



BENTON-FRANKLIN COUNCIL OF GOVERNMENTS

MINUTES

February 15, 2019 - 10:00 a.m. Meeting
Ben Franklin Transit Board Room
1000 Columbia Park Trail, Richland

1. Call to Order: Meeting was called to order at 10:00 a.m. by Board President Skip Novakovich.
2. Roll Call – Stephanie Seamans completed roll call, by jurisdiction.

BFCG Regular Board Members

| <i>Jurisdiction</i> | <i>Member</i> | <i>Alternate</i> |
|----------------------------|-------------------------------------|-----------------------------|
| Ben Franklin Transit | Bob Koch (Present) | Shon Small/Jim Beaver |
| Benton City | Linda Lehman (Absent) | None |
| Benton County | Jim Beaver (Excused) | Shon Small |
| Benton PUD | Lori Sanders (Absent) | Barry Bush |
| Connell | Lee Barrow (Absent) | None |
| Franklin County | Brad Peck- Vice President (Present) | Rick Miller/Bob Koch |
| Kahlotus | Chad Davis (Absent) | John Rogers |
| Kennewick | Chuck Torelli (Present) | Steve Young |
| Mesa | Patti Bailey (Absent) | None |
| Pasco | Blanche Barajas (Present) | Ruben Alvarado |
| Port of Benton | Bob Larson (Present) | Roy Keck |
| Port of Kennewick | Skip Novakovich-President (Present) | Don Barnes |
| Port of Pasco | Vicki Gordon-Secretary (Present) | Jean Ryckman/Jim Klindworth |
| Prosser | Mary Ruth Edwards (Absent) | Steve Becken, Randy Taylor |
| Richland | Brad Anderson (Absent) | Phil Lemley (Present) |
| West Richland | Ken Stoker (Absent) | Gail Brown (Present) |
| WSDOT | Todd Trepanier (Present) | Troy Suing |

Economic Development District (EDD) Private Sector Members

| <i>Representing</i> | <i>Member</i> | <i>Alternate</i> |
|----------------------------|-----------------------------|--------------------------------|
| Visit Tri-Cities | Michael Novakovich (Absent) | Kim Shugart (Present) |
| TRIDEC | Carl Adrian (Absent) | David Chavey-Reynaud (Present) |
| Prosser EDA | Deb Heinz (Absent) | None |
| WorkSource Tri-Cities | Tiffany Scott (Excused) | None |
| Baker Giles | Carol Woo (Absent) | None |
| A.S. Klein Engineering | Andrew Klein (Absent) | None |
| Elite Construction & Dev. | Trini Garibay (Absent) | None |
| Community First Bank | Thomas Fisher (Absent) | None |
| Community First Bank | Amanda Jones (Excused) | None |

BFCG Staff

Stephanie Seamans, Interim Executive Director
Patrick Pittenger, Transportation Programs Manager
Fatima Traore, Economic Development Coordinator
Erin Braich, Transportation Planning Specialist II
Tony Kalmbach, Transportation Planning Specialist II
Geoff Wagner, Transportation Planning Specialist II

Stephanie indicated a quorum present for BFCG and EDD.

President Novakovich welcomed new BFCG Board member Chuck Torelli from the City of Kennewick.

Introduction of Guests: – Larry Mattson, Executive Director with the Yakima Valley Conference of Governments.

Public Comment - None

Approval of Agenda:

Stephanie mentioned during yesterday's Joint TAC/PAC meeting there was discussion and a recommendation to eliminate the PAC. It will be added as an agenda item under New Business.

A MOTION was made by Phil Lemley and SECONDED by Bob Larson to add Elimination of the PAC to New Business action items.

Approval of Minutes – Minutes stand approved as presented

Recess BFCG

Convene Economic Development District (EDD)

Reports:

1.) BFEDD Loan Trial Balance Report

Fatima stated all loans are current except for Dickies BBQ which was discussed at the last Loan Review Committee regarding a loan modification which Rick Peenstra will mention later. Loren Welding/Manufacturing is a returning loan applicant who paid off their loan last year and may be the next new loan to be reviewed in March. All other loans are performing well. There have been slower than usual inquiries as of late. The RRLF loan program offers loans up to \$300,000 and USDA loans go up to \$150,000. There are also micro loans and women and minority loans that are fairly new programs that loan \$2,500 to \$25,000. The loans start with an inquiry meeting followed by a checklist of items the borrower needs to submit. After the loan application is received, it is then discussed with the Loan Review Committee on whether to move forward to the BFCG Board for approval. Vice President Peck followed up summarizing the three different loan programs run from \$2,500 to \$300,000 of available loan funding. It's important to point out the loan programs are not in competition with private lenders but for people who are not a good fit for traditional banks and credit unions. Many times the private lenders will be in the "first

positor” for lending and BFCG loans make up the remaining funding needed. The purpose is to enable people into viable small business arrangements.

