



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

CALL TO ORDER

Commission President Don Barnes called the 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: Don Barnes, President
Skip Novakovich, Vice-President
Thomas Moak, Secretary

Staff Members: Tim Arntzen, Executive Director
Tana Bader Inglima, Director of Governmental Relations & Marketing
Tammy Fine, Director of Finance/Auditor
Amber Hanchette, Director of Real Estate & Operations
Nick Kooiker, Assistant Auditor & Accountant
Larry Peterson, Director of Planning & Development
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel
Lisa Schumacher, Special Projects Coordinator

PLEDGE OF ALLEGIANCE

Nick Kooiker led the Pledge of Allegiance.

Mr. Arntzen introduced Jim Darling with Maul, Foster Alongi, Inc. Mr. Darling was the Executive Director for the Port of Bellingham and will help create a five year capital plan, for the "Alignment for Success" project.

Mr. Darling thanked the Commission for the opportunity to be involved with the port. He relayed his pleasure in seeing local government taking on ambitious projects. He believes there is great energy at the port and recognized there are many exciting projects in the port's future.

PUBLIC COMMENT

No comments were made.

COMMISSIONER COMMENTS

No comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

A. Approval of Direct Deposit and Warrants Dated March 18, 2014

Direct Deposit totaling \$28,188.65 and Expense Fund Voucher Numbers 35423 and 35424 totaling \$1,546.85; for a grand total of \$29,735.50.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

B. Approval of Warrant Register Dated March 26, 2014

Expense Fund Voucher Numbers 35425 through 35483 for a grand total of \$133,279.79

C. Approval of Commission Meeting Minutes dated February 11, 2014

D. Approval of Commission Meeting Minutes dated March 11, 2014

E. Letter of Support for the Port of Pasco's Airport Expansion Project

F. Approval to Appoint Commissioner Moak as the Port's Representative to the Historic Downtown Kennewick Partnership

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

Commissioner Novakovich withdrew the motion and Commissioner Moak withdrew the second.

PUBLIC COMMENT

No comments were made.

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

PRESENTATIONS

A. 1135 Project Update, Cindy Boen, United States Army Corps of Engineers (USACE)

Ms. Bader-Inglisma relayed Clover Island has been in the national queue for the 1135 Federal Ecosystem Restoration Funding since 2008. Much of Clover Island is still covered in concrete rubble, and is undercut and either eroding or sloughing off into the river. In recent years, the port has been able to finish an 863-foot walkway along the Columbia River near the new lighthouse plaza. Improving the shoreline would help attract more businesses to Clover Island and would assist in the port's efforts to redevelop Columbia Drive and renew downtown Kennewick. Tri-City area residents also have expressed the desire for improved access to the rivershore.

Ms. Cindy Boen, Chief of Plan Formulation for the Walla Walla District of the Corps, explained that there have been changes in the way the federal program is managed during the last year that has allowed the Corps to prioritize Clover Island. The partnership is possible because the Corps built levees in the area that eliminated riparian and shallow water habitat, making shallow water habitat in short supply. Clover Island is a prime location for ecosystem restoration, especially with the opportunity to restore about an acre of shallow water habitat. The Corps believes about a half mile of restored shoreline could be included in the project. The feasibility process will take the project to about 30 percent design. The Corps and port staff will work together to develop different alternatives, get them through the federal requirements and then recommend a plan that will maximize benefits with the least cost.

The Corps will cover the first \$100,000.00 of the feasibility costs, then the Corps and port will split the feasibility costs 50-50. Some of the port's portion could be covered by in-kind contributions. The Corps and the port will need to formalize the effort in a feasibility cost share agreement that will lay out the scope, responsibilities, roles and the cost share, with costs to be



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

determined. The feasibility process may take between a year to a year and a half. Finishing the feasibility phase would give Clover Island first priority for federal construction dollars.

