



# PORT OF KENNEWICK REGULAR COMMISSION MEETING

APRIL 9, 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  
Kandy Yates, Office Assistant/Marina Manager  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Commissioner Thomas Moak led the Pledge of Allegiance.

## APPROVAL OF THE AGENDA

***MOTION:*** Commissioner Novakovich moved to approve the Agenda; 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 April 2, 2019***  
Direct Deposit and E-Payments totaling \$78,481.86
- B. Approval of Warrant Register Dated April 9, 2019***  
Expense Fund Voucher Numbers 100971 through 100999 for a grand total of \$74,030.14
- C. Approval of Regular Commission Business Meeting Minutes March 26, 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

APRIL 9, 2019 MINUTES

---

## PRESENTATIONS

### A. *The REACH Museum*

Mr. Arntzen introduced Rosanna Sharp, Executive Director at The REACH Museum.

Ms. Sharp thanked Mr. Arntzen for the introduction and updated the Commission on recent activities and the Museum's five year strategic plan. The REACH will celebrate its fifth anniversary this July and have had 8,157 general admissions and 6,510 students and attendees of education programs like Screech at the REACH, Little Explorers and STEAM Family Workshops. Upcoming events include: Little Explorers' hummingbirds and flowers, a Western Scablands tour, White Bluffs hike, the national math festival and a Dry Falls tour. The REACH will feature exhibitions on recycling, rockhounding and bat caves.

Ms. Sharp stated the Reach's Vision Statement is "The Reach will be an indispensable educational resource and premier cultural destination that serves as a gateway for understanding the natural and cultural significance of the region, for present and future generations." The REACH provides learning programs, outreach, teacher training and curricula that complements WSLS/NGST (Next Generation Science Standards) with a concentration on families with school-aged children. In addition, The REACH is striving to be the epicenter, for tourism specifically for Ice Age Floods, Mid-Columbia River Basin history, and the Hanford Reach National Monument. Ms. Sharp stated the REACH identified the need to have a temporary, rotating gallery space to host nationally-acclaimed traveling exhibitions and identified local and national partnership opportunities.

The five year strategic plan includes financial independence, sustainability, program development, organizational and community engagement and facility use. Ms. Sharp outlined potential funding possibilities for the expansion of the Museum.

Commissioner Moak thanked Ms. Sharp for the update on the REACH.

## REPORTS, COMMENTS AND DISCUSSION ITEMS

### A. *Port of Pasco Interlocal Agreement-LAX Daily Service; Resolution 2019-07*

Mr. Kooiker stated in 2015 the Commission approved a request from the Port of Pasco committing \$10,000 in support of a grant funding request to obtain non-stop air service from Pasco to Los Angeles. Before the Commission is an Interlocal Agreement (ILA) formalizing the Port's contribution to the Port of Pasco and authorizes staff to disburse payment. Mr. Kooiker stated Resolution 2019-07 authorizes the CEO to sign the ILA.

## PUBLIC COMMENT

No comments were made.

***MOTION: Commissioner Novakovich moved approval of Resolution 2019-07, authorizing the Port's Chief Executive Officer to sign the Interlocal Agreement with the Port of Pasco, relating to the Port's contribution to a mutual grant request for air service to LAX; Commissioner Barnes seconded.***

# PORT OF KENNEWICK REGULAR COMMISSION MEETING

APRIL 9, 2019 MINUTES

---

## *Discussion:*

*Commissioner Moak stated the non-stop daily flight to LAX was a much needed addition to the Tri-Cities Airport and thanked the Port of Pasco for making it come to fruition.*

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

## **B. Columbia Drive Update**

### **1. Phase 2A Substantial Completion**

Mr. Peterson reported that Columbia Gardens Phase 2A project was deemed substantially complete on April 1, 2019. Phase 2A included: the loop road, utilities, parking spaces, and the food truck plaza.

