



PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

Commission President Thomas Moak called the Regular Commission Meeting to order at 2:00 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

The following were present:

Board Members: Thomas Moak, President
Don Barnes, Vice-President
Skip Novakovich, Secretary

Staff Members: Tim Arntzen, Chief Executive Officer
Tana Bader Inglima, Deputy Chief Executive Officer
Amber Hanchette, Director of Real Estate and Operations
Nick Kooiker, Chief Financial Officer
Larry Peterson, Director of Planning and Development
Lisa Schumacher, Special Projects Assistant
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Commissioner Novakovich led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Mr. Arntzen requested to add City of Kennewick to the Agenda and move Item 8D, Endorsement Request Procedure, to follow the Friend of the Port Presentation.

MOTION: Commissioner Novakovich moved to approve the Agenda as amended; Commissioner Barnes seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

- A. ***Approval of Direct Deposit and E-Payments Dated January 17, 2019***
Direct Deposit and E-Payments totaling \$59,162.97
- B. ***Approval of Warrant Register and E-Payments Dated January 22, 2019***
Expense Fund Voucher Numbers 100768 through 100815 for a grand total of \$110,224.70
- C. ***Approval of Regular Commission Business Meeting Minutes January 8, 2019***

MOTION: Commissioner Barnes moved for approval of the Consent Agenda as presented; Commissioner Novakovich seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

PRESENTATION

A. 2018 Friend of the Port

Ms. Bader Inglima introduced members of the Latino Heritage Mural Committee (LHMC) that are in the audience: Davin Diaz and family, Adan Suarez, Hector Cruz, Gracie Valle, and Jazmin Santacruz, unfortunately, Jon Lindeman was unable to attend and sends his regrets. Port of Kennewick staff choose the Latino Heritage Mural Committee as the 2018 Friend of the Port.

Mr. Arntzen stated the idea of a mural came from the community and was advanced by Jon Lindeman. Mr. Arntzen asked Mr. Lindeman to work with the Latino community to help explore the idea. Mr. Diaz got the concept off the ground and worked with several leaders in the community to set the project up for success. A committee was assembled and together, with assistance from Port Art Liaison Barb Carter, worked through the Call to Artist to the final product. Mr. Arntzen stated the award is presented to the Latino Heritage Mural Committee; however, Mr. Arntzen recognized that Mr. Diaz, elected chair of the LHMC and Mr. Lindeman were early and earnest supporters of the Latino Mural.

Commissioner Moak stated the fact that the LHMC is well represented today is a testament to the dedication of the committee. As a result of your hard work, the Port was recognized by the Governor and awarded the Washington State Arts Heritage Award. The LHMC spent a lot of time and effort on the project and saw the importance of the Mural and what it meant for the community. Commissioner Moak believes that the Mural has been a great community builder and pulled together a variety of community members, who worked closely with artist Andrew Reid to ensure that he told their story. Commissioner Moak stated the Commission and staff are grateful for the time and effort that each committee member put into this project voluntarily and through the Friend of the Port, we will always remember what you did for the community.

Commissioner Novakovich thanked the LHMC for the opportunity to get to know them better and stated the partnership means a lot to him personally and to the Port. Commissioner Novakovich expressed his gratitude for the LHMC and congratulated the committee on their accomplishments and hopes to be able to work together again in the future.

Commissioner Barnes concurs with Commissioners Moak and Novakovich's comments and stated the Mural was a fantastic opportunity and in the best interest of the constituents and the community. The Port has received feedback from the community and the State and Commissioner Barnes expressed his appreciation and deep feeling of gratitude for this relationship. The Mural is an ongoing symbol of the relationship between the Port and the community and the individual stories that shaped the mural are meaningful and woven into the fabric of our community. Commissioner Barnes is pleased that the LHMC is the recipient of the Friend of the Port and looks forward to a continued relationship.

Mr. Arntzen thanked Mr. Diaz for his leadership and presented a gift of appreciation and read the inscription:

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

“With appreciation for serving as Chairman of the Latino Heritage Mural Committee: and for managing the complex endeavor of committee oversight, community involvement, and artist engagement in creating the Mid-Columbia Latino Heritage Mural.”

