



PORT OF KENNEWICK REGULAR COMMISSION MEETING

JULY 13, 2021 MINUTES

Commission Meeting recordings, with agenda items linked to corresponding audio, can be found on the Port's website at: <https://www.portofkennewick.org/commission-meetings-audio/>

Commission President Commissioner Don Barnes called the Regular Commission Meeting to order at 2:00 p.m. via GoToMeeting Teleconference.

ANNOUNCEMENTS AND ROLL CALL

The following were present:

Board Members: Commissioner Don Barnes, President (via telephone)
Skip Novakovich, Vice-President (via telephone)
Thomas Moak, Secretary (via telephone)

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

PLEDGE OF ALLEGIANCE

Commissioner Barnes led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

MOTION: Commissioner Novakovich moved to approve the Agenda as presented; Commissioner Moak 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 July 2, 2021***
Direct Deposit and E-Payments totaling \$93,768.70
- B. ***Approval of Warrant Register Dated July 13, 2021***
Expense Fund Voucher Number 103018 through 103053 for a grand total of \$92,520.08
- C. ***Approval of Regular Commission Meeting Minutes June 22, 2021***

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

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PRESENTATION

A. *Vicky Scharlau, Columbia Basin Development League Executive Director*

Voices for Water: Connecting citizens to the cause, pushing the state for more action, finding federal support

Ms. Scott introduced Vicky Scharlau, executive director of the Columbia Basin Development League.

Ms. Scharlau presented the history of the Columbia Basin Project and the short term and long-term goals of the Columbia Basin Development League. The League is requesting a letter of support and/or funding to support their cause.

Commission discussion ensued regarding Ms. Scharlau's presentation.

EMERGENCY DELEGATION UPDATE

Mr. Arntzen and Ms. Hanchette stated there is nothing to report for emergency delegation.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *Vista Field Update*

Mr. Peterson briefly updated the Commission on the DPZ design standards report for Vista Field. The design standards will outline the Port's expectations and criteria for private sector developers at Vista Field.

B. *Vista Field Development Facilities, 415 North Roosevelt, Building A*

Ms. Hanchette received a formal notice of lease termination from Bruker on July 1, 2021. Bruker AXS Handheld Inc. is requesting an early termination date of June 22, 2021, rather than the May 31, 2023, as outlined in the lease. Ms. Hanchette stated this is the first opportunity for the Commission to review the early termination request and the possible next steps. Ms. Hanchette introduced Executive Vice President John Landefeld, who is here today to answer any questions the Commission may have.

Mr. Landefeld outlined Bruker's early termination request and stated the publicly held company decided to consolidate the local technology operations to facilities already located in Italy and Germany and production will be transferred to an established factory in Malaysia. Mr. Landefeld understands it is a blow to the Tri-Cities to lose a global industrial public company; however, the decision was out of his hands.

Ms. Hanchette stated Bruker currently occupies 21,000 square feet and the space could be divided into three spaces; however, that would require additional construction. Bruker is requesting early termination of 11 months of rent, which is \$132,000 as well as their \$24,200 deposit. Bruker has been good stewards of the building and it is in good condition. Ms. Hanchette stated the space went through an interior remodel 5 years ago and the Port recently updated the HVAC units.

Commissioner Barnes reiterated Ms. Hanchette's comments and stated this is the first opportunity to review Bruker's request. Commissioner Barnes would like to come up with a mutually

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beneficial, amicable agreement. Commissioner Barnes inquired what the next steps for the Commission are.

Ms. Hanchette stated this is the first review of this request and staff can bring back additional information at a future meeting.

Commissioner Barnes asked Ms. Hanchette to research and formulate a plan at the next regularly scheduled meeting.

Ms. Hanchette will discuss the request with Mr. Arntzen and Ms. Luke and formulate ideas to discuss in a potential Executive Session in August.

The consensus of the Commission is for staff to put together an information packet regarding Bruker's request with possible action by the Commission in August.