2.) BFEDD Activities Report

Stephanie mentioned that as Interim Executive Director she has been having less to do with economic development activities recently. BFCG still has a mandate from EDA for the Comprehensive Economic Development Strategy (CEDS) that was due at the end of January. EDA is aware BFCG is going to be a delayed in completing the document because of many issues that have arisen in the last few months. EDA will be sending the application for next year’s funding soon.

3.) Loan Activity Report

Rick Peenstra gave an update on the Lonestar, LLC and Rikki Cook loans. Rick has been working with the program for about nine months. There a lot of people in the community that don’t know about the loan programs but there is push to change that. There are couple of requests that look pretty good coming up and hopefully more in the coming months. Vice President Peck added that as one of the loan chairs it’s great to have Rick, his business experience is really helpful in figuring out which loans are viable.

New Business:

1.) EDA Update – *Above (Reports)*

Adjournment: Economic Development District (EDD)

Reconvene BFCG

Presentation: Larry Mattson, Yakima Valley Conference of Governments

Larry Mattson, Executive Director from the Yakima Valley Conference of Governments gave the group information regarding the YVCOG 2019 Regional Summit. This will be the second summit YVCOG is organizing with the first being held last April at Suncadia in Cle Elum. The intended audience are elected officials and city managers. It’s a chance for those attending to get away from city hall and think “big picture” and strategically reducing project costs. This year, YVCOG began to look for a location that’s closer to Yakima and more cost effective than Suncadia. A few months ago, the former BFCG Executive Director thought it might be good to partner for the summit. In the middle of last year the Richland Marriot was reserved as the venue. The original vision was to get speakers that would be of interest to the local elected officials in Benton and Franklin Counties. There will be a preliminary agenda sent out in about a month and the group can decide if it’s something they would be interested in. Last year there were 15 attendees and this year they are hoping for 30. The area the summit will be drawing from includes Yakima, Benton and Franklin Counties. Vice President Peck suggested inviting Walla Walla County elected officials since there is quite a bit of overlap between the counties. Kim Shugart suggested the League of Women voters as good resource for exploring invitees. Gail Brown said she would pass along the summit information at next week’s Goods Roads meeting. The Greater Seattle Chamber of Commerce also hosts a similar event at Suncadia with elected officials plus the business community. It might be a good event for BFCG to attend because of the economic development aspect of the two.

Consent Agenda:

1.) Voucher Summary January 19 – February 15, 2019

A MOTION was made by Bob Koch to approve *Consent Agenda: Voucher Summary January 19 - February 15, 2019* and SECONDED by Chuck Torelli. The motion passed unanimously.

Reports:

1.) BFCG Executive Director Report

Stephanie wanted to let the group know staff has been working on the transition as well as transportation and loan duties. Patrick started January 2nd and has been a big help with financial issues. Staff has been doing a very good job helping with many different transition tasks.

2.) Transportation

a. Growth Management Act

Erin let the group know one of BFCG's responsibilities is to review the transportation element of the comprehensive plans in Benton and Franklin Counties and to make sure they are in line with the Growth Management Act (GMA). If there are any questions please contact Erin.

b. Traffic Count Summary

Tony gave a brief summary of the data analysis for the 2018 Regional Traffic Count Program. The entire analysis is on the website. There were approximately 630 sites counted in spring and fall during mid-week and collected volume, classification and speed data in Benton and Franklin Counties. The analysis includes major corridors analyzed in every jurisdiction. It helps BFCG with modeling efforts and will help with the upcoming Congestion Management Process (CMP). There is a sample in the packet of an analyzed corridor.

New Business:

1.) Approval of TIP Amendments

Patrick explained the importance of the TIP. It's a federal requirement that plays into project advancement and funding availability. There is a call for projects planned for later this year and the TIP is very important in facilitating the process. The TAC and PAC approved this item at yesterday's meeting.

A MOTION was made by Phil Lemley and SECONDED by Bob Larson to approve the *February TIP Amendments. The motion passed unanimously.*

2.) Approval of Loan Modification for Lonestar, LLC

Rick gave a summary of the Lonestar, LLC loan modification which operates the local Dickies BBQ restaurants. Dickies expanded to Pasco and did so a bit prematurely and experienced cash flow difficulties. The Pasco store is finally coming up to speed. Dan Pelfrey from Lonestar, LLC is requesting an interest only payment plan. He has requested this from his other lenders as well and has received permission to do so. On Monday, the Loan Committee recommended approval of an eight month interest only extension for Lonestar, LLC to help them catch up and by September expect they will be back in decent shape.

A MOTION was made by Vice President Peck and SECONDED by Bob Larson to approve the *Loan Modification for Lonestar, LLC. The motion passed unanimously.*

3.) Approval of New Loan Request - Rikki Cook

Rick updated the group on a new loan request by Rikki Cook who is a counselor and looking to expand to the basement in her current building. She is currently at capacity on the main floor. The Loan Committee recommended approval of a loan for \$250,000 in tenant improvements and to install an elevator if necessary.