Mr. Diaz thanked the Commission and staff and stated when the LHMC mural met for the first time to discuss the project, everyone agreed that it was something that was not only needed, but we were going to make happen. Mr. Lindeman, the catalyst for this project said repeatedly, “this mural is a project of inclusion and if you’re not included, you’re excluded.” As such, the LHMC never had any walls or barriers to anyone who wanted to be involved in this project. Mr. Diaz stated the images of the field workers depicted in the Mural are the most important aspect of the work, in his opinion, because we are celebrating them. The LHMC distinguished individuals who are often overlooked and embraced the contributions to our stories, the story of the Tri-Cities, and the American story. This project has been a labor of love, and through the process, Mr. Diaz has learned a lot about himself and his community. Mr. Diaz thanked the Commission and staff for having the vision and the courage to invest in the Mural. Mr. Diaz thanked Columbia Center Rotary for their continued investment in public arts and Andrew Reid, the muralist, for listening to the community. Lastly, Mr. Diaz thanked the proud men and women depicted in the mural and every member of the committee for their tireless efforts. Mr. Diaz quoted Cesar Chavez, “Preservation of one's own culture does not require contempt or disrespect for other cultures.”

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *City of Kennewick Agreements*

Mr. Arntzen and Ms. Walsh have been working on two Vista Field documents regarding landscaping in the public right of way for Phase 1A and a vibrancy plan. The Port would install the trees and dedicate back to the City; however, the City has requested that the Port maintain the street trees located in the public right of way for the duration of the life span of the trees. Mr. Arntzen and Ms. Walsh are finalizing the last details and hope to present the agreement to the Commission at a future meeting.

Ms. Walsh expressed her appreciation to Port staff and stated they have been instrumental in working through the issues. Ms. Walsh stated additional park maintenance brings challenges to the City and thanked Mr. Arntzen for his willingness to bring the agreement to the Commission. The agreement will create some continuity and consistency to the development.

Mr. Arntzen stated the Port has the ability to maintain the trees and inquired if the Commission had any additional comments.

Commissioner Moak asked what the maintenance entails.

Mr. Arntzen stated maintenance will include watering, pruning, and basic maintenance and he believes the request is manageable from an operations perspective.

Commissioner Novakovich stated the City has done a lot of planning for Vista Field and believes maintenance of the trees is a reasonable request.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

Additionally, Mr. Arntzen and Ms. Walsh have been working on a policy for vibrancy for Columbia Gardens and Vista Field. It is imperative for the City and Port to create a plan for the developments that create vibrancy and help them become successful. Mr. Arntzen and Ms. Walsh have been discussing how the Port and City could collaborate to create vibrancy and will work on facilitating a plan for Columbia Gardens and then make any necessary revisions for implementing the plan at Vista Field. Mr. Arntzen stated the Port is an advertising sponsor for the Clover Island Inn Summer Concert Series and would like to emulate that process for Columbia Gardens. Mr. Arntzen would like to offer advertising assistance for Columbia Garden tenants in good standing and the City would provide logistical support for the events.

Ms. Walsh stated this is another example of our partnership and the City's economic development department can assist with graphic designs, work with downtown events to drive people to Columbia Gardens and coordinate events with the City's calendar system. By working together, the City and Port can expand our offerings for the Bridge to Bridge area and historic downtown area.

Commissioner Novakovich inquired if events at Columbia Gardens would be advertised on the City's website.

Ms. Walsh confirmed that the City would advertise events on the City website.

Commissioner Moak believes adding vibrancy to Columbia Gardens will set the development apart and it is important for the Port and City to continue our partnership and assist the tenants to encourage people to go to the development and believes this is a good course of action.

Commissioner Barnes agrees and stated the collaboration makes sense and is looking forward to seeing the end result.

Mr. Arntzen thanked Ms. Walsh for her willingness to assist the Port in this endeavor.

B. Endorsement Policy

Mr. Arntzen stated at the January 8, 2019 Commission Meeting, the Commission was updated on a request regarding a form letter from the group associated with RiverFest. The group drafted a joint community letter to Governor Inslee regarding the funding request for the Southern Resident Orca Task Force. The Commission voiced their concern of the timing of letter and potential unintended consequences and declined to sign the letter. Also, the Commission and staff discussed the usage of the Port logo and how it serves as an endorsement of the Port and Commission.

Mr. Arntzen presented a draft Community Endorsement Policy which outlines how the Port will consider requests from community members requesting the following: Port logo, name, signature or other branded materials. The policy summarizes how a person or entity will work with Mr. Arntzen or Ms. Bader Inglima or designated appointee on the request. The requestor will submit basic information, short and long term actions of the request and a statement explaining how the issue would affect the community and if the request meets the Port's mission. Mr. Arntzen asked for Commission comments regarding the draft Community Endorsement Policy.

PORT OF KENNEWICK

REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

Commissioner Moak stated the Port previously drafted our own response regarding the shoreline reconveyance and would like to see that option reflected in the draft policy.

Commissioner Barnes agrees with Commissioner Moak and looks forward to reviewing the draft policy.

Commissioner Novakovich concurs and believes the Port should add review of a requestor's final draft letter after revision.

