

AGENDA

***Port of Kennewick
Regular Commission Business Meeting
Port of Kennewick Commission Chambers
350 Clover Island Drive, Suite 200, Kennewick, Washington***

Tuesday, September 22, 2015
2:00 p.m.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENT *(Please state your name and address for the public record)*

IV. CONSENT AGENDA

- A. Approval of Direct Deposit and ePayments Dated September 17, 2015
- B. Approval of Warrant Registers Dated September 22, 2015
- C. Approval of Commission Meeting Minutes Dated August 25, 2015
- D. Approval of Commission Meeting Minutes Dated September 8, 2015
- E. Approval of Sell and Convey Surplus Property; Resolution 2015-20
- F. Lease Addendum #1 with North American Alloys; Resolution 2015-21

V. PRESENTATIONS

- A. TREC Wayfinding Funding, Kris Watkins Visit Tri-Cities (**TANA**)

VI. REPORTS, COMMENTS AND DISCUSSION ITEMS

- A. Columbia Drive Road (**LARRY**)
- B. Financial and Administrative Update (**TAMMY**)
 - 1. Vista Field/Columbia Drive Capital Funding Plans
 - 2. Paperless Program
 - 3. Records Management Program
- C. Vista Field: Policy Questions Discussed at July 28, 2015 Workshop (**LARRY**)
- D. Vista Field Update (**LARRY**)
 - 1. Vista Field Planning Elements (Street/Utility Plan/Next Stage of Planning) (**LARRY**)
- E. Staff Realignment (**TIM**)
- F. Commissioner Meetings (formal and informal meetings with groups or individuals)
- G. Non-Scheduled Items

VII. PUBLIC COMMENT *(Please state your name and address for the public record)*

VIII. EXECUTIVE SESSION, if necessary *(Ask public if they are staying, and if not, where they can be located if the Executive Session ends early.)*

- A. Real Estate, Site Selection, per RCW 42.30.110(1)(b)
- B. Real Estate, Minimum Price, per RCW 42.30.110(1)(c)

IX. ADJOURNMENT

PLEASE SILENCE CELL PHONES



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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 and Marketing
Tammy Fine, Director of Finance/Auditor
Amber Hanchette, Director of Real Estate and Operations
Nick Kooiker, Assistant Auditor
Larry Peterson, Director of Planning and Development
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Steve Mallory led the Pledge of Allegiance.

PUBLIC COMMENT

Byron Martin, West Richland City Council. Mr. Martin thanked Mr. Peterson for attending the West Richland Council meeting last week and supporting the annexation of the racetrack. Mr. Martin indicated the Council is excited to see the project move forward and stated things are happening in West Richland. Currently, Shelby Super Cars has begun construction and Belmont South neighborhood is being extended toward the new middle school.

Ed Frost, 609 West Albany Street, Kennewick. Mr. Frost stated if there are extra Port funds available, it is very important that the Commission, throughout their actions, show priority for Vista Field. There has been a tremendous amount of time and money invested in Vista Field and throughout the meetings, it was stressed the regional importance of Vista Field. Mr. Frost hopes the Commission, private sector, and City of Kennewick believe Vista Field is a high priority and worthy of additional resources. Mr. Frost believes the Port needs to lead by action and set an example and allocate the extra funds for such an important regional project, without diminishing other Port projects.

Marie Mosley, City of Kennewick City Manager. Ms. Mosley thanked the Commission for establishing the Columbia Gardens Interlocal Agreement (ILA) with the City of Kennewick, who recently adopted the ILA, to move forward with Columbia Gardens. Furthermore, Ms. Mosley stated the partnership with the Port has been phenomenal and thanked the Port Commission and staff for their work on Columbia Gardens. Once phase one of Columbia Gardens is complete, Ms. Mosley believes there is a tremendous opportunity for additional phases, as mentioned in the ILA, not only a partnership between



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the Port and City, but public/private partnerships as well. Ms. Mosley stated it is critical to move forward with the development of Columbia Gardens and stressed the importance of making connections from the shoreline to Columbia Gardens to the downtown. Ms. Mosley believes the America's Best Communities project the City is pursuing, in partnership with the Port, is one of the best projects and we could be awarded up to \$3,000,000. Ms. Mosley understands Mr. Frost's comments, however, the City wants to make sure the Port's commitment to Columbia Gardens is not neglected. Ms. Mosley stated there will be numerous opportunities to partner with the Port at Vista Field and the City is committed to looking at legislative opportunities for a local revitalization financing program at Vista Field, as was done at Southridge. Ms. Mosley encouraged the Commission to continue focusing their efforts on Columbia Gardens and thanked the Commission for the partnership opportunity.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. *Approval of Direct Deposit and E-Payments Dated August 18, 2015***
Direct Deposit and E-Payments totaling \$42,898.08
- B. *Approval of Warrant Registers Dated August 25, 2015***
Expense Fund Voucher Numbers 37119 through 37154 for a grand total of \$66,519.83
- C. *Approval of Commission Meeting Minutes dated August 11, 2015***

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

PRESENTATIONS

- A. *West Richland Tri-Cities Geocache Coin Presentation for the Time Capsule, Nicole Stickney***
Ms. Stickney presented the 2015 Tri-Cities Geocache Event coin, on behalf of the City of West Richland to the Port Commission for the 100th Anniversary Time Capsule. Ms. Stickney stated the 2015 geocoin depicts a map of our region, which shows the cities of Kennewick, Pasco, Richland, and West Richland, and the Visit Tri-Cities logos. Ms. Stickney stated the geocoin is a symbol of the collaborative relationship between West Richland and the Port.

Allison Green, associate planner for the City of West Richland stated geocaching is an outdoor treasure hunt, in which participants use a GPS unit or smart phone to find containers called geocaches anywhere around the world. A participant uses the given coordinates from geocache.com to locate thirty-two geocaches hidden around the region and over 500 people attended the event. The coin commemorates the 6th Annual Geocache event, "Hidden Treasures in the Mid-Columbia."

The Commission thanked Ms. Stickney and Ms. Green and believes it is a great addition to our 100th Anniversary Time Capsule.



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OLD BUSINESS

A. *Investment in Future Clover Island Shoreline Amenities (1135 Project)*

Mr. Arntzen reported the agenda report (Exhibit 1) stated the Port Commission authorized staff to work with staff of the Army Corps of Engineers to apply for federal funding for Clover Island restoration efforts. These efforts would essentially rehabilitate shoreline areas, making them more attractive for fish and wildlife, while at the same time making the upland areas stable enough that the Port could lease the sites to new businesses wishing to relocate on the island. The total budget of 1135 federal project was initially thought to be up to \$5,000,000. The Port would be required to provide 25% of the funding as a “match” for the grant. Under the assumption that the project was a \$5,000,000 project, the Commission requested staff to accumulate the full Port match of \$1,250,000. To meet this directive, the Commission approved \$500,000 in the 2015-2016 Budget, and Mr. Arntzen planned to submit \$750,000 for Commission consideration in the 2017-2018 Budget (to reach the full match amount of \$1,250,000). In a separate directive to Mr. Arntzen, the Commission requested he establish a financing plan for the Port’s 1135 funding match. Mr. Arntzen inquired if the Commission would like to approve the basic plan for shoreline redevelopment of Clover Island, or save an additional \$750,000 for additional amenities.

Mr. Arntzen presented a shortened version of the Clover Island Master plan and stated some concepts have been implemented, however, it can take many years to complete the plan. Mr. Arntzen shared a PowerPoint presentation (Exhibit 2) illustrating the amenities of the Master Plan:

- NW Point Overlook – a pier, anchored to the island, stretching out over the water;
- Adirondack Point – a place for the public to enjoy the shoreline and waterfront;
- Notch – additional landscaping features.

Mr. Arntzen stated these projects are over and above what the Corps has approved and would be funded by the Port. Furthermore, by completing the amenities, there will be additional opportunities for private sector development on the island and it will be a place you would want to bring your family.

Mr. Barnes inquired if the upland improvements would be done at the same time as 1135 project.

Mr. Arntzen stated the additional amenities would be done separately from the Corps work. The Corps’ preference is to complete the basic rehabilitation plan with the Port’s \$500,000 contribution and once that is complete, if the Commission desires, the additional improvements could be completed.

Mr. Novakovich met with Josephine Eckert, Senator Murray’s legislative assistant, and explained the Corps could not do upland projects with the 1135 program.

PUBLIC COMMENT

Kay Metz, 7009 Valley View Place, Pasco. Mr. Metz has had the honor of being involved with the Port and Clover Island for over for fifty years. Mr. Metz’s father started the island in 1954, and helped bring



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Cedars in, during the 1970's. Mr. Metz would like to see the Port continue the first class development on the island, which has brought in people and businesses. Furthermore, Mr. Metz would like to see the development done correctly and believes it should work be done and supports the Master Plan 100%.

Aaron Lambert, 3801 West Van Giesen Street, West Richland. Mr. Lambert, Community Development Director for the City of West Richland, stated he has been in the area for six years, having come from the west side and believes Clover Island is underutilized and surprised it hasn't been developed sooner. Mr. Lambert stated on behalf of the City of West Richland, he would like the funds dedicated to Clover Island to complete the upland improvements. Mr. Lambert indicated if that is not the desire of the Commission, West Richland has projects ready for development. Mr. Lambert feels the upland improvements would be a catalyst to spur the rest of the development for the area, Columbia Gardens included.

Randy Lee, 4916 West Clearwater, Kennewick. Mr. Lee, of Frontier Communications, stated about a year ago, he met with multiple community members: Carl Adrian, Kris Watkins, Lori Mattson, and Emily Estes, Mayor Young and Sharon Brown. America's Best Communities (ABC) vision, a Frontier initiative, was a plan to go out into the smaller communities to help stimulate economic development. The community members truly embraced the concept and put together a wonderful plan. Frontier gave an initial \$35,000 to each community and Kennewick a became quarter finalist and was awarded and additional \$50,000 to continue the development of the plan. The ABC plan is developed around Clover Island and Columbia Gardens and Mr. Lee stated we only get one chance to do the right thing – and now is the right time, and the option and opportunities are in place to do it right. Mr. Lee encouraged the Commission to dedicate the funds to Clover Island and do it right, while you have the chance.

Mark Blotz, on behalf of the owners and partners of Clover Island Inn, we are very interested in seeing the continued improvements on Clover Island completed, including completing the shoreline. Recently, Clover Island Inn wrapped up their 10th year of community concerts, which were very successful and brought many people to the island over the years. Mr. Blotz stated the owners and partners of Clover Island Inn are very supportive of completing the upland improvements.

Bill Lampson, Lampson Crane. Mr. Lampson, President of Lampson International, has maintained their headquarters in East Kennewick for 68 years. Mr. Lampson stated the Port has done a nice job redeveloping Columbia Drive, and on the island and encourages the Commission to finish the project on Clover Island. Mr. Lampson stated the funding is available, with support of Corps, and the permits are in place for the shoreline, it would be a good time to take advantage of the opportunities. Mr. Lampson, who is also a part owner of Clover Island Inn has a common interest – to make the area attractive for tourists, create employment, and encouraged the Commission to allocate the funds for Clover Island, to complete the upland improvements before moving on.

Russell DelGesso, 707 South Buntin Street, Kennewick. Mr. DelGesso, President of the Historic Downtown Partnership, stated the Port of Kennewick reinforced its commitment to waterfront revitalization by partnering with the City of Kennewick, TRIDEC, Tri-Cities Regional Chamber of Commerce, and Visit Tri-Cities in the America's Best Communities Contest. Frontier Communications validated the waterfront revitalization plans and the framework that was established by awarding the \$50,000 prize to continue with our plans. That achievement should cause the Port to recognize the



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constituents who lobbied for rivershore access and improvements value the Port's investment, as well as the ABC judges who recognized us. The Historic Kennewick Partnership officially joined the ABC effort and have raised money and recruited volunteers to help advance the City's position in the contest. As your partner in that endeavor, we urge the Port to continue the rivershore enhancement plans, helping us leverage future funding for enhancement of an economic driver that exists now. While Vista Field will serve as a benefit in the future, let's take advantage of the opportunity we have now, to support the established businesses on Columbia Drive and downtown business corridor and the residents that will benefit from a waterfront shoreline attraction.

Ken Silliman, 2401 West Canal Drive, Kennewick. Mr. Silliman stated the riverfront was not the nicest area, however, the island has become a beautiful attraction where people want to come. Mr. Silliman believes the growth will continue south and continue on Columbia Drive. The Port has done great things on the island over the past few years and Mr. Silliman believes the Port should allocate the \$750,000 for the upland improvements and continue to invest in the island.

Mike Hall, Ice Harbor. Mr. Hall stated eight years ago the Port approached them about investing on Clover Island. Opening a new restaurant was a big risk, however, it turned out to be a good investment. Part of the decision to open a new restaurant was based on the Port's vision at the time. Mr. Hall would like the Commissioners to support the additional money for improving Clover Island.

Lloyd Carnahan, Mayor of Benton City. Mr. Carnahan has lived in Benton City since 1947 and over time has seen the Port district develop. The Port has the permits from the Corps to do shoreline work, and it would be prudent to use those permits before they expire. There is a possibility that the Corps may not allow work to be done on the shoreline again. Mr. Carnahan is in favor of completing the Clover Island Master Plan.

Roscoe Slade, City of West Richland Public Works Director. Mr. Slade stated it is important to finish a project, and the Port has a great start on Clover Island, with the permits and Master Plan from 2005. Mr. Slade believes if you have the permits to work in the water and have the funds, the project should be completed. Mr. Slade stated if the funds are not allocated to Clover Island, the Commission should put more thought and debate into where the money would go, as there are several great projects around the Port District.

Jeff Abersfeller, part-owner of the Clover Island Inn, stated the improvements are addressing the west side of island, however, the Master Plan shows improvements and an amphitheater on east side of island. Mr. Abersfeller inquired if the improvements will include revitalization of the east end of the island and amphitheater and if the \$750,000 addresses the west end only or is an amphitheater included.

Mr. Arntzen stated under the 1135 funding, the revitalization of the island will include the stabilizing and armoring the east end of the island, where there has been some erosion. The 1135 plan does not include the addition of an amphitheater on the east side, nor does the \$750,000.