For design and implementation, the Corps would fund 75 percent of the project, and the port would be responsible for the remaining 25 percent, Boen said. The value of the port's real estate can go toward that 25 percent. Federal funding is limited to no more than \$5 million and no more than 10 percent can be used for recreational benefits.

Ms. Bader-Inglima conveyed that the port may eventually need to spend around \$1.5 million to \$1.75 million, which could include the value of the port's land; however, having the federal match of 75 percent for implementation and construction will help the community see significant improvements along the shoreline.

Mr. Novakovich expressed his excitement for the project. The port has been working on the shoreline since 1999, and to move forward is like a dream come true. Mr. Novakovich applauded Ms. Bader-Inglima's efforts.

Mr. Moak believes rivershore enhancement is critical both for local residents as well as for tourism and is pleased how the project ties in to completed and future port projects.

Mr. Barnes believes this is an ambitious project and it is important to the community and habitat. It is very encouraging that grant funding is available. Mr. Barnes thanked Ms. Boen and Ms. Bader-Inglima for their hard work. The consensus of the Commission is to move forward and work on the feasibility phase.

Mr. Arntzen believes the shoreline project aligns with community objectives and the port's comprehensive work plan. Mr. Arntzen and Mr. Darling are working on a five year capital plan for anticipated port projects; however, this cannot wait until the completion of the plan. He feels it would be prudent for the port to take advantage of the Corps funding and work within their timeframe.

B. *Spaulding Business Park, Bob Johnson and Jack Waters*

Mr. Arntzen explained that the K. Blair property development at Spaulding Business Park is asking for an extension on their contract.

Mr. Waters, representative for the owners of property, outlined the scope for the 40,000 square foot building, with an ambulatory surgery center and clinical office space. The doctors have had to revise the scope of the project and make several changes in the plan and design. Mr. Waters requested the commission approve a one-year extension for construction.

Mr. Novakovich is fully supportive of the extension.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

NEW BUSINESS

A. Approval of a One-Year Extension of the Repurchase Provision Related to the K. Blair Sampson Land Sale at the Spaulding Business Park; Resolution 2014-06

Mr. Arntzen explained that the port has approved this kind of extension in the past and strongly recommends the extension. This is a very exciting project and this kind of development continues to move Spaulding Business Park into the 21st century.

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Novakovich moved for approval of Resolution 2014-06, approving a one year extension of the repurchase provision related to the K. Blair Sampson land sale at the Spaulding Business Park, for good cause demonstrated, without waiving the repurchase provision; Commissioner Moak seconded.*

Discussion:

Mr. Moak inquired about the waiving repurchase clause.

Mr. Arntzen explained that the clause gives the port the option to repurchase the property for the original cost.

Mr. Peterson stated the clause protects the port and is a method to ensure the port has a viable buyer for the property. With the extension, the builder has one year to begin construction from today's date with one year to complete construction.

With no further discussion, motion carried unanimously. All in favor 3:0.

B. Approval of Consultant Agreement for Redevelopment of Vista Field; Resolution 2014-07

Mr. Peterson brought forth resolution 2014-07 authorizing Mr. Arntzen to execute the contract with Duany Plater-Zyberk (DPZ) & Company for the redevelopment of the former Vista Field Airport. Included in the proposed contract, DPZ will conduct a five day charrette seeking community input, and craft a plan with the port commission that includes: a phasing plan, a financial and marketing plan, management strategies, layout and suggestions, a regulating plan, design standards, and code changes (City of Kennewick) for development. Port staff has reviewed the professional works roster for firms that have the ability to consult on this type of project and went back to the original submittals for the EIS process. Staff evaluated three firms, based on qualifications and recommends DPZ to create a detailed scope of work, which is identified in the contract. The time frame is tentatively set around an October 2014 charrette date. This will give the consultant team time to prepare in advance of charrette, and meet with local entities and development and engineering agencies. It is of utmost importance to capture the community's input and move forward with Vista Field.

