



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

AUGUST 13, 2013 MINUTES

CALL TO ORDER

Commission President Skip Novakovich 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: Skip Novakovich, President
Don Barnes, Vice-President
Gene Wagner, Secretary

Staff Members: Tim Arntzen, Executive Director
Tana Bader Inglema, Director of Governmental Relations & Marketing
Tammy Fine, Director of Finance & Auditor
Amber Hanchette, Director of Real Estate & Operations
Larry Peterson, Director of Planning & Development
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Jason Houge led the Pledge of Allegiance.

PUBLIC COMMENTS

Ferdouse Oneza of Oneza & Associates reported that Phase I of the Tri-Cities Raceway Analysis which indicates how important that location is for the local economy is complete; she would be glad to see the project implemented.

No further comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

- A. Approval of Warrant Dated July 24, 2013**
Expense Fund Voucher Number 34620 in the amount of \$2,348.58.
- B. Approval of Direct Deposit and Warrants Dated July 31, 2013**
Direct Deposit totaling \$26,967.17 and Expense Fund Voucher Numbers 34621 through 34625 totaling \$14,474.97; for a grand total of \$41,442.14.
- C. Approval of Warrant Registers Dated August 14, 2013**
Expense Fund Voucher Numbers 34626 through 34676, totaling \$83,726.85.
Construction Fund Voucher Number 3446 through 3456 totaling \$457,303.32.
- D. Approval of Commission Meeting Minutes Dated April 9, 2013**
- E. Approval of Commission Meeting Minutes Dated April 23, 2013**
- F. Approval of Commission Meeting Minutes Dated July 23, 2013**
- G. Approval to Surplus Property; Resolution 2013-18**



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MOTION: *Commissioner Barnes moved approval of the consent agenda; Commissioner Wagner seconded. With no further discussion motion carried unanimously. All in favor 3:0.*

PRESENTATION

A. Jason Houge, Young Professionals Tri-Cities Charrette

Mr. Houge stated the Young Professionals of Tri-Cities (YPTC) is a networking group that is designed to connect and engage young professionals in the local community. Currently there are 650+ YPTC members.

The YPTC conducted a charrette on June 26, 2013 to discuss development visions for Vista Field. Mr. Houge presented a PowerPoint illustrating the main ideas for mixed-use development -- the work, live and play concept. Basically, they do not want duplication of anything already in the Tri-Cities, as they don't want to take away from existing business. YPTC feels there is a great opportunity to do something in a central location that could change the face of the area by creating a district that is unique and viable. YPTC does not want big box stores, anything with a bad stigma, or things that could give the area a negative connotation. Three design alternatives were discussed.

Mr. Novakovich and Mr. Barnes attended different portions of the charrette and found the process to be outstanding. The Commission would like to see YPTC stay involved in the project throughout the process.

Mr. Arntzen was impressed with the quality of ideas in the report. He feels the YPTC is a good cross section of our community and the tax payers are saying dream big; do not bring us something that's average or mundane.

NEW BUSINESS

A. International Economic Development Council (IEDC) Membership

Ms. Fine stated the membership fee for IEDC is \$345. Some of the benefits of membership is a 30-50% discount for conference rates; classes on business retention and expansion, strategic planning, market attraction, financing, small business development and many other courses; free access to newsletters and other resources; and similar to Municipal Research and Services Center (MSRC), they also provide a research and information service.

The Annual Conference is in Philadelphia this year; it is the world's largest gathering of economic developers. Ms. Fine feels the Port should be involved in this organization for the many benefits and opportunities it could provide. The Port's Economic Development Enterprise (EDE) joined the IEDC recently. Port Commissioners and staff could use the funding budgeted for training and education in the EDE for travel to the conferences. The Commission is in consensus that the Port should plan to travel to future conferences. Mr. Arntzen suggested inviting jurisdictional partners to some IEDC conferences.



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B. Community Development Strategy (CEDS) Project Prioritization Process; Resolution 2013-19

Ms. Bader Inglima stated CEDS Applications must be submitted by August 23, 2013 to the Benton Franklin Council of Governments (BFCOG). The applications will be reviewed by BFCOG prior to September 3, 2013, and the Port would make a presentation on September 12, 2013. The CEDS committee reviews, ranks and prioritizes projects for the region. Having a project rank high on that CEDS priority list demonstrates not only regional support for the project, but indicates the region has ranked it as a priority for economic development administration grants, or other state, local, federal grants.

Ms. Bader Inglima stated the Port's willows wine village project, a project for developing a wine incubator on Columbia Drive, ranked fairly high in 2012. The Commission is in consensus to resubmit the wine project again.