Mr. Peterson stated the Master Plan included an eastern viewpoint deck, which over time evolved into a stage area. The 1135 shoreline improvement will enhance the habitat, however, the Corps identified a substantial cost with minimal benefit to the habitat around the eastern viewpoint deck.



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No further comments were made.

Mr. Novakovich inquired if a pathway will be installed on the east end of the island.

Mr. Arntzen stated the Corps will be doing significant work on east end of the island, which has suffered major erosion. Mr. Arntzen stated the east end is one of the areas where we are able to see the revitalization of the shoreline and where a good portion of money will be allocated.

Ms. Bader Inglima reported the Corps are currently working on the feasibility phase and the final design work has not been completed. The initial thought is the Corps will be working on the habitat restoration and shoreline work from the corner, north of the lighthouse, notch, section west of the restaurant, and the east shoreline. The project will require significant infill and improvements, to stabilize the east bank due to the sloughing.

MOTION: *Commissioner Novakovich moved for authorize the Executive Director to allocate Clover Island 1135 match funding in the amount of \$500,000 (+/-) as approved in the 2015-2016 Budget and Work Plan and further directs the Executive Director to allocate an additional sum of \$750,000 (+/-) in the 2017-2018 budget, with this sum to be used for amenities (construction of an over the water pier, plaza and sitting areas) in addition to the basic shoreline stabilization work of the 1135 project. Commissioner Moak seconded.*

Discussion:

Mr. Novakovich stated the Commission has heard from the public and our jurisdictional partners that Clover Island should be completed. Furthermore, Mr. Novakovich stated the Commission has been looking to allocate the money to the island since the beginning of the 1135 project and believes the Commission should move forward and allocate the funds to Clover Island while the time is right.

Mr. Moak stated the Clover Island Master Plan has not been addressed over the past eighteen months, however, the Commission has discussed Vista Field and Bridge 2 Bridge on many occasions and he reiterated that Vista Field and Bridge 2 Bridge are his priorities. Mr. Moak stated he has been supportive of Clover Island, especially when working with partners, such as the 1135 federal project, the RCO grant for the boat launch and the Village at Island Harbor which supports the CTUIR. Mr. Moak stated the upland improvements are 100% paid for by the taxpayers and does not complete the Master Plan. Mr. Moak is interested in the development of business and jobs, and connecting the downtown with the riverfront. The Master Plan is ten years old and the Port has made continual progress, and Clover Island may be a twenty year project just like Vista Field. Mr. Moak would like to continue to look for partners as we look to develop this area and prioritize our work on the island and look for partners that can create jobs and activities on the island. Mr. Moak believes the upland improvements do not meet the Port's priorities and the funds should be allocated elsewhere. Mr. Moak will continue to support the public's desire, to move forward with Vista Field and Columbia Gardens phase one and phase two. Mr. Moak agrees with Mr. Slade, we should bank our funds until we know what are what priorities are and the upland improvements on Clover Island is not a priority for Mr. Moak at this time.



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Mr. Barnes stated there have been significant changes to the budget operations of the Port over the past few years, one of them being a two year capital improvement plan. The Port has budgeted \$5,000,000 for Clover Island and Columbia Gardens, which is a significant amount. Furthermore, Mr. Barnes stated the upland improvements that are being discussed today are not for the 2015-2016 budget cycle, but for the 2017-2018 budget. Mr. Barnes believes the upland improvements should be discussed during the 2017-2018 Work Plan and Budget in October 2016. Mr. Barnes inquired why the decision need to be made right now and not during the regularly scheduled 2017-2018 Work Plan and Budget hearing.

Mr. Barnes stated it was previously reported, that if the Port committed the \$750,000, we would be saving money while working in conjunction with the Corps, however, the Corps want a clear line between the 1135 stabilization and the upland improvements.

Mr. Arntzen confirmed that the upland improvements could not be part of the 1135 project. Mr. Arntzen stated, based on the current discussion with the Corps, the issue arose two weeks ago, because the Corps were considering including the additional improvements as an add-on for the bid. Staff learned Monday, the Corps preference is for the Port to bid the improvements separately of the 1135 improvements.

Mr. Arntzen recalled advising the Commission that the 1135 project commitment and the substantial cost would impact other projects and that the Commission was comfortable proceeding with the 1135 funding. Since the 1135 program is relatively unique, staff is learning as we go and the Corps were asking for an answer two weeks ago. The Corps have now altered their request and has asked the Port to address any of the upland improvements after the 1135 project is complete. Mr. Arntzen asked the Commission for further direction on the upland improvements for Clover Island.

Mr. Barnes asked Mr. Peterson to address the permit process and when the permits would expire.

Mr. Peterson stated the Port obtained permits in 2007, which expired late 2014, when the Port began working with Corps. The Corps are looking to fold the habitat restoration and the upland improvements as part of the permit package. The NW Overlook Pier foundation is one of the key elements that would be needed to be completed prior to the Corps work on the shoreline and habitat restoration.

Ms. Bader Inglima stated the Corps time frame is as follows: complete the feasibility stage by the end of 2015, design work in 2016, and construction in 2017.

Mr. Barnes confirmed if the Commission desired to proceed with the upland improvements, the NW Overlook Pier foundation would need to be in place in advance of the 1135 work. Mr. Barnes stated if the Port moved forward with the upland improvements, would the Corps need advance notice of the plans.



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Mr. Peterson confirmed that the Port could work in the water in advance of the Corps habitat restoration.

Ms. Bader Inglima stated if the Port were to move forward with the NW Overlook, and put in the foundation, the Corps would need advance notice to design the hydrology, plantings and stabilization measures around the foundation.

Mr. Novakovich indicated the Port is partnering with the Corps, who will obtain the permits, which would be an opportunity we would lose if we don't move forward. If the Port does not make these improvements, we could lose the opportunity to enhance our community with the ABC Community Awards. Mr. Novakovich further stated, the Port could lose credibility with the public, because we have not fulfilled our commitment to island, which was \$1,250,000 from the beginning.

Ms. Bader Inglima stated the Corps received clarification from the Portland office that they cannot bundle the amenities with the restoration work, which was just relayed to Port staff on Monday. The Corps will be working on the design in 2016, as part of the second phase, with construction slated for 2017, however, the Corps already have a Clover Island line item in their Corps of Engineers budget to move the project forward.

Mr. Barnes confirmed that the Port has \$500,000 budgeted in our Capital Budget for the 1135 match.

Mr. Novakovich asked if the Port were interested in marketing the northwest end of the island, we would still need to make improvements, per the city's code.

Mr. Peterson stated that is correct, the requirements of the City ordinances and the Department of Ecology are the improvements that need to be made are part of the 1135 improvements, plus the addition of sidewalks and basic lighting, but that would not cost \$750,000.

Mr. Novakovich stated part of the \$750,000 would have to be spent on improvements anyway, at some point.

Mr. Barnes inquired what the basic improvements might cost.

Mr. Peterson estimated \$75,000 to \$100,000 for additional sidewalks and lighting.

Mr. Novakovich inquired if the upland improvements could be done in conjunction with the Corps shoreline restoration or after they have completed the 1135 work.

Mr. Peterson suggested the Port would want to complete the upland improvements before or after the Corps work. The Corps shoreline work is approximately twenty to twenty-five feet below the shoreline, slopping into the water and up to the top of the current banks, which is why the NW Overlook pier foundation would need to be completed first.



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Mr. Novakovich stated there is a time issue, if the Corps will begin construction in 2017, the Port needs to decide prior to the 1135 work beginning.

Mr. Arntzen stated staff is working with the Corps compressed timeline and fast moving project. Mr. Arntzen stated the most logical way to progress is to install the foundation prior to the 1135 work, then let the Corps complete the restoration of the shoreline, and once complete, the Port finish the upland improvements.

Mr. Barnes appreciates the discussion and partner comments, however, the Port has a specific timeline for budget items, and this is not the time. When the Commission looks at projects we have an opportunity to weigh all the factors: the budget, community benefit, economic development and job creation. Mr. Barnes inquired how certain the Corps is that the 1135 match will only be \$500,000.

Mr. Arntzen reiterated the 1135 projects are not typical projects, with many moving parts and uncertainties. Mr. Arntzen stated we are not certain the amount will be \$500,000 and could change and understands the Commission's frustration. The Corps have been very steadfast in there cost benefit economics, however, it does cause the project to be more fluid than we had wished.

Mr. Barnes asked staff to estimate the Corps level of funding needed for the 1135.

Ms. Bader Inglima stated they Corps have spent a significant amount of time working through alternatives for this project. Each section of the island requires different treatments, allowing the Corps to further refine the scope, to see what will benefit the fish and habitat restoration per the federal dollars spent. The Corps staff have estimated the cost to be between \$2,000,000 and \$2,500,000.

Mr. Moak believes the \$150,000 for the NW Overlook pier foundation work would be acceptable, and then the Commission could discuss the other improvements during the budget workshops for 2017-2018. The amenities such as the Adirondack deck and notch could be discussed along with the other priorities for 2017-2018 next year.

Mr. Novakovich believes the foundation would be acceptable if we weren't dealing with permits and the ABC award, and stated there are too many gambles.

Mr. Barnes is supportive of the NW Overlook Pier, but there is a lot of uncertainty between now and next October. Mr. Barnes would be supportive of committing \$150,000 for the foundation work for the NW Overlook Pier, in advance of the 1135 work. Mr. Barnes would like to discuss additional upland improvements and other priorities during the next budget cycle.

Mr. Arntzen confirmed the Commission's desire to budget \$150,000 (+/-) for the foundation work for the NW Overlook Pier, with the remainder of the pier to be completed after the 1135 project. Mr. Arntzen inquired if the Commission would like to see the amenities addressed in the 2017-2018 budget.



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Mr. Moak stated the 1135 has been an evolving process and stated there is a need for the island to continually improve and move forward, however, he feels it shouldn't be addressed today.

Mr. Barnes would like to see foundation installed for the NW overlook pier in an effort to receive the value of the 1135 investment.

Mr. Moak believes there should be continual discussion on the Clover Island Master Plan and ensure that the 1135 match contribution is available.

Mr. Novakovich inquired if the foundation or all of the upland improvements should be completed prior to the 1135 project. Furthermore, how long will the permits be available after the completion of the project?

Mr. Peterson stated the demolition of the old Port office and foundation should be done prior to the 1135 project. Mr. Peterson confirmed if the Port requests the Corps to include the upland improvements in the design, the Port would not need to start over with the permit process. Mr. Peterson stated if the upland improvements were included in the design work, there is a five year window for permits.

Mr. Novakovich reiterated, if we do not ask the Corps to include the upland improvements in their design plan, we would lose the permits once the Corps has completed the shoreline improvements. Mr. Novakovich is concerned with the permit uncertainties and the possibility of losing the ABC awards, if the Commission does not move forward with the main motion.

Mr. Barnes stated the Commission isn't saying no to the Clover Island Maser Plan, but taking a first step for the improvements. Mr. Barnes would be in favor of changing the amount to \$150,000 for the footing and foundation work completed prior to the 1135 project and continue to work on funding strategies to complete the other amenities and improvements on the island.

Mr. Arntzen asked for Commission for direction regarding the inclusion of the \$150,000 for the foundation work for the NW Overlook as opposed to the \$750,000.

MOTION: *Commissioner Moak moved to Amend the Main Motion and further direct the Executive Director to allocate an additional sum of \$150,000 (+/-) in the 2017-2018 budget, with this sum to be used for the foundation work for the NW Overlook Pier, in addition to the basic shoreline stabilization work of the 1135 project. Commissioner Barnes seconded the amendment.*

With no further discussion, the motion to amend the main motion carried. All in favor 2:1, Nay: Commission Novakovich.

Commissioner Barnes reiterated the Main Motion authorizing the Executive Director to allocate Clover Island 1135 match funding in the amount of \$500,000 (+/-) as approved in the 2015-2016 Budget and Work Plan, and further, as amended, direct the Executive Director to allocate an additional sum of \$150,000 (+/-) in the 2017-2018 budget, with this sum to be used for the foundation



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work for the NW Overlook Pier, in addition to the basic shoreline stabilization work of the 1135 project.

With no further discussion, the main motion carried. All in favor 2:1, Nay: Commission Novakovich.

Mr. Novakovich requested the Clover Island Master Plan funding strategy be placed on the agenda for further discussion.

Mr. Moak would like to see the Clover Island Master Plan funding strategy as part of 2017-2018 budget process.

Mr. Barnes concurred with Mr. Moak.

Mr. Barnes recessed the meeting at 3:40 p.m. for a break and will reconvene 3:50 p.m.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. 2015 Water Follies

Mr. Arntzen stated Port employee, Mike Melia, has been volunteering for the Water Follies for many years and this year was no exception, and believed he should be acknowledged for his community spirit.

Ms. Hanchette stated Mr. Melia took on a monumental project by helping restore the hydroplane that is mounted at the entrance of Columbia Park, which was completed prior to the boat races. It is a testament to the event and shows Mr. Melia's integrity, when he starts a job – he finishes it!

Kay Metz reported the mounted hydroplane actually raced in the Tri-Cities Water Follies several years ago. Mr. Metz stated the Tri-Cities event is the best race sight in the world and we just celebrated our fiftieth anniversary. Mr. Metz stated this restoration of the hydroplane was almost impossible, and without Mr. Melia in charge, the project would not have happened. Mr. Melia put together a strong team and got the job done on time and under budget.

Mr. Barnes read a letter of recognition for Mr. Melia's volunteer work into the record.

B. CTUIR Invitation to the Pendleton Roundup

Ms. Bader Inglima stated the Commission received a letter from Gary Burke, Chairman of the CTUIR extending an invitation to attend the Pendleton Roundup in recognition of our partnership with them. Dave Tovey, Executive Director, stated the CTUIR also extended an invitation to Governor Jay Inslee. Ms. Bader Inglima stated since this is a governmental request, a designated person could attend per Steve DiJulio. The CTUIR will be recognizing the Port as a jurisdictional partner at the event and Ms. Bader Inglima stated the CTUIR requested a Port representative attend on September 18 and 19, 2015.



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Mr. Novakovich stated since Chairman Gary Burke extended the invitation, he believes the President and Executive Director should represent the Port.

