prior Commission approval and no future change orders to said contract may be issued without Commission approval.
2. The contract provides for issuance of change orders.
3. The individual change order has been approved and certified by the Port's Architect or Engineer supervising the contract as being necessary to the proper accomplishment of the work called for in the basic contract.

4. Any time extension for completion of said contract which accompanies said change order does not exceed forty-five (45) days, except a change order extending the contract determined time beyond forty-five (45) days where it is to be a result of fire and other casualties not the fault of the contractor; strikes, riots and other civil disorders; unsuitable weather, or other act of God which results in suspension of work by order of the Port's architect or Engineer supervising the contract.

C. Reports

Notwithstanding the authorities granted in the preceding sections A and B, the Executive Director shall keep the Commission advised in writing of all contracts on a monthly basis.

V. UTILIZATION OF PORT CREWS

- A. The Executive Director is authorized to use necessary workers for operations and maintenance of facilities pursuant to Port Commission approved labor agreements.
- B. The Executive Director shall be responsible for obtaining, prior Port Commission approval for work projects which are new construction or major modifications of Port facilities to be carried out by Port crews when the total estimated cost exceeds Fifty Thousand Dollars (\$50,000).

VI. CONTRACTS FOR ACQUISITION OF UTILITIES, MATERIALS, EQUIPMENT, SUPPLIES, AND SERVICES

The Executive Director shall have the responsibility for following all statutory requirements and procedures in connection with all contracts for the acquisition of utilities, materials, equipment, supplies and services. Utilities, materials, equipment, supplies and services (including services provided by public agencies) may be acquired on the open market, pursuant to published tariffs, or by competitive bidding when necessary for the normal maintenance and operations of the Port, and no prior Port Commission approval shall be required but shall, where appropriate, be approved as part of normal monthly expenses and shall be within authorized budgets. Where a requirement exists for formal competitive bidding, the Executive Director may execute contracts for the acquisition of utilities, materials, equipment, supplies and services subject to the following conditions:

- A. The contract or purchase order price for one year does not exceed Fifty Thousand Dollars (\$50,000) or, if specifically identified in the annual budget, the amount shown in such budget, and the contract provides for no more than two (2) options to extend the contract for one (1) year periods, provided that the basic contract or purchase order price and any contract extensions must be within appropriate annual budget limits.

- B. The award is made to a bidder who has submitted a proposal based on the plans and specification on file, or, where permissible, based upon his own plans and specifications and accompanied by a bid proposal deposit as may be required, and which is, as nearly as practicable, in accordance with the requirements of R.C.W. 53.08.120, (as it may be amended or succeeded).
- C. The successful bidder has provided, where required, a performance bond with sureties which comply with the requirements of the applicable law.

VII. REIMBURSABLE SERVICES

The Executive Director is authorized to enter into agreements pursuant to which the Port will provide reimbursable services, when such services are part of normal Port operations or incident thereto.

VIII. ARCHITECTURAL, ENGINEERING, AND TECHNICAL SERVICES

The Executive Director is authorized to contract with qualified architectural, engineering, and technical testing and inspection firms licensed in the State of Washington to provide such services as required for maintenance, engineering work or small projects of the Port. Selection and reimbursement for such services shall follow all required statutory procedures and shall be consistent with normal established fees paid for such services. If the fee on any single project or closely related work is estimated to exceed Fifty Thousand Dollars (\$50,000), Port Commission approval shall be required. Where architectural and engineering services are ancillary to capital projects, Port Commission approval shall not be required so long as those fees do not exceed 15% of the estimated contract amount. The Executive Director will endeavor to use a variety of firms (including minority and women-owned business firms) based on the nature of the work and the expertise of the firms.

IX. PROFESSIONAL AND CONSULTANT SERVICES

Except as provided in Section VIII of this Exhibit A, the Executive Director shall be responsible for obtaining professional and consultant services where deemed necessary in carrying out normal Port operations and provided all applicable legal requirements are met. The Executive Director may arrange for such services where the estimated cost of the proposed service does not exceed the amount of Fifty Thousand Dollars (\$50,000), provided all such arrangements shall be reported to the Port Commission monthly.