Mr. Peterson stated the pre-construction meeting for Columbia Gardens Phase 2B is set for April 18, 2019. Following the meeting, the City will release the project and the Port will issue a Notice to Proceed to Banlin Construction.

### **2. Food Trucks**

Ms. Hanchette is working with Swampy's BBQ and Frost Me Sweet on a move-in date for occupancy at the Food Truck Plaza. Ms. Hanchette anticipates that Swampy's will occupy the space within the next week and she will transition Frost Me Sweet to their space shortly thereafter. Ms. Hanchette stated Food Truck Applications are available for the third space on the Port's website. Two additional spots will be filled after the completion of Phase 2B.

Ms. Hanchette recently met with Freddy and Carrie Arredondo of Cave B Estate Winery, who are trying to get a visual of the Tasting Room's location. The Arredondo's have hired a tasting room manager and are excited to get started. Gordon Estates are excited to move in and have begun creating a marketing plan.

Ms. Bader Inglima has had significant interest from the media regarding the Food Truck Plaza and will work with our partners on the project to schedule a ribbon cutting once the final elements are in place.

## **C. Vista Field Update**

Mr. Peterson stated the pre-construction meeting for Vista Field Phase 1A is Tuesday, April 16, 2019. Following the meeting, the City will release the project and the Port will issue the Notice to Proceed to Total Site Services (TSS).

Shannon Torrzano thanked the Port for the opportunity and stated TSS is very excited to start the project.

### **1. Hangar Remodel Discussion**

Commissioner Barnes has given more thought to the Vista Field Hangar remodel discussion and he has decided to withdraw his support for proceeding with this project, which was reached by consensus at the March 26, 2019 Commission Meeting. Commissioner Barnes supports the

# PORT OF KENNEWICK REGULAR COMMISSION MEETING

APRIL 9, 2019 MINUTES

---

Port repurposing the Hangars into an interesting and vibrant feature at Vista Field, which would appeal to the younger generation. Commissioner Barnes agrees with DPZ Partners that this could be done in a lean manner and still be vibrant and cool; and Commissioner Barnes supports partnering with the City of Kennewick on a Rural Capital County Fund (RCCF) Application to be utilized at Columbia Gardens and at Vista Field.

Commissioner Barnes offered several reasons as to why he can no longer support the hangar remodel. First, the budget for the project increased from \$3,000,000 to \$4,500,000; Commissioner Barnes believes there should be more analysis, thought, and consideration. Secondly, Commissioner Barnes believes because of the uncertainty in construction costs, the project could cost more over time. Thirdly, public input during the Charrette emphasized the lean, pay as you go approach; and if the Port increases the budget from \$3,000,000 to \$4,500,000, the Port is moving away from the lean approach. Commissioner Barnes stated there is too much uncertainty in funding the proposed remodel, which hinges on the land sale at Southridge. Furthermore, the Commission discussed auctioning the Southridge property in an effort to fund the remodel; however, Commissioner Barnes stated there are too many unknowns with an auction. Commissioner Barnes believes spending \$4,500,000 on the hangar remodel would be a very unpopular decision with Port of Kennewick constituents and the Tri-Cities communities.

The Port passed the Vista Field Master Plan in 2017, which outlined the budget for the infrastructure, site amenities, and the hangar remodel costs. The estimated cost for all of these items were approximately \$5,000,000 and now that budget has more than doubled. Commissioner Barnes believes this discussion warrants further analysis and consideration and he thinks the Port should be more transparent and invite public comments for increasing the budget. Lastly, Commissioner Barnes is of the opinion that there is an alternate path that will yield nearly the same result, that is, vibrant use of the hangars, with a much lower investment on the part of the Port. It would involve a public/private partnership, by taking advantage of the opportunity zone designation. The hangars could be sold to the private sector through the collaborative design process, whereby the private sector could submit their ideas for the hangars and then the Commission could award based on the most innovative, and vibrant proposal. The Port may receive a modest amount from the sale of the hangars, as opposed to the investment of the renovation. The Port could take the funds from the sale of the hangars, and combine with resources within our budget and work with the City on an RCCF application and use that for the pop-up retail to provide additional vibrancy along the water feature. Commissioner Barnes thinks this alternate path is worth evaluating and stated the Port does not have the budget for a \$4,500,000 remodel project.