The consensus of the Commission is for Mr. Barnes and Mr. Arntzen to attend the Pendleton Roundup on behalf of the Port of Kennewick.

C. Clover Island Inn – Landscaping

Mr. Arntzen stated the Port has been working with business on the Island to help make improvements over time, such as the parking lot adjacent to Cedars. Clover Island Inn has refreshed the landscaping around the hotel and replaced the river rock with new sod and other plantings. Mr. Arntzen stated the hotel group has done a great job improving the interior of the hotel as well. Furthermore, the Yacht Club has made some additions and Ice Harbor has been hanging flower pots on the deck for years. The tenants of Clover Island are taking ownership of the Island

D. Vista Field

Mr. Peterson will address the City of Kennewick Council with Greg McCormick, Kennewick City Planner, to walk through zoning and design issues with City staff. As suggested by City staff, Port staff will be breaking up the plan into elements for the Council to absorb. The presentation will look similar to the July 28, 2015 meeting, but with more detail of the road network and how they play into the design of the buildings. The discussion will be somewhat lead by the Port, but Mr. McCormick will be walking thru the plan with the Port, regarding how the zoning and design standards might work with Port and City project. We will be utilizing the downtown zoning district as a starting point for our Vista Field zoning, much of which will have many of the same elements. Mr. Peterson will report back with concerns and questions from the Council at the September 8, 2015 Commission meeting.

Mr. Novakovich presented Mr. Eaton with a Vista Pioneer name tag.

Mr. Moak inquired if staff had sent out emails about the City Council Meeting tonight.

Mr. Peterson indicated 310 people were sent emails about the meeting tonight, furthermore, Ben Franklin Transit will be there in support of Vista Field. Port staff is keeping the public apprised of next steps pertaining to Vista Field.

E. Columbia Gardens Bus Shelter

Mr. Arntzen stated, as part of Columbia Gardens phase one development, the Port is working with the City of Kennewick on landscaping and streetscaping, as the property adjoins Columbia Drive. There will be some attractive landscaping and a turn-out for the transit buses, so they can load and unload passengers without impacting traffic. The bus shelters in town are functional, however, they are not pretty. Mr. Arntzen would like to be able to work with the City and Transit to create an artistic bus shelter. Mr. Arntzen cited Eugene, Oregon an example of a City that has incorporated art within their transit shelters. Mr. Arntzen stated he would like to see a much nicer transit shelter, one that commensurates with the standards the Port is known for and the work that the City is currently working on. Ms. Barb Carter, art liaison to the Port, has



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arranged for a critically acclaimed artist in Phoenix to visit Kennewick and view the concept. Mr. Arntzen stated the concept would be respectful of the wine industry and historic downtown Kennewick direction. The proposal would look at ways the shelter could be divided between the Port, the City and BF Transit. Mr. Arntzen stated there might be savings in current budget to use for artistic shelter. The normal cost of a shelter is anywhere from \$4,000-\$7,500, however, a structure of this magnitude could be in excess of \$40,000. It would be an iconic art object as well as a functional bus shelter. If there is interest on behalf of the Commission, perhaps the Port can look at funding 50% of the project with the City and Transit sharing the remaining balance.

Mr. Arntzen reported a local couple, who lives in the Bridge to Bridge area and walk the Island every day, has graciously offered to cover the cost of the new basalt benches on Clover Island and are interested in partnering with the Port on the bus shelter as well.

Ms. Carter stated a growing trend is to have transit involved in making transit placemaking sites cool and comfortable, whereas right now, people on are sitting on concrete blocks waiting for the bus.

Ms. Bader Inglima has spoken to the City stating the pullout was important to install, to accommodate hotel shuttles, Transit and tour groups, to promote the wine industry. Ms. Bader Inglima believes this is a wonderful welcome for a first impression of the Columbia Gardens development.

Mr. Moak stated the current transit shelters are an eye sore and believes this is an opportunity for the Port to help create a standard the community, for what bus shelters should be. Buses are not just for people who cannot drive, they are for people who choose not to drive. Mr. Moak inquired if the shelter will be in a central location.

Mr. Peterson stated the shelter will be located between Date and Cedar Street and will serve the Columbia Gardens and the Willows.

Mr. Novakovich stated an artistic bus shelter is great idea and when people drive by the shelter, it will be the first icon they see for Columbia Gardens.

Mr. Barnes supports the idea of an artistic bus shelter and stated it will be a nice, iconic sign, that will help garner attention to the area.

It is the consensus of the Commission for staff to further explore an artistic bus shelter for Columbia Gardens.

Mr. Arntzen stated the Arts Commission was enthusiastic about the concept and he will gather details and potential costs and report back to the Commission.



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F. Regional Chamber Luncheon

Mr. Arntzen stated the Regional Chamber Luncheon; State of the Ports, provides a good opportunity to share with over 250 people in the community, what the Port has done over the past year. Mr. Arntzen asked who, from the Commission, would like to represent the Port at the luncheon.

It is the consensus of the Commission that Vice-President Skip Novakovich represent the Port at the Regional Chamber Luncheon; State of the Ports.

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

Commissioners reported on their respective committee meetings.

H. Non-Scheduled Items

1. Ms. Scott stated the Commission and senior staff received an invitation from the Port of Benton, who will be holding the Washington Public Ports Association Executive Board Meeting. Following the meeting, Commission and senior staff are invited to tour the Hanford B Reactor. The meeting will be held September 17, 2015, from 1:00 p.m. to 5:00 p.m. and to please contact Ms. Scott if you are interested in attending.
2. Ms. Bader Inglima stated Mr. Moak's remaining Kennewick historic walking tours, highlighting the Port's 100th Anniversary are sold out. Ms. Bader Inglima thanked Mr. Moak for his outreach to the community.

Ms. Bader Inglima further reported that the Commissioners participated in Benton Franklin Fair & Rodeo Parade. Ms. Bader Inglima stated staff has drafted thank you letters for the volunteers that contributed and drove the vehicles.

3. Mr. Arntzen met with Chuck Eaton regarding Artspace and stated many topics were covered. Mr. Arntzen stated the interesting thing about Vista Field is that everyone can envision something they have seen, and Mr. Eaton likened the potential of Vista Field to Greenwich Village. Mr. Arntzen would like to continue meeting with Mr. Eaton and informed the Commission that the meeting was filled with creative energy.

Mr. Arntzen received an email from Kelsey Christenson, an Olympia Consultant, who is working on behalf of the Tri-Cities Airport. Ms. Christenson is asking the Port to support the Passenger Facility Charge (PFC), which helps support capital airport improvements. Mr. Arntzen stated the form letter would go to Senators Murray and Cantwell and Congressman Newhouse.

Mr. Moak suggests staff talk to Ron Foraker or Randy Hayden regarding the letter. Mr. Moak stated passengers currently pay the charge, and that is how the Tri-Cities Airport is able to make improvements.

Mr. Barnes feels the users of the airport should support the airport, however, he would like Mr. Arntzen to follow up with Mr. Hayden regarding the request.



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Mr. Arntzen asked the Commission to begin thinking about the Election of 2016 Officers and Committee Representatives and if there were Committees that should either be added or removed from the list.

Mr. Moak would like staff to include the cost of being part of the organization, if there is one, to the list.

4. Ms. Luke is monitoring the impact of the Supreme Court decision regarding the Port of Seattle and the \$15.00 minimum wage, which includes language that suggests limitations of port powers.
5. Mr. Peterson stated the 14' basalt columns for the Clover Island Boat Launch Facility will be installed August 26, 2015.
6. Ms. Fine stated the Tri-Cities Airport PFC is \$4.50 per person. The PFC is utilized for Federal Aviation Administration airports only and the expenditures are used for safety and security issues.

Ms. Fine shared the CliftonLarsonAllen Auditors are nearing completion of the audit report and stated there are no issues at this time.

Ms. Fine reported the State Auditor's Office (SAO) will be at the Port in September, a year early, for the 2013-2014 audit. This audit will be more concentrated and the SAO has recently changed their policies without notifying us.

Ms. Fine stated, Mary Fitch, our friend and former co-worker, passed away yesterday.

PUBLIC COMMENTS

No comments were made.

COMMISSIONER COMMENTS

No comments were made.

Mr. Barnes anticipates the Executive Session will last approximately 35 minutes, for Real Estate (Site Selection), per RCW 42.30.110(1)(b) and Real Estate (Minimum Price) per RCW 42.30.110(1)(c) with no action anticipated. Mr. Barnes asked the public to notify Port staff if they will return after the executive session.

Mr. Barnes recessed the Regular Commission Meeting at 4:46 p.m. for four minutes.

Mr. Barnes reconvened into Executive Session at 4:50 p.m.



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EXECUTIVE SESSION

- A. *Real Estate (Site Selection), per RCW 42.30.110(1)(b)*
- B. *Real Estate (Minimum Price), per RCW 42.30.110(1)(c)*

Mr. Barnes convened the meeting into Executive Session at 4:50 p.m. for approximately 35 minutes.

Ms. Hanchette exited the meeting at 5:25 to extend the Executive Session 10 minutes.

Mr. Barnes adjourned the Executive Session at 5:35 p.m.

Mr. Barnes reconvened the meeting into General Session at 5:35 p.m.

PUBLIC COMMENT

No one was in the audience.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:36 p.m.

APPROVED:

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BOARD of COMMISSIONERS

Don Barnes, President

Skip Novakovich, Vice President

Thomas Moak, Secretary



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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
Bridgette Scott, Executive Administrator
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Mr. Boyce Burdick led the Pledge of Allegiance.

PUBLIC COMMENT

Chuck Eaton, 2309 Davison Avenue, Richland. Mr. Eaton stated he is a documentarian and enjoys finding the original source of things. Mr. Eaton stated, former Kennewick teacher, Laurel Piippo was very involved in the community and an active contributor to the *Tri-City Herald*. Mr. Eaton read an excerpt from the November 24, 2013 editorial, in response to a fast focus on branding. "My brand of first choice is home. My brand of second choice is provincial and parochial. It's difficult to comprehend, but in all these years, a region of 250,000 people have not found a way to pull together to create that essential structure of a civilized community, a quality arts theater. If you plan out, I'll support it, and so will many others. I am starting an endowment fund and calling it the 500 Club." Mr. Eaton stated, a year later, Ms. Piippo, while very ill, wrote another letter to the *Tri-City Herald* editor. Mr. Eaton summarized the editorial: after reading the front page story on a proposed art center and discussing the story with Justin Raffa, Ms. Piippo is in favor of the Port of Kennewick moving forward to build a performing arts center and asked the Commission to make the decision.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. *Approval of Direct Deposit and E-Payments Dated September 2, 2015*
Direct Deposit and E-Payments totaling \$57,225.58
- B. *Approval of Warrant Registers Dated September 8, 2015*



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Expense Fund Voucher Numbers 37155 through 37196 for a grand total of \$85,398.36

C. Approval of Amendment to Commercial Lease Agreement with Soulek, Inc. (dba Washington Surplus); Resolution 2015-19

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. Vista Arts Center Update, Steve Wiley, Arts Center Task Force Chairman

Mr. Arntzen reported Mr. Wiley and Port staff have met a number of times over the past few months to discuss the possibility of a Performing Arts Center at Vista Field; with the hopes of presenting the Arts Center Task Force's vision to the Commission. Mr. Arntzen has thoroughly enjoyed meeting with Mr. Wiley and stated he has been very successful in bringing various groups together.

Mr. Wiley thanked the Commission and stated he was recruited by Mr. Eaton to serve on the Arts Center Task Force, which has been around for over thirty years. The Arts Center Task Force has been working diligently on getting an arts center constructed and there has never been a better opportunity to actually make this a reality than at Vista Field. The Arts Center Task Force represents the community and the following organizations:

- Mid-Columbia Symphony;
- Mid-Columbia Musical Theatre;
- Mid-Columbia Mastersingers;
- Mid-Columbia Ballet.

The Arts Center Task Force is proposing the following:

- Build a state-of-the-art Vista Arts Center as the first major project of the Vista Field redevelopment;
- Phase 1 will include 800 seats; 525 seats on the main level, with 275 seats in the balcony;
- An attached art gallery, space for receptions, events, demonstrations, education and public gatherings;
- An outstanding acoustics, amenities and extremely comfortable seating;
- Full-scale, phase one Performing Arts Center.

The facility will be a place where all of the arts community will be represented and where people can come together to enjoy art, culture and entertainment.

Phase 1 Development:

- 40,000 square foot facility;
- Estimated cost between \$15,000,000-\$19,000,000;
- Annual operational cost between \$500,000-\$600,000;
- Expected Ground Breaking within 2-3 years;
- Opening Night within five years;
- Major capital campaign planned to begin early next year.



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Mr. Wiley stated the Vista Arts Center will include:

- Space for local performing arts and music groups;
- A performance space for touring music, dance, comedy and theatre groups;
- Facilities for displaying and promoting the visual arts;
- A central location for a wide variety of arts, entertainment, receptions, demonstrations, lectures, and events;

Mr. Wiley stated Phase 2 Development will include the addition of 1,200 seats. Mr. Wiley believes the Vista Arts Center will be an economic driver for the Vista Field redevelopment and the Tri-Cities and a new social and cultural center for the entire Mid-Columbia Region. Mr. Wiley cited the Hult Center, located in Eugene, Oregon, as an example the Vista Arts Center would like to emulate. The Hult Center is a 2,000 seat performing arts center that has driven economic development in Eugene; and Mr. Wiley believes the Vista Art Center will do the same for the region.

The Arts Center Task Force is requesting the following from the Port:

- Sufficient land in a central location to construct the Vista Arts Center;
- Assistance with the infrastructure needed for the Center together with access to auxiliary parking;
- A commitment to help bring in developers who can build complementary facilities (ie. restaurants, shops);
- Team with us to help create a cohesive design for the Vista Arts Center and surrounding area.

The Arts Center Task Force pledges the following:

- Raise funds to build and operate the Vista Arts Center;
- Create a mutually agreeable set of timelines and deliverables;
- Work closely with the Port to make sure the proposed Center is a catalyst for the Vista Field Redevelopment;
- Continue to engage the public, arts organizations, educators and city representatives to ensure it meets local needs;
- Run a completely open and transparent process.