X. LEGAL SERVICES AND OTHER REPRESENTATION

The ~~Executive Director and~~ Commission appointed Port Counsel in consultation with the Executive Director and Commission or/or a Commission appointed single Commissioner shall be responsible for management and supervision of all legal services required by the Port and for litigation in which the Port has an interest, direct or indirect. For purposes of this section, "litigation" shall mean

the assertion of any position, right or responsibility by or against the Port (or in which the Port may have an interest) which has been filed in any court of general jurisdiction, be it state or federal, or any quasi judicial or administrative forum.

A. Legal Services

The ~~Executive Director~~ Commission retains its authority ~~is authorized~~ to retain law firms, through Port Legal Counsel as necessary, to provide legal services. Retained legal counsel may act solely on behalf of the Port or jointly with other interested parties. Payment for legal services other than litigation shall be by reimbursement not to exceed established hourly rates plus expenses. In litigation matters, legal counsel shall be reimbursed at a rate not to exceed their established hourly rate plus expenses.

B. Engagement of Other Representatives

In connection with litigation or other legal matters in which the Port has a direct or indirect interest, the ~~Executive Director~~ Commission may engage, or cause to be engaged through the Port Counsel, other representatives to act solely on behalf of the Port or jointly with other interested parties. Such representatives shall be reimbursed at their established hourly rates plus expenses or on another basis which is standard for their services.

C. Engagement of Experts

The ~~Executive Director~~ Commission may engage or cause to be engaged through the Port Counsel, such experts as may be necessary to the orderly preparation of litigation in which the Port has a direct or indirect interest, within limitations otherwise prescribed in Section IX above. Such engagement shall be upon the Commission's satisfaction ~~authorization given by the Executive Director after having been satisfied~~ that such expenditure is necessary to the adequate preparation and representation of the Port's position in such litigation and shall wherever practicable include evaluation of the litigation and an estimate of the probable cost of such experts.

D. Settlement

~~Unless otherwise specified herein any~~ Any matter which is the subject of litigation may be compromised and settled ~~by the Executive Director~~ by the Commission provided ~~that the settlement amount does not exceed .1% of the Port's estimated current year gross operating revenues and~~ that the Port Counsel shall certify to the ~~Executive Director~~ Commission the following:

a. Claims filed against the Port

- l) the likelihood that a judgment rendered in the case would be in the amount claimed, or higher than the amount claimed, or that there is

reasonable cause to believe that there is considerable exposure of liability for the Port; or

ii) the likelihood that the expenses involved in litigation would be unnecessarily high in relation to the amount claimed, or the likely result.

b. Claims filed on behalf of the Port

i) that the determination to settle the claim outweighs the risk of resorting litigation; or

ii) that the settlement of the claim would provide prompt payment to the Port and eliminate extensive delays; or

iii) that the proposed offer of settlement is reasonable in light of the claim asserted.

XI. ADJUSTMENT AND SETTLEMENT OF CLAIMS (except those as referenced above)

The Commission retains its authority to ~~Executive Director shall~~ be responsible for the observance of necessary procedures whereby the adjustment and final settlement of all claims, either against or on behalf of the Port, shall be carried out. Necessary procedures in the handling of such claims shall include the following:

A. For purposes of this section, "Claim" shall mean the assertion of any position, right or responsibility by or against the Port, but not including (1) accounts receivable to the extent covered in Section XII, or (2) claims asserted by or against the Port which have become the subject of litigation as defined in Section X above.

B. No claims against the Port shall be considered unless and until proper notice has been served by the claimant upon the Port.

