



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

AUGUST 11, 2015 MINUTES

CALL TO ORDER

Commission President Don Barnes 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: 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 Accounting/Auditor
Amber Hanchette, Director of Real Estate and Operations
Larry Peterson, Director of Planning and Development
Lisa Schumacher, Special Projects Coordinator
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Mr. Ed Frost led the Pledge of Allegiance.

PUBLIC COMMENT

Chuck Eaton, 2309 Davison Avenue, Richland. Mr. Eaton attended the Vista Field Workshop on July 28, 2015 and stated Mr. Moak's reference to the Kennewick Housing Authority reminded him of the Artspace community in Seattle. Mr. Eaton stated Artspace (www.artspace.org) is a nationwide arts centered community that develops housing for artists. If Vista Field is going to be a community that focuses on the arts, to be able to have housing that an artist could live in and work out of would be a tremendous asset. Mr. Eaton would like to schedule an appointment with Mr. Arntzen to discuss the topic further.

Mr. Arntzen would be happy to meet with Mr. Eaton and stated he has seen the Artspace community in Seattle and found the space unique. Mr. Arntzen stated the concept is interesting and suggested our art consultant, Ms. Barb Carter, may explore the idea as well. Mr. Arntzen will report back to the Commission after meeting with Mr. Eaton.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

A. *Approval of Direct Deposit and E-Payments Dated August 4, 2015*

Direct Deposit and E-Payments totaling \$65,117.06

B. *Approval of Warrant Registers Dated August 11, 2015*

Expense Fund Voucher Numbers 37085 through 37118 for a grand total of \$115,481.72



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C. Approval of Special Commission Meeting Minutes dated July 28, 2015

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

PRESENTATION

A. Comprehensive Clover Island Master Planning

Mr. Arntzen stated the United States Army Corps of Engineers (USACE) continue to finalize the details on the 1135 program, which will allow for federal funding for shoreline restoration around Clover Island. There are several parcels on the island that have been identified which will require shoreline restoration prior to the parcels being marketed. The Corps have determined there is substantial benefit to repair the environment located around the Clover Island shoreline and a small portion can be utilized for upland improvements. The cap for the 1135 program is \$5,000,000 with the Port matching 25%, however, as the Corps continue to research the cost benefit analysis, the project is estimated to cost \$2,500,000, which will mean the Port match is approximately \$500,000 and minimal upland recreational improvements will be made.

Mr. Arntzen requested guidance from the Commission concerning the 1135 match, whether the desire of the Commission would be to bank the remaining \$750,000 of the \$1,250,000 budgeted for additional public amenities on Clover Island or \$500,000 for the shoreline improvements with minimal upland improvements.

Ms. Bader Inglima stated the 1135 allowed for a \$5,000,000 cap for shoreline improvements, and the Port used that number as a placeholder \$5,000,000 because we were unaware of what the project would cost and what treatments would be made to the island. As USACE moves forward with the cost benefit analysis and treatment plan on the Island, it has been determined the Port would not reach the cap, and the project will likely be only \$2,000,000 or \$3,000,000 total.

Mr. Peterson presented the Clover Island redevelopment master planning and implementation efforts, which began in 2005 and has included eight Commissioners in the process. The following improvements to Clover Island were approved and begun:

- Port Administration and Retail Building Implementation: 2005
- Marina Reconstruction Implementation: 2006
- “Catch the Wind” and “Mother of Reinvention” Art Installation: 2008
- Yacht Club/West Marina Building Construction Implementation: 2008
- Lighthouse, Gateway and Artwork Construction Implementation: 2009
- Joint Use Parking Lot Construction: 2009
- Boat Launch Dock Replacement: 2009
- Metz Family Plaza Construction: 2010
- West Causeway Shoreline Construction: 2010
- Cedars and Clover Island Inn Parking Lot Reconstruction: 2011
- Village at Island Harbor Boardwalk Design: 2014
- “Anchor” and “Mother of Reinvention 2” Art Installation: 2014
- Boat Launch Restroom and Upland Construction: 2015



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2015-2020 Clover Island Master Planning Continued Efforts:

- Boat Ramp Construction Implementation: 2015-2016
- Continued USACE 1135 Program Funding: 2016
- North Shoreline Improvements, NW Point Overlook, Adirondack Point, and East Plaza: 2017-2020
- Private Sector Investment on Island: 2017-2020

Mr. Peterson stated the additional public shoreline amenities are not funded by the Corps, however, if the Port decided to move forward with the upland improvements, the design and construction could be folded in with the 1135 work. This would create efficiencies by having one contractor and the permitting already completed. The challenge in constructing after the 1135 project is complete, is the permitting may not be available, potential ecology issues and disturbing the improvements made by the restoration of the shoreline.