Vice President Peck cautioned ADA requirements can be more extensive than people think. Inspectors can require things that were not anticipated and costs can climb. Vice President Peck noted that the applicant does have favorable characteristics, including current cash flow.

A MOTION was made by Phil Lemley and SECONDED by Bob Larson to approve the *Rikki Cook Loan Request. The motion passed unanimously.*

Rick noted the expansion project will be monitored and the money will be dispersed when the construction is complete.

Elimination of the Policy Advisory Committee

President Novakovich mentioned this item is one that was discussed at the TAC/PAC meeting yesterday. It was recommended to eliminate the PAC, although not unanimously.

It has been discussed in the past that the PAC is a duplication of the BFCG Board as most of the members of the PAC also serve on the Board. It would also save staff time from preparing a meeting every month.

Patrick mentioned that documentation found regarding PAC structure and meetings is from 1977 and only mentions that meetings are held at the discretion of the PAC Chair. He also mentioned he spoke with FHWA regarding the PAC meeting locations in the past, and this would address that issue.

President Novakovich also spoke with MRSC and they didn't see any issues with eliminating the PAC.

Bob Larson stated he spoke with the port and they are in agreement for PAC elimination.

Vice President Peck mentioned he has sat on the PAC for a number of years and is hard pressed to remember a time when the PAC overruled a TAC recommendation.

Gail Brown mentioned Roscoe Slade sent her a message that he wasn't opposed to the idea of eliminating the PAC but it wasn't on the TAC/PAC agenda and it wasn't a fully attended TAC/PAC meeting.

Todd Trepanier is abstaining from the PAC Elimination vote. WSDOT would have liked more past discussion on the issue. The BFCG Board meetings will likely have longer discussions than normal without a PAC.

Vice President Peck noted that if this is an issue with WSDOT we would like to be aware of it. It's also the President's prerogative to establish Ad hoc committees when necessary. WSDOT is welcome to attend an Executive Board meeting if there is topic they would like to bring to the group. He also mentioned at yesterday's TAC/PAC meeting that elected officials would be welcome to attend TAC meetings.

A MOTION was made by Bob Larson and SECONDED by Phil Lemley to approve the *Elimination of the PAC. The motion passed unanimously with WSDOT abstaining.*

A MOTION was made by Vice President Peck and SECONDED by Chuck Torelli to amend the *Elimination of the PAC* with this *BFCG Board action having the ability to supersede any decision made regarding PAC formation. The motion passed unanimously with WSDOT abstaining.*

Comments/Announcements for the good of both the BFCG/EDD:

Vice President Peck – Franklin County

Vice President Peck requested the Board Chair send a letter to WSDOT formally notifying them of the action taken to eliminate the PAC. BFCG should let them know our willingness to meet with them at their convenience and assure them that this action doesn't hinder our relationship or ability to do their job.

Todd Trepanier - WSDOT

Snoqualmie Pass from Wednesday to Saturday has had 6 feet of snow fall. It set a record for 31 inches in a single day. SR 225 and SR 241 are closed because of blowing snow. There was a question at the last meeting on how the Connecting Washington projects were progressing. There are roughly 140 projects in the Connecting Washington package with 15 completed and under budget.

David Chavey-Reynaud - TRIDEC

The Annual Economic Outlook Meeting was cancelled this week. It will be rescheduled and TRIDEC will keep everyone posted.

Bob Larson – Port of Benton

Chukar Cherries is expanding with a \$2 million port loan. It will double their operation.

They recently won best foods at a tradeshow in Las Vegas that included nationally known companies.

Fatima Traore - BFCG

Please refer potential loan clients to BFCG. We are ready to get some loans out.

Stephanie Seamans

Thank you to everyone for coming out and thank you for your dedication and support. At last month's board meeting there weren't any EDD items, so the EDD members did not need to attend. If it happens again and you don't need to show up we will let you know. Thank you to the jurisdictions for being here as well.

Secretary Vicki Gordon – Port of Pasco

The Port of Pasco has some exciting developments coming at Osprey Pointe and is currently waiting for a proposal from Eaty Gourmet. The port is also looking to purchase land and has some good prospects lined up.

President Novakovich – Port of Kennewick

The Port of Kennewick is looking to open bids. One is for the Columbia Gardens Wine Village and the other is for Vista Field for early March. There has been quite a bit of interest in Vista Field.

Adjournment - 10:53 a.m.

Next Meeting: *Friday, March 15, 2019*

Location: Ben Franklin Transit Board Room

Meeting starts promptly at 10:00 a.m.

Approved at the March 15, 2019 meeting:



Nicholas (Skip) Novakovich, BFCG President