C. Any individual claim ~~which exceeds .1% of the Port's estimated current year gross operating revenues~~ may be processed in all respects (except for final approval and payment) by the Executive Director and Port Counsel. No such claims shall be submitted for approval to the Port Commission until a tentative agreement has been reached with the parties concerned for settlement. ~~Claims which in the opinion of the Executive Director may exceed .1% of the Port's estimated current year gross operating revenues shall be reported to the Port Commission promptly.~~

~~D. Any single claim not exceeding .1% of the Port's estimated current year across operating revenues may be adjusted and settled and paid by the Executive Director provided that all of the following conditions are met:~~

~~1. The Port Counsel shall certify to the Executive Director that payment of the claim is justified on the basis of the following:~~

~~a. Claims filed against the Port:~~

- ~~i) a substantial likelihood that the Port is or could be found liable; or~~
- ~~ii) the likelihood that a judgment rendered in the case would be in the amount claimed, or higher than the amount claimed or that there is reasonable cause to believe that there is considerable exposure of liability for the Port;~~
- ~~iii) the likelihood that the expenses involved in litigation would be unnecessarily high in relation to the amount claimed, or the likely result.~~

~~b. Claims filed on behalf of the Port:~~

- ~~i) that the determination to settle the claim outweighs the risk of resorting to litigation;~~
- ~~ii) that the settlement of the claim would provide prompt payment to the Port and eliminate extensive delays;~~
- ~~iii) the proposed offer of settlement is reasonable in light of the claim asserted.~~

~~2. All such claims, when paid, shall be reported to the Port Commission monthly.~~

XII. ADJUSTMENT AND WRITE-OFF OF ACCOUNTS RECEIVABLE

The Executive Director is authorized to establish procedures to (1) make adjustments to accounts receivable for valid business reasons which do not constitute a gift of public funds, or (2) to write off any uncollectible account which does not exceed .05% of the Port's estimated current year gross operating revenues.

Prior to adjusting or writing off of any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the staff to resolve or accomplish the collection of the account. For those accounts that fail to make payment, the Executive Director shall authorize the Port Counsel to bring action in courts of law, or if more appropriate, to assign the same to collection agencies in an attempt to collect such accounts. If, after attempting all normal account collection procedures, the account is still uncollectible after 90

days or more, the Executive Director shall be authorized to provide for writing off such an account. Any account in excess of .05% of the Port's estimated current year gross operating revenues which is deemed to be uncollectible shall be referred to the Port Commission for final approval of writing off that account.

XIII. INVESTMENT OF TEMPORARILY IDLE PORT FUNDS

For purposes of this section, "Temporarily Idle Port Funds" shall mean those funds which are not required for immediate expenditure. The Executive Director is authorized to direct the Port Treasurer, in accordance with applicable law relating to the investment of public funds, in the investments of temporarily idle Port funds. These directives include, but shall not be limited to, investments in authorized government securities, sale of such investments, and necessary inter-fund transfers. A summary report of investments shall be provided to the Port Commission monthly.

XIV. INSURANCE PROGRAMS

The Executive Director shall be authorized to negotiate and obtain appropriate policies of insurance to cover Port property, liability, employee coverages, and other areas appropriately included within a comprehensive insurance program. The Executive Director is authorized to approve changes or modifications within the policies of insurance, including programs to provide deductible provisions, so long as such programs are promptly and regularly reported to the Port Commission so it is kept informed of basic changes made in the overall insurance program of the Port.

XV. TRADE DEVELOPMENT PROGRAMS

The Executive Director is authorized, consistent with statutory limitations, to develop and carry out programs of trade development (which may include tourism and tourism promotion), advertising (including the use of advertising firms within budgetary authority and promotion of the Port, including its properties, facilities and services. This may include. participation in programs and agreements designed to provide shippers which use or may use the Port of Benton with the most competitive service and lowest possible, freight rates including negotiation of warehouse rates, consolidation of traffic and prepayment of freight charges by the Port, and all necessary activities related to the intermodal movement of interstate and foreign cargo. Such programs of trade development and promotion shall be reviewed by the Port Commission from time to time so it may be informed as to chances which occur.