MOTION: Commissioner Barnes moved approval of Resolution 2013-19, authorizing the staff to submit a Wine Village Development Building Profile to be included in the annual report in the Conference of Economic Development Strategy for 2013, with a port match of approximately \$1,016,483 to construct said building should a source of grant funding be secured, and has further authorized port staff to pursue federal and state funding as available through this project; Commissioner Wagner seconded. With no further discussion motion carried unanimously. All in favor 3:0.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Benton PUD Discussion

Mr. Barnes and Mr. Arntzen attended a Benton PUD Commission Meeting approximately two weeks ago. The City of Kennewick and Port of Kennewick were invited to make a presentation. Mr. Barnes presented the Port's priorities which included Columbia Drive, Clover Island, redevelopment of Vista Field, and the Oak Street Development Buildings; which provided an excellent opportunity to thank the Benton PUD for grant funds for energy efficient lights.

The meeting also provided the chance to exchange ideas and outline available resources for the projects. Mr. Barnes stated the Benton PUD's budget is approximately \$120 million and the City's biannual budget is approximately \$280 million and Port's annual budget is approximately \$4.5 million.

The Columbia Drive discussion centered on the potential or possible relocation of some of the power lines, which may be moved underground. The PUD is interested in working with the Port on this project.

Mr. Arntzen stated a committee will be created to study the possibility of relocating the power lines underground. Upon completion of the study the committee will report back to their elected officials. Mr. Arntzen suggested no timelines be put on the committee as there are many current projects being undertaken.

B. Confederated Tribes of the Umatilla Indian Reservation (CTUIR) Salmon Walk

Ms. Bader Inglima reported the CTUIR holds an annual educational, family-fun event at the



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Tamastlikt Cultural Institute on the Umatilla Indian Reservation. This will be the sixth year that Port of Kennewick has participated in the event by setting up and staffing a booth with information on the Port's shoreline enhancement and economic development activities related to Clover Island and the adjacent Columbia Drive/Duffy's Pond neighborhood. This is a great way to communicate with the CTUIR about the projects the Port is working on, and to get feedback and input from their members. Ms. Bader Inglima stated she met several of their Department of Natural Resources staff at the first Salmon Walk she attended. The staff was instrumental in helping with letters of support for the West Causeway shoreline project.

Last year they invited Port of Kennewick to set up under their main tent area, instead of having our own separate booth tent and table. And this year, the CTUIR mentioned the Port of Kennewick in the article in their CUJ newspaper about the event. This demonstrates our continued partnership and the building of a trust relationship with one of our important governmental partners.

The event will be held Saturday, August 24, 2013, from 7:00 a.m. through 2:00 p.m., and includes a 10K race; a 5k race; and a 3-mile family fun-run or cycle event.

C. *West Richland UGA*

The City of West Richland will submit an application to Benton County to modify their urban growth boundary. The deadline for that is due later this year. The City has had to go forth and do an inventory of their buildable lands to get an idea of what their capacity might be. How much land does West Richland really have to develop, is the question they need to answer before additional land can be considered to be added to their city's urban growth boundary.

Nicole Stickney, West Richland's planning and economic development manager, summed up the Port's 92 acre racetrack site as industrially-zoned property that is not in agriculture production, that has been historically used for industrial activity. This is a selling point to the state and environmental agencies that watch over urban growth boundary issues statewide. It is important to the Port of Kennewick to include the land in the city's urban growth boundary so that necessary utilities, which happen to be right next to the property line, can be extended and developed on the site so it can be developed as an urban industrial location, rather than industrial property with well and septic tank standards.

Ms. Swain explained the City of West Richland is extremely unique. They have almost enough land to put all of Kennewick inside West Richland. The state likes you to fill up the space you have before expanding. Ms. Swain stated the city has enough land that it could develop it over 100 years; however, it is locked up because just two property owners own three-quarters of the undeveloped land.

Ms. Swain stated West Richland has very little resources and few daytime jobs. Ninety percent of the people that have a job leave during the day and spend their money elsewhere. The city is trying to help reduce the cost to taxpayers and build a job base and an economy that is nestled at the foot of Red Mountain.



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Ms. Swain invited the Port to attend the UGA workshop at 5:30 next Tuesday, August 20, 2013. Mr. Arntzen feels the information prepared by Ferdouse Oneza could be used to assist with the UGA process.

D. Miscellaneous Administrative Matters

Ms. Fine suggested the following items could be included in the 2014 Work Plan because it will take staffing hours to implement:

1. Policy Manual Update – Bidding, Small Works projects, Annual Ethics training
2. Records Archiving – paperless system; work with State Archivist to go through records for archives
3. Architect & Engineering Contract Template – standardizing contracts
4. Routine Maintenance Projects
5. Updating general ledger codes and working with the State Auditor's Office to update BARS Coding. Ports have not updated the BARS coding for many years; whereas cities and counties update annually. The updates will develop better budgeting and accounting codes and will also help with ROI analysis.

