

BENTON RURAL ELECTRIC ASSOCIATION

**Benton REA**  
**West Richland Complex**  
Strategic Decision Paper

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August 14, 2024

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## I. EXECUTIVE SUMMARY

The Benton Rural Electric Association (REA) is at a critical juncture as it evaluates the construction of a new headquarters complex in West Richland. The existing facilities in Prosser and West Richland are inadequate due to aging infrastructure, safety concerns, lack of appropriate space, and operational inefficiencies. These challenges lead to frequent HVAC failures, overcrowded electrical rooms, lack of American with Disabilities Act of 1990 (ADA) compliance, and frequent material rehandling among warehouses due to operational inefficiencies caused by a lack of modernized warehousing systems and multiple locations across the region. As a result, since 2017 the Board of Trustees (Board) has explored various options, including renovating and expanding the current facilities. However, after careful consideration and extensive due diligence, the Board determined that constructing a new headquarters complex in West Richland is the most appropriate solution.

A new headquarters complex in West Richland offers significant benefits for Benton REA. Currently, Benton REA has over 12,000 members (16,000 accounts). The majority of the membership (73%) reside in or near West Richland. In order to offer the membership a more efficient service, it is strategically important to be near the largest membership base. Additionally, 64% of Benton REA's fieldwork is closer to the proposed West Richland facility. By locating the headquarters complex in West Richland and maintaining a presence in Prosser, we reduce travel time to job sites, lower fuel costs, and decrease vehicle wear and tear. The strategic centralized location will result in quicker response times to outages, more crew time spent providing service to the membership, and increased customer service to our members.

The new facility is expected to generate a significant increase in value to the members, with potential efficiencies amounting to between \$1.4 and \$2.9 million dollars per year according to external consultants. The centralized location combined with the continuing presence in Prosser will result in quicker response times to outages, more crew time spent providing service to the membership, and increased customer service to our members. Additionally, the new complex will enhance safety, improve employee working conditions, and provide a modern, centralized location that supports Benton REA's mission of delivering reliable, affordable energy to its members well into the future.

In determining this course of action, the Board compared multiple options, including the cost of renovation and expansion of current buildings vs. building new. The analysis conducted found that any significant remodel would require the aging facilities to be brought into compliance with current code and legal demands. This along with the increase

of our requirement for power and communications, the cost of renovations to the Prosser office alone would total at least \$12.9 million dollars. However, this basic renovation would not have addressed any additional operational efficiencies or improve services offered to the membership. Further discussions were held outlining a full renovation of all Benton's facilities to address expansions for personnel and bring every facility up to code amounted to a \$17.2 million dollar budget. Again, these renovations would not address operational inefficiencies created by the utility's spread out warehousing and other challenges, nor did either of these options include the costs of temporarily housing staff while renovations were underway or include any contingency for furniture, fixtures and equipment.

Finally, in order to provide the highest level of transparency, the Board conducted a 30-day member comment period and received majority positive support for the complex. Of the comments received, 48 were in support, 27 against, and 9 were not applicable.

In response to this robust analysis, completed over the last seven years, the Board of Trustees has approved the building of a new headquarters complex in West Richland, referenced as Option 3b, the construction of a full facility. The Board's decision reflects a commitment to long-term fiscal responsibility, member satisfaction, and community impact, ensuring that Benton REA remains well-positioned to meet the evolving needs of its members while maintaining its tradition of excellence.

## II. INTRODUCTION

### PURPOSE STATEMENT

The purpose of this Decision Paper is to document the Board of Trustees' evaluation process and final decision following the 30-day member comment period regarding Benton REA's proposal to construct a new headquarters complex in West Richland.

### WHO IS BENTON REA

Benton REA is a not-for-profit, consumer-owned electric cooperative serving more than 12,000 members across Benton, Yakima, and Lewis counties in Washington state. Founded in 1937, Benton REA holds the distinction of being the oldest operating consumer-owned utility in Benton and Yakima counties.

#### *Board of Trustees*

Benton REA is organized into eight districts, each represented by a Benton REA member elected by fellow members to serve on the Board of Trustees for a three-year term. These trustees are responsible for setting policies, budgets, and the overall strategic direction of the cooperative.



Figure 1. *Benton REA Board of Trustees & District Map*

#### *Benton REA Mission*

Our Mission at Benton REA is to provide affordable, reliable energy and other compatible services that enhance the quality of life for all of our members. Our mission is also to provide a stable, safe, competitive, and career-oriented work environment for Benton REA's employees. In pursuit of these objectives, we use the highest ethical standards, in conjunction with sound financial and management principles.

#### *Member Owned*

Since Benton REA is a not-for-profit cooperative owned by its members, any margins above operating costs belong to the members. Those net margins are annually allocated to members as capital credits and returned to the members at the discretion of the Board of Trustees. Since its formation in 1937, Benton REA has returned over \$22,894,080 in [capital credits](#) to its member-owners. Notably, \$14 million has been paid out since 2017, primarily

using proceeds from the Yakama Power deal. This transaction followed a member vote to sell 2,107 accounts located within the boundaries of the Yakama Nation Indian Reservation.

### ***Fiscal Responsibility***

Benton REA has maintained a strong financial position over the past several years, including paying off all long-term debt, demonstrating the utility's fiscal responsibility in handling member funds. For example, Benton REA's most recent Key Ratio Trend Analysis conducted by the Cooperative Finance Corporation shows that in terms of "Long Term Debt as a Percent of Total Assets" and "Long Term Debt per kWh Sold," Benton REA ranks 801 out of 803 surveyed electric cooperatives and 799 out of 803 for "Long Term Debt per Consumer," demonstrating that Benton REA carries one of the lowest debt amounts among its peers nationwide. This prudent financial strategy has positioned the utility to undertake the projected long-term financial obligations of the West Richland Headquarters Complex without overly burdening its members or disrupting the delivery of reliable and affordable electric services.

### ***Rate Comparison***

Benton REA offers some of the lowest rates in the region compared to other electric utilities. With a base charge of \$19.50, Benton REA is significantly lower than competitors like the City of Richland (\$21.39), Big Bend Electric (\$31.00), Franklin PUD (\$34.00), and Columbia REA (\$52.00). Additionally, Benton REA's energy kilowatt-hour (kWh) charge is competitively priced at \$0.0799, which is lower than the rates of Columbia REA (\$0.0910), Klickitat PUD (\$0.0977), and PacifiCorp (\$0.0992). We maintain these low rates, despite serving some of the most rural areas in Benton and Yakima counties, including the top of White Pass in Lewis County. This underscores Benton REA's commitment to providing affordable electricity to its members while upholding high service standards.

### ***Inflation vs. Rates***

Benton REA has kept rate increases well below the rate of inflation. For example, from 2014 to 2024, while the US experienced a 32.91% increase in inflation, Benton REA's rates only increased by 15.25%. This perspective highlights Benton REA's effectiveness in managing costs amidst broader economic pressures, ensuring more stable and affordable rates for members.

### **III. PROBLEM STATEMENT**

Benton REA's building facilities are no longer compliant with modern building and safety codes and Benton's staff has outgrown the space, prompting the evaluation of renovation and expansion options that began in 2017. Both of Benton REA's current West Richland and Prosser locations, built in 1999 and 1962 respectively, face significant challenges due to aging. The rising maintenance and repair costs, frequent HVAC failures, and increased service calls are straining resources. Additionally, aged electrical systems and inadequate capacity cause persistent electrical issues and internal power losses due to circuit overloads. The overall condition of the facilities is deteriorating due to their age and increased traffic and are out of compliance with current building codes.

#### ***Current Facilities Status***

Doing nothing is not a feasible option. Benton REA faces significant challenges with its current facilities. Nearly all materials are delivered first to the Prosser headquarters, where they are stored in three different locations in the Prosser area. This setup leads to daily inefficiencies as crews often need to visit four separate locations to access trucks, vehicles, and resources. These inefficiencies are further compounded by the fact that materials intended for use in West Richland are first delivered to Prosser, then rehandled and transported to the smaller West Richland location as needed. The current West Richland property has limited space, preventing much of the material from being directly shipped to that location. In fact, in the 2006 Strategic Plan, the Board of Trustees recognized that access to the existing West Richland warehouse facilities for larger equipment, poles, and materials was becoming an increasingly serious problem. This issue has escalated over time, with material rehandling between warehouses now estimated to cost Benton REA \$60,000 per year based on the analysis conducted by an external consultant. Additional identified inefficiencies include frequent personnel travel between the two facilities. Collectively, the inefficiencies in material handling, storage, and intra-facility travel add to Benton REA's operational costs, with an estimated annual expense of approximately \$260,000.

Ultimately, external consultants estimate that Benton REA can implement operational changes to achieve efficiencies, saving the utility between \$1.4 and \$2.9 million annually.

## **PROPERTY CONDITION ASSESSMENT – PROSSER**

In 2019, Benton REA commissioned a Facility Planning Study that was conducted by Cooperative Building Solutions (CBS). The following information highlights the study's findings.

The CBS Property Condition Assessment of Benton REA's current facilities reveals significant safety, construction, and operational issues. Key concerns include inadequate safety features, potential asbestos and lead paint, and non-compliance with ADA standards. Additionally, the building's infrastructure is outdated, with inadequate insulation, overcrowded electrical rooms, and inefficient HVAC systems. Operational inefficiencies are also prevalent, with facilities being too small for necessary work and storage. These issues highlight the urgent need for a new headquarters complex to ensure safety, compliance, and operational efficiency.

### **a. Building Safety and Security Concerns**

In terms of building safety and security, the long corridor poses an active shooter vulnerability, an occupied office is directly off the lobby without a barrier, there are no side exits, and no fire suppression systems were observed.

### **b. Building Construction Concerns**

The building construction itself is problematic, as it is over 60 years old, which raises concerns about asbestos, lead paint, and air quality, none of which were investigated. The building has undergone multiple partial renovations, leading to inconsistent finishes and ceiling heights. Many doors lack adequate clearance, and most have knobs that are not ADA-compliant. The break room and restrooms also fail to meet ADA standards, with plumbing and electrical systems showing signs of inadequate configuration and overcrowding. Additionally, the building's insulation is either inadequate or missing entirely.

### **c. Operations Building Concerns**

In the Operations building, the restrooms do not comply with ADA standards, the hot water heater is improperly located next to a urinal, and the vehicle shop is too small to accommodate bucket trucks and is being used for storage.

### **d. Warehouse Concerns**

Warehouse #1 has several issues, including inconsistent air conditioning provided by mini-split units in nearly every office, lack of makeup air, and poor air quality. The stairs are



narrow, with inadequate handrails and landing misalignment, and there are temperature control issues due to insufficient insulation. ADA non-compliance is also a concern, particularly in the restrooms, break areas, and door hardware. Furthermore, electrical panels lack proper clearance. Warehouse #2 faces limitations due to overhead power lines that restrict site usage, while Warehouse #3 has a sewer line crossing the property and significant elevation changes, complicating site utilization.

## IV. WEST RICHLAND COMPLEX BACKGROUND

### a. Due Diligence

Over the past seven years, Benton REA has explored numerous options to address the challenges associated with aging facilities. Rather than rushing into a decision or pursuing a specific course of action, the Board of Trustees has engaged independent consultants to evaluate options for improving and expanding facilities, including the following:

**Option 1:** Renovate Existing

**Option 2:** Expand Existing

**Option 3a:** Build New in Phases

**Option 3b:** Build New Headquarters Complex in West Richland

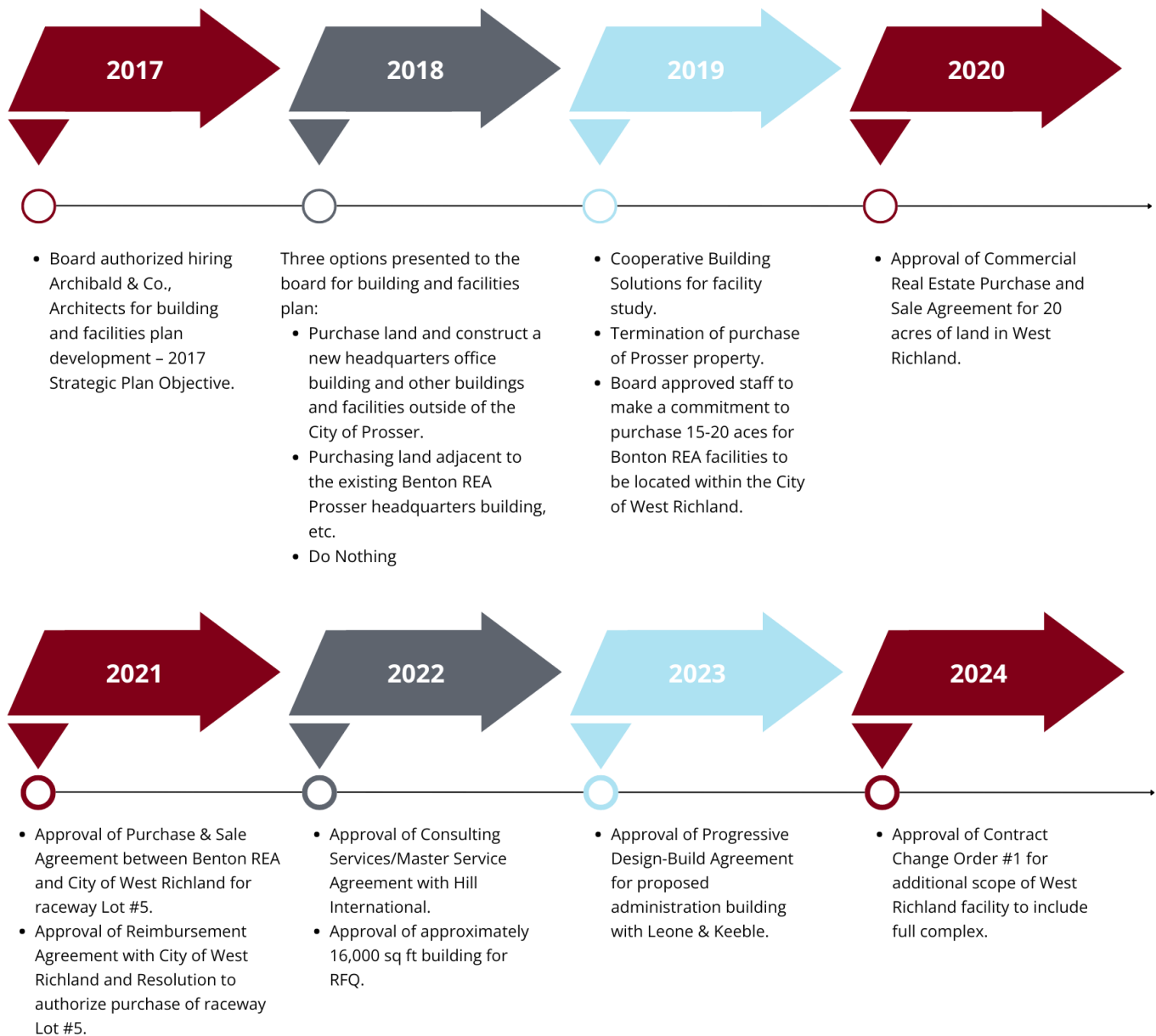
Each of these options are discussed below.