Mr. Wiley stated the Arts Center Task Force's next steps are as follows:

- Sign letter of intent to work together with the Port;
- Further develop conceptual plans and facility scope to refine project cost estimates;
- Develop timelines for project development;
- Develop multi-year pro-forma to help refine governance, funding and operations plans;
- Begin funding development and explore project financing opportunities;
- Develop and implement a marketing plan.

Mr. Novakovich inquired how much land the Arts Center Task Force anticipates needing for Phase 1.



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Mr. Peterson estimated three to four acres for a 40,000 square foot building and parking.

Mr. Novakovich asked Mr. Wiley what the timeframe is for raising \$15,000,000-\$19,000,000.

Mr. Wiley stated there are two steps to the fundraising process. The first step is to conduct a feasibility study, which will address timelines and costs. Mr. Wiley indicated a typical fundraising period for a project of this magnitude is approximately 18 months. The Task Force does not intend to drag the fundraising period out and intends to line up prospects and contact the private sector and private citizens. The Task Force expects the fundraising campaign to last 18 months and the goal is to raise all the funds.

Mr. Novakovich inquired how much of the operational costs were for wages and labor.

Mr. Wiley stated approximately \$350,000 to \$400,000.

Mr. Moak thanked Mr. Wiley for his presentation and the Task Force for all of their hard work and appreciated the business focus. Mr. Moak inquired what things people like or dislike most about the Vista Arts Center Draft.

Mr. Wiley stated people have voiced their opinion about the 800 seats. With only 800 seats, we will not be able to bring in the Broadway shows, the facility needs approximately 2,000 seats for the larger scale for touring groups.

Mr. Moak voiced his concern about the Task Force raising all the funds by private means. Mr. Moak inquired if the Task Force has reached out to the Kennewick Public Facilities District (KPF) or the Regional Public Facilities District (RPF) for a possible joint partnership between public and private entities.

Mr. Wiley stated the fundraising is a concern as well, however, other groups have been successful. The Task Force is reaching out to private donors, as well as asking corporations, and will look at grants for these types of endeavors. Mr. Wiley stated a tax will be the last resort and is confident the Task Force can raise the first phase project funding. Mr. Wiley stated the Ste. Michelle Wine Estates WSU Wine Science Center was fully funded by outside donors and the land was donated by the Port of Benton. Furthermore, there are several models of public/private partnerships that the Task Force could emulate.

Mr. Moak inquired about the next steps and if timelines had been discussed.

Mr. Arntzen stated he has not started a timeline and would like to work with Mr. Wiley on specific dates. Mr. Arntzen further stated, he has been working with Ms. Luke on a letter of intent, which has been reviewed and revised by Duany Plater-Zyberk (DPZ). Mr. Mehaffy offered comments regarding a collaborative design process. Mr. Arntzen is pleased with letter of intent and believes the letter can be used when discussing Vista Field or Clover Island projects. Mr. Arntzen stated a draft document will be ready to share with the Commission and partners



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very soon and there are several policy issues that will need to be addressed prior to executing the letter of intent.

Mr. Barnes stated the fundraising is an ambitious amount and inquired if the Task Force continues to explore possibilities with KPFD, in conjunction with the efforts to expand the Three Rivers Convention Center.

Mr. Wiley stated the issue that arises with partnering with the KPFD is that they have to own the facility. Mr. Wiley stated there are specific laws in place for Public Facilities Districts where a public/private partnership may not work. The Task Force has retained an external consultant to assist in creating a viable public/private partnership.

Mr. Arntzen stated staff has been working on safeguards that would protect the Port while assisting a private group in need.

Mr. Barnes thanked Mr. Wiley and believes there is a high level of interest from Commission to make this happen. Mr. Barnes stated there are many details that still need to be addressed to bring to the Vista Arts Center to fruition, and welcomes the opportunity to work with the Task Force.

Mr. Novakovich inquired if the Task Force has a plan B if the funds could not be raised in a specific timeframe.

Mr. Wiley stated the Task Force would come back to the Commission and reassess and revise the timeline and scale. Mr. Wiley intends to actively manage the process, adjust as needed and build in an active management strategy.

Mr. Arntzen stated as staff continues to work on the mechanics, he suggested the Commission deed the property to the Task Force when a fundraising milestone has been met. This will safeguard the Port and help with the fundraising efforts on behalf of the Task Force.

Ms. Luke has enjoyed working with Mr. Arntzen in creating a document which reduces the risks to the Port as much as possible and move forward, with a manageable level of risk.

Mr. Wiley thanked the Commission for taking the lead and making a dream look like it could happen.

B. Clover Island Fair Game Artwork and Basalt Benches

Ms. Bader Inglima reported the *Fair Game* artwork, which depicts two eagles fighting over a salmon was recently installed and is one of the initial elements of the Clover Island Boat Ramp improvement project. The Port received some RCO grant funding, which helped enable the Port to move forward with elements such as a public restroom, new picnic areas, additional parking and an overlook with basalt benches. Ms. Bader Inglima reported that Kennewick Police Chief Hohenberg expressed his appreciation for the newly installed artwork and the contributions made to the island.



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Ms. Bader Inglima stated she is preparing a thank you letter from the Commission, to John and Dara Foster for their contributions to the island. The Foster's live in the Bridge to Bridge neighborhood and are impressed with the improvements the Commission has been making on the island. The Foster's met with Barb Carter, Port Art Liaison, to explore the possibility of placing an "in memory" plaque on one of the metal benches that were currently located on the island. Ms. Bader Inglima and Ms. Carter presented the Boat Launch improvements plan to the Foster's, who were so impressed with plan, decided to sponsor all three, new basalt benches.

Mr. Barnes believes the new artwork is phenomenal and is happy that members of the public are speaking out in appreciation of the artwork and other additions to the island.

Mr. Moak inquired if there is there a schedule for sponsoring items on the island.

Ms. Bader Inglima stated the Port has not been previously approached by the public regarding "in memory" plaques, but we may now have inquiries about contributions to artwork or benches because of the Foster's contribution.

Mr. Moak appreciates the work of staff and stated people are pleased with the new sculpture. Once the fencing comes down, Mr. Moak believes it will be an amazing attraction, like the lighthouse.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Port of Pasco, Tri-Cities Airport Passenger Facility Charge

Mr. Arntzen reported the Commission received a request to assist the Port of Pasco with a Tri-Cities Airport Facility Charge. Mr. Arntzen contacted Randy Hayden, Port of Pasco Executive Director, who asked Mr. Arntzen to table the topic with no further action.

B. Vista Field Update

Mr. Peterson has been working with DPZ and Parametrix on the transportation model, which includes the skinny (narrow) street road network, and transportation factors, to demonstrate to City of Kennewick Council and Public Works department that the network can be successful. Furthermore, we are identifying intersections for necessary enhancement around Vista Field, such as Columbia Center Boulevard and Canal Drive.

Furthermore, DPZ and staff are working on zoning details and design standard guidelines, which would set up the mixed use zoning for the City of Kennewick. Mr. Peterson and DPZ are working on the phasing plan for the development and believe it will be six to seven phases. Mr. Peterson reported the Port should receive the transportation analysis on October 13, 2015 and he will be presenting the transportation analysis to the City Council at a workshop on October 27, 2015.

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

Commissioners reported on their respective committee meetings.



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D. Non-Scheduled Items

1. Mr. Moak stated every community needs a Laurel Piippo to keep ideas alive and she believed in a Performing Arts Center for our community. Ms. Piippo asked the Port, in her final comments, to help build a Performing Arts Center and Mr. Moak believes the Port has an obligation to live up to that. Mr. Moak appreciates those that are carrying the torch for Ms. Piippo and admired her passion and stated she will be missed.
2. Ms. Scott received an email from author, Jeremy D'Entremont, who is writing a book called "The Lighthouse Handbook: West Coast." Mr. D'Entremont would like to include a photo of the Clover Island Lighthouse in the book. Ms. Deborah Bourque, a community member, will be providing a photo for Mr. D'Entremont's book.
3. Ms. Bader Inglima shared that Mr. Novakovich and the City of Kennewick represented the America's Best Communities Community Event. Ms. Estes-Cross gave a brief synopsis of the project and Kennewick's project is very solid with the transformation of the waterfront and Columbia Drive.

Mr. Novakovich added, that Ms. Estes-Cross' presentation highlighted what we have accomplished thus far and where we are going, whereas the other cities only spoke about what they planned to do.

4. Mr. Arntzen will be meeting with Hillary Franz, Executive Director of Futurewise. Ms. Franz is very interested in Vista Field and would like to see the airport and believes the redevelopment is in line with urban renewal. Ms. Franz has pledged to help the Port to whatever extent possible and feels it is very sensible to work collectively to create a good model of urban growth.

Mr. Arntzen reported Sandeep Kaushik, from Sound View Strategies will be meeting with Futurewise and Department of Commerce Director, Brian Bonlender, to discuss the Vista Field redevelopment.

Mr. Arntzen stated staff has received the design guidelines for the Willows from Gary Black, of Integrated Structure Inc. Staff will review the draft to be sure it is consistent with the pattern language and the City's planning efforts.

5. Mr. Peterson reported that construction of a medical office building in Spaulding Business Park has recently started and Northwest Orthopedic will soon begin construction on a 36,000 square foot medical and office building.

PUBLIC COMMENTS

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick, President of the Mid-Columbia Symphony Board reported the Symphony has exceeded attendance of 800 twice and believes the Vista Arts Center proposal is perfect. Mr. Burdick stated there are several ways to fundraise, in addition to selling seats, Mr. Burdick stated there are at least 100 individuals or families in our region prepared to donate \$100,000, as he is, towards the Vista Art Center.



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Justin Raffa, 1214 Gowan Avenue, Richland. Mr. Raffa commented on the potential funding mechanism with the KPFD that was addressed earlier. A few years ago, the Task Force wanted the Regional PFD to take the Arts on as their private property, however, the aquatic center was selected, which went to the ballot and failed. Since then, the Regional PFD has not had a clear path forward and have been unable to define their goals. Mr. Raffa's role, as a Task Force Member is to attend the KPFD meetings and believes the KPFD's Board's number one priority is the expansion of the Three Rivers Convention Center. The KPFD is ready to unveil the expansion to the public and prepared to ask for the .2% sales tax. If the KPFD goes out for the .2% sales tax, the Regional PFD taxing ability is moot. The Vista Arts Center is our priority and we do not want to wait for a PFD or municipality to build the center. A year ago, the Task Force decided to take on the venture and raise the funds for a performing arts venue, and although the amount is scary, we are ready to take on the challenge. Mr. Raffa stated the Roger Brooks branding report identified several major product development items and a performing arts center is one of them. Mr. Raffa believes there is tremendous support for the Vista Arts Center and we will be celebrating amazing history here today, and in the next few years.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.

Mr. Barnes anticipates the Executive Session will last approximately 35 minutes, for Real Estate (Site Selection), per RCW 42.30.110(1)(b) and Real Estate (Minimum Price) per RCW 42.30.110(1)(c) with no action anticipated. Mr. Barnes asked the public to notify Port staff if they will return after the executive session.

Mr. Barnes recessed the Regular Commission Meeting at 3:50 p.m. for ten minutes.

Mr. Barnes reconvened into Executive Session at 3:59 p.m.

EXECUTIVE SESSION

A. *Real Estate (Site Selection), per RCW 42.30.110(1)(b)*

B. *Real Estate (Minimum Price), per RCW 42.30.110(1)(c)*

Mr. Barnes convened the meeting into Executive Session at 3:59 p.m. for approximately 35 minutes.

Ms. Hanchette exited the meeting at 4:34 p.m. to extend the Executive Session 10 minutes.

Ms. Hanchette exited the meeting at 4:44 p.m. to extend the Executive Session 10 minutes.

Ms. Hanchette exited the meeting at 4:54 p.m. to extend the Executive Session 10 minutes.

Ms. Hanchette exited the meeting at 5:04 p.m. to extend the Executive Session 5 minutes.

Mr. Barnes adjourned the Executive Session at 5:09 p.m.



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Mr. Barnes reconvened the meeting into General Session at 5:09 p.m.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:10 p.m.

APPROVED:

PORT of KENNEWICK BOARD of COMMISSIONERS

Don Barnes, President

Skip Novakovich, Vice President

Thomas Moak, Secretary

PORT OF KENNEWICK

RESOLUTION 2015-20

***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 22nd day of September, 2015, 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; 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 as attached in "Exhibit A"; and

ADOPTED by the Board of Commissioners of Port of Kennewick this 22nd day of September 2015.