Also, Ms. Fine will provide an ethics training at a future meeting.

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

Commissioners reported on their respective meetings.

F. Non-Scheduled Items

1. Mr. Barnes requested an update regarding Vista Field. Mr. Arntzen has had continued discussions with Washington State Department of Transportation (WSDOT) Aviation regarding the repayment of grants. Ms. Luke submitted a draft grant repayment agreement to WSDOT for their review. WSDOT has agreed not to charge interest on the repayment of the grant funding. Mr. Peterson has been working with DPZ on the next phase of planning and preplanning work. Mr. Arntzen began dialogue with Dr. Michael Shannon regarding a purchase price for his hangar. Mr. Arntzen requested Chamberlain and Associates assist with the appraisal. Mr. Arntzen also met with Mr. Vic Epperly recently regarding a redevelopment lead which may help with the redevelopment of Vista Field. Mr. Mehaffy suggested the Port should review Austin, Texas as they had an airport close and it is in the process of being redeveloped. Another example may be Stapleton Field in Denver. Ms. Hanchette reported she has been monitoring the fuel tanks and fuel consumption at Vista Field and feels there is enough fuel for now. The Port did not renew the lease with Connell Oil; however, they are willing to come and do another small fill if needed. Mr. Peterson will represent the Port at the City of Kennewick meeting next Wednesday for the Comp Plan Amendment. This is the first public hearing the City will hold on the matter.
2. Mr. Novakovich requested the Commissioners begin thinking about the projects and/or committees they would like to lead next year.
3. Mr. Arntzen shared that he was approached by three businesses about Columbia Drive. One is a current business wanting to know if there a chance for him to upgrade in his location and how would he fit in to the proposed development. Mr. Arntzen believes this is a positive sign.
4. Mr. Arntzen met with Glenn Marshall from Kennewick General Hospital (KGH). KGH received a private proposal to bring some ancillary medical facilities to the area. Mr. Marshall felt this would be for the private sector to pursue and referred him to Mr. Arntzen.
5. Mr. Arntzen met with Dave Tovey, Executive Director for the CTUIR and Chairman Minthorn.



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6. The Benton Franklin Fair & Rodeo will hold a Fun Run on the island August 17, 2013.

PUBLIC COMMENTS

Jim Wade, 1813 S. Rainier Place, Kennewick. Mr. Wade commented the Young Professionals had great ideas and dreams, and it would be nice to see it enacted. Mr. Wade stated with the federal government being \$16-17 trillion in debt and the state government being \$2 billion in debt, he does not understand where grant funding is derived. He feels the taxpayers, especially senior citizens, are being taxed too much. With regards to the meeting with Kennewick General Hospital, he stated Kadlec has an unbelievable amount of services. The difference between the hospitals is that KGH is public, whereas Kadlec is private.

No further public comments were made.

Mr. Novakovich anticipates the Executive Session to last approximately 60 minutes for Real Estate, per RCW 42.30.110(1)(c); with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

Mr. Novakovich recessed the meeting at 3:25 p.m., for approximately 10 minutes.

Mr. Novakovich reconvened the meeting into Executive Session at 3:37 p.m..

EXECUTIVE SESSION

A. Real Estate, per RCW 42.30.110(1)(c)

The regular meeting reconvened at 4:19 p.m. with no action taken.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 4:20 p.m.


APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS


Skip Novakovich, President


Don Barnes, Vice President


Gene Wagner, Secretary

PORT OF KENNEWICK

RESOLUTION 2013-18

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE
PORT OF KENNEWICK AUTHORIZING THE PORT EXECUTIVE DIRECTOR
TO SELL AND CONVEY SURPLUS PROPERTY***

WHEREAS, the Board of Commissioners of the Port of Kennewick met this 13th day of August, 2013, a quorum of the Commissioners being present; and

WHEREAS, from time to time it is necessary to surplus items no longer needed for Port District purposes; and

WHEREAS, RCW 53.08.090 provides that the Port Commissioners may authorize the Port Executive Director to sell and convey property of less than \$10,000 in value; and

WHEREAS, that prior to each such disposition of Port property, the Port Executive Director is directed to present to the Commission an itemized list of the property and to make written certification that the listed property is no longer needed for Port District purposes; and

NOW, THEREFORE, BE IT RESOLVED by the Port of Kennewick Commissioners to authorize the Port Executive Director to surplus Port property no longer needed for Port purposes which has a value of \$10,000 or less as attached in "Exhibit A"; and

ADOPTED by the Board of Commissioners of Port of Kennewick this 13th day of August 2013.