In 2021, after careful consideration, the Board decided to explore **Option 3a and 3b**. They approved a Purchase & Sale Agreement between Benton REA and the City of West Richland to acquire 17 acres of land for future development.

All options, including the new headquarters complex in West Richland, would impact Benton REA rates. The estimated max rate increase for **Option 3b** is 5% over time, equating to less than \$7 per month for the average residential bill. It's important to note that Benton REA plans to mitigate this rate impact through the sale of current properties and cost savings from enhanced operational efficiencies.

## b. Key Dates and Board Actions

Full details regarding key dates and board actions can be found in the Appendices.



## V. FACILITY IMPROVEMENT OPTIONS EVALUATED

### RENOVATE EXISTING

Unfortunately, Benton REA's facilities have reached the point where renovations are no longer a low-cost option, primarily due to broad inflationary pressures and the adoption of new [State Building Codes](#) (SBC) by the [Washington State Building Code Council](#). The SBC sets minimum construction and renovation requirements addressing structural integrity, occupancy, accessibility, and safety standards. Benton REA's facilities are not compliant with the current SBC, and renovations alone would cost millions of dollars to bring them up to the current standards.

Cooperative Building Solutions estimates the current renovation cost for the Prosser headquarters at \$12.9 million and the renovation cost for the West Richland district office at \$800,000 – bringing the total renovation cost for both facilities to \$13.7 million. This does not address the need for additional square footage for staff.

#### **Key Findings for Renovation of Existing Option:**

- A \$13.7 million cost, which results in only a \$7.2 million savings compared to constructing a new facility.
- This approach does not address the need for expansion.
- This approach does not address the significant inefficiencies that can be resolved by consolidating facilities and placing the majority of personnel closer to job sites.

### EXPANDING EXISTING

Expanding existing facilities presents challenges similar to those of renovation. Any updates to a single area would necessitate bringing the entire building up to code, including major systems such as electrical, fire safety, plumbing, mechanical, and energy efficiency. [Benton REA's Prosser headquarters](#), originally constructed in 1962, and the current West Richland district office, established in 1999, both face these challenges. While expansion projects are unlikely for the Prosser facility, the West Richland district office would need an additional 3,000 sq. ft. to meet standards and accommodate future growth. Architects consulted by Benton REA estimate that renovating the existing 3,096 sq. ft. and expanding the facility by an additional 3,000 sq. ft. would cost \$3.4 million. However, this figure does not include the need to expand the property for additional parking to meet city ordinance requirements.

#### **Key Findings for Renovating and Expanding Existing Option:**

- A \$17.2 million cost, which results in only a \$3.7 million savings compared to constructing a new facility.

- This approach does not address the significant inefficiencies that can be resolved by consolidating facilities and placing the majority of personnel closer to job sites.

### **BUILDING NEW IN PHASES**

Building a new complex in phases presents considerable challenges as well, including an extended construction timeline. Each phase requires separate planning, execution, and coordination, which prolongs the overall project duration and delays the operational efficiencies by several years. A phased approach leads to higher costs, as extended timelines increase labor, material, and administrative expenses. Inflation further contributes to higher costs; for example, the price per sq. ft. has more than doubled from the 2017 estimate of \$250, when Benton REA obtained initial quotes for the new headquarters complex, to the current quote of \$558 per sq. ft.

#### **Key Findings for Building New in Phases:**

- This is the most expensive option, with the total cost and timeline unknown.
- The cost of each phase is escalated by each intervening year before construction.
- Delays the operational efficiencies by years, reducing the cost savings and benefits.

## VI. PROPOSED WEST RICHLAND HEADQUARTERS COMPLEX

In 2019, after an extensive facility needs assessment, Cooperative Building Solutions recommended the following for the new headquarters complex:

- 26,000 sq. ft. administrative office space
- 11,400 sq. ft. warehouse
- 9,200 sq. ft. enclosed vehicle storage
- 4,500 sq. ft. maintenance / wash bay
- **Total = 51,100 sq. ft**

After multiple evaluations and plan revisions aimed at reducing costs while preserving value, Benton REA has opted for a smaller building option and has budgeted for the following:

- 23,850 sq. ft administrative office space
- 16,795 sq. ft warehouse & enclosed vehicle storage
- **Total = 40,645 sq. ft**



Figure 2. West Richland Complex Site Plan. Cooperative Way off Keene Road.

## VII. BENEFITS AND ADVANTAGES OF BUILDING THE NEW WEST RICHLAND HEADQUARTERS COMPLEX

A new headquarters complex in West Richland offers significant benefits for Benton REA. With membership over 12,000 (16,000 accounts) and 73% of these members residing in or near West Richland, it is strategically important from an operational efficiency perspective. Additionally, 64% of Benton REA's fieldwork is closer to the proposed West Richland facility. Locating the headquarters complex in West Richland reduces travel to job sites, allowing for more work time, lowers fuel costs, and decreases vehicle wear and tear. This also results in faster response times, leading to better service.

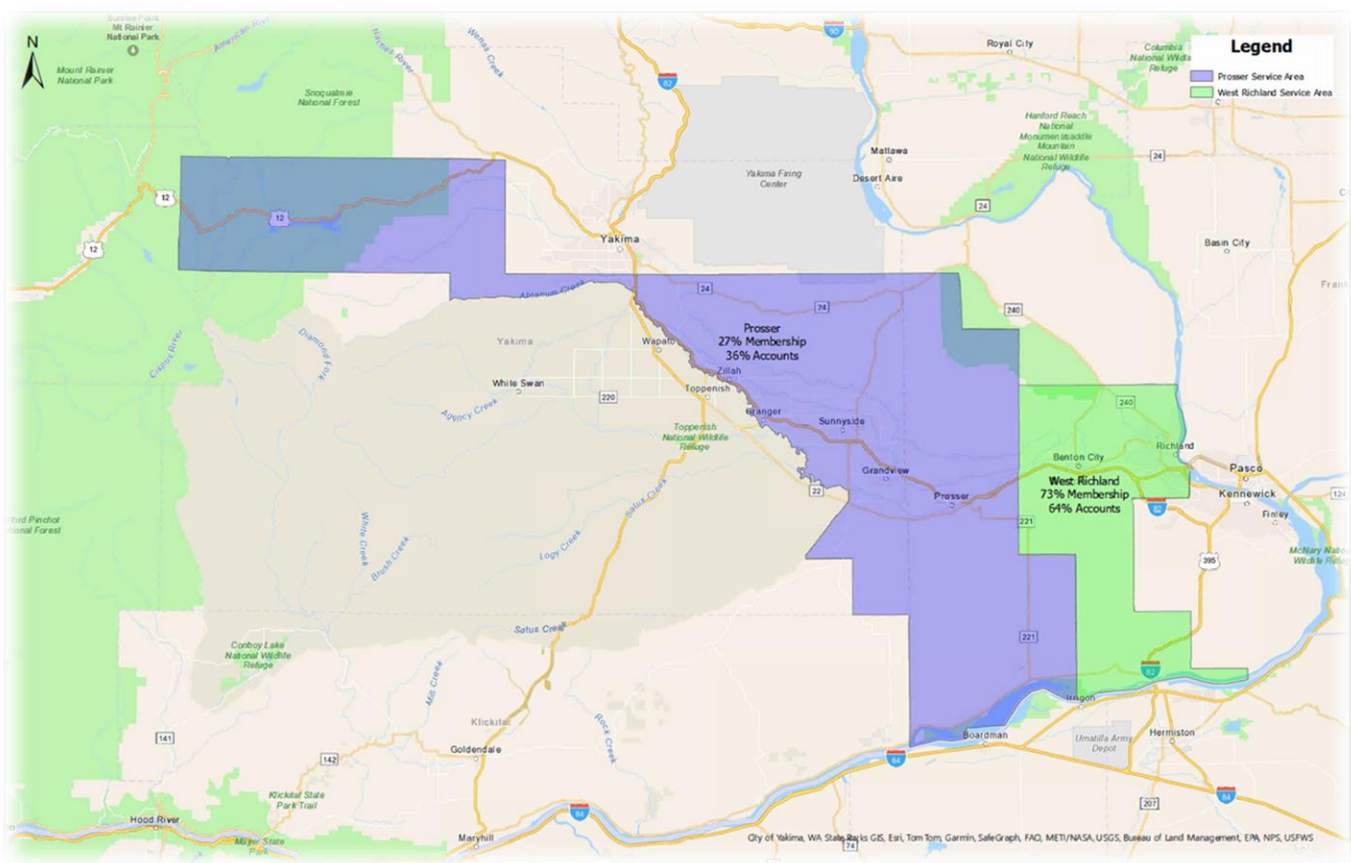


Figure 3. Membership Accounts Map

## **a. Sale of Surplus Properties**

While still allowing us to maintain a district office and crew(s) in the Prosser area to ensure we continue to provide quality service to the entire 620-square-mile service area, the new facility allows for the sale of surplus properties in Prosser and West Richland. Consolidation will streamline operations, as crews will no longer need to visit multiple locations to gather materials before heading to job sites. Based on the tax values alone, the sale of surplus properties could contribute to a one-time cash value of \$2,158,055.

## **b. Risk Avoidance**

Benton REA and the City of West Richland have enjoyed a positive and mutually beneficial relationship for decades. Since at least 2003, Benton REA has strategically prioritized helping West Richland achieve independence by aligning the city's strategic objectives with Benton REA's planning actions. This ongoing effort focuses on developing West Richland's independence in providing critical services within the city's boundaries, including electrical services. Supporting West Richland in achieving independence secured Benton REA's position in the community, minimized the risk of shared services with adjacent communities, and crucially, reduced the risk of the city forming its own electrical municipality.

The importance of retaining the franchise agreement with West Richland cannot be overstated. Benton REA currently holds this agreement, which the city has offered to extend for 30 years. This extension would commence upon Benton REA incurring long-term debt to fund, in whole or in part, the construction of a new headquarters complex in West Richland. Losing the ability to serve West Richland's electrical load could result in a substantial revenue loss of \$12.5 million per year for Benton REA, which is approximately 27% of Benton REA's total revenue. The present-day value of West Richland, at a 5% discount over 20 years, is equal to \$155,777,629. Therefore, maintaining this franchise agreement is essential for the continued financial stability and strategic positioning of Benton REA.

## **c. Operational Efficiencies**

Relocating the Benton REA headquarters to West Richland will significantly enhance operational efficiency. With decreased travel time to job sites, employees can spend more time working and less time driving to the job site or picking up materials, directly increasing productivity. The shorter travel distances will also lead to cost savings through reduced fuel expenses and less wear and tear on vehicles. These savings can be redirected to essential services and improvements, benefiting all members. Additionally, the improved proximity

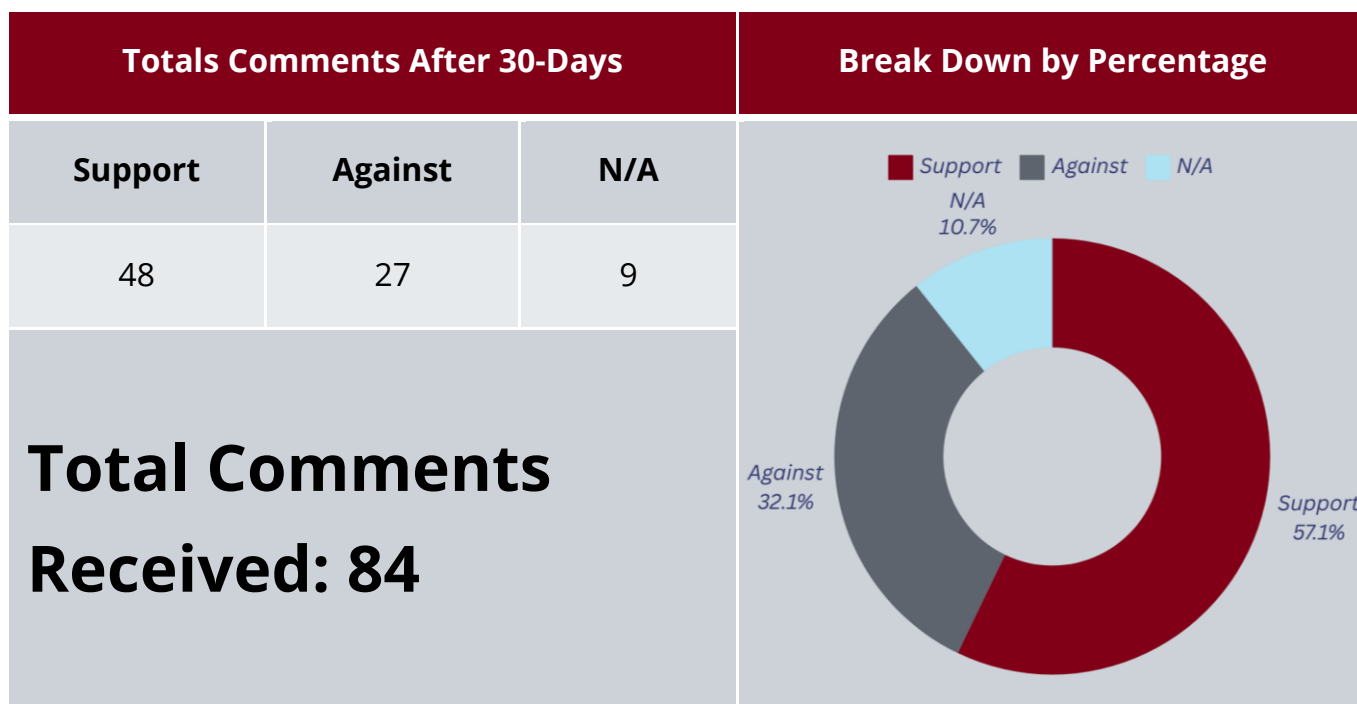
to job sites ensures faster response times to outages and service calls, leading to better service quality. By consolidating current facilities, Benton REA eliminates the need for crews to stop at multiple locations for materials before heading to job sites, streamlining operations and resulting in quicker service restoration. These operational efficiencies will improve service quality for all members, not just those closer to West Richland.