Ms. Bader Inglima stated the Corps team is very excited about the Clover Island restoration and stated although it has been delayed, the Port is still ahead of schedule with Phase one near completion. With Phase two, design and construction slated for 2016-2017, the Corps will need to know how the Port would like to proceed with design implementation. Ms. Bader Inglima stated a concern is if the Port drops elements out of the 1135 project we may not be able to get those elements permitted again.

Mr. Novakovich inquired if there was a course of action for the east end of the Island.

Ms. Bader Inglima stated the Corps will add boulders to address the sloughing and plantings to help stabilize the area.

Mr. Novakovich inquired what the approximate cost for the additional amenities would be.

Mr. Peterson stated the Port would need \$500,000 for the Corps match and an estimated \$750,000 to \$800,000 for the additional public improvements on the island, which includes the viewing areas, and additional lighting and pathways.

Ms. Bader Inglima stated the Port has been successful in seeking Recreation Conservation Office Grants (R.C.O.) and there is an opportunity to apply for additional funds and leverage the federal investment, plus the Port match against state funding; however, grant dollars are not guaranteed.

Mr. Novakovich confirmed that staff is requesting direction from the Commission regarding the 1135 funds and if the Port investment would be the minimum \$500,000 match or allocate the original \$1,250,000 match to Clover Island master plan improvements, over and above the after the 1135 project.

Mr. Barnes stated it would be less than ideal and less efficient if we were to make these improvements after the fact.



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Mr. Peterson stated there are many efficiencies created by working in conjunction with the 1135 project, by blending the shoreline restoration and the Port funded upland recreation.

Mr. Novakovich inquired if the City of Kennewick requires the shoreline work be completed before the Port could construct additional buildings.

Mr. Peterson stated, the shoreline master plan, adopted by the City, indicated shoreline and pathway improvements along the perimeter of Clover Island would need to be completed before or in conjunction with construction of any buildings. The viewing pier is not a requirement, however, it is consistent with improvements the Commission has made on the island, such as the lighthouse and gateway. The 1135 program shoreline restoration and pathway will allow the Port to meet the City requirements, however, does the Commission wish to take advantage of the opportunity and create additional unique public spaces in conjunction with 1135, as identified in the Clover Island Master Plan.

Mr. Novakovich stated the Port has invested much into the south side, and should move forward and enhance the north side. Mr. Novakovich stated the Port is known for their high quality projects and would like to see the \$1,250,000 banked funds allocated for continued improvements on Clover Island. Mr. Novakovich believes the community will appreciate the investment and it would be less than ideal to make changes after the restoration is complete versus working in conjunction with the Corps.

Mr. Barnes stated the 2015-2016 budget allocated \$500,000 for the 1135 project, and the additional funds would be allocated in the 2017-2018 budget, and inquired if the \$750,000 allocation could be addressed at the next budget cycle.

Mr. Arntzen stated discussing the fund allocation for the 2017-2018 budget cycle would not be prudent, as the Corps will have a plan in place by the end of 2015 need to know what the Port design plan would entail, whether it will be the minimum or additional improvements, to move forward to phase two. Furthermore, the Commission set forth a goal for Mr. Arntzen to develop a funding plan for the 1135 phase two portion by the end of the year. Mr. Arntzen stated the Commission does not need to answer today, however, the issues needs to be addressed sooner rather than next year due to the Corps schedule.

Ms. Bader Inglima stated the Corps has schedule to complete the design in 2016 and implementation and construction in 2017.

Mr. Barnes would like to see the improvements on Clover Island, however, his concern is the magnitude of Vista Field and the amount of money that will be required for infrastructure. Mr. Barnes would like some time to mull over prior to deciding what would be the biggest benefit for the Port.

Mr. Arntzen stated if the funds aren't banked for the 1135, there are projects other than Vista Field might also be considered.



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Mr. Moak stated the Port has been successful at developing catalytic projects and if there are funds available, shouldn't those funds be used for a catalytic project. Mr. Moak stated the Port has invested a substantial amount for public amenities on the island, but has not seen much commercial activity in return, so he is not sure if the funds should be allocated to Clover Island. The overlook is nice, but will it increase the chance of commercial development on the island. Furthermore, what is the best use for the funds that will create momentum, job creation, and excitement? Mr. Moak likes the master plan but inquired if the amenities will make the island or Port better and is it likely to generate business. Mr. Moak believes the funds should be used for a catalytic project.