Mr. Arntzen stated if the Commission passes the policy and there will need to be some form of public notification that the Port is taking action. Mr. Arntzen proposed spending some time with our partners and explaining why this action is being considered, with transparency being the primary objective. Mr. Arntzen will place the Community Issues Endorsement Policy on a future Agenda and notify the public of possible action.

NEW BUSINESS

A. Release of Buyback Clause on a 2004 Land Sale; Resolution 2019-02

Ms. Hanchette received a request regarding approximately 5 acres near Vista Field, purchased by Jerry Ivy in 2004. Mr. Ivy is requesting that a restriction to the Statutory Warranty Deed allowing the Port to repurchase the property should the purchaser not develop the property within eighteen months of closing (May 18, 2004) be released. *"The grantee agrees to sell back the property to the grantor (Port) at an agreed upon appraised price to include any reasonable improvements to the property incurred by the grantee. However, in the event of unforeseeable circumstances that may cause delays passed the said eighteen month deadline to include, but not limited to delays in rezoning, financing and/or tenant negotiations, grantee shall have the option to negotiate terms. Any renegotiated terms shall be in writing."* Mr. Ivy is requesting the release of the restriction on the property so that he can move forward with a pending sale.

Mr. Arntzen stated the property was sold in 2004 and included the standard buyback clause. The Port has not exercised the buyback option and believes the value of the property is in excess of \$1,000,000.

Ms. Hanchette stated the assessed value of the property is \$1, 210,190 and is listed for sale at \$8.50 per square foot.

Mr. Arntzen stated there is no strategic value for the Port to repurchase this piece of property.

Commissioner Moak inquired if the Port is being asked to repurchase the property.

Mr. Arntzen stated the request is to remove the buyback clause so the owner can sell the parcel.

Ms. Luke stated this is standard language in the Port's purchase and sale agreements. Currently, a cloud exists on the title and needs to be cleared before the current transaction can proceed.

Commissioner Novakovich is in favor of removing the clause.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

Commissioner Barnes would like additional information on the details prior to approving Resolution 2019-02. Furthermore, because of the close proximity to Vista Field, he inquired if the potential property owner should work within the Port's Collaborative Design Agreement.

Commissioner Moak agrees with Commissioner Barnes' comments and stated it is important to look at the impacts on Vista Field and he is not ready to relinquish rights to the property without more consideration.

Commissioner Novakovich inquired if the Port does not agree to releasing the buyback clause, does the property owner have the ability to force the Port to purchase the property if we refuse to remove the clause.

Ms. Luke stated, from her perspective, the owner could not force the Port to purchase the property; however, he could start legal action to seek a declaration in court about whether given the number of years that have passed, is it still an enforceable agreement.

Commissioner Novakovich inquired if the property owner could bring legal action against the Port for a loss of income, if he were unable to sell the property.

Ms. Luke stated it is possible that the property owner could seek damages; however, given that he signed the contract to purchase under the specified conditions, it would be up to the court to award any kind of damages.

Commissioner Moak inquired if the buyback clause could transfer to the new owner.

Ms. Luke stated if the new owner wanted to accept the title with the cloud, they could.

Commissioner Barnes requested more time and information to understand the specific issue and look at potential alternatives. Commissioner Barnes stated the Port has a vested interest in what happens on this property.

Mr. Arntzen will provide additional information for the Commission.

REPORTS, COMMENTS AND DISCUSSION ITEMS

B. Columbia Drive Update

a. Phase 2A

Mr. Peterson stated Phase 2A is 99% complete and the remaining work that needs to be done includes: installation of lights and stucco on the block wall and installation of hand railings that connect the food truck plaza to trail. The contractor has requested a walk through with the City of Kennewick Public Works Department to review the water, sewer, and industrial sewer systems. The Port will then start the close out process and generate a punch list for substantial completion.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

b. Phase 2B

Mr. Peterson stated Phase 2B was advertised for bid on January 20, 2019 and bids are due on February 19, 2019 at 2:00 p.m. Approximately eight plan centers have signed up for the plans to share with members.

C. Vista Field

Mr. Peterson reported that Vista Field Infrastructure Phase 1A construction project was advertised for bid on January 20, 2019 and bids are due on February 21, 2019. Staff will bring the final results to the Commission at the February 26, 2019 Regular Commission Meeting. The project will include: roadway, utilities, pavement, lighting, landscaping, water feature, and parking lot improvements. Mr. Peterson emailed the Vista Field stakeholder list, to let them know that the project is out for bid, the basic timing of the project, and graphics. Mr. Peterson stated the project is estimated at \$5,400,000 excluding sales tax.