XVI. ISSUANCE OF TARIFFS

Except in the case of the port operated marina, the Executive Director is authorized to issue tariffs and tariff amendments as necessary, provided the Port Commission will be given a report of adjustments on a quarterly basis.

XVII. RULES AND REGULATIONS

The Executive Director is authorized to adopt any administrative rules and regulations necessary for the efficient operation of the Port so long as such rules and regulations are reported to and approved by the Port Commission quarterly.

XVIII. AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT

It is the basic policy of the Port of Benton to provide equal opportunity to the users of all Port services and facilities, all contracting entities, Port employees and applicants for employment, and to assure that there be absolutely no discrimination against any persons on grounds of race, creed, color, national origin, sex, sexual preference, marital status, age, or the presence of any sensory, mental, or physical handicap. This policy is to be implemented by the Executive Director as more specifically set forth by Resolution of the Port Commission (as it may be amended from time to time) and Port policies covering affirmative action, equal employment opportunity and minority and women-owned business participation in Port contracts.

XIX. TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT

The Executive Director is authorized to approve travel by employees and/or other authorized representatives of the Port in accordance with the established travel policy in order to effectuate necessary normal Port operations, provided that reimbursable personal travel expenses for an individual trip shall not exceed Ten Thousand Dollars (\$10,000) within the continental United States and provided that the Commission shall be advised monthly of major travel made by Port staff. Any International Travel must be approved by the Executive Director, as to Port employees, and the Port Commission in an open public meeting, as to Commissioners. All travel must abide by Resolution 23-31, "A Resolution of the Port of Benton Commission Regarding Travel Policies & Procedures."

International trade missions will receive Port Commission review and approval.

The President of the Commission shall be notified in advance of any absence greater than 48 hours of the Executive Director and be furnished a report of major travel monthly.

XX. SALE OF PERSONAL PROPERTY

The Executive Director is authorized pursuant to R.C.W. 53.08.090 to sell and convey surplus personal property of the Port pursuant to the requirements of R.C.W. 53.08.090-.092 (as amended or succeeded) and authorized pursuant to Port Resolution No. 20-36, "A Policy Of The Port Of Benton For The Sale And Disposal Of Surplus Personal Property." In no case shall surplus personal property of the Port be sold to any Port Commissioner or Port employee or to members of their immediate families without the specific approval of the Port Commission. This provision

does not prohibit commissioners, employees, and members of their immediate families from bidding on excess Port property sold at public auction.

XXI. BANKING SERVICES

The Executive Director is authorized to negotiate for banking services and enter into agreements for such services for terms not to exceed five years. Procedures shall be established for the deposit/disbursal of Port funds recognizing the requirements cited in R.C.W. 53.36.010 and providing for an adequate system of internal control. Funds may be deposited in an impress bank account for miscellaneous expenditures in an amount not to exceed Four Thousand Dollars (\$4,000). Warrants/checks may require single or dual signatures as is deemed appropriate.

XXII. AUTHORIZATION OF EXPENDITURES

The Executive Director is authorized to establish an adequate system to control purchases of materials, supplies and services. Such system should take into consideration the nature of the purchases and the dollar amounts involved. No funds shall be expended unless the purchase invoices have been properly approved in accordance with the provisions of the system established.

XXIII. IMPRESS WORKING FUNDS (PETTY CASH/CHANGE FUNDS)

The Executive Director is authorized to establish various working funds, provided that the total amount of any such fund shall not exceed Five Hundred Dollars (\$500). The working funds provide for petty cash purchases/change funds, and the dollar amount thereof shall be recorded on the Port's balance sheet. The Executive Director is also authorized to establish and maintain procedures for the creation and control of such funds.