Mr. Arntzen appreciates the discussion and will add Clover Island to the August 25, 2015 Agenda for additional discussion and possibly more information regarding the Corps schedule and treatment plans for the island's shoreline.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *Brand Implementation and Wayfinding*

Mr. Arntzen reported the Tri-Cities Rivershore Enhancement Council (TREC) is a multi-jurisdictional program coordinated by Visit Tri-Cities, who is working on implementing the wayfinding portion of the Roger Brooks study. TREC has requested approximately \$13,000 from the Port and other jurisdictions to hire a wayfinding consultant. Mr. Arntzen stated one of the challenges when putting a budget together, is addressing additional funds that are requested from other jurisdictions or entities. Mr. Arntzen asked for guidance facilitating a response for the wayfinding contribution for Visit Tri-Cities and how the Commission would address further requests for funding over the next few years as TREC works on implementing the wayfinding from the Brooks study.

Mr. Barnes stated the Brooks study identifies eight key elements in the development of the product brandbank and wayfinding is listed. Mr. Barnes stated the Port is addressing several of these items with the development of Vista Field, but is concerned about the commitment by increments that will be utilized for the wayfinding element. Mr. Barnes stated the Port is a team player but wondered if Port resources would be better utilized for the development of Vista Field, which would address the issues identified in the Brooks study. Mr. Barnes would like to know what TREC's financial expectations are where wayfinding is concerned.

Mr. Moak sits on the Brand Implementation Leadership Team (BILT) and stated there are several higher priorities than wayfinding in the Brooks study. Furthermore, Mr. Moak agrees with Mr. Barnes and would like to know what other requests will be and if there is a timeline for implementation.

Mr. Novakovich agrees with Mr. Barnes and believes it would be appropriate to have staff draft a letter requesting further information regarding wayfinding financial commitments.

Ms. Bader Inglima extended an invitation to the TREC council to present the wayfinding request to the Commission at the last meeting.



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Mr. Moak stated the Port of Kennewick was identified several times in the Brooks study and believes the Port will be the catalyst to creating the amenities that the Tri-Cities needs.

Mr. Arntzen stated at the next Commission meeting, he will have a draft letter for review with the expressed views and talking points by the Commission. Furthermore, Mr. Arntzen believes the Port should support the \$13,000 request made by TREC and provide notice that additional requests may not be supported.

B. Clover Island

1. RCO Boating Grant Project

Mr. Peterson reported the construction on the upland bathroom, parking, landscaping and artwork are under way.

2. Ramp Replacement Project

Mr. Peterson stated the prep work for the in-water work began with the approval of the contract with Old Castle to fabricate the concrete boat ramp planks. The in-water construction is estimated to begin November 1, 2015 and end February 28, 2016.

3. Village at Island Harbor

Mr. Peterson reported Chris Herath delivered the plans for Village at Island Harbor on August 10, 2015 and final comments from the Port and CTUIR are due by August 18, 2015. Mr. Peterson stated the plan is to go out for bid in September and begin construction towards the end of October. The project is slated for completion by March 31, 2016.

Ms. Bader Inglima stated due to the timeline restrictions, staff moved the October Village at Island Harbor event to April 2016, to close out our 100 year anniversary. Ms. Bader Inglima stated the CTUIR finds this acceptable and will prepare for a spring celebration of the installation.

C. Confederated Tribes of the Umatilla Indian Reservation First Foods Festival

Ms. Bader Inglima reported the Port of Kennewick participated in the CTUIR's First Foods Festival, formerly known as the Salmon Walk, for the seventh year in a row. Ms. Bader Inglima stated the event was a family day in the park for the CTUIR members and gave her the opportunity to talk to regular tribal members about Port projects and hand out promotional items.

Deputy Executive Director Deborah Croswell thanked the Port for their participation and continued involvement in the event. Furthermore, Ms. Croswell expressed her appreciation for the work the Port has done on the Village at Island Harbor, and collaboration with Bobbie Connor and Malissa Minthorn on the cultural artwork and educational panels. Ms. Croswell is excited for the April installation event and the chance to include the tribal children singing and dancing.

Ms. Bader Inglima reported Kat Brigham, CTUIR Board Member, and newly elected Chair of the Columbia River Inter-Tribal Fish Commission were very impressed with all the changes on Clover Island and appreciative of the work the Port has done on island with the USACE. Ms.



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Brigham uses the relationship the Port has established with the CTUIR an example of great partnerships and what other organizations should be doing. Ms. Brigham is looking forward to the April event for the Village at Island Harbor where the Port will honor the history of the Tribes in this area.

D. Vista Field

Mr. Peterson reported that DPZ will present the design standards for Vista Field at the Port's Regular Commission Business Meeting and Kennewick City Council Meeting on August 25, 2015.