### VIII. RESPONSES TO MEMBER COMMENTS

This section addresses member comments regarding the proposal to build a new headquarters complex in West Richland. Benton REA staff monitored and reviewed all incoming comments, categorizing them into three groups: Support, Against, and N/A. A complete list of comments can be found in the Appendices.

This section summarizes the three identified categories.

#### SUMMARY OF MEMBER COMMENTS BY CATEGORY



**Support:**

48 members expressed support for the new facility, citing the need for modernization and improved working conditions. They appreciated the thorough communication provided through informative videos and meetings, and believe that the new facility will support future growth, enhance efficiency, and provide a better working environment for employees. Supporters highlighted the potential for long-term benefits and the importance of upgrading to accommodate technological advancements.



***Against:***

27 members expressed concerns about the financial implications of the new facility. They were worried about the high costs during a period of inflation and rising expenses. Critics viewed the new facility as an unnecessary expense and overreach, suggesting that the cooperative should focus on more utilitarian improvements and avoid burdening members with increased costs.

Some members were opposed to the new facility and its proposed location. They believed the organization should remain in its current location and that improving the existing building would be a more cost-effective approach. Others criticized the design as overly fancy and expensive, raising concerns about power dynamics and financial burdens, and emphasizing the cooperative's rural roots.

***N/A:***

Some members provided constructive feedback without indicating a clear position. These comments included suggestions to install public EV (Electric Vehicle) charging stations, provide more detailed cost comparisons, gather broader member feedback through questionnaires, and prequalify bidders based on whether they provide full family health insurance to their employees.

**MEMBER COMMENTS BY EMERGING THEMES**

Upon further analysis, Benton REA staff identified the following emerging themes: Financial Stewardship, Operational Excellence, Strategic Location Planning, Employee Wellbeing, and Community Endorsement.

The member comments reflect a diverse range of perspectives and priorities regarding the proposed new headquarters complex in West Richland. This section summarizes the full scope of comments received.

## **a. Financial Stewardship**

Members expressed a range of opinions regarding the financial implications of building a new headquarters complex. Some members were concerned about the high costs amidst current economic challenges, with worries that the proposed expenses would further strain their financial situations. There was a suggestion to delay the project until material costs stabilize. Others questioned the necessity of the project, suggesting that improving existing facilities might be more cost-effective. On the other hand, some members acknowledged the long-term benefits of the new building, such as potential operational efficiencies and offsetting costs through the sale of current properties.

### **RESPONSE TO MEMBER COMMENTS**

#### **i. Given the current economic climate, why is Benton REA considering moving forward with such a significant financial investment in a new facility?**

##### **Member Comments**

- *"Contrary to others who have commented, I guarantee construction prices will not be going down in the future."*
- *"This long-standing partnership between the city and co-op also was successful in obtaining a \$200,000 Washington State Department of Commerce Grant and a \$250,000 Benton County Rural County Capital Fund grant to extend water mains and construct Cooperative Way to reduce upfront capital costs."*
- *"At a time when the cost of everything has skyrocketed; I think you should wait on spending millions on a new facility..."*
- *"Why now when Labor & materials are very expensive? It should be delayed until inflation and building materials have stabilized..."*

##### **Discussion**

Benton REA is considering a significant financial investment in a new facility due to several critical factors. First, the current facilities in West Richland and Prosser are significantly aged, dating back to 1962 and 1999, respectively. They face frequent HVAC failures, aged electrical systems and inadequate capacity, causing persistent electrical issues and internal power losses due to circuit overloads, and rising maintenance and repair costs. These inefficiencies divert resources from other essential services and projects, leading to increased operational costs. Additionally, the new State Building Code mandates strict construction and renovation standards for structural integrity, occupancy, accessibility, and

safety, which the current facilities do not meet. Renovating to comply with these standards could cost of millions of dollars. Inflation has also significantly increased construction costs, doubling the price per square foot from \$250 in 2017 to \$558 today. These costs are expected to rise further, making it financially prudent to act now rather than face even higher expenses in the future.

Moreover, consolidating operations into a new, modern facility in West Richland would streamline operations, reduce travel time and costs, enhance service response times, and ultimately lead to significant added value and operational efficiencies. The sale of surplus properties would also offset some of the initial investment costs, contributing to a one-time cash value of over \$2 million. Maintaining a positive relationship with the City of West Richland and extending the franchise agreement, secures Benton REA's current \$12.5 million in annual revenue from the City for another 30 years, which further underscores the financial and strategic necessity of this investment. Therefore, the investment in a new facility is a strategic decision to ensure long-term revenue certainty, sustainability, efficiency, and improved service for Benton REA members.

**ii. What are the projected long-term financial benefits of the new headquarters compared to continuing operations in the existing buildings?**

**Member Comment**

- *"The estimated 5% rate increase, less than \$7 a month for the average bill, is a small price to pay for these significant community benefits we gain including improved infrastructure, better service, and increased operational efficiency."*
- *"I support the new building being built in West Richland. After going to the annual meeting and hearing about all the wasted time for your employees, it sounds like a no brainer."*
- *"The costs for these kinds of buildings built to modern specifications are almost always poor value for the subscribers."*
- *"I think it's in the best interest of Benton REA member-owners and the cooperative to make all necessary renovations to the existing office buildings in Prosser and West Richland so that the employees stationed there can conduct their work in a productive manner."*

## **Discussion**

The projected long-term financial benefits of constructing a new headquarters for Benton REA compared to continuing operations in the existing buildings are substantial. Here are the key financial advantages:

1. **Reduced Maintenance and Repair Costs:** The aging facilities in West Richland and Prosser, dating back to 1999 and 1962 respectively, are increasingly costly to maintain. Frequent HVAC failures, electrical issues, and the rising costs of repairs and upkeep divert funds from essential services. A new facility would significantly reduce these ongoing expenses by eliminating the need for constant maintenance and repairs, which are currently estimated by external consultants to cost Benton REA \$360,000 annually.
2. **Operational Efficiencies:** Consolidating operations into a modern facility in West Richland would streamline material handling and reduce travel time between job sites. This efficiency directly translates to cost savings, with an estimated annual savings of \$260,000 from reduced travel and material handling inefficiencies. Additionally, faster response times and more efficient workflows would improve overall service quality and productivity.
3. **Compliance with Modern Standards:** The current facilities are not compliant with the latest State Building Code requirements, which address structural integrity, occupancy, accessibility, and safety standards. Bringing the existing buildings up to code would cost of millions of dollars. A new facility would inherently meet these standards, avoiding the substantial costs of retrofitting the old buildings.
4. **Inflation Mitigation:** Construction costs have significantly increased due to inflation, doubling from \$250 per square foot in 2017 to \$558 today. Continuing to delay construction will result in even higher costs due to ongoing inflationary pressures. Building now helps mitigate the risk of future cost escalations.
5. **Sale of Surplus Properties:** The new facility allows for the sale of surplus properties in Prosser and West Richland, generating a cash value of over \$2 million. These funds can be reinvested into the new headquarters or other essential projects, offsetting some of the initial investment costs or long-term debt.
6. **Enhanced Financial Stability:** Retaining the franchise agreement with the City of West Richland, which would be extended for 30 years upon constructing the new facility, secures \$12.5 million/year in annual revenue from the City. This agreement is

crucial for Benton REA's financial stability and strategic positioning within the community.

7. **Long-Term Savings:** While the renovation and expansion of existing facilities would cost \$17.2 million, it only saves \$3.7 million compared to constructing a new facility. Additionally, renovations do not address the need for expansion or the significant inefficiencies inherent in the current setup. Building a new facility ensures long-term savings by creating a more efficient, scalable, and compliant operational environment.

The new headquarters will provide Benton REA with substantial long-term financial benefits by reducing maintenance costs, increasing operational efficiency, ensuring compliance with modern standards, mitigating inflationary risks, generating revenue from the sale of surplus properties, and securing an essential franchise agreement. These advantages collectively contribute to a more sustainable and financially stable future for the cooperative and its members.

### **iii. How will the new facility impact member rates and what measures are being taken to minimize this impact?**

#### **Member Comments**

- *"I believe the 5% or less than \$7 per month is a reasonable amount to pay for a brand new facility. Benton REA staff was helpful in guiding me through the process to qualify for a \$200 bill credit, which would more than cover my 5% increase for the next few years."*
- *"It is better to build now and the extra monthly cost doesn't seem too bad. Selling properties in Prosser and West Richland should offset some of the cost."*
- *"West Richland complex results in several properties in Prosser and West Richland that are surplus and can be sold to help offset the cost of the new facility."*
- *"We should be doing our part to ensure no added or unnecessary expenses are incurred to help keep member costs down. Please keep the new building functional so as to last many years, yet not too expensive."*
- *"This is just another financial burden born by the rate payer who will see absolutely no benefit from this facility only added costs!"*
- *"Moving to a 17-20-million-dollar facility seems extreme. How can it not cut into profits? How will REA remain affordable to the average consumer? With recent changes to base charge, I now pay 28 more per month."*

## **Discussion**

The construction of a new headquarters complex in West Richland will have an impact on member rates, but Benton REA is taking several measures to minimize this impact. Benton REA offers some of the lowest rates in the region compared to other electric utilities. See details in the introduction section above. This underscores Benton REA's commitment to providing affordable electricity to its members while upholding high service standards.

Benton REA has effectively managed costs amidst broader economic pressures, ensuring more stable and affordable rates for members. From 2014 to 2024, while the US experienced a 32.91% increase in inflation, Benton REA's rate increase was only 15.25%, demonstrating its effectiveness in cost management.

Building the new headquarters complex in West Richland is projected to result in a maximum estimated rate increase of 5% over time, equating to less than \$7 per month for the average residential bill. To mitigate this impact, Benton REA plans to leverage the sale of surplus properties in Prosser and West Richland. Additionally, the consolidation of operations and the associated efficiencies will result in additional value in terms of reduced travel time, lower fuel costs, and decreased wear and tear on vehicles.

While the new facility will lead to a slight increase in member rates, Benton REA is committed to minimizing this impact through strategic property sales and operational efficiencies, ensuring that it continues to provide affordable and high-quality service to its members.

## **b. Operational Excellence**

Comments under this theme highlighted the importance of enhancing operational efficiency. Supporters of the new complex noted that consolidating operations would save money and time, and praised the progressive-design-build approach for its cost-effectiveness. Conversely, some members were skeptical about the claimed operational benefits, arguing that such improvements could be achieved through less costly measures. Concerns were also raised about potential negative impacts on service times, especially for rural areas.

### **RESPONSE TO MEMBER COMMENTS**

#### **i. How will the new headquarters improve operational efficiency compared to the current setup?**

##### **Member Comments**

- *“Great choice of location and long overdue. Consolidating operations will save money and time.”*
- *“Prosser currently operates with four separate properties, requiring crews to stop at 3 to 4 of those properties to gather vehicles and material before they can leave for the job site which reduces productivity and efficiency members are paying for.”*
- *“I watched the video where our previous foreman from the Toppenish area discusses the need for a new facility to improve operational efficiency. He noted that there were days when crews had to open 5 gates to facilitate their work. Is it really worth 30 million dollars to potentially reduce the number of gate openings?”*
- *“The new facility does not increase reliability of service by 1 minute.”*

##### **Discussion**

The new headquarters in West Richland will significantly enhance operational efficiency compared to the current setup by reducing travel time to job sites, allowing employees to spend more time working and less time traveling to the jobsite and gathering materials, which directly increases productivity. The shorter travel distances will also lead to cost savings through reduced fuel expenses and less wear and tear on vehicles. These savings can be redirected to essential services and improvements, benefiting all members. Additionally, improved proximity to job sites ensures faster response times to outages and service calls, leading to better service quality. Consolidating district office facilities will eliminate the need for crews to stop at multiple locations for materials before heading to

job sites, streamlining operations and resulting in quicker service restoration. Overall, these operational efficiencies will improve service quality for all members, not just those closer to West Richland.

**ii. How will the new facility affect service response times, particularly for rural areas?**

**Member Comment**

- *With 73% of Benton REA's members living in or near West Richland and 64% of field work occurring closer to West Richland, the new complex will significantly decrease travel times, lower fuel costs, and reduce vehicle wear and tear. These improvements will ensure quicker service and better overall reliability for our community.*
- *This location will best serve the majority of the customers.*
- *"I'm worried this will not be good for Prosser residents. Maybe much longer wait times especially to the more rural areas."*
- *Only W Richland benefits. The rest of us lose.*

**Discussion**

The new facility in West Richland will positively impact service response times for all members within Benton REA's service area. By relocating the main complex closer to job sites, employees can reduce travel time, allowing them to respond to outages and service calls more swiftly. This enhanced proximity ensures that crews can address issues promptly, improving the overall quality and reliability of service. Additionally, the consolidation of facilities will streamline operations, eliminating the inefficiencies of stopping at multiple locations for materials, thereby further speeding up response times and ensuring better service for all members, including those in the most rural areas.

**iii. What steps are being taken to ensure that the new facility contributes to operational cost savings in the long run?**

**Member Comment**

- *"The consolidation of properties in West Richland and Prosser will lead to better service for all members, with faster response times and more efficient operations.*
- *"To suggest that spending \$25 to \$30 million dollars for a new facility is a prudent decision is ridiculous.*



## **Discussion**

To ensure long-term operational cost savings, Benton REA is implementing several strategic measures with the new facility. First, by relocating to West Richland, the utility will significantly reduce travel times to job sites, leading to lower fuel expenses and decreased vehicle wear and tear. These savings will be redirected towards essential services and improvements that benefit all members. Additionally, consolidating district office facilities will eliminate redundancies, streamlining operations by reducing the need for crews to visit multiple locations for materials before heading to job sites. This will enhance work processes and lead to faster service restoration. Moreover, the new facility will be designed to meet current State Building Codes requirements, avoiding the high costs of bringing outdated facilities up to standard.

### **c. Strategic Location Planning**

The strategic location of the new headquarters in West Richland was a point of contention. Supporters cited benefits such as reduced travel times for field work, decreased fuel costs, and increased efficiency. The new location was seen as advantageous for the majority of Benton REA members and accounts, who are closer to West Richland. However, some members opposed the relocation, preferring to keep the headquarters in Prosser. There were also concerns about increased traffic congestion and the broader impacts on the community.