D. City of Richland Update

Mr. Arntzen recently met with Cindy Reents, City Manager for the City of Richland to discuss any issues of mutual concern. Additionally, Mr. Arntzen conveyed to Ms. Reents that the Commission, as part of Mr. Arntzen's established goals, was to create partnering plans with all of the jurisdictional partners. The discussion centered on what the partnership would look like over the next ten years. Mr. Arntzen outlined the process for identifying joint projects which would include public participation and defining a matrix for projects. Mr. Arntzen and Ms. Reents will discuss potential projects with staff, then meet again to narrow down the list. Then, staff will meet with elected officials to discuss potential projects and the process of moving forward. Mr. Arntzen conveyed to Ms. Reents that the Port is currently working on two major redevelopment projects and would rather look at smaller scaled projects that would not take ten years to develop, such as Spaulding Business Park. Mr. Arntzen inquired if the Commission is comfortable with the direction staff is proceeding with Richland.

Commissioner Moak stated at the Commission retreat in 2016, the Commission discussed Island View and he would like to see that added to the list of potential projects.

E. Commissioner Meetings (formal and informal meetings with groups or individuals)

Commissioners reported on their respective committee meetings.

F. Non-Scheduled Items

1. Commissioner Novakovich welcomed Chuck Torelli, newest member of the Kennewick City Council and stated the Port looks forward to working with him.
2. Commissioner Moak thanked Mr. Torelli for attending today in his new capacity as Council Member.
3. Ms. Scott reported that the Congress for New Urbanism will be held this June in Louisville Kentucky and registration is open.

PORT OF KENNEWICK

REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

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4. Ms. Bader Inglima reported that the Port and City will have a booth at the Washington Winegrowers Convention and Tradeshow on February 12-14, 2019 and will be advertising the Columbia Garden parcels that will soon be available for sale or lease.
 5. Mr. Arntzen welcomed Mr. Torelli and believes he will be a very valuable councilman. Mr. Arntzen stated previously Mr. Torelli sat on the Planning Commission and became very familiar with Vista Field and the Port's goals for redeveloping that area.

Mr. Arntzen reported that the Commission may have received a lunch invitation from Dr. Rebekah Woods, President of Columbia Basin College. Mr. Arntzen stated that sometimes the Commission is called upon to attend an event and simply because all three Commissioners are at the same function, does not mean it falls under the Open Public Meetings Act. Mr. Arntzen suggested the Commission attend the February 20, 2019 luncheon to receive information only.

Ms. Luke confirmed that attending an event is not considered a Public Meeting and recommended that they do not sit near each other or offer too much commentary on behalf of the Port.

6. Mr. Peterson reported that the City of Pasco recently went out for bid on roadway infrastructure and will open bids on February 5, 2019. This bid opening will serve as good review of prices for Vista Field Phase 1A.
7. Ms. Hanchette reported that the protective coating has been removed from the Latino Heritage Mural and that it looks great.

PUBLIC COMMENTS

Chuck Torelli, 3314 South Dennis Court, Kennewick. Mr. Torelli thanked the Commission and staff for their welcoming remarks and stated that he has been engaged in community activities for several years. Mr. Torelli stated the Port and City partnership has been great to watch, particularly with Columbia Gardens and Vista Field. The attitude between Port and City staff has been institutionalized and executed so well.

Terry Walsh, 2362 West 49th Avenue, Kennewick. Ms. Walsh stated that Barbara Carter has resigned from the Kennewick Arts Commission; however, Mr. Arntzen requested that Ms. Carter act as the art liaison between the Kennewick Arts Commission and the Port. Ms. Walsh stated anytime something comes up related to Port property, or the visual area connected to the Port, City staff will notify Ms. Carter.

Richard Reuther, 4302 Desert Street, Pasco. Mr. Reuther recently read the minutes from the January 8, 2019 Commission Meeting and expressed his dismay that the Port would not be selling lots at Vista Field until 2020. Mr. Reuther and his family had hoped they would be able to move into Vista Field this year.

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick believes staff needs to coordinate with the property owner and future purchaser regarding the buyback clause for the property at Vista Field. Because of the close proximity to Vista Field, some assurances should be made to the Port.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 22, 2019 MINUTES

On Sunday, February 3, 2019 at 3:00 p.m. at the Richland High School Auditorium, the Mid-Columbia Symphony will feature final works from Britten, Boulanger, and Haydn. The guest conductor is Justin Raffa and joining the symphony is soprano Molly Holleran and the Mid-Columbia Mastersingers Youth Choirs.

COMMISSIONER COMMENTS

No comments were made.

ADJOURNMENT


With no further business to bring before the Board; the meeting was adjourned 3:47 p.m.

APPROVED:


**PORT of KENNEWICK
BOARD of COMMISSIONERS**



Thomas Moak, President



Don Barnes, Vice President



Skip Novakovich, Secretary