C. Oak Street/Verbena Auction July 20, 2021

Ms. Hanchette reported that the auction for three parcels at Oak Street and Verbena is scheduled for July 21, 2021 at 1:00 p.m. Musser Bros. has been actively advertising on social media, *The Tri-City Herald*, *The Tri-Cities and Spokane Journal of Business*, and on the Port and Musser Bros. website. Ms. Hanchette stated there are several different ways a registered bidder can bid on the property: on-line through the Musser Bros. website, and/or bid in person on bid day. The Port will be holding a Special Commission Meeting with GoToMeeting and the public is welcome to attend through GoToMeeting; however, Ms. Hanchette stated bidding will not be done through the Port's GoToMeeting site.

Ms. Scott stated the Commission, staff and public will access the meeting through the GoToMeeting website. The Agenda will follow the opening protocol and the once the auction is over, Commissioner Barnes will recess the Meeting for an Executive Session via a private conference bridge. Following the Executive Session, Commissioner Barnes will reconvene the Special Meeting for the results. Ms. Scott anticipates the process will take about an hour and stated there is another auction scheduled for 2:30 p.m.

D. Re-Opening Plan Update

Mr. Arntzen stated the Commission established a re-opening plan as one of the 2021-2022 CEO goals and Objectives and he briefly updated the Commission on the Covid-19 re-opening plan. Mr. Arntzen has been working with staff, Ms. Luke, and consultant, Ann Allen, a Human Resources Attorney. Mr. Arntzen stated Covid-19 has been ever evolving and the Port has had a lot of success with staff working from home, remote meetings, and social distancing. Mr. Arntzen does not think the Port should make any drastic changes to the status quo through the fall, possibly even the end of the year, especially with this new Delta variant and the severity of that strain. Mr. Arntzen stated there are a lot of discoveries along the way and the Port is an economic development agency dealing with a major health issue. Mr. Arntzen anticipates having a further draft for Commission review this fall.

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Commissioner Moak stated at some point, it is important to get back to in-person meetings but so is the health and welfare of staff. Commissioner Moak thinks Mr. Arntzen is moving in the right direction for the Port with a proposed slow re-opening. The Port is not an agency that depends on frequent, in-person activity and staff has been able to provide a successful level of service to the public.

Commissioner Novakovich agrees with Commissioner Moak's comments and believes it is important to proceed with caution. Commissioner Novakovich suggested staff look at a hybrid plan, where the Port could make accommodations for the public to attend via electronic means in addition to in-person.

Commissioner Barnes agrees with the comments as well and stated there is not an urgency on the part of the Port of Kennewick to return to in-person meetings right away. Commissioner Barnes likes Commissioner Novakovich's suggestion of a hybrid form of meeting, which would give the public additional opportunity to participate.

Mr. Arntzen appreciates the Commission comments and will review the potential hybrid meetings.

E. Washington State Department of Transportation Signage (WSDOT)

Ms. Bader Inglema updated Commission on Jeff Gordon's request for the Port's assistance with Department of Transportation (DOT) tourist signage related to Columbia Gardens. She has been in touch with the DOT contact and reported that there are requirements and limitations related to the blue and white tourist signs. As a result, she is also exploring DOT's billboard advertising program to determine if that might provide a benefit to the wine village and its tenants; and will continue to communicate with Jeff Gordon and share any opportunities for benefit with all Columbia Gardens tenants.

F. Playground Update

Mr. Arntzen reported that he has been working with the Kiwanis Club and staff on the playground project and at the outset of this project, three partners were identified: the City of Kennewick, the Kiwanis and the Port. Mr. Arntzen met with Marie Mosely, City Manager on June 28th to discuss several partnership projects including the playground. The City is thinking about their potential participation in the playground project, whether in-kind participation or funding and Mr. Arntzen inquired how important is it for the City to participate. Additionally, staff has been working on several different projects such as Vista Field and Columbia Gardens and Mr. Arntzen proposed contracting with a project management team for the playground project, so as not to slow down other important projects.

Commissioner Moak stated he is a Kiwanis Club member and believes the City's participation would be helpful because parks are not the Port's area of expertise. Commissioner Moak likes the idea of entering into a contract with a construction management firm because the project would not add to our personnel costs. Commissioner Moak stated the Kiwanis cannot raise funds, until the Port identifies the space and resources, there is no project.