Mr. Arntzen stated that he was very pleased to see comments from himself, the Commissioners, and the community folded into the scope of work. Mr. Peterson was very thorough with the scope of work and the contract illustrates DPZ willingness and desire to work on the project. Mr. Arntzen is very impressed by the scope of work and believes this is a very good value; DPZ is a



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

qualified, internationally recognized firm.

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Novakovich moved for approval of Resolution 2014-07, authorizing the Port's Executive Director to execute the contract with Duany Plater-Zyberk and Company LLC for master planning and economic consulting services regarding the redevelopment of the former Vista Field Airport site, for a sum not to exceed \$383,000.00; Commissioner Moak seconded.*

Discussion:

Mr. Novakovich believes moving forward with DPZ is an excellent decision. Mr. Peterson and staff have done a marvelous job on the strategy to move forward with Vista Field. This is an excellent opportunity for our community and moving forward with the same team is a "feather in our hat".

Mr. Moak inquired about the ownership of the work product and whose responsibility it is to generate the excitement with regards to the charrette process.

Mr. Peterson relayed that the port retains ownership of all the work products related to Vista Field. The marketing strategy will be a team effort between DPZ and the port. DPZ has experience with the charrette forum and the port will work with the media and our development partners and citizen groups to publicize this opportunity. In advance of the charrette, Ms. Plater-Zyberk will build excitement with local speaking engagements to build momentum.

Mr. Moak applauds the staff and believes DPZ is the right firm for the job.

Mr. Barnes agrees with earlier board comments and believes this is the right team for port and our constituents. DPZ's work on the EIS was excellent and the port will benefit from having a team that provided the base information.

Mr. Peterson conveyed that the illustrated master plan will lay out the street network and key locations for buildings and open corridors. Vitality is key for Vista Field and DPZ will utilize a retail strategist and a West Coast developer for other perspectives.

With no further discussion, motion carried unanimously. All in favor 3:0.

C. *Approval of a One (1) Year Lease with Soulek Inc. (known as Washington Surplus); Resolution 2014-08*

Ms. Hanchette brought forth Resolution 2014-08, for approval of a one year lease with Soulek Inc., currently doing business as Washington Surplus. Mr. Soulek is a current tenant at the Oak Street Industrial Park and will be vacating his current space and moving to a larger space with an office. Port policy requires Commission approval if a lease is over \$2000.00 a month. The lease will be \$2,198.00 per month.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Moak moved for approval of Resolution 2014-08, approving a new (1) one year lease with Adam Soulek and Soulek Inc (DBA: Washington Surplus) and authorizing the Executive Director to execute the contract; Commissioner Novakovich seconded.*

Discussion:

Mr. Moak inquired if there were improvements that need to be made to the new lease space and how much work will be needed for the vacated space.

Ms. Hanchette indicated that there would be minimal, if any improvements to be made for the new lease and cleaning would be required for vacating the warehouse space.

With no further discussion, motion carried unanimously. All in favor 3:0.

REPORTS COMMENTS AND DISCUSSION ITEMS

A. Office Remodel

Mr. Kooiker discussed the status of the office remodel, issues and timeline. The project has taken longer than expected, mainly because the scope has expanded to include more items. The five projects include:

1. Initial scope: reconfigure the central office space from two to four office spaces and reconfigure the front lobby and add an internal camera system.
2. Create a high tech conference room in the former marina office with the capability to hold teleconferences.
3. Relocate and update the server room to former marina office.
4. Bring the office up to current City of Kennewick codes.
5. Add wireless capability throughout the building (\$500 total of project)

Mr. Kooiker estimated phase one would begin July 2014, with an estimated three weeks for completion and phase two would begin late August.

Mr. Moak inquired if a wireless system is included in the project, and if there is a financial advantage to include it in the project. Mr. Moak also inquired if the renovation addresses future staffing needs and a paperless server. Mr. Moak is in favor of security cameras around the building.