#### **RESPONSE TO MEMBER COMMENTS**

##### **i. Why was West Richland chosen as the location for the new headquarters?**

#### **Member Comments**

- *"WHEREAS, the complex location was chosen because 73% of Benton REA members are closer to the West Richland complex, 64% of Benton REA accounts are closer to the West Richland complex, and 64% of Benton REA field work is closer to the West Richland complex..."*
- *"We need the new facility to best serve current and future development and accommodate staff needs. I support building the new facility off Keene Rd. in West Richland."*
- *"Don't you think the general public is going to start to wonder why there are four electric utility "complexes" (Benton PUD, City of Richland, Franklin PUD, and now Benton REA) located within 15 miles of each other. A tremendous amount of duplication."*
- *"Why the big push for West Richland?"*

#### **Discussion**

West Richland was strategically chosen as the location for Benton REA's new headquarters due to its operational advantages and the concentration of its membership base. Over 73% of Benton REA's members reside in or near West Richland, making it the logical choice for a new headquarters complex. Additionally, 64% of Benton REA's fieldwork is closer to this area, which means relocating the headquarters to West Richland will significantly reduce travel time to job sites. This reduction in travel time will allow employees to spend more time working rather than driving to the jobsite and gathering materials, leading to increased productivity and improved service quality. For example, crew efficiency values associated with building a new headquarters complex in West Richland have been estimated to be as high as \$2.3 million per year. The choice of West Richland also aligns

with Benton REA's long-standing relationship with the city, supporting its strategic goals and ensuring the continuation of a critical franchise agreement, which is vital for Benton REA's financial stability.

**ii. What are the expected benefits of the new location for members and employees?**

**Member Comments**

- *“Let me share what the City of West Richland and the 73% of REA members who live in West Richland will benefit from: Benton REA will see a decrease in travel to job sites, increasing all workers productivity and efficiency, Faster response time equals better service for REA members.”*
- *What is the estimate of current cost impacts that would be relieved with this change including estimates of numbers of and cost of inefficiencies of the existing arrangement that would be alleviated?*

**Discussion**

The new headquarters in West Richland is expected to provide several key benefits for both Benton REA members and employees:

1. **Operational Efficiency:** The proximity of the new headquarters to the majority of Benton REA's members and job sites will reduce travel time for employees, leading to increased productivity. This will also result in lower fuel costs and reduced vehicle wear and tear, which translates into operational cost savings.
2. **Improved Service Response:** With the headquarters closer to most job sites, response times to outages and service calls will be faster. This will enhance service reliability and quality, benefiting all members.
3. **Cost Savings:** Ongoing operational efficiencies will contribute to long-term cost savings, which can be redirected towards essential services and paying down long-term debt.
4. **Risk Avoidance:** Establishing the headquarters in West Richland secures Benton REA's relationship with the city, ensuring the continuation of a critical franchise agreement with the city for another 30 years. This agreement helps maintain Benton REA's service territory and prevents the risk of the city forming its own electrical municipality, which would result in a significant revenue loss.

## **d. Employee Wellbeing**

Many members supported the new complex due to the anticipated improvements in employee work conditions. They recognized the need for a modern facility to replace the outdated and inadequate current buildings. Comments reflected a general consensus that a better work environment would enhance employee morale and productivity. Specific suggestions included ensuring the new building is practical, low-maintenance, and designed with the employees' needs in mind.

### **RESPONSE TO MEMBER COMMENTS**

#### **i. How will the new facility improve the working environment for Benton REA employees?**

##### **Member Comments**

- *"Your new building will be much appreciated from the dungeon your people were housed in on Van Giesen."*
- *"Seems reasonable and I am happy to support a facility to enrich the lives of Benton REA staff, and streamline processes/ maximize efficiency."*
- *"I'm in favor of upgrading facilities and giving employees a better work environment..."*
- *"Employees need & deserve a decent place to work."*
- *"When questioned about the justification for the new facility, the answer I received was that it would: Improve Employee morale & improve operating efficiency... I can tell you with confidence that a new office facility has little if anything to do with improving morale."*
- *"Given the recent and significant turnover at the Benton REA due to firings and resignations I would suggest that it may take more than a new facility to improve employee morale."*
- *"Morale cannot be fixed with new buildings, it is fixed by treating employees with respect. After the build there will be wage disputes which will add to your morale issues."*

##### **Discussion**

We've seen a number of comments that mentioned employee morale concerns. While employee morale is not the topic of this decision paper it is important to note that it is a topic of extreme importance to our current leadership and executive team. To this end,

when Benton REA's new CEO took the position in 2023, he requested that employee satisfaction surveys be completed regularly and has implemented confidential reviews by employees of their managers that are part of the leadership team's performance appraisals and coaching. The mid-year reviews of leadership by their staff are currently taking place and all but two managers have been already reviewed in the last month. These most recent reviews show that on a five-point scale the average score of managers by their employees is 4.47. This fact combined with the positive relationship our current management enjoys with our union employees seem to show that anecdotes of wide-scale morale problems and toxic management are not supported by data. We appreciate the commentators' concern for our employees and the executive team will continue to strive to make sure employees voices are heard.

## **e. Community Endorsement**

The membership's response was largely positive, with members and local leaders endorsing the project. Supporters highlighted the potential economic benefits, such as increased sales tax revenue and the positive impact on local businesses due to the influx of employees. There was appreciation for the thorough due diligence and informative communication provided by Benton REA. Some members also suggested features for the new building, like meeting and education rooms, to further serve community needs.

### **RESPONSE TO MEMBER COMMENTS**

#### **i. How does the new headquarters project reflect the community's needs and expectations?**

##### **Member Comments**

- *"You need a building to accommodate tech from this century and space to grow if needed."*
- *"I think it is a good idea. It looks attractive. I hope it has a meeting/education room."*
- *"Will there be a meeting room in the admin building similar to the one in West Richland?"*

##### **Discussion**

The new headquarters project is a direct response to the community's needs and expectations, reflecting both a commitment to modernization and a thoughtful approach to long-term growth. Benton REA's transparent approach began when it purchased the 17-acre property in West Richland, in 2021, with announcements in its member publications, presentations and civic organizations, and direct conversations with elected leaders in Prosser and West Richland. Community members have expressed support for a facility that can accommodate the latest technology and provide space for future expansion, ensuring that Benton REA remains capable of delivering high-quality service as the community evolves and grows. The project also addresses long-overdue improvements that members have recognized as necessary.

Moreover, Benton REA's transparent decision-making process, which included creating informative videos and engaging with members at the Annual Meeting, has helped build informed and supportive membership. This transparency and the effort to reduce upfront costs by partnering with the City of West Richland align with the community's expectations of due diligence and fiscal responsibility.

The project has broad approval from members, with many expressing full support for the new facility and recognizing the long-term benefits it will bring. By aligning the new headquarters complex with the community's expressed needs for modernization, growth, and responsible planning, Benton REA is ensuring that the project meets and even exceeds the expectations of the community it serves.

**ii. How will the new facility benefit the broader community beyond Benton REA members who reside in West Richland?**

**Member Comments**

- *"The current facility is very old and run down and does not accommodate modern technology or growth for our growing West Richland community."*
- *"I would like someone to tell me something good or what is gained by moving there?"*

**Discussion**

The new Benton REA facility will provide significant benefits to members broadly. By modernizing the headquarters, Benton REA will be better equipped to integrate 21st-century technology, ensuring more reliable and efficient service not only for its members living within the City of West Richland, but for members throughout the entire service area. The improved operational efficiency, including faster response times and reduced travel distances, will enhance service quality, which is critical for the broader membership, especially when responding to outages.

The new facility will also include features like a meeting and education room, creating a space for community gatherings, educational programs, and other events that will foster community engagement and learning, available to all members. Additionally, Benton REA's collaboration with the City of West Richland in securing property and grants has reduced upfront costs, demonstrating a commitment to responsible financial management that benefits the entire Benton REA membership.

Moreover, by consolidating operations into a modern, strategically located facility, Benton REA is positioned to support additional growth and development more effectively.

## **IX. FINAL DECISION**

Benton REA sincerely appreciates all the members who took the time to submit their comments. Each submission played a crucial role in ensuring that we thoroughly evaluated all perspectives and options.

After careful evaluation, the Board of Trustee approves the construction of a new headquarters complex in West Richland, referenced as Option 3b, the construction of a full facility.

As outlined in this decision paper, when considering the long-term financial implications, the West Richland complex offers substantial value, especially when combined with the consolidation of facilities. This consolidation will allow for the creation of a much more efficient district office in the Prosser area, enabling faster response times by eliminating the need to travel between multiple properties to gather materials before heading to outage sites or job locations.

For decades, and under the leadership of multiple general managers, securing Benton REA's long-term future as the electric provider within the City of West Richland has been a key strategic objective. This objective has been consistently prioritized in every Benton REA strategic plan for at least two decades. The significance of this objective is underscored by the fact that Benton REA currently generates \$12.5 million in annual revenue by providing electric service within West Richland's city limits.

Locating Benton REA's new office at the proposed site in West Richland not only aligns with this longstanding strategic objective but is also critical to its successful achievement. As detailed in the analysis, the purchase of the property, as well as other commitments, was accompanied by a significant assurance from the City of West Richland to extend Benton REA's franchise agreement for 30 years with a guarantee that the city will not establish its own municipal electric utility for the term of the franchise. The importance of these commitments cannot be overstated. West Richland has been the fastest-growing area within Benton REA's service territory for over two decades, and all indications suggest that this growth will continue. Consequently, the current \$12.5 million in annual revenue is expected to increase significantly as West Richland continues to expand.

After years of thorough analysis, considering multiple options, and incorporating member feedback, the Benton REA Board of Trustees has determined that the most effective long-term solution for our facility needs is to proceed with the construction of the new Benton REA headquarters complex in West Richland.



## X. APPENDICES

### a. Member Comments

#	Member Comment	Position
1	Please prequalify bidders based on whether they provide full Family health insurance to their employees or not as well and require apprenticeship utilization. The easiest way to ensure both these requirements are met is to engage the Central Washington Build Trades in a Community Workforce Agreement. Utilization of CWAs ensure a smooth project that comes in on budget and on time. Please reach to either the CWBT President Nick Bumpaous at Central WA. Building & Construction Trades P.O. Box 2381, Pasco WA 99301 509-539-7917	N/A
2	<p>Greetings,</p> <p>I have some comments about building a new facility:</p> <p>1. At a time when the cost of everything has skyrocketed; I think you should wait on spending millions on a new facility. Consumers are already feeling a crunch; although a 5% bill increase may not seem like much; but add it to all other increases; it becomes unsustainable.</p> <p>2. Keen Road is already plugged with increased traffic; and I see it only getting worse; as now Richland School is wanting to build a high school in the area.</p> <p>Concerning the adaptation of a new logo; I don't think that needed to be done. If not getting a new logo stops you from getting applicants; we don't want them anyway; if they are that shallow.</p> <p>Thank you for the opportunity to submit comments.</p>	Against
3	DON'T, you belong in Prosser	Against
4	It would be nice if you improved the building you in and lowered rates. Seems like a lot of money to build a new facility that pobably isn't needed. Would have been nice to instead lower rates and give those of us who pay your wages a break.	Against
5	Perfect location. Looking forward to the design.	Support
6	I hope the new facility will include public charging stations for EV's. It would be great if there was a way to charge an EV and bill the electricity used to my residential account.	N/A
7	Based on the info provided seems that a new facility is the right action. Some questions: 1. What phone numbers and email access will be available for members to contact the REA? 2. Will there be any change to existing auto payment arrangements? 3. What hours will the facilitu be open to members? 4. Will more detailed building designs be available and how many vehicles will the parking lot handle?	Support
8	I think it is a good idea. It looks attractive. I hope it has a meeting/education room. (larger than the room that exists at the WE location).	Support

9	You need a building to accomodate tech from this century and space to grow if needed.	Support
10	Your new building will be much appreciated from the dungeon you rpeople were housed in on Van Giesen	Support
11	It would have been helpful to know what the total cost of this is, vs the cost per year of not going this direction. I also think this information should be send out in a questionnaire for all members. THIS way feedback could be accurate, and the board would know what the members want. I also think in that questionnaire of all the other existing give away programs should be addressed. I personally would be in favor to end all that don't have anything to do with electrical power delivery, at the lowest possible cost.	N/A
12	Sounds like this plan is long overdue. I support it.	Support
13	About time! Let's get it done.	Support
14	About time. Good to hear.	Support
15	Thank you for creating the informative video. I watched it in full and understand the need. And support it. It was a good idea to include the due dilligence and estimated rate payer cost increase per month. I recommend including that after the 4 current facilitites are replaced the building and land could be sold, stating how that could offset costs maybe helpful for gaining support.	Support
16	I agree a new BREa complex is needed. I would add to the flyer that the new facility should support 50+ years of operations and growth in our community. Will there be a meeting room in the admin building similar to the one in West Richland?	Support
17	Based on the discussion at the Annual Meeting, the long-term benefits sound great. If you have an in-house library and want some corrosion sontrol books, let me know, I am trying to clear my own library.	Support
18	Why now when Labor & materials are very expensive? It should be delayed until inflation and building materials have stabilized. If rates are increased, how much will our base ratees and utilities increase? Remember not only this but groceries, house payments, schools, etc. have to be paid, and the last the members that are on fixed incomes. The members start out well able to cover these things, but on fixed incomes with property taces eating away at savings it is a heavy burden to bare. I am asking as a member in good standing who has supported our REA Cooperative for many years to delay until a better time to start the higher expenses.	Against
19	We enjoyed hearing details about this at the annual meeting. We wish you great success. You have worked hard to accomplish this new facility.	Support
20	You need to be open on Fridays. There is no reason you can't have a Friday crew and still work the four tens. Better customer service.	N/A

21	Great choice of location and long overdue. Consolidating operations will save money and time. I hope the progressive-design-build approach can and is being used. This will save time and money for the project.	Support
22	I'm worried this will not be good for Prosser residents. Maybe much longer wait times especially to the more rural areas. Please reconsider.	Against
23	I'm in favo of upgrading facilities and giving employees a better work environment as long as the rates don't spiral unreasonably.	Support
24	I understand your flow path in Prosser to get into the field for work. How will the flow path work with the new facility? Do the workers that live in Prosser have to go to West Richland to the new facility to get equipment and then fo to the field for work in Prosser? This method also seems inefficient. It seems that you are alienating the folks that live in Prosser. It is better to build now and the extra monthly cost doesn't seem too bad. Selling properities in Prosser and West Richland should offset some of the cost.	Support
25	Looks great. I'm all for it!	Support
26	Very much needed. This facility will be a huge improvement.	Support
27	Greeting, The costs for these kinsd of building built to modern specifications are almost always poor value for the subscribers. I understand the need for infrastructure improvments, and the existing building on Van Giesen does look inadequte. But, an estra \$7 a month (\$84 per year) is actually quite a lot to ask for what appears to me to be an overly fancy building. Reduce the proposed building design to something more utilitarian, and you will have my approval. I cannot support this design as rendered.	Against
28	This is again and over-reach of government, corporations, or entities like yourself that essentially rule yourself. It appears you can do what you want! Build a brand spanking new complex at today's inflated building prices. And to serve what?? You are suppose to serve the people you administer to. Why is this huge bldg along with it's cost being built?? All your organization does essentially, is bill collection. That can be done out of someone's home!!!!!!!!!!!!!! The only other thing is perhaps outage problems etc which will perhaps not be handled by this building. Even though the people will be billed for this, they did not have a vote to approve it! How you spend your money should be voted on by your constituents since you are a public enticity that is supposed to serve the publiv, not yourself!!!!!! I definitely disapprove of this kind of power over noraml peoples lives. It's between the have and the have not's!!!!!! SHAME ON YOU!!!!!!!!!!!!!!!!!!!!!!	Against
29	It looks beautiful. Congratulations.	Support
30	Looks like a good plan, and is well thought out. I approve.	Support
31	John Porter: I retired from Benton REA at the end of 2017 after being the manager of finance for the last 25 of the 27 years that I as employed by the Coop. No where in your discussion of the complex do you mention that it will probably cost around \$30,000,000. You mention that the cost per residential customer will increase \$7 per month. Since all of	Against

the \$30,000,000 will be borrowed at the rate of 4.3% (RUS web site) for 30 years (typical for headquarter facilities) this results in the following incremental annual costs: Interest Expense \$1,280,196; (Annual Debt service cost of \$1,781,537) Depreciation Expense \$1,000,000; RUS Tier Requirement (1.25) \$320,049; Property Tax \$378,000 for a total increase in annual cost of \$2,978,245 - so based upon your membership numbers that is a monthly increase of \$20.68 per member and a monthly increase per account of \$15.51. So if the residential increase is only \$7 per month evidently the irrigators and the small and large commercial accounts will see a very large increase in their monthly base charge or their kilowatt hour charge.