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Commissioner Novakovich believes the City needs to be involved in funding the project and stated there is a \$300,000 budget and inquired what amount would come from the City, the Port, and the Kiwanis. Commissioner Novakovich inquired if this is this the right time to consider this project and believes a playground is better suited on Clover Island. Commissioner Novakovich is concerned about the projects the Commission is bringing to staff when the Port's mission is economic development. For example, Ron Swanby is waiting for the Port to move forward so he can create jobs and more economic vitality in the area. Commissioner Novakovich stated the playground is a great idea, but he would like to see the Port take care of economic development projects first.

Commissioner Barnes has similar concerns and stated the playground would be a tremendous asset to the community and yet, it takes staff time and effort to pull something like this together. Commissioner Barnes believes it is important for the City to be involved and from that perspective he would look to our CEO to make the decision about how to get this project staffed and done.

Mr. Arntzen stated Wayne Bell of the Kiwanis Club is here today if the Commission has any further questions.

Wayne Bell, chairman of playground committee stated the committee met last week and discussed the importance of City participation. The committee has done all of the research and believes it is a great opportunity for the Club, the Port, and the City to collaborate on a project that will benefit everyone. The Kiwanis needs a commitment from the Port for the land that the playground committee designated and a commitment on financial funding. The Kiwanis has a lot of fundraising to do to meet their commitment and would like to move forward as soon as possible.

Commissioner Barnes stated there are a lot of moving parts with this project and he appreciates Mr. Arntzen's point of view about the amount of work it takes to put a project in place. If the Port can prioritize this project and work it in somehow, even though it is not the biggest project the Port is working on. Commissioner Barnes hopes it is possible to do this project because it is something positive for the community; however, if the Port does not have the resources, then he would like to hear that as well.

Commissioner Moak would hope that by hiring a consultant for this project, Port staff would be able to move forward on marketing properties and opening Vista Field. Commissioner Moak believes it is a great community service project and thinks if additional resources are utilized, it will enable our staff to address the items that Commissioner Novakovich referenced.

Mr. Arntzen stated as a government entity, there are more restrictions and rules in place that the Port must follow. He cautioned that several more questions need to be answered and that this project will take some time, even with the assistance of a third party.

G. July 27, 2021 Commission Meeting

Mr. Arntzen stated the Port will be having a Special Commission Meeting on July 20, 2021 and inquired if the Commission would like to cancel the Regular Commission Meeting on July 27,

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2021. Mr. Arntzen stated if an item comes up that needs to be addressed, it can be added to the July 20th Agenda.

The consensus of the Commission is to cancel the July 27, 2021 Regular Commission Business Meeting.

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

Commissioners reported on their respective committee meetings.

I. Non-Scheduled Items

Ms. Scott stated if the Commission needs assistance with registration for the Washington Public Ports Association Commission seminar, please contact her or Kandy Yates.

Ms. Hanchette reported that with the recent heat wave, Operations is working through HVAC and air conditioning issues/repairs/replacements. Staff is working with several providers to address these issues. Additionally, there is a national chlorine shortage, which the Port uses for the water features. Liquid chlorine is being reserved for water treatment plants and staff is making adjustments to the water features due to the shortage.

Mr. Arntzen stated Mr. Kooiker will be providing a budget update to the Commission soon.

Mr. Arntzen reported on his meeting with Ms. Mosely and stated that they would like to jointly update the Commission and City Council on several projects/partnership opportunities and inquired if the Commission would be agreeable to a joint presentation.

Commissioners Moak and Novakovich believe it is an important presentation and beneficial to the community.

Commissioner Barnes supports this and thinks we should offer same opportunity to the cities of Richland and West Richland.

Commissioner Moak noticed that North Quay Street is now North Roosevelt at Vista Field and stated this is just the beginning of bigger impacts at Vista Field.

Commissioner Barnes reiterated his concerns for the staffing level at the Port and stated the future workload and ambitious projects at Vista Field, Columbia Drive, and Clover Island will not decrease or diminish but continue to ramp up. Commissioner Barnes is concerned that the Port is falling behind and that we are understaffed. He believes this should be addressed and it would be in the best interest of the Port and our constituents.

PUBLIC COMMENTS

No comments were made.

COMMISSION COMMENTS

No comments were made.

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ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 4:15 p.m.

APPROVED:

**PORT of KENNEWICK
BOARD of COMMISSIONERS**

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DN Barnes

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Don Barnes, President

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Skip Novakovich

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Skip Novakovich, Vice President

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Thomas Moak

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Thomas Moak, Secretary