Mr. Kooiker stated relocating the server room will allow sufficient room for a paperless server, and the conference room could be converted to workspace if necessary.

Ms. Fine indicated staff has analyzed the property for future expansion by creating offices downstairs or the possibility of outsourcing for time specific projects. From 2006 through 2012, the port has added 2.7 positions, based on the increasing amount of new laws and regulations that have been imposed and new port capital projects.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

Ms. Hanchette explained we currently have marina cameras and one building camera. She reported that new marina cameras are budgeted for 2014.

Mr. Novakovich appreciates the presentation and praised Mr. Kookier and Ms. Fine for their logical and economical plan for future expansion.

Mr. Barnes stated the office improvements are necessary and the remodel will make the floor plan more efficient. Mr. Barnes complimented Mr. Kookier and Ms. Fine for their hard work.

B. Columbia Gardens Trail/Streetscape/Parking Lot Update

Mr. Peterson indicated the City of Kennewick has engaged the services of an engineering firm to design the wine effluent treatment system. The city is working with port staff and Gary Black on the location of the wine effluent treatment facility for Columbia Gardens. The port's hope is to start the bidding process in late September with potential construction contracts in November 2014, with a completion of date by Wine Grape Crush 2015. The renovation of the former transmission shop and the 421 building is estimated to be complete by July 2015. Since the arts incubator building is not dependent on the crush, construction may begin in the fall of 2015.

Mr. Barnes expressed his concern about not overtaxing our staff with our limited resources. Mr. Barnes indicated it is important that all port projects be sequenced and phased so we do not create a large concentrated work load.

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

Commissioners reported on their respective committee meetings.

D. Non-Scheduled Items

1. Mr. Arntzen will look into adding cameras around building and see if it is feasible to include them into the current building remodel bid.
2. Mr. Arntzen stated he is very proud of the work Mr. Kooiker has done on the building remodel.
3. Ms. Luke stated that she is now on her third year working with the port, and with the support of the commission, Mr. Arntzen has developed an extraordinary group of people. Ms. Luke is honored to work with port staff and truly appreciates how staff does the right thing for the port and the port's constituents and how they mindful and careful of port resources. Mr. Arntzen should be complimented for bringing together this great team.

PUBLIC COMMENTS

Linda Lehman, Benton City Economic Development Council. Ms. Lehman reported that the city council reached an exclusive agreement with the Tri-Cities Real Estate Group, for the pad site on the Kiona side of the highway. Ms. Lehman also stated the Eastern Washington University students gave them several options for the downtown revitalization project, and chose to work on the city design and tourism. Lastly, Ms. Lehman stated the city, the chamber of commerce and the economic development council will share the cost and responsibilities in developing three websites.

No further comments were made.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 25, 2014 MINUTES

COMMISSIONER COMMENTS

Mr. Moak inquired where the Kiona pad site was located in Benton City.

Ms. Lehman explained that it is across from the highway, in front of A & B Asphalt. They have one year to bring in a developer. The 6.1 acres has been annexed in the city limits and is commercially zoned.

No further comments were made.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:35 p.m.

APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS

Don Barnes, President

Skip Novakovich, Vice President

Thomas Moak, Secretary

PORT OF KENNEWICK

RESOLUTION No. 2014-06

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK GRANTING A ONE-YEAR EXTENSION
TO K. BLAIR SAMPSON (DBA: SPAULDING SURGEONS LLC) TO
CONSTRUCT A BUILDING AT SPAULDING BUSINESS PARK***

WHEREAS, on December 13, 2011, the Commission approved a land sale at the Spaulding Business Park (SBP) to K. Blair Sampson (dba: Spaulding Surgeons LLC) for the construction of medical offices; and

WHEREAS, since that time the developers have been working to bring the project to fruition; and

WHEREAS, significant design work has been completed, but additional time is requested by the developer to commence construction of the project; and