An expenditure like this is beyond defensible! There is no way from a financial perspective this makes any sense whatsoever! This complex is definitely not a "need" but a "want" by the Board and the Mangement. The upgrades that you may need at your current facilities in Prosser and West Richland are insignificant when compared to the incremental costs of this new facility. This is just another financial burden born by the rate payer who will see absolutely no benefit from this facility only added costs! Your morale problems at Benton REA are not going to be solved by building this facility.

Don't you think the general public is going to start to wonder why there are four electric utility "complexes" (Benton PUD, City of Richland, Franklin PUD, and now Benton REA) located within 15 miles of each other. A tremendous amount of duplication - maybe we ought to have just one and reduce some of the costs??!!

Joanne Porter: This new building has nothing to benefit the membership, in fact it will create a financial burden for every member on REA lines. It is not needed. It is so frustrating how the management has put out a glowing review of how great this plan is and people swallow it, hook line and sinker. I really dislike info commercials. Does it remind you of the political spin coming out of our government, it does me. The general manager and board made the decision to needlessly spend millions and these comments will make NO difference. The employee morale at the REA is at an astonishing low point due to toxic management.

32	Will I still be able to droop my payment off in person at the Prosser Office?	N/A
33	<p>I was the general manager of Benton REA for 24 years before retiring in 2012. Our goal for the cooperative was to have the lowest rates in the area, with the highest service reliability while operating in a frugal but efficient manner. When I became manager in 1988 the cooperative had a net worth of roughly 20 million dollars with 20% equity. When I retired the Benton REA had a total utility plant of roughly 100 million dollars and we were on track to reach 100% equity in 2024 and with the lowest rates in the area. I would assume that over the last 10 years or so Benton REA utility plant has grown to roughly 110 million dollars. To suggest that spending \$25 to \$30 million dollars for a new facility is a prudent decision is ridiculous. Does anyone realize that the new facility cost would be the equivalent of 27% of the total utility plant!!!</p> <p>When questioned about the justification for the new facility, the answer I received was that it would:</p> <ol style="list-style-type: none"> <li>1. improve employee morale.</li> <li>2. improve operating efficiency.</li> </ol>	Against

With over 40 years in the cooperative utility business with 24 of those spent as the general manager of Benton REA I can tell you with confidence that a new office facility has little if anything to do with improving morale. Employees want to feel that they are trusted, that they are valuable, that they are involved in decision making and most of all, that they are part of a work family. Given the recent and significant turnover at the Benton REA due to firings and resignations I would suggest that it may take more than a new facility to improve employee morale.

I watched the video where our previous foreman from the Toppenish area discusses the need for a new facility to improve operational efficiency. He noted that there were days when crews had to open 5 gates to facilitate their work. Is it really worth 30 million dollars to potentially reduce the number of gate openings? For crying out loud, electrify the gates if they are too difficult, and as for efficiency of crews one must be aware that the residency requirement of the union contract now allows the crew members to live in Prosser that work in West Richland and visa-versa. So, the location of the facility does not determine the response time during emergencies, but rather where the on-call crew members reside.

In summary here are my key points:

What utility in their right mind would spend approximately 27% of their total utility plant on a new facility.

The new facility does not:

1. Increase sales one kwh
2. increase reliability of service by 1 minute
3. increase the service area or growth potential of the cooperative by one iota.
4. Ensure decreased response time to emergency calls
5. Ensure improved employee morale.

The new facility does:

1. Increase the long-term debt of the cooperative and membership by 25-30 million dollars!
2. Drive a future rate increase which has been estimated at 5%.
3. Increase the local property taxes paid by Benton REA and the membership by an estimated 1.26% or \$378,000 per year.

My suggestion is -Stop this nonsense!! Don't spend any more of the member's money unnecessarily.

1. Live within your means!
2. Remember you are an electric cooperative with a mission to provide affordable. reliable electricity at the lowest possible cost. Not to construct unnecessary headquarter facilities!
3. Treat your employees with respect!
4. Maintain your electrical facilities to reduce outages which as someone noted are increasing.
5. And maintain in good order what you already have in place.

	6. With construction costs and material costs at an all-time high, now is not the time to construct unnecessary facilities!!	
34	<p>I think this is a terrible idea. Why the big push for West Richland? This Co-op was originally for the rural portions of eastern Washington. West Richland is far from rural. Why do you want to ignore and throw away your roots. Your base is not simply eastern Benton County.</p> <p>I have lived or worked in Benton County since 1974, in that time this county has deteriorated as a quality place because the eastern part of the county has taken over. The western part doesn't even have its own county commissioner any longer, they have rearranged the districts so all are from the eastern end where their election is a sure thing, Tri-Cities will not vote for anyone not from there. Now you want to do the same, even your scholarship program favors Hanford High School. You like all the others who think the eastern end is something great have drank their poisoned Kool aid. The only place in this state worse that Tri-cities is the Puget Sound area.</p> <p>I would like someone to tell me something good or what is gained by moving there? In fact, someone please tell me something good about eastern Benton County. Land to build locally may have been cheaper, and you would have stayed true to yourselves. Population isn't everything, if that were the case Seattle, Portland, New York, Los Angeles, and may other large cities would be capitols, but they aren't. Not everything in this county revolves around those pompous, self-serving people. Even their ridiculous newspaper thinks the entire county is Tri-Cities, except when something negative happens, then they are sure to let everyone know it wasn't Tri-Cities. In my years in this county, working at Hanford and my insulation business, the majority of those people ridiculed, looked down on us, thought we were nothing more than hicks, and had no respect for anyone from this end of the county. Now you want to be part of the "elite" with your nose in the air also. I will pay my electric bill faithfully for as long as I am on your service, but I will not support you in any other way.</p>	Against
35	I think it is an excellent idea. Closer to all people open space.	Support
36	Seems reasonable and I am happy to support a facility to enrich the lives of Benton REA staff, and streamline processes/ maximize efficiency. Please be reasonable with exterior adomments, meaning please do not make it tachy or distasteful. I encourage practicality, low maintenance, and efficiency. Thank you!	Support
37	Congrats on building your new building. The Benton REA needs a new building. The existing building has outgrown it's purpose. Parking is limited. Employees need & deserve a decent place to work. Residents nbeed adequate parking. This new building goes along with City of West Richland office & new police station. There will be a lot of growth in the area of Keene Road & Belmont Blvd.	Support
38	Given today's economy, many people are struggling to pay bills and make ends meet. We should be doing our part to ensure no added or unnecewssary expenses are incurred to help keep member costs down. Please keep the new building functional so as to last many years, yet not too expensive.	Support

39	<p>CITY OF WEST RICHLAND   RESOLUTION NO. 44-24   A RESOLUTION OF THE CITY OF WEST RICHLAND, WASHINGTON, SUPPORTING THE RELOCATION OF BENTON RURAL ELECTRIC'S MAIN COMPLEX TO THE CITY OF WEST RICHLAND</p> <p>WHEREAS, Benton Rural Electric (Benton REA) is a close community partner with the City of West Richland and has worked collaboratively with the City of West Richland to identify a location in the city to relocate their main complex; and</p> <p>WHEREAS, beginning in 2021, the City and Benton REA worked together to develop Cooperative Way to gain access to property procured by Benton REA to build their main complex; and</p> <p>WHEREAS, the complex location was chosen because 73% of Benton REA members are closer to the West Richland complex, 64% of Benton REA accounts are closer to the West Richland complex, and 64% of Benton REA field work is closer to the West Richland complex; and</p> <p>WHEREAS, locating the main Benton REA complex in West Richland will lower fuel costs, decrease wear and tear on vehicles, and allow for faster response times for Benton REA, which is a benefit to West Richland citizens and the city; and</p> <p>WHEREAS, the City of West Richland anticipates an increase in sales tax revenue paid to the city with the main complex relocation; and</p> <p>WHEREAS, the relocation of the Benton REA main complex to West Richland meets several of the City's Strategic Focus Areas and the City of West Richland supports and encourages businesses and facilities in West Richland.</p> <p>NOW, THEREFORE, the City Council of the City of West Richland, Washington does hereby resolve as follows:</p> <p>Section 1. The City of West Richland believes the relocation of Benton REA's main complex will be mutually beneficial to both West Richland residents and Benton REA customers, and fully supports Benton REA's relocation of its main complex to West Richland.</p> <p>PASSED by the City Council of the City of West Richland, Washington, this 16 day of July 2024.</p>	Support
40	<p>It should be a good proposition to develop a central facility for all of Benton REA's operations. It is my recommendation you size the facility to allow for future expansion! That is my experience from my professional career developing similar facilities!</p>	Support
41	<p>I agree with the stated reasons for and benefits from relocated the Beanton REA complex to the stated location in West Richland</p>	Support
42	<p>As the Mayor for the City of West Richland I support the proposed Benton REA complex. The city has constructed two major facilities in the last number of years, one being through the design build process, as proposed with the new REA facility. This process brings the best value to the project, with reduced change orders and controls cost overruns with the fixed price this process delivers. Contrary to others who have commented, I guarantee construction prices will not be going down in the future.</p> <p>Let me share what the City of West Richland and the 73% of REA members who live in West Richland will benefit from: a positive sales tax impact for the city with the main complex being located here, with an estimated increase of about \$70,000 for annual sales tax revenue, in addition to the ancillary benefits of having increased employees working in the</p>	Support

	<p>city, as the majority of nearly 80 REA employees will be located at the West Richland complex.</p> <p>Here a just a few of many positive bullet points below for supporting the new complex.</p> <ul style="list-style-type: none"> <li>• 73% of Benton REA members are closer to the West Richland complex</li> <li>• 64% of Benton REA accounts are closer to the West Richland complex</li> <li>• 64% of Benton REA field work is closer to the West Richland complex</li> <li>• Benton REA will see a decrease in travel to job sites, increasing all workers productivity and efficiency</li> <li>• Lower fuels costs and decreased wear and tear on vehicles</li> <li>• Faster response time equals better service for REA members</li> <li>• West Richland complex results in several properties in Prosser and West Richland that are surplus and can be sold to help offset the cost</li> </ul> <p>of the new facility</p> <p>Prosser currently operates with four separate properties, requiring crews to stop at 3 to 4 of those properties to gather vehicles and material before they can leave for the job site which reduces productivity and efficiency members are paying for. I encourage you to watch the video offered for a better understanding of the inefficiencies of the current operation. I commend the Trustees and REA staff for doing their due diligence in this process and look forward to their continued partnership.</p>	
43	<p>It seems this is an indication of more corporate greed. The money you are proposing to build this only increases our bills. As a member, I think you should focus on the member. In today's world, we are already being hit with increases on everything from food to gas to rent and other goods. And now you want to increase our electric bills? And for what, a new building that isn't necessary. I am opposed to this.</p>	Against
44	<p>In my opinion, a \$20,000,000-\$30,000,000 new Benton REA “complex” in West Richland is an over-the-top extravagance and I cannot support it. According to information at the Benton REA website, this project has come about because the existing buildings in Prosser and West Richland 1) are not new, 2) need updated HVAC systems and 3) there are several gates that must be manually opened and shut in the equipment yards.</p> <p>Regarding the proposed location for the “complex” - as member-owners, we all understand that Benton REA crews must travel around the cooperative’s large service area (620 square miles) and that some employees choose to live a fair distance away from their workplace. I do not understand how this \$20,000,000-\$30,000,000 “complex” will alter these realities.</p> <p>I think it’s in the best interest of Benton REA member-owners and the cooperative to make all necessary renovations to the existing office buildings in Prosser and West Richland so that</p> <p>the employees stationed there can conduct their work in a productive manner. Surely these buildings could be renovated and new HVAC systems placed within them for far less than \$20,000,000-\$30,000,000.</p> <p>As for the equipment yards and the many gates to open and close, perhaps the yards could be 1) enlarged or rearranged, 2) the gates reduced in number and, 3) the gates converted</p>	Against