Commissioner Moak stated Commissioner Barnes made some good points; however, there is uncertainty in everything and it is important to keep moving forward on the path that we have been on for the last several years. Commissioner Moak stated the \$4,500,000 is a staff estimate and a dollar figure has not been identified for the cost of the remodel. The Commission, staff, and the consultants work together, and the Commission makes the decisions of how to move forward. Commissioner Moak does not think the Commission should change the decision model that we have adopted or the direction we are going. Commissioner Moak is in favor of community input and believes the Port will turn over most of the property to the private sector

# PORT OF KENNEWICK

## REGULAR COMMISSION MEETING

APRIL 9, 2019 MINUTES

---

for development; and the hangars will likely be the only property the Port will govern. Commissioner Moak thinks the Port needs to continue on the path that we have been working on for the past five years and disagrees with Commissioner Barnes that the hangar remodel goes against DPZ Partners advice. Respectfully, the Commission does not need to agree on every issue to move forward and believes the Commission should continue moving forward and work the process, work on the numbers and work with our partners to develop the hangars. Commissioner Moak believes the hangars are a critical piece to the south entrance to the development. Commissioner Moak stated the Port needs to move the redevelopment forward, not slow down the process.

Commissioner Novakovich is confused about why we are revisiting this topic when a decision was made at the March 26, 2019 meeting to move forward with the City of Kennewick on an RCCF partnership at Columbia Gardens and Vista Field. Commissioner Novakovich expressed his frustration about not moving forward and hopes this pattern does not continue. Furthermore, Commissioner Novakovich does not want to be a Commissioner that walks away from potentially \$1,500,000 of partnership money. Commissioner Novakovich understands Commissioner Barnes's comments; however we have already agreed on a path forward.

Commissioner Moak stated Commissioner Barnes has a right to voice his concerns and that he no longer supports the remodel; however, Commissioners Moak and Novakovich have a right to continue as a majority to move forward. That being said, Commissioner Moak does not feel that the discussion has slowed down the process.

Commissioner Barnes stated, with all due respect to Commissioner Novakovich's comments, the hangar remodel was under the topic of RCCF Partnership Opportunities and he was unaware that the Commission was being asked to increase the budget on the hangar remodel from \$3,000,000 to \$4,500,000 at the last meeting. Commissioner Barnes is trying to be open and candid about everything and believes if the Port moves forward on the public/private partnership on the hangar redevelopment, the timeframe would be shorter. Commissioner Barnes believes it would take two years to design the buildings and backfill the budget, whereas the public/private partnership could move at a faster pace and the Port would have more money for the pop-up retail to support the vibrancy of the development. Commissioner Barnes respects the comments of Commissioners Moak and Novakovich and stated that he is not trying to slow the redevelopment down, but is offering up another course of action.

Commissioner Moak thanked Commissioner Barnes for his comments; however, he does not think the direction to staff is any different than it was two weeks ago. Commissioner Moak appreciates the discussion and other courses of action, but disagrees with the direction that Commissioner Barnes offered. At this time, staff will continue to work through the process and update the Commission on the project frequently.

Mr. Arntzen stated staff will proceed accordingly and keep the Commission apprised. Mr. Arntzen will continue working with Marie Mosley, City Manager, on an RCCF application; however, Mr. Arntzen emphasized that no decisions will be made until the City Council and the Commission review and approve the recommendations. Mr. Arntzen appreciates

# PORT OF KENNEWICK REGULAR COMMISSION MEETING

APRIL 9, 2019 MINUTES

---

Commissioner Barnes's comments and concern for fiscal responsibility. When the Port embarked on updating the Comprehensive Scheme, it was determined that the Port was a redevelopment agency, which includes taking distressed properties and investing funds to turn the neighborhood. This is what the Port has been doing at Columbia Gardens and Vista Field. Mr. Arntzen stated in the short term, these projects do not meet the economic test for private sector development; however, it provides an opportunity for the public sector to come in and fund these projects until they become self-sufficient. Mr. Arntzen understands Commissioner Barnes's comments and will be cognizant of the budget and will report back regularly.