***PORT OF KENNEWICK
BOARD OF COMMISSIONERS***

By: 
SKIP NOVAKOVICH, *President*

By: 
DON BARNES, *Vice President*

By: 
GENE WAGNER, *Secretary*

RESOLUTION 2013-18
"EXHIBIT A"

Asset	Disposition	Property Description	Date In Service	Cost
8	Broken	Dremel Engraver	3/25/03	20.53
9	Broken	Craftsman toolbox	5/2/03	135.22
25	Broken	Wheelbarrow	3/23/04	43.28
30	Broken	Bosch Rotary Drill	5/25/04	248.01
44	Broken	Paper Shredder	2/9/09	300.00
92	Broken	Olympus Camera	5/23/07	249.49
94	Broken	Makita Grinder	3/26/09	115.26
106	Broken	HP 8500 Plus Printer	7/7/11	292.40
130	Broken	Husky 6021 P Lawnmower	6/6/12	207.89
131	Broken	Husky 6021 P Lawnmower	6/6/12	207.89
132	Broken	Husky 6021 P Lawnmower	6/6/12	207.89
133	Broken	Husky 6021 P Lawnmower	6/6/12	207.89
149	Obsolete	DB1 & 2 Remodel Vacuum Breakers	11/15/89	2088.75
159	Obsolete	DB1 & 2 Remodel Exhaust System	5/15/90	384.34
162	Obsolete	Dumpsters	7/15/90	795.56
163	Obsolete	Dumpsters	7/15/90	795.56
166	Broken	Hazardous Waste Receptacle	10/15/90	12,062.30
169	Broken	DB1 & 2 Remodel Overhead Door	12/15/90	2,147.14
330	Obsolete	Mas90 Accounting Software	7/22/97	3,708.53
335	Broken	DB1 & 2 Remodel Evaporation Cooler	8/31/97	3,933.36
364	Obsolete	DB1 & 2 Remodel Rollup Door	3/10/98	939.60
420	Obsolete	VFDF 1 Remodel – Light Fixtures	8/11/98	418.09
457	Obsolete	VFDF 1 Remodel – Sign	9/29/98	156.60
500	Broken	DB1 & 2 Remodel Water Heater	12/29/98	4,133.16
522	Obsolete	DB1 & 2 Remodel 3 metal doors	3/16/99	3,993.68
706	Broken	Gateway 700XPC Computer	4/30/02	1,852.09
785	Obsolete	Pedestal Desk	3/1/04	1,085.75
787	Broken	Dell Computer	5/11/04	2,036.47
789	Obsolete	AutoCAD Software	12/14/04	4,147.38
899	Broken	Air conditioner	6/30/06	2,049.04
913	Broken	HP Office Jet 7400 printer	12/31/06	487.34
1043	Broken	HP Office Jet 6500 AIO	10/30/09	154.10
1046	Broken	HP Office Jet Printer	12/31/09	314.06
1053	Broken	HP 2010 Mini Notebook	2/1/10	379.04

PORT OF KENNEWICK
RESOLUTION No. 2013-19

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK
AUTHORIZING APPLICATION FOR A PROJECT TO BE LISTED IN THE ANNUAL REPORT
OF THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) FOR 2013,
AND TO SEEK FUNDING FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION
(EDA) AND/OR OTHER FEDERAL OR STATE SOURCES.***

WHEREAS, the Benton Franklin Economic Development District is in the process of preparing the Annual Report of Comprehensive Economic Development Strategy (CEDS) for 2013; which includes a section describing and prioritizing local and regional projects seeking funding from the U.S. Economic Development Administration (EDA); and

WHEREAS, CEDS priority projects may also be considered for funding from other federal or state sources and the EDA and U.S. Department of Agriculture (USDA) require a review of project proposals for their agency; and

WHEREAS, the Port's Work Plan already calls for the port to: focus on waterfront development/redevelopment; provide additional development building space throughout the port district; realize and support economic development opportunities with the wine and tourism industry; begin A&E work on the Wine Village; and leverage partnerships and grant opportunities; and

WHEREAS, the Annual Report of the Comprehensive Economic Development Strategy for 2013 is a critical step in prioritizing projects for potential future funding; and

WHEREAS, submission of grant applications requires Commission approval by resolution and the CEDS process requires a formal document indicating commitment of the matching funds;

NOW, THEREFORE; BE IT RESOLVED that the Port of Kennewick Board of Commissioners does hereby approve Resolution 2013-19, authorizing staff to submit a wine village development building profile to be included in the Annual Report of the Comprehensive Economic Development Strategy (CEDS) for 2013; which commits a Port match of approximately \$1,016,483 to construct such building should a source of grant funding be secured; and does further authorize port staff to pursue federal/state funding sources as available for this project.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 13th day of August, 2013.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

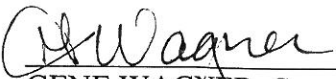
By:


SKIP NOVAKOVICH, *President*

By:


DON BARNES, *Vice President*

By:


GENE WAGNER, *Secretary*