	<p>to automatic, electrical (!) open-shut systems. Of course, the gates could be configured to open and shut manually in the event of a power outage.</p> <p>Please understand that many, many people and businesses in the Benton REA service area must stretch to pay their bill to you each month. It is imperative that every member-owner dollar is spent with care and financial prudence.</p>	
45	<p>I have concerns about the proposed new facility. I take into consideration the responses from former finance director John Porter and former Manager Chuck Dawsey, who make very good points in addition to their very conservative views on managing effectively the resources of our cooperative. I think the current board should have brought the facility concerns to the membership several months ago — in fact before land was purchased — giving members the opportunity and knowledge of what the board was considering including the hard facts about costs at a time when inflation is hitting everyone very hard.</p> <p>I think this is not the time is there good justification given the cost.</p>	Against
46	<p>I prefer to see my rate dollars spend on maintaining our power delivery infrastructure and keeping rates low. This new debt and rate increase does nothing to benefit power users. Only W Richland benefits. The rest of us lose. Adamantly oppose this waste of taxpayer money.</p>	Against
47	<p>After reading the comments, especially from previous highly respected, knowledgeable and proven Management, and viewing it from the perspective of my career in Financial Management (DOE-RL CFO for the Hanford Site), I cannot support the plan to move ahead with a new facility. Yes, it would be more attractive and I do not doubt some specified cost savings would be realized, but not only is your timing incredibly poor given utility rate increases, your statement lacks substance. Some factual information, hopefully utilized by the current Board and Management in this decision, would help in assessing this plan. What is the estimate of current cost impacts that would be relieved with this change including estimates of numbers of and cost of inefficiencies of the existing arrangement that would be alleviated? What is the planned increase in debt servicing per annum over time? What are the estimates of receipts from sale of facilities that could be realized? Your public statement supporting this decision does not provide a convincing argument. If you can support this with real information, then please do so.</p>	Against
48	<p>I would like to better understand the rationale behind investing in the new complex. If the new facility significantly improves the efficiency of the workers, then a reduction in work force should follow. Is the savings from that included in the estimated 5% increase in rates? How long do you expect it to take to pay off the \$30 million investment? Ideally, there would be a detailed payback analysis provided to show the value of the investment in a new facility.</p>	N/A
49	<p>As a nearly 30-year member of the Benton REA, the Board of Trustees have my family's full support to construct a new facility in West Richland. I want to thank the Board of Trustees and staff for their due diligence and transparency with the overall process to determine the best option for the co-op. While no one ever wants to pay higher taxes or higher rates, I appreciate that this decision was not rushed, and considerable effort went into reducing upfront capital costs of a new facility and planning for long-term operational efficiencies. These efforts include but are not limited to researching and implementing an alternative project delivery method, progressive design build process. This is the same project delivery method the City of West Richland utilized to construct the new police station project which</p>	Support

	<p>was completed on schedule and on budget. Benton REA also partnered with the City of West Richland in 2021 to secure 17-acres of property from the city at the same discounted price the city acquired the property from the Port of Kennewick in 2019, \$1.25/sf. This long-standing partnership between the city and co-op also was successful in obtaining a \$200,000 Washington State Department of Commerce Grant and a \$250,000 Benton County Rural County Capital Fund grant to extend water mains and construct Cooperative Way to reduce upfront capital costs. Thank you again for the opportunity to provide comments on this project. Looking forward to attending the ribbon cutting ceremony for the new facility in West Richland.</p>	
<p><b>50</b></p>	<p>As I sit here 7/27/2024 in my home without power I cannot more passionately state that I do not support this move. Citing ailing facilities is an admission of neglecting your own equipment. Take care of what you have and it will last. If you can't maintain the old facilities then why would we believe you will maintain the new ones? Update current facilities at a fraction of the cost instead of building based off of wants.</p> <p>Morale cannot be fixed with new buildings, it is fixed by treating employees with respect. After the build there will be wage disputes which will add to your morale issues.</p> <p>I can tell you that after the Benton county assessor increased my property value by 150k this year and Richland school district is courting the public for 346 million for a high school close to your proposed site I definitely do not support yet another increase in my household expenditures.</p> <p>As far as reducing change orders and cost overruns, you cannot assure that they won't happen or even that they will be minimized. Anyone who has ever been in construction knows this.</p> <p>Guess it's time to take in some meetings.</p> <p>Sell the property you bought in 2021 and invest that money in the existing facilities.</p>	<p>Against</p>
<p><b>51</b></p>	<p>We are so excited for BREA to be moving their main offices to West Richland. This building looks great from the renderings we have seen on the flyer and are glad to see that things are being moved to one central location to make it easier and more efficient for the crew. This will be a great asset to the City of West Richland and us residents that reside here.</p>	<p>Support</p>
<p><b>52</b></p>	<p>As a member of Benton REA and a West Richland resident, I am in full support of the new West Richland location due to the numerous benefits it will provide to our community. Benton REA's plan to build a new complex is a necessary step forward, addressing the aging facilities and improving overall operational efficiency. The consolidation of properties in West Richland and Prosser will lead to better service for all members, with faster response times and more efficient operations.</p> <p>With 73% of Benton REA's members living in or near West Richland and 64% of field work occurring closer to West Richland, the new complex will significantly decrease travel times, lower fuel costs, and reduce vehicle wear and tear. These improvements will ensure quicker service and better overall reliability for our community.</p> <p>The estimated 5% rate increase, less than \$7 a month for the average bill, is a small price to pay for these significant community benefits we gain including improved infrastructure, better service, and increased operational efficiency.</p>	<p>Support</p>

53	I am opposed to this course of action. Especially the "we have already purchased the property, approve this expense" approach. Having worked in secure facilities for a twenty plus year career in the military, postulating about the time it takes to open and close a couple gates as a worthy trade off for incurring a 20+million dollar bill is NONSENSE. Especially in farm country where gates are a way of life to contain livestock. I am opposed to what appears to be a "shiny penny" facility chase. In my opinion, it would appear Prosser is infected with it between the High school, hospital, police station (somewhat understandable) and now Benton REA. Several other members have already voiced what I would reiterate... namely I agree with concerns expressed by Michelle Miller, Brad Ross, Nadine Highland, Donna Noskey and Alys Means. I am tired of the multiple persons that belly up to my dinner table every night (in the form of taxes and levys) who never show up to pull weeds or any other type of productive work.	Against
54	This location will best serve the majority of the customers. I like the location.	Support
55	We need the new facility to best serve current and future development and accommodate staff needs. I support building the new facility off Keene Rd. in West Richland.	Support
56	Looks like a good plan. I cannot tell where the new complex willbe located. I know Keened Rd but, where is Cooperative Way?	Support
57	I support the new building being built in West Richalnd. After going to the annual meeiting and hearing about all the wasted time for your employess, it sounds like a no brainer.	Support
58	I agree with John Porter - this is an unnecessary extravaganza that will drive up costs and prices for years to come. Don't fall for the trend of public agencies - all "needing" fancy expensive new facilities at customer's/ taxpayers expense. What about spending far less and upgrading your current facilities? Does Benton REA still strive to be a low cost provider?	Against
59	With the overwhelming majority of BREA customers residing in the West Richland area, it only stands to reason that the new BREA Complex would be located closer to the people that it serves in West Richland. This would also help to reduce transportation costs for both BREA employees and customers.	Support
60	Apparently you forget that rea stands for rural electric association that why they were started. as for moving to west Richland what about our members west of prosser doesn't rea go all the way to white pass	N/A
61	Appears to me everyone is reaching for reasons to build an expensive new facility. 30 million is a whole lot of money. A new facility would maybe nice but not necessary. I personally know a lot of employees, and rumor has it that many are disgruntled with current upper people. Don't use poor management as an excuse to try to make employees happy with a new building. Treat them how you want to be treated. First thing. Why was the 24 million from the sale of the Yakama Indian infrastructure not saved for this, as you should have seen it coming. Part was sent to the rate payers and now you're wanting to borrow and pay interest. Holding the rates down appears to me to be shooting yourself in the foot before the race. Why have no gate openers been installed on all these gates previously? If 30 million is borrowed at 4.3% it has an interest payment of \$107,000 MONTHLY. That will do a lot of HVAC, electrical upgrades. Keeping the Prosser facility is still going to require a lot of \$\$\$\$ for repairs, and which property would get sold for miniscule	Against

	<p>amounts? Run down facilities still need attention and repairs. What the REA has needed for a lot of years is their own maintenance facility. There is not enough owner equity to borrow that much money at this time. It is a huge financial burden that does not need to be taken at this time.</p>	
62	<p>I oppose the new facility and want you to sell the land that was acquired in 2021 and use that money to upgrade the current facilities.</p> <p>This is not CA and Benton REA is not PGE, this is WA and Benton REA is a Rural Electric Group.</p> <p>Fancy new buildings won't do anything but increase the rates most of us pay for power and make your customers lives more difficult at a time when inflation has many of us on our knees just trying to put food on the table each day. Honestly, your timing is incredibly inappropriate and I'm wondering where your heads are at.</p> <p>We will look at the new building on Cooperative Way every time we pass it on the way to Queensgate and say to ourselves, that is why my electric bill is sky high now. To support this increase in my electric rates I would need to see a payback plan with a definite end and a plan to cut staff once the building is complete and efficiencies lead to less work for a leaner and more efficient workforce. Also, maybe wait until the economy is in better shape and your customers aren't struggling to feed themselves and their families.</p>	Against
63	<p>I would think fixing up some of the places around Prosser would work and be money well spent.</p> <p>examples:</p> <p>PUD Building.</p> <p>Prosser school property. I believe we have 80 acre west of truck stop.</p> <p>Benton Co. courthouse.</p> <p>27 million is a lot of money that will have to be paid over what, 25 years.</p> <p>Farming is in really tough shape.</p> <p>A few dollars per month with all the other tax all of us pay now adds up fast.</p> <p>The economy is hurting.</p> <p>Keep everything in Prosser. I can be in West Richland in 20 minutes.</p> <p>The linemen should be able to do the same.</p> <p>Please spend a few million in Prosser.</p> <p>It is a good central location.</p>	Against
64	<p>I am not particularly enamored with yet another business leaving downtown West Richland. Yet another empty building. I would prefer the existing West Richland facility be remodeled.</p>	N/A
65	<p>My wife and I are confused because you talk about consolidation of properties but also say you intend to leave facilities in Prosser. So which sites does Benton REA plan on consolidating to West Richland? Also what site would be left operational in Prosser and will that facility require upgrades and updates or replacement and on what time schedule?</p>	N/A

	<p>As the rates of Benton REA members will be impacted by this project , has Benton REA considered that even \$7 or more may be a hardship on members who are on a fixed income and so the rate impact may be higher than \$7 a month as other members will have to cover those costs or has the REA taken that in to account?</p> <p>And has the REA considered whether or not these funds might be better spent on other projects or if it might be better to consolidate to 1 single facility in Prosser?</p>	
66	<p>Relocating to West Richland will be like finally coming home! Since 75% of the BREA membership is located in the West Richland area, it just makes economical and logistical sense that the new BREA facility be closer to the members that it serves, rather than 20-30 miles away in Prosser. West Richland continues to grow and BREA will be positioned to better serve the customer base while still providing outstanding service to the entire area. BLM property is readily available in West Richland and ample resources are available for the construction. I say, "welcome home"!</p>	Support
67	<p>I do not feel that a new building is necessary and feel that the current building should be maintained. Members should not be faced with this burden. Listen to your membership.</p>	Against
68	<p>I do not support this idea of a \$20-30million complex. My dad used to have a saying- never trust a bank or an insurance guy with a big, fancy building, they built that with YOUR money. The cooperatively owned utility district would stand to remember that notion as well. I fail to see how residents within the boundaries of Benton REA will ever benefit from the "wish list" of this building project. All buildings age- as a homeowner on a budget I don't tear down my home and build one at exponentially higher cost because my HVAC unit is going out or I wish I had a different type of gate system. Raising rates in the middle of a recession is a tone deaf move. And the Benton REA should learn to live within their means instead of passing a new fee onto their residents in attempts to "keep up with the Joneses."</p>	Against
69	<p>5% increase on monthly bills is substantial, especially after the recent "surge charge" increase to billing just last year. Fix the old facilities. Be financially responsible.</p>	Against
70	<p>I am not in support of a new building. Improve the existing buildings and be honest about the cost. 7\$ a month increase is not realistic for the amount being asked for.</p>	Against
71	<p>I support Benton REA headquarters being built in West Richland.</p>	Support
72	<p>In reading the comments from Chuck Dawsey and John Porter this expense and move seems to not be in the best interests of the membership.</p> <p>It produces no new electricity, raises rates, and represents a gigantic expense when one is not needed.</p> <p>If REA were to Improve access control systems (or it could purchase comparatively cheap available land in Prosser to have one large yard), if it were to remodel buildings, if it was to get a new roof and HVAC, and if it gave employees performance bonuses, etc. the membership would still come out WAY ahead financially - which is the ENTIRE purpose of having a Co-op structure.</p> <p>I cannot support a plan that builds a brand new complex that will increase rates across the board with no significant impact to our services other than to raise costs. I've been, and remain, nothing but a fan of the co-op structure since joining over 15 years ago. Benton</p>	Against

	<p>REA should be a pretty boring and staid enterprise that contributes to all of the rural areas that it serves. This move is the first one I've seen that raises any questions.</p> <p>I would expect a revolt from the membership at the annual meeting. Maybe have extra cookies for that one.</p>	
<b>73</b>	Excited to have BREa building in West Richland	Support
<b>74</b>	It's a win win for all! Please move forward with the bill. This is long over due!	Support
<b>75</b>	Good idea, its overdue.	Support
<b>76</b>	<p>Benton REA has outgrown their current facility off Van Giesen that supports West Richlands growing population. As we all know West Richland is a great place to live and raise a family. The old location has been there since the late 90's and served us well.</p> <p>The new location will provide Benton REA with room to expand their service fleet, building to support the growing staff, and a larger parking lot. I look forward to the new location and the great service that has been provided to us over the years.</p>	Support
<b>77</b>	<p>I enthusiastically support the establishment of the Benton REA complex in West Richland. When more than 70% of Benton REA members live in West Richland, it only makes sense to have the complex located closest to where a majority of the field work takes place and where the majority of the members reside. It's a simple business decision, similar to when Benton County established an annex in Kennewick to serve residents more effectively and efficiently with their official business. Prosser used to have all county offices in that community, but with a majority of Benton County residents living in the Tri-Cities area, bringing their operations closer to that population was a smart move, just as establishing the Benton REA annex in West Richland will be.</p>	Support
<b>78</b>	Good to know BREa decided to relocate and stay in West Richland....best (and gettign better) little town in Tri-Cities.	Support
<b>79</b>	I have come to trust the Board of Trustees over the many years as a customer of Benton Rural Rlrctric. It appears they are thrifty with funds and believe this is a good investment. Than you for serving our community.	Support
<b>80</b>	With the City of West Richland expanding in the area of proposed complex it only seems right that it be built and accessible to REA customers. Progress has its positive and negative effects on all who are effected by the change. It will be a welcome addition to the up and coming business park complex off of Keene.	Support
<b>81</b>	I support Benton REA building their new headquarter in West Richland, where a majority of their members are. This will help the utility be more efficient when responding to outages and providing service to its members. The current facility is very old and run down and does not accommodate modern technology or growth for our growing West Richland community. I believe the 5% or less than \$7 per month is a reasonable amount to pay for a brand new facility. Benton REA staff was helpful in guiding me through the process to	Support