## PRESENTATIONS (continued)

### *B. Graffiti-Mural Artwork Presentation*

Commissioner Novakovich introduced Julian Chavez, a student artist/muralist, who attends Phoenix High School. Commissioner Novakovich believes Mr. Chavez has an excellent idea for an art project a Port property and stated it is awesome to see young people engaged in the community.

Ms. Bader Inglima stated Mr. Chavez is currently doing an art project for Phoenix High School and is interested in finding a venue where he and others can display their art.

Mr. Chavez stated he is interested in creating a legal graffiti wall, which allows kids the opportunity to freely express themselves by using art. Mr. Chavez stated the costs for a legal graffiti wall would be minimal and regulations could be set up to designate where people could paint. Mr. Chavez presented several examples of a public graffiti walls and thanked the Commission for their time.

Commissioner Novakovich thanked Mr. Chavez for his presentation and stated it is a very interesting concept and would like to see it moved forward.

Commissioner Moak thinks it is something the Port should consider and inquired if the Port has spoken with Barb Carter regarding the concept.

Ms. Bader Inglima stated there is an opportunity to sit down with Ms. Carter and Mr. Chavez and explore some opportunities in the future or at least discuss the concept to see if it works in other areas. Ms. Bader Inglima would like to research how other municipalities manage art walls and what kind of space is needed.

Commissioner Moak thanked Mr. Chavez for bringing the concept to our attention and asked staff to research further.

Mr. Arntzen stated staff will follow up on the graffiti wall and he will visit with Ms. Mosley to see what the City's thoughts are. Mr. Arntzen would like to create a safe place and make sure it is a right fit for the Port and the artist. Mr. Arntzen stated it is heartwarming that the community continues to reach out to the Port for one of a kind opportunities.

---

**REPORTS, COMMENTS AND DISCUSSION ITEMS (continued)**

***D. Citizen Complaint***

Ms. Luke stated on Monday, March 25, 2019 a complaint was received by Port staff. The complaint will be processed in pursuant to Port policy and Ms. Luke will proceed under the requirements of the policy. Ms. Luke will process the complaint in part, but largely an independent legal counsel will handle the complaint. At this time, Ms. Luke is in the process of identifying and retaining independent legal counsel. As a reminder, Port Policy requires the names of the complainant and respondents be held in confidence at this stage. Ms. Luke stated, per Port Policy, the investigation will be conducted confidentially and that any retaliation by the subject of the complaint or directed towards Port staff or any other person as a result of receipt of the complaint is prohibited. Upon completion of the investigation, any findings or recommendations regarding action or potential sanctions will be made public. Ms. Luke anticipates the process will take some time and we will follow all steps of the Port policy. Ms. Luke reiterated that confidentiality will be maintained and no retaliation will be tolerated.

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

Commissioners reported on their respective committee meetings.

***F. Non-Scheduled Items***

1. Mr. Kooiker thanked Commissioner Moak for his comments regarding the 2017 financial audit. Clifton Larson Allen will begin the 2018 financial audit this June and the State Auditor will audit 2017-2018 in September.

**PUBLIC COMMENTS**

Scott Musser, 3035 Rickenbacker Drive, Pasco. Mr. Musser appreciates the comments regarding the Vista Field Hangars and Commissioner Barnes's allegiance to the stewardship of the taxpayer's dollars. Mr. Musser asked if staff could provide more information regarding the \$1,500,000 in funds available from the City of Kennewick.

Commissioner Moak asked Mr. Arntzen to contact Mr. Musser directly.