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

By: _____
DON BARNES, *President*

By: _____
SKIP NOVAKOVICH, *Vice President*

By: _____
THOMAS MOAK, *Secretary*

RESOLUTION 2015-20

“Exhibit A”

Attractive Assets				
Asset	Disposition	Property Description	Date In Service	Cost
17	Broken	Fiberglass extension ladder	01/27/04	218.66
96	Broken	Echo Weed Trimmer	06/04/09	194.93
97	Broken	Echo Weed Trimmer	09/23/09	194.93
98	Broken	Echo Weed Trimmer	08/18/09	224.17
102	Broken	3000 psi Rigid Pressure Washer	08/19/11	323.82
105	Broken	HP 8500 Plus Printer	07/07/11	292.40
111	Broken	Olympus SP-800UZ Digital Camera	04/02/12	322.62
124	Broken	Echo Weed Trimmer	04/26/12	190.60
125	Broken	Echo Weed Trimmer	04/26/12	190.60
127	Broken	Echo Chainsaw (2)	03/15/12	416.94
128	Broken	Echo Weed Trimmer	06/06/12	190.60
129	Broken	Echo Weed Trimmer	06/06/12	190.60
134	Broken	Echo 125 B Blower	06/06/12	138.58
135	Broken	Battery Charger (haul out trailer)	09/18/02	53.07
142	Broken	HP LaserJet Pro 200	11/06/12	357.38
164	Broken	Epson Printer	12/11/12	63.90
Capital Assets				
Asset	Disposition	Property Description	Date In Service	Cost
878	Obsolete	Alliant Communications Phone System	09/03/06	8,312.57
885	Broken	Wireless remote control - Hostar	01/31/06	5,351.46
914	Obsolete	Dell Laptop - Inspiron E 1505	12/31/06	1,973.26
980	Broken	HP Notebook	02/13/08	2,260.23
983	Broken	2 adjustable black chairs	04/09/08	445.33
1007	Obsolete	Software - virus and acctg upgrade	08/31/08	4,806.98
1008	Obsolete	Server Developed by Network Task	06/03/08	16,448.26
1009	Obsolete	Upgrade phone system Alliant	04/30/08	7,103.47
1010	Broken	Camera Marina Office	05/31/18	849.43
1029	Obsolete	Artwork photos in entry way	01/31/09	3,521.87
1031	Obsolete	3 year license - software	01/31/09	3,561.99
1034	Broken	HP IQ 525 22" PC	03/17/09	1,608.22
1041	Broken	HP Printer - Pro 8500	10/30/09	228.21
1042	Broken	HP Printer - Pro 8500	10/30/09	228.21
1090	Broken	HP 8200 Elite SFF Desktop	06/06/11	1,331.00
1091	Obsolete	Alliant phone system expansion	08/31/11	4,412.14
1102	Broken	Ipad - Apple	12/31/11	823.05
1128	Broken	Dell Optiplex Desktop	07/31/12	1,076.34
1131	Obsolete	Cisco Firewall	9/31/12	1,296.27

PORT OF KENNEWICK

Resolution No. 2015-21

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING AN AMENDMENT TO COMMERCIAL LEASE AGREEMENT WITH NORTH AMERICAN ALLOYS

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

WHEREAS, an amendment to the December 1, 2014 Commercial Lease with North American Alloys, to be effective October 1, 2015, reallocating leased space at 1328 East 3rd Avenue, Kennewick, Benton County, Washington to Bays 6, 7, and 8, and Bullpen 5 and 6 for a total monthly rent of \$2,906.76, including leasehold excise tax, 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 Amendment to the Commercial 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 Amendment, the Port Commission has determined that the Amendment is proper.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby approves the Amendment to Commercial Lease Agreement with North American Alloys 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 22nd day of September, 2015.

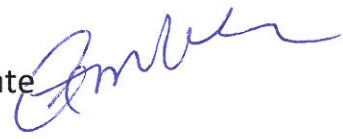
***PORT of KENNEWICK
BOARD of COMMISSIONERS***

By: _____
DON BARNES, *President*

By: _____
SKIP NOVAKOVICH, *Vice President*

By: _____
THOMAS MOAK, *Secretary*

DATE: 8/28/2015
 TO: File – North American Alloys
 FROM: Amber Hanchette, Director Operations & Real Estate
 RE: Lease Addendum – Space Modification



North American Alloys current occupies several spaces at the Oak Street Industrial Park in development building D (formerly DB-3). They would like to give up Bay 3 & 4 in favor of Bay 7 & 8. This would allow them greater efficiencies by being closer to Bay 8 which they already lease.

Current Allocation:

Bay 8	.40/sf	3,540 sf	\$1,416.00 (pre LET)
Bay 3	.40/sf	1,200 sf	\$ 480.00 (pre LET)
Bay 4	.40/sf	1,200 sf	\$ 480.00 (pre LET)
Bullpen 5	Flat Rate	2,000 sf	\$ 100.00 (pre LET)
Bullpen 6	Flat Rate	<u>2,000 sf</u>	<u>\$ 100.00</u> (pre LET)
		9,940 sf	\$2,576.00

New Allocation:

Bay 8	.40/sf	3,540 sf	\$1,416.00 (pre LET)
Bay 7	.40/sf	1,200 sf	\$ 480.00 (pre LET)
Bay 6	.40/sf	1,200 sf	\$ 480.00 (pre LET)
Bullpen 5	Flat Rate	2,000 sf	\$ 100.00 (pre LET)
Bullpen 6	Flat Rate	<u>2,000 sf</u>	<u>\$ 100.00</u> (pre LET)
		9,940 sf	\$2,576.00 (pre LET)

Total \$2,906.76 (after LET)

No Additional Deposit is Due.

###

North American Alloys

www.NorthAmericanAlloys.com

3838 R. EAST THOUSAND OAKS BLVD.
BOX342
WESTLAKE VILLAGE, CA 91362

Malibu

Tel. (818) 597-4880

Fax. (818) 597-4888

michael@northamericanalloys.com

KENNEWICK, WA

Tel. (509) 586-8848

Fax. (509) 586-4943

steve@northamericanalloys.com

Date: 9/10/2015 Fax #: _____ Pages: 1/3

To: Amber Attention: _____

RE: _____

H. Amber -

Hope All's Well WTH

You - THAVIGE + Regards

Michael Stulzen

AMENDMENT TO COMMERCIAL LEASE AGREEMENT

THIS AMENDMENT TO COMMERCIAL LEASE AGREEMENT is entered into this _____ day of September, 2015 by and between the PORT OF KENNEWICK, a Washington municipal corporation hereinafter referred to as ("LESSOR"), and NORTH AMERICAN ALLOYS, a Washington corporation hereinafter referred to as ("LESSEE") (collectively referred to as the "Parties");

WITNESSETH

WHEREAS, on December 1, 2014 the Lessor and Lessee entered into a Commercial Lease for the lease of premises located at Lessor's Development Building D (DB3) Kennewick, Benton County, Washington (the "Commercial Lease"). The Commercial Lease and Exhibits (including full legal description) are attached hereto and incorporated hereby by reference as "Exhibit 1".

AND, WHEREAS, the Parties desire to amend certain provisions of the Commercial Lease.

NOW THEREFORE, It is hereby agreed by and between the Parties that, effective October 1, 2015, certain basic provisions of the Commercial Lease shall be amended, as follows:

1. Replace "D. Land:" with:

D. Land: The real property located at 1328 E. 3rd Ave. Bays 8, 7, and 6, and Bullpens 5 and 6, Development Building D (DB3) Kennewick WA 98336 as described on Exhibit "A" attached hereto and incorporated herein by reference.

2. Replace "J. Base Monthly Rent Calculation:" with:

J.	Base Monthly Rent Calculation (not including LET):			
	Bay 8 warehouse & office	.40/sf	3,540 sf	\$1,416.00
	Bay 7	.40/sf	1,200 sf	\$ 480.00
	Bay 6	.40/sf	1,200 sf	\$ 480.00
	Bulpen 5	Flat Rate	2,000 sf	\$ 100.00
	Bulpen 6	Flat Rate	2,000 sf	\$ 100.00
	Total Leasable Space:		9,940 sq ft	

3. Replace "K. Base Monthly Rent:" with:

K.	Base Monthly Rent Calculation (not including LET):	
	Bay 8	\$1,416.00
	Bay 7	\$ 480.00
	Bay 6	\$ 480.00
	Bulpen 5	\$ 100.00
	Bulpen 6	\$ 100.00
	Total Base Monthly Rent (not including LET):	<u>\$ 2,576.00</u>

All other basic provisions, terms and conditions of the Commercial Lease remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have set their hands the day and year first above written.

By Authority of the
Board of Commissioners

PORT OF KENNEWICK

By: _____
Tim Amtzen, Executive Director

Approved as to form:

Lucinda Luke, Port Attorney

NORTH AMERICAN ALLOYS

By: _____
Michael Skulimson, Owner

PORT OF KENNEWICK

PAPERLESS ACTION PLAN

Submitted by: Tammy Fine

August 17, 2015

Paperless Action Plan

Objective

To implement a paperless system for all areas of the Port of Kennewick while taking into account diverse legal and regulatory frameworks for governments. Top priority is to find a system that will protect the Port of Kennewick's records in accordance with the State Archivist guidelines. Port of Kennewick should endeavor to reduce or eliminate the requirement for paper documents needed for all areas of operation, where feasible and possible. This implementation process will be performed in phases and over several years. Many governments have been working towards paperless systems for over 10 years.

Guidelines

Recognizing the enormous potential of paperless opportunities to reduce costs, increasing efficiencies, improving communications within the Port, and externally improve collaboration with Port partnerships. The Port's paperless system plan will:

- (a) Establish a timetable for reducing or eliminating paper documents,*
- (b) Provide a favorable environment, including through establishing a sound legal and regulatory framework, for the delivery the of paperless system,*
- (c) Ensure that measures to replace paper documents follow proper State Archivist and Record Retention guidelines,*
- (d) Develop a plan on how to improve efficiencies and effectiveness internally and externally, and*
- (e) Develop a system on how to work with the Port's records management plan.*

Collective Actions

Develop a committee (CFO, Executive Assistant, and Special Projects) to go over various areas that would be greatly impacted by implementing a paperless system and work with the various departments within the Port to aid in collaboration and support.

Government Documents - 2015				
Criteria	Description of Application	Current requirements for paper documents	Timetable for implementation	Further Needs
Timesheet Reporting	Timesheets: The Port has implemented a web services system (Insperity) for supporting timesheet tracking. This tracking system is essential for efficient and effective management of employees' time and payroll data entry process for accurate and timely payments to employees.	N/A. Audit function can be performed remotely without paperless timesheets. Furthermore, if a document is created paperless then it does not need to be converted to paper in order to be a legal document. Inspirity timesheet system is paperless. The Port exports timesheets and saves them in the proper records management file for proper records retention and audits.	Implemented in 2014 and improved tracking process within Insperity in 2015. Ongoing monitoring is in place to look for how to improve process and function.	Standard IT back up process capacity is used. Since it's a web based system, there are little capacity needs.
	Software Integration with Insperity and Sage: Integrate Insperity web based timesheet reporting with the Port's Sage 100 accounting system.	N/A. No paper documents are created. Both are standalone systems that have reports pulled and stored on the Port's server for proper records retention and audits.	Implemented research process in 2015. DSD (Port IT) is currently researching how to tie in Insperity and Sage; however, may not have a cost/benefit as accounting may have to manually data entry cost into timesheets for proper cost allocations into Sage 100.	Port needs to further study the possibility and implementation of integrating of Insperity into Sage for ease of data entry processing and reporting.
Payroll	Streamlining the payroll process and Sage accounting system to facilitate paperless environment and improve efficiencies and effectiveness.	In 2015, the accounting department has completely revamped the payroll process. Accounting has removed the lengthy voucher process for employee reimbursements on allowances to include these automatically in Sage. Payroll processing time went from 8 hours to 2 hours. The review process went from 4 hours to 1 hour by utilizing Sage payroll modules. Insperity time tracking and electronic approvals, and further training on	99% of the payroll automation and paperless payroll process is complete. PTO cashout request: Paperless form with approval is needed. Another option would be the use of Insperity. Implementation can be complete as soon as IT consultant can create a form. Sage and Insperity Integration: See above.	Need IT support. Research to see if Insperity has this ability.

		Sage. Employees have saved time by not having to complete forms on allowances as well. Also, many payments that were made via paper and mailed check in the past have been converted to ACH payments. This increased processing time speed & eliminated all paper documents from the process. Accounting has fully automated payroll with the exception of Insperity and Sage integration and Sage to the bank for direct deposits. PTO cash outs remain on paper as well as Commission meeting reports.	Sage to Bank Integration: We have purchased the direct deposit module which gives us the ability to create a payroll NACHA file. DSD (Port Sage IT consultant) is currently working on integration and data files with the bank. As soon as the bank approves the NACHA test file this will be implemented.	Need Bank & DSD support.
Financial Statements	The Port's financial statements are compiled by the use of paperless documents (with a few exceptions). The financial statements are audited using paperless documents with the exception of vouchers, signed warrant registers, and manual cash receipting records. Vouchers, warrant registers, and cash receipting will be covered separately due to the unique implementation process.	There are no requirement for paper documents unless paper documents are created. Paper documents are created for vouchers, warrant registers, and cash receipting.	Implementation was in full operation as of June 2015. The CFO used SharePoint to upload paperless documents for audit. Clifton Larson Allen audited the Port's financials almost entirely paperless rather than viewing physical paper trails composed of vouchers, warrants, and cash receipt documents.	Working towards paperless process for vouchers (including invoices from vendors), cash receipting records, and warrant registers.
Quarterly and Annual Reporting	The Port has implemented full paperless quarterly reporting for DOR leasehold tax, DOR excise tax/sales tax, 941 IRS form (with exception of signature), Employment Security, and L&I. Annual IRS reporting still is manual for W2's and 1099's.	All agencies allow electronic reporting, except the IRS. The IRS has rules and regulations that prohibit electronic filing for most documents, therefore, paperless may not be achieved. IRS has updated certain forms to be electronic so paperless in the future may be an option.	All quarterly reporting except the 941 IRS form has been implemented. However, the rest will depend on IRS allowance of paperless (electronic) documents.	Allowance by the IRS.