	qualify for a \$200 bill credit, which would more than cover my 5% increase for the next few years. I VOTE YES!	
82	Looking forward to the complex being built in West Richland!	Support
83	With 73% of customers being in or near West Richland it only makes sense that their main facility be located here. While a new facility may have up front capital costs, I can only imagine the long term cost savings associated with the efficiencies of an updated facility that's located where the overwhelming majority of the business is. It's clear BREA has outgrown their Prosser facility. While upgrades to the currently inefficient and outdated facilities are possible, those upgrades still cost money and would likely only be a temporary bandaid that would struggle to keep up with the rapid growth happening in both West Richland and Prosser, requiring continuous upgrades year after year to keep up. Whereas what appears to be a carefully thought out Option 3b would create efficiencies for current demand and be positioned to support future growth in the service areas. The proposed rate increase seems like a nominal price to pay for years of operational efficiencies. As a BREA member and West Richland resident I fully support the building of this new facility.	Support
84	<p>There is no way to put in a comment about the new building. The card says we are allowed to make comments through August 12th. August 12th is not over. Can you see that this gets to where it is supposed to go?</p> <p>The new Benton REA Complex: What a coup to move the entire workforce and operations to the West Richland location. Any city welcomes more business and jobs. It's my understanding that statements have been made to the effect that REA will have a better selection of job applicants from which to choose. Some people say it's great that the building is so close to customers. In reality, how many people actually go to the building regularly? Very few. People are discouraged from making personal payment.</p> <p>If it's mainly administration and equipment, perhaps moving yet another business out of Prosser is myopic with regard to a healthy county. Other large employment staples, Benton County employees, PUD employees have been sucked down into the vacuum that is the Tri-Cities. Now it's REA. This will tweak the diversity of jobs so that nothing is left in Prosser except for tourism, agriculture, schools and the health industry. Diversity of jobs in a small community is essential for its health.</p> <p>Part of REA's mission is "to provide a stable, safe, competitive career-oriented work environment for the Association's employees". Many of REA's members are rural and in the more rural parts of Benton County and those members (what, the members are around 11,000?) depend upon the benefits of a stable employer in their community. The idea of moving "closer to the Tri-Cities" may have been a more resounding battle cry for Benton County business but is contradictory to Benton REA's mission.</p> <p>Benton REA is a not-for-profit, consumer-owned electric cooperative. Not for profit does not mean no profit and we want affordable and reliable energy. Moving to a 17-20-million-dollar facility seems extreme. How can it not cut into profits? How will REA remain affordable to the average consumer? With recent changes to base charge, I now pay 28 per more month. I only have three meters. What does it mean to farmers or other small businesses for electric rates?</p> <p>How even will electricity remain affordable to business? Bankruptcies are up 34% and are expected to rise perhaps double in the next several years. Those are just personal</p>	Against

bankruptcies and small business woes but corporate business bankruptcies are expected to surge as Covid relief programs disappear. Financial predictions are that the US is headed for a recession as bad or worse than the "Great Depression" so building such an expensive building with this potential financial chaos looming doesn't make sense.

Perhaps, if the REA offices in Prosser are vacant, maybe the property is available? Perhaps the sale of the West Richland property purchased a few years ago would garner enough profit to fund necessary construction and renovation. I'd like to see decisions made that maintain a healthy employment environment for the entire county and rural population, not put all our wealth into an already bloated economy of the uncontrolled, urban sprawling that is the Tri-Cities.



## b. Key Dates and Board Actions

- **07-26-2017:** Board authorized hiring Archibald & Co., Architects for building and facilities plan development – 2017 Strategic Plan Objective.
- **04-25-2018:** Three options presented to the board for building and facilities plan.
  - Purchase land and construct a new headquarters office building and other buildings and facilities outside of the City of Prosser.
  - Purchasing land adjacent to the existing Benton REA Prosser headquarters building, constructing a new small building for the IT Department on the purchased land, remodeling the existing Benton REA Prosser headquarters building and constructing a new garage in the Prosser operations Center Yard.
  - Do Nothing
- **05-29-2019:** Approval to purchase property at 1511 Sheridan Ave and hire Cooperative Building Solutions for facility study.
- **07-31-2019:** Termination of purchase of 1511 Sheridan Ave property.
- **10-30-2019:** Board approved letter of interest to City of West Richland for possible land purchase.
- **11-20-2019:** Board approved staff to make a commitment to purchase 15-20 acres for Benton REA facilities to be located within the City of West Richland.
- **05-27-2020:** Approval of Commercial Real Estate Purchase and Sale Agreement for 20 acres of land in West Richland.
- **06-30-2021:** Board approved sending letters of intent for adjacent land purchase and further investigation of land for sale by City of West Richland.
- **08-25-2021:** Board instructed staff to notify City of West Richland of interest in purchasing Lot #5 raceway property.
- **09-15-2021:** Approval of Purchase & Sale Agreement between Benton REA and City of West Richland for raceway Lot #5.
- **10-27-2021:** Approval of Commercial Real Estate Purchase & Sale Agreement for raceway Lot #5.
- **11-30-2021:** Approval of Reimbursement Agreement with City of West Richland and Resolution to authorize purchase of raceway Lot #5.
- **03-30-2022:** Approval to hire Hill International as project manager for new administration building.
- **05-26-2022:** Approval of Consulting Services/Master Service Agreement with Hill International.
- **09-29-2022:** Approval of approximately 16,000 sq ft building for RFQ.
- **04-26-2023:** Approval of Progressive Design-Build Agreement for proposed administration building with Leone & Keeble.
- **04-26-2024:** Approval of Contract Change Order #1 for additional scope of West Richland facility to include full complex.
- **06-26-2024:** Approval to move forward with 30-day member comment period.

### c. Property Condition Assessment

## 06 PROPERTY CONDITIONS ASSESSMENT (PCA)



# 06 PROPERTY CONDITION ASSESSMENTS (PCA)

## OVERALL FINDINGS

The review of the existing Facilities and Site at Benton Rural Electric Association in Prosser indicate that BREA has well utilized and adapted to the confines of their site, while expanding to adjacent properties and buildings over the last 57 years.

The Main Office site has hosted multiple functions for many years. Initially, the cooperative operated solely out of the office. Later, the warehouse structure was built and partially remodeled as the IT department. The mix of uses on the main Office site shows how adaptation to the site has occurred, but limited future development. Increasing the efficiency of the site can be done by relocating warehousing to the other sites in Prosser and by renovating and repurposing the warehouse and IT area.

The Operations site was acquired in 2002 and has accommodated the needs of the Operations department and linemen area. The site should continue to operate similar to how it is currently, but can be improved by renovations to the offices, linemen room, and addition of more enclosed vehicle storage.

Warehouse #2 site is well utilized as a storage yard. Warehouse functions at the Main Office site could be relocated to warehouse #2 site if a larger warehouse was constructed. Overhead power lines and possible contamination to the south limit the site development.

Warehouse #3 site is furthest east, making it comparatively remote from the other 3 sites. Grade changes and a water line bisecting the property limit development of structures; however, the site utilization could be increased if materials were relocated from the other 3 sites.

The structures on all sites vary in condition.

The Main Office is relatively old but has been well maintained and adapted over the years. Minor renovations could extend the useful life of the building by 5-10 years.

Warehouse #1 has been partially built out into offices for the IT and PowerNET group. The offices do not meet the space, function, or comfort needs of the staff and should be relocated or reconstructed. The warehouse space is well organized, but the location between office spaces makes it undesirable. Major renovations should take place to the warehouse.

Operations building and Linemen building have both been adapted by BREA for their use. The age of the buildings are major concerns, but with minor renovations and upgrades could enable them to continue to serve the cooperative's needs.

Warehouse #2 was not toured. The building had metal roof and siding replaced recently, but the interior is original and does not support the storage needs of the cooperative. **See Attachment C – Existing Conditions Plans.**

## FACILITY AND OPERATIONS NOTES

### a. IT & PowerNET

- a. In 1997, BREA began serving members with internet access. The services expanded to serve customers outside of their members, adding computer repair and IT consulting.
- b. By 2003 the IT/PowerNET group had grown to a point where they needed their own operating space and had offices building in the warehouse on a “temporary” basis.
- c. The PowerNET business was not guaranteed to succeed, so no major investments were made into the workspaces or ability to meet with customers.
- d. The IT Department needs a storefront to serve walk-in members, assisting with external sales and knowledge.
- e. PowerNET has grown to an Internet Service Provider (ISP) for over 1,000 customers.
- f. PowerNET serves business-to-business clients, called Key Accounts, with network consulting.
- g. PowerNET serves computer repair for end users and has 4-5 PCs dropped off per week.
- h. PowerNet’s primary customer area is at the Prosser office.
- i. IT’s biggest customer is Benton REA.

### b. Member Services Electrical Advisor

- a. BREA has recently begun an Electrical Advisor service to its members to assist with minor issues that occur on the member side of electrical service.
- b. The assistance covers electrical installs, solar, EV, lighting, finding contractors, and troubleshooting failures.

### c. Walk-in Membership

- a. BREA does not serve any Prosser facilities with power.
- b. BREA members that come to the Headquarters have to drive.
- c. West Richland has most of the member growth and about half of the total membership, but no IT department presence. Most members in that area pay remotely.
- d. Over 90% of members pay online.

### d. Safety and Security

- a. Employee safety and security has been promoted to a very high priority for BREA.
- b. Recent visits to other cooperatives have highlighted new security measures that BREA would like to implement, such as a full width counter with escape route behind staff.
- c. Employees park all around the building and some walk across the street.
- d. Former employees or members familiar with the coop have been known to walk through the building or back to the PowerNET and metering offices without escort.
- e. The warehouse currently is open. There has been a push to have better inventory controls, but it’s not feasible with the current setup.
- f. Gates are currently manual and are opened once per day and left open.

### e. Americans with Disabilities Act (ADA)

- a. Accessibility issues are present at the BREA facilities. Most notable are the restroom configurations and the entry into the building. Other issues were observed during the walkthrough.

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)

## f. Community Room, Board Room, and Conference Rooms

- a. The community room used to be up front of the building. After renovation into offices the board room in the back addition is now used by the community.
- b. The board room become very crowded during all employee events. There is standing room only during any retirements or events that attract non-employees.
- c. A separate board room is requested with floor boxes and new A/V equipment to eliminate the wire clutter and update technology.
- d. Safety meetings are conducted across the street at the linemen Bull Room, the largest conditioned space on any of the properties.
- e. There are not enough conference rooms.
- f. The front member's room is often occupied for webinars or employee meetings even though it is small and uninviting.

## g. Building Systems

- a. The main building was constructed before computers and present-day technologies, an obstacle that the power and data systems have been adapted to overcome.
- b. Server room and electrical rooms are too small for the new systems. BREa is in the process of replacing some server equipment.
- c. There are shared neutrals and no ground on electrical systems in the building.
- d. BREa owns a 300KW generator that they initially intended on using for outages in remote areas of their service territory. It was determined that it took as long to repair the issue with a crew as it was to transport and install the generator temporarily. The generator is more than sufficient to serve the current facility.
- e. Most of the current building is built with a crawlspace and underfloor ductwork. The underfloor ductwork is not used since the HVAC was redone and installed in the attic. Some data wires are strung through the ductwork underfloor.
- f. The changes to the roof and underfloor did not include removing of abandoned wires, therefore some obsolete wiring is present in concealed spaces and unlikely to meet current plenum ratings.
- g. Ice damming recently damaged the heat trace system in the gutters and has not been repaired. There is a concern with ice on the roof, especially over the public sidewalk and entrances.
- h. The HVAC units are in the attic and some are outside. The equipment runs a lot and struggles during peak demand.
- i. HVAC repair is a regular and ongoing cost to the coop.
- j. Roof and windows were replaced and still in good shape.
- k. Plumbing is original in places; some portions have been updated. It all works currently.
- l. Interior lighting is fluorescent T8 fixtures. The ballasts burn out sometimes when the lamp burns out.
- m. Exterior lighting has been updated to LED from the old HID.
- n. An improved façade is desired.

## h. Operations

- a. Commercial vehicle parking area is sufficient, but not tall or deep enough to park the newer large trucks. There are no accommodations for the newest vehicles to be parked indoors.
- b. Pull-through enclosed parking is desired and not currently possible.

- c. Equipment is kept inside trucks. Some trucks are then are left open to air out. In the cold mornings it may be a while for trucks to thaw out.
- d. The shop is designed for smaller pickup truck sized repair work. Currently, BREa does not have a mechanic or facilities to support the fleet themselves.
- e. The current wash bay is not large enough and only a mobile power washer is present. A raised platform is desired to wash the tops of trucks.
- f. Linemen are Unionized and work (4) 10-hour days.
- g. There is an on-call list for outages, but not a 24-hour dispatch. CallNet takes the calls and forwards calls to the on-call staff. From there, the staff can determine if it requires immediate attention or will be scheduled.
- h. There is no setup for a major storm outage, however BREa can now support 50 simultaneous outages with the new software they have. 300-500 is a major outage now.
- i. In the 1990s there were several storms that caused major outages. The storms were related to wind, ice, and flooding at different times. The board room was set up as a war room/operations center and the staff pooled shifts on answering service calls.
- j. There has been discussion to install monitors and convert the engineering conference room to a War Room during storms.
- k. BREa does not own or operate a mobile substation vehicle. A neighboring power utility has one that can be requested.
- l. BREa owns all the stored material and operates their own warehouse.
- i. Admin, Accounting, and Member Services
  - a. The office staff is not union but has flexible work hours and shifts. Splitting up shifts has allowed BREa to keep longer hours on a 5 day/week scheduled.

## **FACILITY AND OPERATIONS NOTES**

### Headquarters Building Notes

- a. Building Security
  - i. Customer service counter is full width. A pair of café doors were left open mid-counter, centered on the long corridor.
  - ii. The long corridor creates an active shooter vulnerability. There are no side exits.
  - iii. The HR office is directly off the lobby, not behind a barrier.
  - iv. Cameras were observed.
  - v. There is a consultation room directly off the lobby for members. Sometimes it is used by employees as well.
- b. Building Construction
  - i. The building was constructed over 60 years ago. Asbestos, lead paint, and air quality were not investigated, but may be a concern given the age of the building.
  - ii. The building appears structurally sound. Exterior walls are constructed of concrete block with brick veneer. Former flat roof structure consist of lumber framing has been maintained as an attic floor. The new roof structure is lumber framing and in good condition. No settlement or cracking issues were observed.
  - iii. Some carpeting ridged up creating an uneven surface.