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

Commissioners reported on their respective committee meetings.

F. Non-Scheduled Items

1. Mr. Moak inquired if the Duffy's Pond Trail would be able to extend out over the water to the other side of the island.

Mr. Peterson stated it is possible; however, the cost would be exponential.

2. Ms. Bader-Inglima stated the Commission received an invite for the Port of Pasco ribbon cutting for the airport concourse remodel on Tuesday, September 8, 2015 at 1:00 p.m., however, the ribbon cutting coincides with the Regular Commission Meeting. Ms. Bader Inglima stated the Port of Pasco requested an RSVP and if the Commission could not attend, a staff member could represent the Port.

Ms. Bader Inglima stated the Port received a letter of interest for Clover Island from David Spaulding. Mr. Spaulding owns a portable bike shop on Columbia Point Park which offers bike rentals to the community and tourists. Mr. Spaulding believes with the development of Columbia Drive and Clover Island, a bike rental shop will benefit the redevelopment and offer an additional amenity to the island.

Mr. Arntzen stated Mr. Spaulding is looking to establish a presence in this part of town and his proposal entails the Port creating a permanent cargotexture building on Clover Island for a bike rental shop, and as the Wine Village matures, he would request the Port build a second cargotexture in Columbia Gardens, leaving the Clover Island cargotexture available for lease. Mr. Arntzen stated Mr. Spaulding is an entrepreneur who would like to establish a business on the island and has expressed interest in Vista Field as well. Mr. Arntzen stated if the Commission likes Mr. Spaulding's idea, staff can explore the possibility and research potential costs. Mr. Arntzen inquired of the Commission's desire to further explore Mr. Spaulding's request.

Mr. Novakovich appreciates that Mr. Spaulding approached the Port and believes it could be a tremendous asset for the island.



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Mr. Moak likes the concept and stated it would allow additional community access to the waterfront and trails, however, how does the concept fit into the creative interest for the island.

Mr. Barnes believes the concept is worth exploring.

3. Mr. Arntzen stated with the discussion surrounding the Clover Island Master Plan, he inquired if the Commission believes it is time to prepare the Willows property for sale. The the preparation would involve minor planning, civil engineering, and site plans, which will include design standards that are currently being completed by Mr. Gary Black. Mr. Arntzen stated there will be a several opportunities for staff to present and promote the Willows at venues such as the Wine Expo in January and ICSC in the spring. Mr. Arntzen asked the Commission for their thoughts on preparing the Willows as a parcel, which could be marketed to a developer for mixed use development or the Port could hold the property for later development. Mr. Arntzen stated as we move forward with completing the Comprehensive Scheme, the Commission will eventually look at all the Port projects, however, he inquired if now is the time to prepare the Willows for sale.

Mr. Novakovich inquired if staff has available time to work on the Willows.

Mr. Arntzen stated he has been working on details and Mr. Peterson and Mr. Floyd have assisted. Currently, we have several bits and pieces and Mr. Floyd would act as the editor and put all the details together. Furthermore, carefully drafted Port design standards, protections and covenants will be in place for a developer.

Mr. Novakovich is in favor of moving forward with preparing the Willows for market, which will help us move forward on other projects.

Mr. Barnes stated the sale of Willows is consistent with the 2015-2016 Work Plan and agrees the Port should explore a potential private partnership opportunity, subject to review.

Mr. Moak would like to view the vision for the Willows plan and believes holding the property is not the right course of action, and he would like to position the property for sale and create a first class development.

Mr. Arntzen will gather documents for the Commission to review and discuss at a later Commission meeting.

4. Ms. Fine stated Clifton Larson Allen is nearing completion of the 2014 Annual Financial Report. The audit went very smoothly and once the report is complete, Clifton Larson Allen will present to the report to the Commission.

Mr. Arntzen applauds Ms. Fine for delegating the audit tasks to Mr. Kooiker, which helps build depth in the accounting department.



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Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick stated the Commission is spot on when discussing the Roger Brooks report and believes the best thing the Port can do is focus their energy on Vista Field, which is sited throughout the report. Mr. Burdick stated Vista Field will bring energy and synergy to the region.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.


ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:07 p.m.

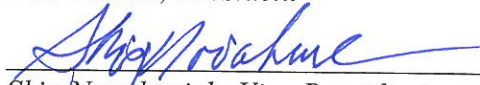
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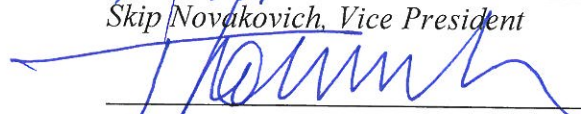
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