Accounts Payable	<p>Paperless Payables: In Q3 of 2015 the Port implemented COR360 (started implementation in Q4 of 2014). COR360 replaces manual processing of invoices and manual data entry process into Sage. All approvals and routing is done paperless. The goal is to have invoices never come to the Port in paper format. Vendors can upload or email images of invoices, the Port receives them, and then approves payment if legitimate. Only checks are still dispersed manually.</p>	<p>After the implementation of COR360, only checks require manual printing and signatures. However, accounting is working on a paperless check processing (or wire) with either COR360 or bank.</p>	<p>COR360 has been implemented. Three AP runs have occurred. Timetable for paperless checks could be implemented as soon as Keybank and Benton Country Treasurer authorize a system. Port ran into issues with COR360 wire process due to using Benton County as a Treasurer.</p>	<p>Paperless check stock/wires require bank and Benton County Treasurer and are on hold for that process to start.</p>
	<p>Paperless Cancel Checks: Implement paperless system for canceled checks so no longer manual checks are maintained.</p>	<p>The Port no longer has to go to Benton County to review the Port checks issued. The bank has all canceled checks paperless online.</p>	<p>Completed.</p>	<p>N/A</p>
	<p>Purchase Orders/Contract: Compliance Monitoring: Implement purchase order system so Port staff has easier to way see status of contracts.</p>	<p>The accounting department manually tracks the status of contracts using Excel workbooks. It would be advantageous to have a purchase order software that linked with Sage and COR360 so contract managers could also see the payment status of their contracts. When payments are made to vendors, then that would be applied to the specific contracted amount.</p>	<p>Initial planning stages as COR360 just went live.</p>	<p>Need to research if the PO module in COR360 will link to Sage 100.</p>

<p>Accounts Receivable and Cash Receipting</p>	<p>Remote Depositing: Accounting purchased a remote deposit equipment system through the bank to eliminate running to the bank to initiate paperless deposits.</p> <p>Cash Receipting: Cash receipting to fully paperless and linked into Sage.</p>	<p>Still paper is maintained to show deposits and the canceled checks are retained as proof of deposit. Benton County still requires electronic deposit record in order for Benton County to transfer funds to Port of Kennewick accounts.</p> <p>Paper records are not required as long as electronic records are properly generated and maintained. Currently the front desk staff have manual pre-printed cash receipt books and enter customer deposits manually into the books. Then they enter into a spreadsheet the name, amount and property impacted. This spreadsheet is given to Nick for data entry into Sage.</p>	<p>Port implementation is finished as far as the Port could go. Port will continue to seek paperless deposit records from the direct deposit machine.</p> <p>Port is in research phase of implementing a software system that could replace manual cash receipts and the spreadsheet used to enter into Sage. Full implementation could be completed as soon as IT can help.</p>	<p>Hold up is the bank on the type of direct deposit machine to have fully paperless deposit records.</p> <p>IT is the only hold up on this implementation.</p>
<p>Bidding Environment</p>	<p>Small Works Roster and Application: Paperless Roster and Application.</p> <p>Checklist: Paperless checklist from start to finish.</p> <p>Contract: Paperless contracts through e-signatures.</p> <p>Paperwork: There is various types of paperwork associated with bids. From performance</p>	<p>There are no paper requirements. Port has posted on the web a paperless small works roster application and the small works roster is a paperless database.</p> <p>Currently the Port does not have a software program or process that could allow for staff to work together in a full paperless process from start to finish. However, could be accomplished through the use of SharePoint.</p> <p>Currently paper is required for all contracts that require signatures.</p> <p>Currently paperless can be performed for all documents as so long as these documents are being properly retained with the</p>	<p>Implementation complete</p> <p>In research phase of SharePoint. Accounting department already uses SharePoint and believes this is the solution to paperless contracting and bidding procedures. Full implementation could begin in late 2015.</p> <p>Late 2015. E-signatures have been used for legal paperless contracts.</p> <p>Late 2015. The most difficult part of implementation would be to train contractors and employees to post to</p>	<p>Further legal review needs to be performed and software needs for electronic signatures.</p> <p>Implementation of SharePoint and training of contractors and employees to use the</p>

	bonds, insurance, intents and affidavits, bid invites, advertisements, permits, etc... Designs and Master Plans: Complete paperless A&E designs, as builds, etc...	exception of permits. No paper requirements other than if employee would like to have paper for review.	SharePoint or email documents. Full implementation has been complete with AutoCAD and requiring A&E to submit electronic planning and designs.	shared site. Permits are regulated by the other agencies.
Real Estate	Complete paperless environment with real estate transactions.	Currently PSA's require a signature and therefore, Port must maintain the paper. However, all other aspects of a real estate transaction is performed paperless. Some PSA's may come with rent rolls or other requirements where a seller (if Port is buyer) may not retain paperless documents.	Full implementation will be complete with approval of e-signatures and an e-signature form. Process could be further refined by the use of SharePoint to connect the outside world with the Port (Appraisers could post appraisal to SharePoint versus email; surveys could be posted to SharePoint; etc...)	Hold up is for legal review and a software form PSA that uses a secure e-signature.
Health, Commercial Insurance, PERS, Deferred Comp.	Complete paperless medical and commercial insurance	Currently all aspects of HCA and DRS are paperless with the exception of the enrollment, change, and retirement forms. Commercial insurance is 100% paperless and insurance binders come via email and are saved to proper folders.	Full implementation has been complete. HCA and DRS forms remain paper and can't be changed until HCA and DRS implement full paperless environment.	Highly regulated by external 3 rd parties.
Legal Environment	Complete paperless legal department	Currently there are very few requirements for paper in the legal environment. Paper may need to be generated for certain legal aspects, however, the Port has implemented a full paperless environment with the exception of signatures. Use of SharePoint could help improve document sharing.	Full implementation has been completed with the exception of e-signatures and is covered below.	Legal review of e-signatures is needed.
Infrastructure & Capital	Complete paperless infrastructure and capital department	All documents are currently created via electronic. Paper plans and as builds are maintained electronically. Records management will cover prior electronic environment, however, most capital and infrastructure documents have been scanned in for ease of paperless use.	Full implementation has been completed.	

<i>Electronic certification and e-Signatures regulation</i>	Readiness of public and private sectors focusing on security, privacy protection, and law.	Need to further research legal aspects of paperless signatures.	Research can be completed by end of 2015 and software research by Quarter 1 of 2016.	Software development needed.
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PORT OF KENNEWICK

Records Management Program

Records Management Transition Plan

DRAFT

August 28, 2015

Submitted by: Tammy Fine

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1 Introduction

The Port of Kennewick's Records Management Program (RMP) provides the Port with requirements and procedures to create and preserve adequate and proper documentation for all media transactions of the Port. Official records created and received are the property of the Port. The RMP complies with the Federal Records Act of 1950, State of Washington Records Management Programs, and other applicable laws and regulations, and is defined as a planned, coordinated set of policies, procedures, and activities needed by the Port to manage its records.

The Port has one Record Officer serving 15 employees (including Commissioners) who each have unique records created. In an effort to ensure standardization and compliance, the Port established the Records Management Council (RMC) and is chaired by the Records Officer. The goal of the RMC is to continually seek to improve the Records Management Program through self assessment and program improvement action plans.

1.1 Scope

This transition plan is a step in the Records Management Segment development. The Records Management Segment encompasses records management functions, processes, formats, and data and technology.

The Records Management Segment development effort assists in broadening and solidifying the scope and related activities of the RM through an iterative cycle of assessment, visioning, and process improvement. The first iteration of the Records Management Segment focuses on capturing "as-is" Record Management Program (RMP) and contrasting it to its desired "to-be" state. The RMC then focuses on identifying gaps and 'pain points' and putting forth a roadmap to address them. The development of the vision, goals, and objectives of the RMP are provided in section 3.

1.2 Records Overview

This document provides the priorities list of gaps, strategic improvement opportunities and recommendations on how to address them. It also provides a sequencing plan that indicates the priority and timelines in which to address them. Each section of this document presents the following topics:

- **Business Overview:** *This section provides a quick reference to the opportunities for improvement and a general context for maturity of the RM. It also provides a brief description of the business functions and services that are provided and the strategic objectives that are to be achieved by the transformation.*
- **Recommendations for Business Transformation:** *Describes the existing architecture issues from a variety of perspectives. The Findings and Recommendations (F&R) are described in the context of the specific business products and services where improvements are recommended due to strategic drivers such as eliminating redundancies, filling voids, or other general industry trends. All findings are associated to specific recommendations on how to proceed.*
- **Transition Sequence Plan:** *Describes the findings in the form of the integrated steps required to take the recommendations and begin to prioritize, develop business cases or investment proposals, initiate projects, or develop policy.*

2 Business Overview

2.1 Vision

The vision for the Records Management Program, as a best practice a common, is to implement a Department-wide records management process and lay the groundwork in establishing a endorsed electronic records management system, thereby securing and providing access to historical data and ensuring timely retention of records using a development methodology.

The Port will facilitate the quality, coordination, effectiveness, and efficiency of the operations of a Department-wide electronic records management system. The Port vision is to establish a Records Management Program that will allow it to move forward with the research, testing, pilot, and eventual implementation of a Department-wide electronic records management system.

2.1.1 Records Management Program Goals and Objectives

The Records Management Segment provides a comprehensive and systematic architecture of the Records Management, with the goal of building a Records Management Program that safeguards vital information and preserves institutional history and memory, enables responding efficiently to information requests, ensures regulatory compliance, and establishes a Department-wide awareness of records management responsibilities for every employee, contractor, manager, executive and political appointee.

To this end, the Records Management Program promotes the following specific objectives:

1. *Use the Records Management Program as the common Department-wide framework for identifying records management requirements.* The Records Management Program will promote a standardized means of implementing the Records Management Program throughout the Port.
2. *Identify records management issues and requirements and link them to their implementing technologies and business processes.* The Records Management Segment will support the evaluation of records management issues and requirements during the planning processes, specifically before the implementation of systems and supporting processes.
3. *Build records management requirements into IT governance processes for capital planning, enterprise architecture, business process design, continuity planning and the systems development life cycle.* The Records Management Program will be a useful guide for building records management requirements into IT governance processes for capital planning, business process design, and the systems development life cycle.
4. *Establish a concise and coherent body of records management resources at the Port that places this information in the proper context.* The Records Management Program will provide a concise knowledge-base that will inform and guide Port decision-makers.

2.2 Record Management Program Overview

Government Agencies are subject to several laws and regulations governing recordkeeping requirements (See Table 1, Records Management Drivers) for records including the Freedom of Information Act, the Federal Privacy and Data Protection Policy Act, the OMB Circular A-130, and the E-Government Act of 2002.

The RMP will provide the tools needed to manage Port records in electronic form, addressing specific areas of electronic records management where agencies were having major difficulties, and properly manage paper documents. This project will provide guidance on electronic records management applicable government-wide and will enable employees to transfer electronic records in a variety of data types and formats so that they may be preserved for future use by the government and its citizens. Specifically, the RMP:

- Defines records management requirements, standard operating models, and business rules for each stage of the records life cycle and the system development life cycle.
- Applies records management policies and procedures consistently across an enterprise, regardless of the format or media of the records (media neutral), processes or project scope, technology or applications.

There are no current efforts to develop a comparable RMP; however, employees have established their own enterprise-wide blueprints for records management to meet their individual business needs. Currently all records, regardless of form, whether paper or electronic, are being retained. The Port is in the process of identifying all records at the Port to properly place on a record retention schedule and recycle unnecessary documents in accordance to the Washington State Records Retention laws and regulations. The goal is to make and preserve records containing adequate and proper documentation of the organization, function, policies, decisions, procedures, and essential transactions. These records are public property and must be managed according to applicable laws and regulations.

Washington State law also requires agencies to establish a Records Management Program. This Program is defined as a planned, coordinated set of policies, procedures, and activities needed to manage recorded information. Essential elements include issuing up-to-date Records Management Policies, timely and properly training those responsible for Program implementation, and carefully evaluating Program results to ensure policy adherence; program effectiveness, and efficiency.

This document often references the regulations and guidelines listed in Table 1 Records Management Drivers:

Table 1 Records Management Drivers

Mandate Name	Summary
Washington State Records Act	The Washington State Records Act (WSRA) of _____, as amended, establishes the framework for records management programs in State and Local Agencies. It requires agencies to make and preserve records that document the actions of the Government. Generally, records are those documents, regardless of media, that record agency functions, policies, decisions, procedures and essential transactions. The mandates require agencies to have the capabilities to create and maintain trustworthy records. Trustworthy records not only help preserve the rights of the Government and its citizens but also promote quality decision making and efficient business practices.

Mandate Name	Summary
The Federal Records Act	The Federal Records Act (FRA) of 1950, as amended, establishes the framework for records management programs in Federal Agencies. It requires Federal agencies to make and preserve records that document the actions of the Federal Government. Generally, records are those documents, regardless of media, that record agency functions, policies, decisions, procedures and essential transactions. The mandates of the FRA require Federal agencies to have the capabilities to create and maintain trustworthy records. Trustworthy records not only help preserve the rights of the Government and its citizens but also promote quality decision making and efficient business practices.
OMB Circular A-130	This policy was established by the Office of Management and Budget (OMB) through a compilation of such laws as the Clinger-Cohen Act (Information Technology Management Reform Act of 1996), Paperwork Reduction Act, Privacy Act, Chief Financial Officers Act, Computer Security Act of 1987, and others, and through such Executive Orders (EO) as 13011 (Federal Information Technology) which instructs the Government to improve the management of information systems. Agencies are required to manage their information. With respect to Records Management, this Circular requires Federal Records Management programs to provide adequate and proper documentation of agency activities, to provide the ability to access records regardless of form or medium, and to ensure that retention schedules are developed and approved.
Government Performance and Results Act (GPRA)	The purpose of this Act is to improve the confidence of the American people in the capability of the Federal Government, improve program effectiveness, and improve the internal management of the Federal Government.
Armstrong v. Executive Office of the President	This case resulted in the District of Columbia (DC) Circuit Court ruling that electronic mail and word processing files must be managed as Government records, which prompted the National Archives to adopt new regulations and additions to the General Records Schedules (GRS) on the retention of electronic records.
Paper Reduction Act of 1995	This Act is aimed at reducing the burden of paperwork resulting from the collection of information by or for the Federal Government. This Act also seeks to ensure the greatest possible public benefit from Government information.
Freedom of Information Act (FOIA) and Electronic Freedom of Information Act (E-FOIA) Amendments of 1996	FOIA requires agencies to locate, retrieve, screen, and respond with records deemed to be legally releasable at any point in the record life cycle. E-FOIA requires agencies to provide records in electronic format when requested. Under the provisions of the FOIA, Federal agencies are to make their records available to the greatest extent possible. This requires agencies to become more transparent and responsive to requests for information. Understanding what information is held, what is exempt from disclosure, and what is releasable becomes a key capability.