WHEREAS, the sale provided the port with \$1,000,912.90 in revenue; and

WHEREAS, the purchase and sale agreement provided that if construction is not commenced within 18 months of closing, the port, at its option, could re-purchase the property for the original purchase price; and

WHEREAS, in the past the port has extended construction deadlines for good cause and it appears this request is for good cause; and

WHEREAS, staff requests the Commission consider granting a one-year extension, without waiving the repurchase clause; and

WHEREAS, the Commission has reviewed this matter and finds that granting the extension would be in the best interest of the public.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Port of Kennewick hereby approve a one-year extension of the repurchase provision related to the K. Blair Sampson (dba: Spaulding Surgeons LLC) land sale at the Spaulding Business Park, for good cause demonstrated, without waiving the repurchase provision.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 25th day of March, 2014.

***PORT of KENNEWICK
BOARD of COMMISSIONERS***

By: 
DON BARNES, *President*

By: 
SKIP NOVAKOVICH, *Vice President*

By: 
THOMAS MOAK, *Secretary*

PORT OF KENNEWICK

RESOLUTION No. 2014-07

**A RESOLUTION OF THE PORT OF KENNEWICK BOARD OF COMMISSIONERS
APPROVING A PROPOSAL BY DUANY PLATER-ZYBERK AND COMPANY, LLC
TO PERFORM MASTER PLANNING, ENGINEERING AND ECONOMIC
CONSULTING SERVICES REGARDING THE REDEVELOPMENT
OF THE VISTA FIELD AIRPORT SITE**

WHEREAS, the December 31, 2013 closure of the Vista Field Airport yields a redevelopment site in the center of the community with numerous unique characteristics and the port seeks assistance with establishing the community's vision for the redevelopment site; and

WHEREAS, the port desires to contract for architectural and engineering design and master planning services, and staff has reviewed qualifications of three architectural firms; and

WHEREAS, Duany Plater-Zyberk and Company LLC has assembled a team of professionals necessary to complete the master planning, engineering and economic analysis services the Port is seeking; and

WHEREAS, Duany Plater-Zyberk and Company LLC submitted a proposal to perform the desired services for a sum not to exceed \$383,000.00 without further authorization.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick does hereby approve the proposal by Duany Plater-Zyberk and Company LLC to perform master planning and economic consulting services regarding the redevelopment of the Vista Field Airport site for an amount not to exceed \$383,000.00 without further authorization.

BE IT FURTHER RESOLVED that the Executive Director is authorized to sign any contract documents necessary to implement the work of Duany Plater-Zyberk and Company LLC.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 25th day of March, 2014.

***PORT of KENNEWICK
BOARD of COMMISSIONERS***

By:


DON BARNES, *President*

By:


SKIP NOVAKOVICH, *Vice President*

By:


THOMAS MOAK, *Secretary*

PORT OF KENNEWICK

Resolution No. 2014-08

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING A ONE YEAR LEASE AGREEMENT WITH SOULEK INC.

WHEREAS, the Port of Kennewick (Port) is authorized to enter into certain leases upon such terms as the Port Commission deems proper; and

WHEREAS, a new one (1) year lease with Soulek Inc (known as Washington Surplus) effective May 1, 2014, has been negotiated by Port staff; and

WHEREAS, the Port Commission has called a regularly scheduled public meeting with notice of such meeting given as provided by law and such public meeting was held at such time and on said date; and

WHEREAS, Port staff and the Port attorney have reviewed the proposed Lease Agreement and find it is in proper form and it is in the Port's best interest; and

WHEREAS, after consideration of the attached lease agreement, the Port Commission has determined that the lease is proper.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby approve a new one (1) year lease with Soulek Inc. (known as Washington Surplus) as presented and authorizes the Port's Executive Director to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 25th day of March, 2014.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


By:


DON BARNES, *President*

By:


SKIP NOVAKOVICH, *Vice President*

By:


THOMAS MOAK, *Secretary*