Marie Mosley, 210 West 6<sup>th</sup> Avenue, Kennewick. Ms. Mosley, City of Kennewick City Manager, thanked the Commission for their partnership at Columbia Gardens and Vista Field. Ms. Mosley stated Mr. Chavez also presented the idea of the graffiti wall to the City of Kennewick City Council, and the Council directed the Arts Commission to work on that concept. City staff is looking forward to working with Mr. Chavez, Ms. Carter, the Arts Commission, and Port staff to find a path forward. Ms. Mosley thanked the Commission for the commitment and confidence in the Port and City staff to continue working together and bringing forward recommendations for potential projects. It is important for the Port and City to continue working together on Columbia Gardens, as well as Vista Field. Ms. Mosley believes there are some great opportunities for partnership and heard very clearly from the Commission that there are items they would like to consider moving forward on. Ms. Mosley and Mr. Arntzen are committed to that and will continue to hear what the Commission and Council are saying and come back with recommendations that will work for both entities. Lastly, City staff recently met with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) and held an afternoon meeting, where TRIDEC and several other community

# PORT OF KENNEWICK REGULAR COMMISSION MEETING

APRIL 9, 2019 MINUTES

representatives joined us to discuss the shoreline reconveyance. During that conversations, the CTUIR suggested that if the City wants a good partnership with the CTUIR, they should emulate what the Port has done. The CTUIR continued to reinforce the partnership that they have with the Port. Ms. Mosley believes the City was able to instill some confidence in their partnership with the CTUIR because of the relationship between the City and the Port.

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick agrees with Commissioner Barnes comments regarding the remodeling of the hangars. Mr. Burdick is unaware if the Port has been approached by prospective tenants, but mulled if it would be worthwhile to see if there are tenants who are willing to make a personal investment in the property, thereby reducing the cost to the Port.

No further comments.

## COMMISSION COMMENTS

No comments were made.

## ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 3:13 p.m.


**APPROVED:**

**PORT of KENNEWICK  
BOARD of COMMISSIONERS**




---

*Thomas Moak, President*



---

*Don Barnes, Vice President*



---

*Skip Novakovich, Secretary*



# **PORT OF KENNEWICK**

## **RESOLUTION 2019-07**

### **A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING A MEMORANDUM OF UNDERSTANDING AGREEMENT WITH PORT OF PASCO RELATING TO A FINANCIAL COMMITMENT FOR NEW AIR SERVICE**

**WHEREAS**, the Port of Pasco received a \$750,000 Small Community Air Service Development Grant from the United States Department of Transportation to support a proposal to supply daily direct flights from Tri-Cities Airport to LAX; and

**WHEREAS**, the Port of Pasco sought local matching funds totaling \$100,000 from local cities, counties, ports, chamber of commerce, visitor groups and economic development organizations, as well as local businesses, as part of the grant application process; and

**WHEREAS**, the Port of Kennewick is in supports of its economic development mission and commits to provide \$10,000 in funds to the Port of Pasco to achieve their matching funds goal; and

**WHEREAS**, this collaboration serves the public interest by providing daily direct flights from the Tri-Cities Airport to LAX; and

**WHEREAS**, the Port of Kennewick acknowledges that its investment in expanded services at the Tri-Cities Airport will support its economic development mission to retain businesses in its district as well as attract new businesses to the area; and

**WHEREAS**, the attached Memorandum of Understanding agreement has been reviewed by Port legal counsel.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Port of Kennewick hereby approves the Memorandum of Understanding agreement between the Port of Kennewick and Port of Pasco related to financial commitment for new air service, and authorizes the Port's Chief Executive Officer to execute the agreement and instructs the CEO to take all action necessary to implement such agreement.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick this 9th day of April, 2019.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

By: 

THOMAS MOAK, *President*

By: 

DON BARNES, *Vice President*

By: 

SKIP NOVAKOVICH, *Secretary*