## 06 PROPERTY CONDITION ASSESSMENTS (PCA)

- iv. The building has had multiple partial renovations, creating a variety of finishes ranging from wood paneling, painted block, drywall, plastic laminate, and different heights of ceilings.
- v. Furniture systems are inconsistent throughout the building.
- vi. Partial height walls, enclosed offices, and open workspaces fit with the departments and usage of the space well.
- vii. Plumbing fixtures appear inadequate and have been reconfigured in an attempt to make them ADA compliant. There is a variety of wall mounted flush valve and floor mounted tank type toilets.
- viii. Mechanical systems appeared in generally good condition. Staff discussion indicated that the building is zoned improperly with each side of the corridor having very long zones that are operated by a single thermostat.
- ix. Air conditioning unit in server room appears to be intended for a walk-in refrigeration unit.
- x. Minor holes were observed in the ceiling or exhaust vents without grills or previous renovations that were not sealed.
- xi. Electrical room is crowded with multiple generations of telecommunication and electrical systems. Some panels appear new but are at or near capacity.
- xii. Building insulation is not adequate. Exterior walls are assumed to not have insulation. Insulation between attic and workspace was not observed.
- xiii. Fire suppression was not observed.
- xiv. Fire detection and alarm system is indicated to be tied to a building alarm system and monitored.
- xv. Building has numerous ADA deficiencies:
  1. Inadequate clearances on the push and pull sides of doors, most notably at the entry.
  2. No ADA member service counter observed.
  3. Break room does not meet reach range or maneuvering space for use of all appliances and fixtures.
  4. Majority of doors have knobs requiring grasping and twisting.
  5. Restrooms have been modified to be almost compliant, but sink type, paper towel height, toilet flush valve side, and grab bar configuration do not meet current standards in the ADA restroom. Other restrooms have more significant deviations.

### Warehouse #1 Notes

- a. Warehouse is simultaneously used for small part storage and IT/PowerNET services.
- b. The IT offices were built out in the space over multiple projects, resulting in a spaces that are in various stages of wear and tear.
- c. Nearly each office has its own mini-split unit. Makeup air was not observed to any of the spaces.
- d. Air quality may be a concern with the stagnation of air in the offices.
- e. Stairs up to the second floor are narrow and only have handrails on one side.
- f. The top landing of stairs does not match the level on both sides, resulting in a step up with immediate step down.

- g. Discussions can be heard between the spaces.
- h. Storage rooms are completely filled and work surfaces within them are nearly unusable because of material.
- i. NE office has had problems maintaining temperatures. Insulation is either not present or not effective.
- j. There was a pipe freeze within the building along the east wall resulting in damage to the insulation and domestic water piping. Ice was present within the building when discovered.
- k. Additions appear to have been made to add storage space for exterior maintenance materials and other supplies.
- l. Structure is a pre-engineered metal building and appears in good condition.
- m. ADA concerns are present pertaining to the restrooms, break area located on the second floor, and door hardware. Restrooms have been recently updated, but still have clearance concerns.
- n. Electrical panels located within storage rooms do not have adequate clearance.
- o. The city recently improved Sheridan, raising it up and replacing the sidewalk. The sidewalk was not built to accommodate the gate and drive BREA had to the north.
- p. There are ice damming concerns where the downspouts are directed through channels in the sidewalk.
- q. A laser alarm system is used to monitor material under the overhang to the south.

#### Operations Building Notes

- a. Exterior of the building has paint peeling off the concrete block.
- b. The roof was newly added and appears in good condition.
- c. The structure appears sound with no cracking or settlement observed.
- d. Offices appear in good condition.
- e. Restrooms do not meet ADA.
- f. Hot water heater is located next to the urinal. Floor drain and drain pan was not observed.
- g. Communications switch is located on a shelf behind the mechanical unit.
- h. Vehicle shop is used for storage of small vehicles and safety equipment. It is not large enough to work on bucket trucks.
- i. Lean-to metal structure provides additional storage to the west. The contents were not observed.
- j. The site is nearly entirely paved. The area between the buildings has concrete that is in good condition. Other areas are asphalt and have begun to show "spiderweb" cracking from their age and are in need of maintenance.
- k. The property is entirely fenced; however, the gates are left open during the day.

#### Vehicle Storage Canopy, Former Fuel Canopy, and Linemen Building Notes

- a. Vehicle storage
  - i. The structure and cladding appear in good condition.
  - ii. The depth is not large enough to protect the entire length of the bucket trucks.
  - iii. The height clearance is inches from colliding with the boom. Recently a truck caught the canopy when exiting.
  - iv. Width of structure provides narrow clearances for two large trucks to park in a single bay.



# 06 PROPERTY CONDITION ASSESSMENTS (PCA)

- b. Former Fuel Canopy
  - i. The canopy provides shade for four stalls.
  - ii. The fuel equipment has been removed and the tank is suspected to be removed.
- c. Linemen building
  - i. The west two bays of the linemen building are for small vehicle and tool storage. The center bay has parking for the snow-treaded ATV. The east third has the linemen room, office, restrooms, and break.
  - ii. Grate in the vehicle parking bay has significant deflection.
  - iii. The exterior is metal panel. Minor damage is present from vehicle impact. A puncture was observed with door trim damage on the SW overhead door.
  - iv. Spray foam was placed in the soffit and painted; reason unknown.
  - v. The linemen room is conditioned by a wall unit that struggles to keep up during the summer. The gas heater functions well in the winter.
  - vi. The linemen room has tables set up in the center with lockers around the perimeter.
  - vii. Power cables were present along the rows of tables on the floor, but most work was being done by wireless and the devices charged elsewhere.
  - viii. Restrooms and break room have clearance issues and fixtures are reaching the end of useful life.





## Warehouse #2

- a. Warehouse building was recently reroofed and had wall panels replaced.
- b. Interior was not observed, but it was indicated that no interior improvements have been made.
- c. The door and frame show significant age.
- d. Site is level with gravel in good condition.
- e. Overhead power lines limit use of the site. Poles were set on the south side of the property to avoid the overhead lines.

## Warehouse #3

- a. The building is relatively small and appears in satisfactory condition.
- b. The site has well maintained gravel.
- c. The lower half of the site has a sewer line traversing the property from the South to the north at the river.
- d. The east end of the site is approximately 10' higher than the west and comes to a point. Circulation to the site is limited to a ramp along the south and a second ramp dividing the site.

## Photographic Property Conditions Assessment

<p>1. Site</p> 	<ul style="list-style-type: none"> <li>• The four properties are separated geographically along Sheridan across about ½ mile.</li> <li>• Crews must travel across Sheridan each job multiple size to collect vehicles, materials, and poles.</li> </ul>
	<ul style="list-style-type: none"> <li>• The Headquarters Office site has perimeter fencing as well as a laser security system to provide redundancy for theft-prone materials that are stored outside.</li> <li>• The Headquarters site is used for storage of specific small materials that are used commonly.</li> </ul>
	<ul style="list-style-type: none"> <li>• Large number of pole mounted transformers and storage Conex boxes are kept along the south side of the headquarters site.</li> <li>• Paving has moderate signs of aging requiring minor surface repairs.</li> </ul>
	<ul style="list-style-type: none"> <li>• City of Prosser repaved and modified sidewalks along Sheridan that now inhibit the usage of the north gate. The curb shows signs of being drive up, creating potential for vehicle damage.</li> </ul>

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- Operations site has storage of small transformers at the street corner. The appearance is undesirable.



- Operations site has significant cracking of the asphalt surface. Resurfacing is recommended.



- Warehouse #2 site is orderly.
- It is utilized for poles and a majority of the larger materials.



- An overhead power line crosses Warehouse #2 site north to south and bisects it with a branch line traveling west. The lines are not operated by BREA, limiting the location of poles or construction on the site.
- The neighboring property to the west has an environmental report that the south end of the property may be contaminated.



- Warehouse #3 site is across Wine County Rd, a major traffic artery in the city.
- Overhead lines are present in the southwest portion of the site.
- A major water line traverses the site from the north to south.



- The Warehouse #3 site is underutilized with large amount of clear areas in the center of the lower and higher portions of the site.



- The elevation of the site increases about 10' on the eastern half. The circulation required to travel from the lower to higher portion consumes a significant amount of the site.

## 2. Headquarters Building



- The long corridor creates an active shooter vulnerability. There are no side exits.
- The single corridor layout is an efficient use of square footage.
- No natural light accesses the central corridor besides through windows at either end.
- Ceiling height is low in areas creating a cramped feel.

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- One of the restrooms has been modified to meet accessibility requirements. Minor corrections may be required to complete compliance.
- The other restrooms there isn't adequate circulation areas and the retrofits has created loss of functionality.



- Doorknobs throughout the facility do not meet accessibility requirements.



- Windows have been replaced and appear in good condition.
- Exterior CMU walls with brick veneer are original and do not have sufficient insulation.
- Some windows span between rooms, creating a gap at the partition that decreases sound privacy.



- Generations of communications systems are present. Years of retrofit and rewiring can be observed.



- Breakroom is does not have proper clearances around appliances and the microwave is not within the reach range.
- Seating is provided in a break area down the corridor.



- Roof overbuild and mechanical systems appear in good condition.
- Insulation was not observed between the attic and the occupied spaces.
- BREA indicated the units have long zones that don't maintain temperature very well.



- Underfloor ventilation ductwork is abandoned since the new attic units were installed.
- Data pathways were surface mounted and traveling through the underfloor ductwork.
- Carpet wear has created ridges and should be replaced.



- The HR office is directly off the lobby, not behind a barrier.
- Lobby is not very deep and is crowded with displays of magazines, display monitor, and mini-split information.

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- A pair of café doors were left open mid-counter, centered on the long corridor. The building is not secure from the lobby.
- No wheelchair accessible counter is present.



- Entry vestibule is small and does not meet clearance requirements.



- Storage is well organized within the building for records in the vault.
- Storage overflow is located in Conex containers in the south side of property.
- Vault is not a tornado shelter because of the lack of ventilation and space.
- Door has been modified and does not have protective rating.



- Several remodels are apparent by the finish materials sourced from different decades.



- The server room has an air conditioning until that appears to be for restaurant applications. The space was kept very cold.



- Engineering office was part of an addition to the original building.
- The conference room accommodates a central table but does not have audio visual technology to support the coop during a major outage.



- Meter reader workstations are sufficient for the usage.



- Connection between the main office and Warehouse #1 is a covered breezeway. The space has all hard surfaces and is uninviting.
- A picnic table indicates it is intended to be a break area.



# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- Exterior of the Headquarters office is in good condition.
- The addition was done with a stucco material that does not show signs of aging.
- The city sidewalk improvements have been accommodated into the building elevation.



- Gutter heat trace has been non-functional on the north side since the last ice storm.
- BREA suspects the heat trace is undersized and installed poorly.



- Sidewalk gutter grates freeze up during winter and create an ice condition. BREA maintains the area with salt and breaks up ice during storms.



- The front façade of the building has a neighborhood aesthetic that fits within the Prosser context.
- The roof overbuild and brick appear to be in good condition. Improvements would be limited to accessibility and aesthetics.
- Improvement is desired.



- Front patio area does not appear to have a purpose. The sidewalk accommodates circulation and the front door bypasses the patio.
- The patio area could be reclaimed and incorporated into the building layout.



- Some rooftop equipment is present for BREA to communicate with their other properties and the relay stations on the mountain.

### 3. Warehouse #1



- Warehouse #1 is well organized and continues to be used for small part storage.



- All shelves in the warehouse are substantially full.
- Clear space accommodates a forklift.

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- PowerNET offices were built in the warehouse and do not provide sufficient workspace for the staff.



- All storage rooms observed were filled to capacity.



- Storage rooms within the warehouse have a combination of IT equipment and BREA storage.



- The PowerNET offices were built in a number of phases that were pieced together. The stairs, landings, and upper level workstations do not meet typical building standards and have potential building code issues.



- Each space in the PowerNet offices is conditioned by a mini-split unit.
- Outside air was not observed. Spaces appeared to have stagnated air.



- Work benches in the PowerNet area are filled to capacity and dual function as temporary storage.
- Exit door from the workspace to the service trucks is available. Surplus of storage limits the functionality of the space.



- PC repair component of PowerNET has a substantial amount of worksurface requirements and use the entire length.



- The lighting and temperature conditioning of the spaces in the warehouse is inconsistent and doesn't meet the comfort needs of the staff.
- Exterior walls are suspected to be inadequately insulated.

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- Meter shop is well organized and meets the needs.



- Recently, a pipe burst in the exterior wall of the Warehouse creating a substantial amount of ice buildup and damage to the insulation. Partial repairs have been completed.



- Back storage rooms in the warehouse are a catch all for outdoor materials.



- Canopies on the south side of the building provide partial cover for the IT vehicles.
- A limited amount of materials is stored under the canopy.

#### 4. Operations Building



- The roof overbuild of the Operations building appears in good condition.



- Restrooms do not meet ADA in the operations building.
- Clearance around the urinal does not meet code.
- Water heater is not located near a drain. T&P valve ejects over the floor.



- Mechanical equipment appears in good condition.
- Communications closet is not present in the Operations building.
- The mechanical and network equipment is located behind the mechanical unit, surrounded by janitorial supplies.



- The vehicle storage area of the operations building was previously a maintenance shop.
- The space is underutilized because column locations limit parking quantity and truck size.
- Safety equipment is stored around the perimeter in an orderly fashion.

# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- Mechanical equipment appears in good condition.
- Communications closet is not present in the Operations building.
- The mechanical and network equipment is located behind the mechanical unit, surrounded by janitorial supplies.



- The vehicle storage area of the operations building was previously a maintenance shop.
- The space is underutilized because column locations limit parking quantity and truck size.
- Safety equipment is stored around the perimeter in an orderly fashion.



- Exterior of the Operations building has paint peeling from the dry climate. Minor maintenance is recommended.

5. Vehicle Storage Canopy, Former Fuel Canopy, and Linemen Building Notes



- Fuel canopy is no longer used for dispensing fuel.
- The location limits the circulation and future development of the west portion of the property.
- The canopy is used for storage of a few pieces of equipment.



- The covered parking canopy is not large enough to fully cover the larger bucket trucks.
- The height of the canopy is too low and recently damaged a vehicle.



- Minor damage to the linemen building exterior is present.
- No bollards were observed at openings.



# 06 PROPERTY CONDITION ASSESSMENTS (PCA)



- Storage space within the linemen building accommodates a few small vehicles.
- The trench grate is damaged where an overloaded vehicle drove over it.



- Equipment storage is sufficiently sized and efficiently laid out.



- Snow Cat is protected within the linemen building



- Plumbing fixtures do not have adequate clearances.
- Water heater is not located near a drain. T&P valve ejects over the floor.



- Breakroom does not have circulation space.
- Appliances are minimal.



- Linemen room is sufficiently sized for tables and chairs.
- Lockers are present around the perimeter of room.
- A single through-wall AC unit does not maintain temperature on hot days.
- Unit heater is sufficiently sized.
- Power cables run across floor to allow charging devices at the tables.

6. Warehouse #2



- Warehouse 2 recently was reroofed and had wall panels replaced.
- BREA indicated the interior is in poor condition and is not used for regularly accessed storage.

7. Warehouse #3



- Warehouse #3 is a metal building structure and appears in good condition. It is situated near the ramp to the south and does not inhibit storage on the site.