EXHIBIT 19

EXHIBIT 20

WYATT GRONSKI

PLLC

ATTORNEYS

Todd Wyatt
todd@wdlawgroup.com

January 12, 2026

Via U.S. Mail and E-Mail

John O’Leary
Port Attorney, Port of Benton
Gravis Law, PLLC
503 Knight St., Ste. A
Richland, WA 99352-4257
joleary@gravislaw.com

Re: Diahann Howard, Executive Director of the Port of Benton
Notice of Retaliation and Breaches of Employment Contract by the Port of Benton
Notice of Litigation Hold

Dear Mr. O’Leary:

As you are aware, our client Executive Director Diahann Howard was suspended by the Port of Benton on January 6, 2026. This action was taken without advance notice and in the absence of any complaints made to Director Howard by Port employees. At that same meeting—and importantly, without any public discussion—the Port Commissioners voted to strip Director Howard of substantial portions of her duties as Executive Director, fundamentally altering the working structure of the Port of Benton and breaching Director Howard’s employment contract.

Approximately three weeks earlier, the Port’s outside investigator concluded, in response to a complaint submitted by Director Howard and former Commissioner Keck, that sufficient evidence existed indicating that Commissioner Keller violated Port Rule 12.3, Article VII, Section 7 of the Washington Constitution, and RCW 42.23.030 and/or .070. Less than two weeks after that first determination, that same investigator concluded, in response to a separate complaint forwarded to you by Director Howard, that Commissioner Keller should be investigated “to determine whether violations of Washington public gifting or other laws occurred.”

At all times, Director Howard has meticulously complied with applicable law, Port rules, and Port policies—often with your direct guidance. She has faithfully discharged her duties, and when allegations were brought to her attention by subordinates or others concerning Commissioner Keller, she appropriately reviewed those allegations, referred them to you for investigation, and then recused herself as required by Port rules. Rather than support her strict adherence to the law, the Commissioners have responded by usurping her responsibilities and summarily suspending her.

It is difficult to imagine a clearer case of unlawful retaliation.

That Director Howard's adherence to the rules and statutes led to multiple embarrassing revelations regarding Commissioner Keller is no fault of hers. This ill-considered suspension by the Commissioners not only violates state law and Port rules but also constitutes a breach of Director Howard's employment contract.

We write to place the Port on formal notice of these breaches of contract and violations of law—which are numerous—as well as notice that litigation is a reasonable and foreseeable possibility. Accordingly, the Port and the Port Commissioners are hereby directed to preserve all records relating to Director Howard, the actions taken on January 6, 2026, the decision to suspend her, and the decision to strip her of her duties.

This preservation obligation includes, but is not limited to, all written and electronic communications to, from, or among the Commissioners, whether by email, instant message, text message, direct message, WhatsApp, or any other medium. It also includes communications conducted through personal devices, personal accounts, or any non-public or non-Port systems in which these matters were discussed.

By placing the interests of Commissioner Keller above their legal obligations, the Commissioners have put the Port at significant financial risk. They have also sowed discord among staff and performed a disservice to their constituents. The Commissioners' records are now potential evidence and must be protected from destruction.

Factual Summary

After receiving numerous reports from subordinates about statements and actions of Commissioner Keller, we wrote to you on September 5, 2025, notifying you of these complaints, Director's Howard's concerns, and formalizing the tender to you of the issue per paragraphs 5.3 and 5.4 of the Port rules. We noted that under the Port's governing policies, Director Howard could not and should not be subject to retaliation for sending you the complaint. Indeed, it was her duty to do so.

On September 10, again in accordance with the Port rules, Director Howard forwarded to you a complaint received from Commissioner Keck. You proceeded, on behalf of the Port, to hire outside counsel to investigate both September complaints. In early December, another complaint was sent to Director Howard from Commissioner Keck, and again this was sent to you for

review and investigation. In sum, concerning these complaints, Director Howard did exactly as the law required.

On December 17, the investigator issued their findings, concluding that for some of the allegations, sufficient evidence existed to conclude Commissioner Keller had violated law. A subsequent report on December 29 concluded that the Port should further investigate potentially illegal actions of Commissioner Keller.