Mandate Name	Summary
Government Paperwork Elimination Act	This Act requires that, when practicable, Federal agencies use electronic forms, electronic filing, and electronic signatures to conduct official business with the public. It states that electronic records and their related electronic signatures are not to be denied legal effect, validity, or enforceability merely because they are in electronic form, and encourages Federal Government use of a range of electronic signature alternatives.
President's Management Agenda (PMA)	The President's E-Government Strategy has identified several high-return, Government-wide initiatives to integrate agency operations and information technology investments. The goal of these initiatives is to eliminate redundant systems and significantly improve the Government's quality of service.
E-Government Act of 2002 (44 U.S.C. 3601)	The goal of the E-Government Act of 2002 is to enhance the management and promotion of electronic Government services and processes. It establishes a broad framework of measures that require using Internet-based information technology to enhance citizen access to Government information and services. Section 207(e) of the E-Government Act of 2002 requires agencies' current electronic records to have NARA-approved records schedules for all records in existing electronic information systems by September 30, 2009.
OMB Federal Enterprise Architecture (FEA) Business Reference Models (BRM)	The FEA is a business-driven framework designed to facilitate Government-wide improvement. It provides a framework to categorize and classify IT investments to support the identification and discovery of re-usable assets. The five FEA reference models (BRM, SCRM, DRM, PRM, and TRM) directly support the development of a service-oriented architecture.
NWM 12.2009 Memorandum to Federal agency Records Officers: Scheduling electronic records	Memorandum to Federal agency Records Officers requesting specific information from agencies on their plans for scheduling their unscheduled electronic records and systems
April 09, 2009 Letter to Chief Information Officers	Reminder to all agencies Chief Information Officers of the deadline for scheduling all IT systems. This memo also requests a response from the CIOs on how each agency is complying with the statutory requirements contained in Section 207(e) of the E-Gov Act of 2002.

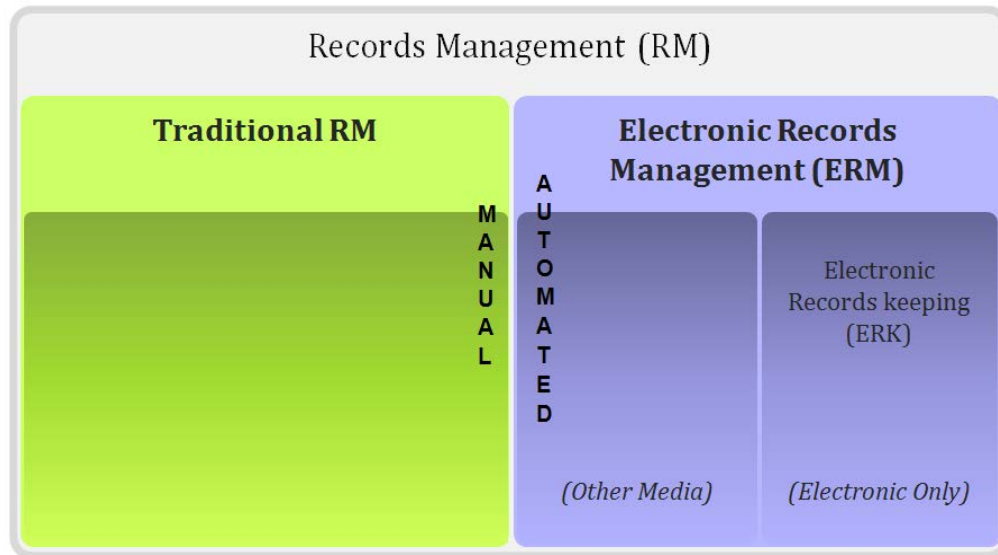
2.3 Context for Records

The current approach to recordkeeping is to keep all records and safeguard all records. In recent revisions of State Archivist Records Retention Schedules (RRS) assumes all forms of communication is a record and must be retained in accordance with the RRS. Certain records may be destroyed or recycled after the required record retention period.

2.3.1 Context for Paper and Electronic Records

Context for paper and electronic records are covered at <http://www.sos.wa.gov/archives/recordsretentionschedules.aspx>. Records Management, as defined is denoted in [figure 1] as the top-level, overarching box.

Figure 1 Context for Records Management



Records Management activities subsumed under that umbrella may be accomplished in either a manual or automated manner. When Records Management activities are manual, this is the traditional approach to Records Management (paper form). Automated Records Management activities are referred to as electronic Records Management (ERM). It is important to note that the *electronic* in ERM refers to automation, not to the nature of the record media. It is entirely possible to have manual processes and procedures to handle electronic records (e.g., shelf lists of boxes of floppy disks). Electronic Records Management simply implies automation of Records Management processes and procedures.

3 Recommendations for Business Transformation

3.1 Gap Analysis and Improvement Opportunities

The Records Management segment developed the “Gap Analysis and Improvement Opportunities” document to identify both the roadblocks to Records Management and the improvement opportunities available to the Records Management Program to meet the requirements and goals set forth in Washington State laws and regulations in a most efficient and effective manner.

A summarized table of all gaps and improvement opportunities are provided in Appendix B.

3.2 Prioritization and Recommendations

The gaps and improvement opportunities are prioritized based on a set of prioritization criteria found on Appendix H. The sections following Table 2 provide a brief description of each gap and related recommendations. The full table in Appendix H shows links to the Gap Analysis and Improvement Opportunities document where each gap is described in detail. Table 2 provides the prioritized list of gaps and improvement opportunities starting with the most important priorities. The Table also offers a percentage completion for the solution that will close the listed gap.

Table 2 Prioritized Gaps and Improvement Opportunities

#	Gaps and Improvement Opportunities	Total Score	Completion
1	Unique Records Schedules and File Plans (<i>Inventory of records</i>) (4.2.1)	35	%
Document Repository, Web Content, and Correspondence Management Systems (4.2.2)			
2	Document Repository Systems (<i>e.g. Barracuda, server, etc.</i>)	34	%
2	Web Content Management Systems	34	%
2	Scheduling of IT Systems (4.2.3)	34	%
3	RM Process Consistency (4.2.4)	33	%
E-mail Systems (4.2.5)			
3	Process of creating and maintaining emails	33	%
3	Current Technical Solution	33	%
3	Continuity of Operations (COOP) (4.2.6)	33	%
3	Litigation and Records Holds (4.2.7)	33	%
4	Freedom of Information (FOIA) (4.2.6)	32	%
5	All Other IT Systems (<i>Not already listed above</i>) (4.2.3)	30	%
Training (4.2.8)			
6	Records Management Training Material	30	%

6	Records Management Training	30	%
RM Integration with other Enterprise Processes (4.2.6)			
7	Human Resources (HR) - (<i>i.e. New hires and employee exit</i>)	28	%
8	Capital Planning (<i>IT System/EPLC</i>)	27	%
8	Information Security (<i>IT System/EPLC</i>)	27	%
9	Records Management Governance Structure	22	%
10	Resources	21	%
11	Paper Records	20	%
12	Records Management Application (4.2.2)	19	%
Document Repository, Web Content, and Correspondence Management Systems (4.2.2)			
13	Correspondence Management Systems	18	%
14	State Record Audits	12	%
RM Integration with other Enterprise Processes (4.2.6)			
15	Enterprise Architecture (<i>Business Process modeling checklist</i>)	11	%

3.2.1 Unique Records Schedules and File Plans

In accordance with State Laws, the Port may maintain comprehensive records schedules as part of a complete records management program. Based on careful analysis of the Port's work processes and records, records schedules will provide mandatory instructions for the creation, maintenance, and disposition of Port records of all media and of non-record materials. To reiterate, the analysis of mission-critical and mission-support business processes and the records created by each of the Department's business processes, must be covered by approved records schedules to authorize the systematic creation, maintenance, and disposition of records. The quality of records schedules is essential to the success of the entire Port Records Management Program.

Any technical solution to facilitate the automated filing, retrieval, and disposition of records is based on approved legal authorities as defined in approved records disposition schedules and related file plans. For these reasons, this gap is categorized as the top priority for the Port. To close this gap the Port must:

- Have Executive Level support and allocate the necessary resources
- Complete the analysis of work processes and the inventory of records
- Complete the mapping of records schedules to the mission-critical and mission-support records of the Port
- Complete the scheduling of unscheduled records and out-of-date records schedules
- Complete the creation and maintenance of the Port's file plans
- Maintain and update records schedules and file plans as required

3.2.2 Document repository, web content, and correspondence management systems

Before the Port can implement a technical solution for the creation, maintenance and disposition of Port records; (including but not limited to electronic mail management), document repositories; and web content systems, Port Executive Level support and resources are necessary to:

- analyze and define the work processes of the agency,
- inventory records of all media,
- develop records disposition schedules that accurately and adequately record the work of the Port, and,
- Establish and maintain accurate official files and related files maintenance plans.

As shown in the studies, pilot projects, limited-use and enterprise-wide use of electronic records management (ERM) technology in the Port and private sectors, the success of ERM is inextricably linked to a well-established records management foundation. Such a foundation is in turn inextricably linked to the allocation of resources and management support during all phases of an ERM implementation and is a critical requirement for the on-going maintenance of an ERM solution. The definition of ‘success’ includes the use of the ERM tool by users, ease of filing, search and retrieval, and ease of information maintenance and disposition. HHS needs to:

- conduct a business process analysis,
- conduct a complete inventory of its records,
- map the maintenance and disposition of its records to unique records schedules and file plans, and,
- develop technically accurate records disposition schedules for unscheduled records and out-of-date authorities for submission to the State Archives for appraisal and approval.

To qualify as ERM systems, document repositories must meet a set of minimum requirements in accordance with the State Archives, with guidance and implementing regulations promulgated by the State. Within the Port there are multiple IT systems supporting Port functions (see Appendix L or section 5.2.1 of the *Records Management Segment Gap Analysis and Strategic Improvement Opportunities*). The Port will validate and document those systems that are purported to be in compliance with State laws and regulations.

This gap is listed as the second highest item in the prioritized list. The records contained in these systems support a range of Port functions, containing records of different disposition requirements. The records contained in the Port information management systems need to be properly inventoried, scheduled and managed in accordance with the Records Retention Schedules (RRS). This gap is of high priority because the number of records stored in these systems is growing exponentially and the Port needs to address the proper maintenance of these records in electronic format.

To address this issue, the Port will establish a RM Committee to:

- Define strategic and conceptual solution(s)
- Identify functional requirements
- Select a candidate organization for a pilot, and
- Manage the new investment(s) supporting the solution(s)

More details regarding the RM Committee is discussed in section 4.2.4.

3.2.3 Scheduling of IT Systems

The Port will maintain adequate and up-to-date technical documentation for each electronic information system that produces, uses, or stores data files.

The scheduling of IT systems is an ongoing task that can be solved by:

- Providing procedures and standardized guidelines to ensure that IT systems are properly designed and built to support the retention of electronic records. These documents shall provide a set of standardized questions for all stages of the IT system development lifecycle (Enterprise Performance Life Cycle (EPLC))
- Develop a list of all IT systems in order to be maintained in the EA repository. Disposition schedules will be added to the IT systems inventory so that RM will have the ability to monitor unscheduled systems by running RM IT systems reports from the EA Repository on a regular bases.

3.2.4 Business Process Consistency

The business process consistency is a functional gap that analyzes how the Records Management (RM) functions operate and are implemented at the Port.

Reaching consistency in the way RM is carried out at the Port is also of high importance to help reach a higher level of process automation, manage electronic records, improve reporting, and achieve better compliance. The RM community should adopt a defined set of target standard processes¹. These target processes may be supported by an Electronic Records Management system or solution in the future. Having a set of standardized RM processes will also help to analyze and react to any new legislation.

3.2.5 E-mail Systems

E-mail and other communications technologies are used by agencies to conduct business. To maintain complete, accurate and reliable evidence of business transactions, it is essential to manage all messages as records. The Port uses Baracuuda to back-up and retain all Port E-mails. However, there is no appropriate disposition time (See Appendix C for the high-level e-mail systems diagram). This gap scores slightly lower because of its dependency on the inventory of e-mail records schedules and file plans, and the implementation of consistent business processes. It is also of lower urgency because with the current system, the Port is retaining all emails on a permanent basis and it is easier to provide emails when requested due to the search capabilities.

The Port will establish an RM Committee to:

- Create the functional requirements
- Define strategic and conceptual solution
- Select a candidate organization for a pilot
- Manage the new investment(s) supporting the solution

This committee will focus on a solution to enable email to be managed in accordance with RM standards. The RM Committee will work in close collaboration with IT which will be reviewing the email systems across the Port. The Sequencing Plan for RM Committee (Figure 3) shows a sequencing of events and related outputs for the committee. The committee analysis will include determining which solution is most efficient and cost effective. Appendixes E, F, and G provide

¹ See Records Management Target Processes document.

three conceptual solution scenarios for both e-mails and document repository systems that the committee will analyze. This conceptual solution points out that no matter the technical solution, the level of automation required is dependent on fundamental RM functions such as approved records schedules, file plans and consistent business processes. The technical solution will address:

- Automated or semi-automated classification
- Compliance with regulatory requirements
- Access
- Ease of discovery for litigation or freedom of information purposes
- Improved disaster recovery and business continuity
- Cost effectiveness
- Reduced storage requirements – elimination of copies of the same message (and attachments) in multiple inboxes, and,
- Reduced load on servers

The Port will determine both mandatory and optional requirements for RM technical solution.

3.2.6 RM Integration with other Enterprise Processes

The RM Gaps in integration with other Enterprise processes is evident in the lack of Port delineation of roles and responsibilities of these programs and the need to establish enterprise-wide structure or governance with perspective to Port electronic information management, including legal discovery, FOIA, and vital records programs located in the Port. The Port will establish policies and procedures for incorporating vital records identification and management into the Agency records management program, specifically within records inventories, file plans, and records validation processes. The results of this integration will feed into the file plans inventory and the technical solution architecture to allow for automated processing of vital records.

3.2.7 Litigation and Records Holds

The litigation hold scored a medium-high in the priority list. The Port has instructions to staff on requesting, issuing, implementing, and removing “holds” on Port mission-critical and mission-support records. Records freeze and hold processes will feed into the requirements for the technical solution. Automated or semi-automated workflows in the ERM(s) will improve the management of records disposition holds.

3.2.8 Training

Training is an important factor in helping all Port employees understand their records management responsibilities. The Port will continue to provide training and improve RM outreach when possible. By providing staff with the knowledge about what to retain and what to legally dispose of, the number and quality of records retained will improve. The Port will establish self-service records management training.

- The Port will implement a records management training program whereby managers, contractors, project managers, interns, guests, etc. are advised of what responsibilities they have. It is particularly important for managers to understand their responsibilities if employees leave without providing appropriate records and following targeted RM procedures.
- The Port will add self-service mandatory yearly RM training. At the end of each online training session, employees will receive a certification of completion valid for one year.