Then, just over one week later, on January 6, the Commission called a special meeting and, with no public deliberation, voted to materially change the reporting and management structure of the Port—a vote that operates, for all intents and purposes, as a demotion of Director Howard. She was also suspended indefinitely.

In a January 7 email to our office, you stated Director Howard was suspended because of “employee complaints” and that Director Howard was barred from entering the Port’s property. No further information was provided regarding the subject matter of the complaints, when they were made, or why they required the immediate and public suspension of Director Howard. Considering the history above and the timing of the suspension, this rationale for the Commissioner’s decision is clearly a pretext for illegal retaliation.

Indeed, we have learned that Commissioner O’Neil has met with staff and indicated that Director Howard will be suspended for “the long haul”—something that would not be true were this a suspension to deal with a subordinate’s alleged complaints about any act of Director Howard. Commissioner O’Neil’s telling admission simply highlighted what is already obvious: Director Howard is not being suspended because of an employee complaint, she is being suspended for “the long haul” because she had the temerity to do what her job required. And because that led to serious concerns about Commissioner Keller’s conduct, the Commissioners must send her, and other staff, a message: regardless of the Port rules, Port policies, or Washington law, the Commissioners’ conduct is not to be questioned.

Violations of Law and Breaches of Contract

The retaliatory motive of the Commissioners is plain. This unlawful retaliation against Director Howard has caused and continues to cause her significant damage.

Moreover, the Port’s actions on January 6 violate numerous provisions of controlling law. For example: before voting to drastically change the operating structure of the Port, the Commissioners made no comments at the public meeting. We, and the public, are left to believe that the Commissioners simply happened to miraculously come to the same conclusions on the *January 6 proposal without any comment*. Such mental gymnastics are ridiculous, of course. They obviously discussed the matter. They hid their discussions from the public in violation of law, which of course makes sense considering their illicit intent to punish Director Howard.

Another example: Commissioner O’Neil’s attempt to, de facto, “take over” the management of the Port, and give instructions to staff—which he did on January 7—violates, among other

provisions of law, RCW 53.12.010, RCW 53.12.270, RCW 42.23 *et seq.*, the “incompatible public officer” doctrine, the Port’s Rules and Delegations of Authority (even after the January 6 changes), and the Port’s Policy Manual, Appendix B. That is not an exhaustive list.

Furthermore, the Port has, once again, breached Director Howard’s employment contract. Under that contract, there are three, and only three, scenarios where Director Howard may be suspended. First, if the Port is investigating whether Director Howard repeatedly failed to perform the duties of the Executive Director. Here, Director Howard is not being suspended because of a failure to perform, but because she *did perform* and it led to unflattering information about one of the Commissioners. Second, commitment of a crime, moral turpitude, or other act prejudicial to the Port. This could not apply. Third, violation by Director Howard of a court order or command of a governmental agency. She did not ignore governmental rules, she *followed* them.

In short, the Port is in breach of contract. We expect the Port to take corrective action, immediately restore Director Howard to her position, and begin following the contract to which it is bound.

Finally, under the contract, the Port rules, and Washington law, we hereby demand that the Port indemnify Director Howard for the significant fees and costs she has incurred, and continues to incur, because of the Commissioners’ illegal actions. Simply put, to defend her job, her reputation, the staff, and the rule of law, she has sought legal counsel to protect herself and the office. The scheme of the Commissioners—clumsily implemented to protect one of their own—caused these expenses. The Port should reimburse Director Howard for these costs.

Director Howard has done her job. She has followed the law. We ask that the Port Commissioners begin to do the same.

Regards,

WYATT GRONSKI PLLC

Todd Wyatt

Todd Wyatt

EXHIBIT 21



POLITICS & GOVERNMENT

Port fires its top financial executive. She says it is retaliation

By **Wendy Culverwell**

Updated February 2, 2026 5:15 PM

The Port of Benton commission unanimously terminated finance director Alicia Myers, citing probationary status. She calls it retaliation. By Port of Benton

RICHLAND, WA

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The Port of Benton's new commission has removed another of its top executives.

The commission voted unanimously Monday to terminate Alicia Myers, its finance director, auditor and public records official, citing her probationary status and "unsatisfactory" performance.

Myers told the Tri-City Herald she is being retaliated against for doing her job, including the release of an investigation into two complaints detailing 24 allegations lodged against Commissioner Scott Keller last fall.

The report was a public document released under the Washington Public Records Act. The investigation by an outside law firm resulted in [four findings of misconduct against Keller](#), including violations of a state law against making gifts of public funds.

Myers joined the port in November, bringing an extensive background in finance.

Her termination after a 30-minute closed-door meeting Monday comes a few weeks after the commission [suspended Executive Director Diahann Howard](#) with pay, pending an investigation. No reason has been given publicly for the investigation.

Myers was hired by Howard, who has said publicly through her attorney that her suspension also is in retaliation for the Keller investigation.



*Alicia Myers Courtesy
Port of Benton*

The move is the latest shakeup for the port since a new commissioner joined the three-member board in January.

Commissioner Bill O'Neil defeated long-time incumbent Roy Keck in the November election, which included tenants at the port-owned Richland Airport pushing back against efforts to raise rents to market rates.

On Monday, O'Neil, Keller and Commission Lori Stevens, appointed Angela Saraceno-Lyman, currently the senior accountant to be the interim auditor, and Jorge

Celestino, currently the business operations specialist, to be the interim public records officer.

The pair will report to Ron Branine, the interim executive director. No interim finance director has been named.

The port has about 22 employees and an annual budget of \$26 million, supported by \$3.3 million in property taxes.

Keller complaint investigation

Last fall, the port hired Schwabe, Williamson & Wyatt to review allegations of misconduct during Keller's time as both a paid employee and later elected commissioner.

*Scott Keller Image
courtesy Scott Keller*

Keller worked for the port for 30 years, retiring as executive director in 2019. He returned as an elected commissioner four years later.

The Port of Benton is a public agency with responsibility for promoting economic development in western Benton County.

It is based in Richland but covers swaths of Benton City, Prosser and unincorporated Benton County.

It owns and operates the Richland and Prosser airports and a number of business parks as well as Crow Butte Park on the Columbia River near Paterson.

Howard, through an attorney, [accused the commission of retaliation](#) and has hinted at legal action.

Diahann Howard

Howard is credited with leading the port as it transformed into a center for clean energy and an inland port.

Notably, as executive director, she secured a deal to sell land near Stevens Drive to Atlas Agro, which plans to construct a \$1.5 billion low-carbon fertilizer plant in Richland, but only if it can find and bring the 300+ megawatts of electricity needed.

Atlas Agro has a separate deal with the city of Richland for a neighboring site, where it plans to develop a \$500 million data center, with similar energy requirements.

The [two projects](#) would receive power via a new interconnect. Atlas Agro is conducting due diligence and has not finalized its commitment by closing the land deals.

Myers was hired from the Port of Skagit, where she was director finance.

She previously served as finance director for the Mount Baker School District and was an assistant state auditor and fraud specialist for the Washington State Auditor's Office.

It's unclear if that will end the months-long upheaval because the Washington state Auditor's Office confirmed to the Herald that it has received a complaint outlining concerns about the Port of Benton.

It says it will review those concerns and could incorporate them into the port's next audit, which is scheduled to begin in late summer.

This story was originally published February 2, 2026 at 12:55 PM.

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Wendy Culverwell *Tri-City Herald* 

Reporter Wendy Culverwell writes about growth, development and business for the Tri-City Herald. She has worked for daily and weekly publications in Washington and Oregon. She earned a degree in English and economics from the University of Puget Sound. Support my work with a digital subscription

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