3.3 External RM implementation examples

The development of an automated system to create, maintain and legally dispose of Port records is a challenging project and one that many agencies and organizations have engaged in before. The Port is aware of the experiences of other agencies while they implement RMPs. As shown in the studies, pilot projects, limited-use and enterprise-wide use of electronic records management (ERM) technology in the government and private sectors, the success of ERM is inextricably linked to a well-established records management foundation. That foundation includes proper RM staffing levels, current and accurate file plans, and up-to-date records disposition schedules (both Records Retention Schedules (RRS) as well as Agency specific approved disposition schedules.

The knowledge and experience gained by other agencies and offices in the development of IT systems to support electronic recordkeeping will be used to better plan similar efforts at the Port.

There is not necessarily a one-size-fits-all solution; yet any solution that is selected by the Port for the management of electronic records must be in compliance with State standards and regulations.

4 Transition Sequencing Plan

The goal of the RM program is to address all highlighted gaps and improvement opportunities in a timely matter. Prioritizing and addressing these gaps with resources assigned to the closing of these gaps will solidify a Port Records Management Program and ensure the Port can effectively manage and access the Port's records. Executive level concurrence with the prioritization of the gaps and the allocation of proper resources is needed.

The sequencing plan depicted in figure 2 shows the high-level timeline for the tasks needed to address all gaps and improvement opportunities. As noted in section 4.2, there are dependencies between the different tasks. Depending on resource availability and executive level agreement, the Port will work to address these identified gaps in processing and management of records within the Port.

The development of a technical solution for the retention of e-mail and electronic records depends on concluding and maintaining the inventory or file plans and the standardization of RM procedures. The RM Committee will be established before the file plans inventory is completed but the actual implementation cannot occur unless all schedules are available. As indicated in the conceptual solutions examples (Appendix E, F, and G), automatic or semi-automatic workflow will allow records to move from the system where the records are received or created to a records management system based on the records schedules.

Figure 3 shows a high level sequencing Plan for the Committee that will look at the technical solution for e-mail and document repositories. Future technical improvements and the implementation of one or multiple records management systems will impact the RM processes and the training materials.

The timeline set forth by this sequencing plan is highly dependent on the amount and availability of resources. The sequencing plan will be updated as necessary based on internal or external drivers.

Figure 2 Records Management Transition Plan Timeline

RECORDS MANAGEMENT TRANSITION PLAN

ENTER START DATE:

8/29/2015

ACTIVITY	START	END	NOTES
Project Start	8/1/2015		
Inventory, Schedule, and Maintain	8/1/2015	12/31/2015	
File Plans Development	1/1/2016	3/31/2016	
IT Review and Scheduling	3/31/2016	6/15/2016	
Email, Document Repository, and Web	1/1/2016	12/31/2017	
Litigation & Records Hold Policy	1/1/2016	3/31/2016	
Integration Process	6/15/2016	12/31/2017	
Records Management Training Material	6/15/2016	8/15/2016	
Records Management Training	9/1/2016	12/31/2016	
Off Site Storage Program	1/1/2017	12/31/2017	
Ongoing Review and Refinement	8/1/2015	12/31/2020	
Project End	12/31/2020		

Appendix A GLOSSARY

Business Reference Model (BRM)	<p>The Business Reference Model is a function-driven framework for describing the business operations of the Federal Government independent of the agencies that perform them. The Business Reference Model provides an organized, hierarchical construct for describing the day-to-day business operations of the Federal Government. While many models exist for describing organizations - org charts, location maps, etc. - this model presents the business using a functionally driven approach.</p>
Content Management	<p>Techniques to set policies and supervise the creation, organization, access, and use of large quantities of information, especially in different formats and applications throughout an organization. Content management is often used to describe the management of websites, but in other instances refers to the management of all information across the whole of an enterprise.</p>
Content Management System (CMS)	<p>A content management system (CMS) is a collection of procedures used to manage work flow in a collaborative environment. These procedures can be manual or computer based. The procedure are designed to:</p> <ul style="list-style-type: none">• Allow for large numbers of people to contribute to and share stored data• Control access to data based on user roles. User roles are used to define each use as to what information they can view or edit• Aid in easy storage and retrieval of data• Reduce repetitive duplicate input• Improve the ease of report writing• Improve communication between users <p>Software that manages the creation, storage, and control of semi-structured documents. It consists of several technologies including, but not limited to document management, COLD (Computer Output to Laser Disk), imaging, and workflow.</p>
Electronic discovery	<p>Electronic discovery (or <i>e-discovery</i>) refers to discovery in civil litigation which deals with information in <i>electronic format</i> also referred to as Electronically Stored Information (ESI). Electronic information is different from paper information because of its intangible form, volume, transience and persistence. Also, electronic information is usually accompanied by metadata, which is not present in paper records. However, paper records can be scanned into electronic format and then manually coded with metadata. The preservation of metadata from electronic records creates special challenges to prevent spoliation. Electronic discovery was the subject of amendments to the Federal Rules of Civil Procedure, effective December 1, 2006. Examples of the types of data included in e-discovery are e-mail, instant messaging chats, documents (such as MS Office or OpenOffice files), accounting databases, CAD/CAM files, web sites, and any other electronically-stored information which could be relevant evidence in a law suit. Also included in e-discovery is "raw data" which Forensic Investigators can review for hidden evidence. The original file format is known as the "native" format. Litigators may review material from e-discovery in one of several formats: printed paper, "native file," or as TIFF images</p>

Electronic Document Management System (EDMS)	A document management system (DMS) is a computer system (or set of computer programs) used to track and store electronic documents and/or images of paper documents. The term has some overlap with the concepts of content management systems. It is often viewed as a component of enterprise content management (ECM) systems and related to digital asset management, document imaging, workflow systems and records management systems.
Electronic mail (E-mail) Records	Electronic mail records are records created or received on an electronic mail system including brief notes, more formal or substantive narrative records, and any attachments, such as word processing and other electronic records, which may be transmitted by message.
Electronic record	Any information that is recorded in a form that only a computer can process and that satisfies the definition of a record.
Electronic Records Management (ERM)	Using automated techniques to manage records regardless of format. Electronic Records Management is the broadest term that refers to electronically managing records on varied formats, be they electronic, paper, microform, etc.
Electronic recordkeeping system (ERS)	An electronic system in which records are collected, organized, and categorized to facilitate their preservation, retrieval, use, and disposition, in accordance with standards specified by the State.
General Support System	An interconnected set of information resources under the same direct management control which shares common functionality. A General Support System may be, for example, a local area network (LAN), including smart terminals, that supports a branch office, or an agency-wide backbone, or a communications network, or a Department's data processing center including its operating system and utilities, or a tactical radio network, or a shared information processing service organization (IPSO). Normally, the purpose of a general support system is to provide processing or communication support. (FISCAM)
Information Technology (IT) System	A project is a temporary planned endeavor funded by an approved information technology investment; thus achieving a specific goal and creating a unique product, service, or result. A project has a defined start and end point with specific objectives that, when attained signify completion. NARA's Definition: Electronic information system means a system that contains and provides access to computerized Federal records and other information (36 CFR 1234.2).
Major IT System	An IT system that requires special management attention because of its importance to the mission of HHS and its OPDIV; or its significant role in the administration of agency programs, finances, property, or other significant resources. An adverse impact on a major system would constitute serious, severe, or catastrophic harm due to the loss of confidentiality, integrity, or availability, as determined through conducting a system risk assessment. Major systems would be classified as either moderate or high impact as defined in FIPS 199.

Media neutral	Describes records regardless of the medium in which the records are created and maintained
Metadata	Describes or specifies characteristics that need to be known about data in order to build information resources such as electronic recordkeeping systems and support records creators and users.
Non-Major IT System	A system that requires appropriate attention to security when a compromise of the information or application would cause limited adverse harm (low or medium impact as defined in FIPS 199) on the HHS mission, business functionality, public health function and/or employee and citizen welfare, due to the loss of confidentiality, integrity, or availability of the information in the application. A system not defined as either Major or GSS is by default a Non-Major system.
Record	A unit of recorded information created, received, and maintained as evidence or information by an organization or person, in pursuance of legal obligations or in the transaction of business. Includes all books, papers, maps, photographs, machine readable materials, or other documentary materials, regardless of physical form or characteristics.
Records Management	The systematic and administrative control of records throughout their life cycle to ensure efficiency and economy in their creation, use, handling, control, maintenance, and disposition.
Records Management Application (RMA)	Records Management Application. The software used by an organization to manage its records. An RMA's primary management functions are categorizing and locating records and identifying records that are due for disposition. RMA software also stores, retrieves, and disposes of the electronic records that are stored in its repository.
Records Retention Schedule	A type of disposition agreement developed by an agency and approved by State Archivist that describes records, establishes a period for their retention by the agency, and provides mandatory instructions for what to do with them when they are no longer needed for current Government business.
System of Records (SOR)	This is a term restricted for records (paper or electronic) that contain privacy information. We are required to make these systems known to the public. Every system of records, regardless of format, containing Personally Identifiable Information (PII) must have a Privacy Impact Assessment (PIA). A PIA is required to include records retention information. Port must validate Port Privacy procedures and ensure the implementation of recordkeeping/information management requirements as mandated for the proper management of information in accordance with the Privacy Act.

Appendix B SUMMARY GAP ANALYSIS

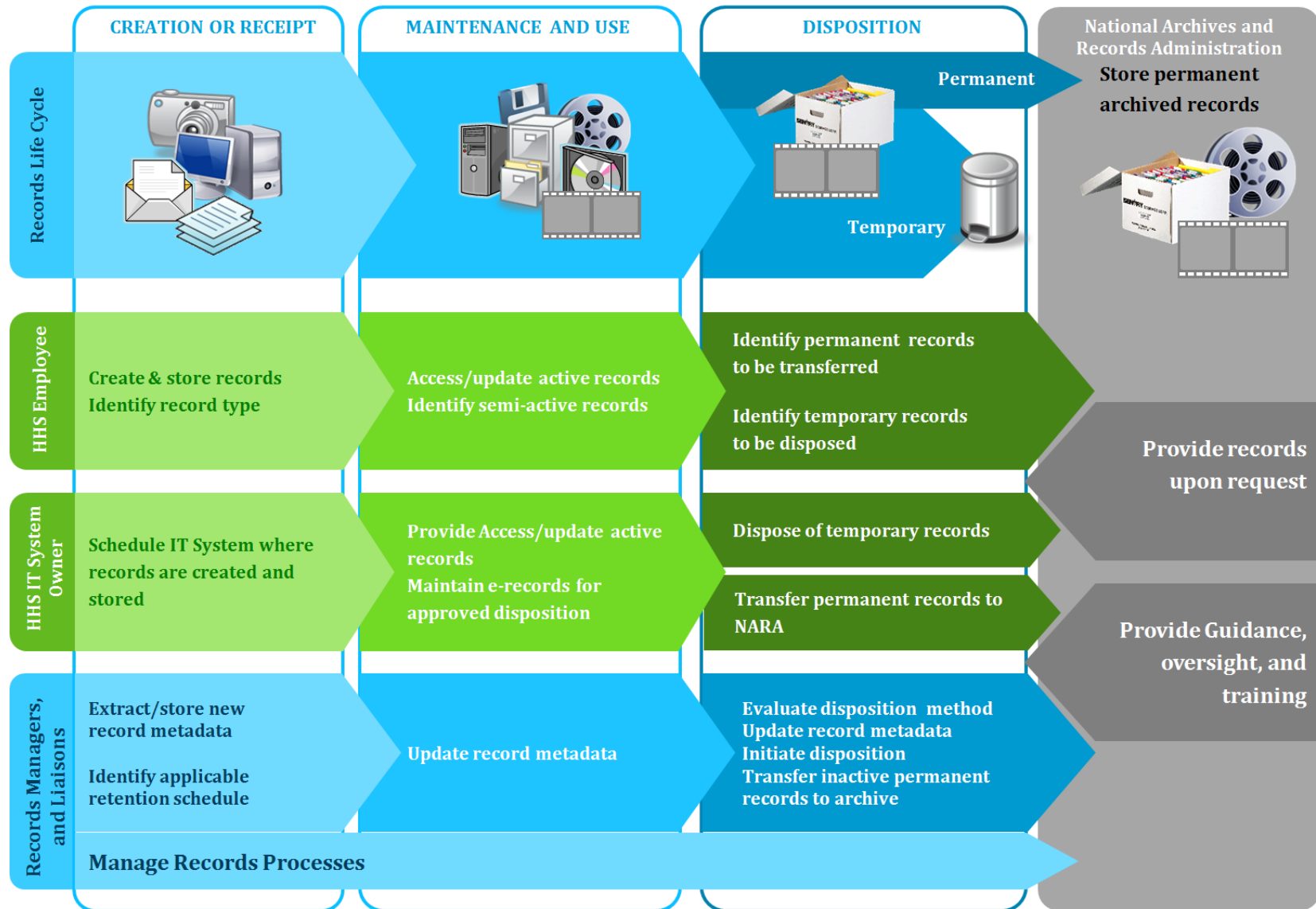
Gap Name	Baseline and Gap	Target Vision	Driver and Guidance
Business Process Consistency	Currently, Port capabilities with regards to Records Management are non-uniform. The differences among the way processes have been implemented at the Port can be summarized as Operational implementation, Compliance, Organizational, Resources, Level of documentation	The Port has issued the necessary RM policies and guidance for each respective organization that address the need to implement most RM processes. To further help reach a higher level of process automation, electronic records, improved reporting, and achieve better compliance, the RM community should define, when applicable, a set of target standard processes.	Federal Agencies are required by 44 U.S.C ch. 31 and 35, Office of Management and Budget (OMB) Circular A-130 and NARA regulations in 36 CFR ch. XII, subchapter B to have effective and comprehensive Records Management program for all of their records.
Paper Records	Most of the records kept at the Port are paper records. E-mail, records, forms, and other electronic files are printed to be stored. Since most of the records at the Port are kept in paper, the processes identified in section 2 are mainly executed for paper records.	Paper processes are not consistent across HHS. The differences are highlighted in section 2.2 and can be considered gaps only if the outcome violates the policies or regulations.	The Federal Records Act
Electronic Records	E-mail Systems: Today at the Port, e-mails are either printed out for recordkeeping in files and are stored electronically in barracuda back up system.	The Port should aim to manage and eliminate .pst files and migrate them to a secure, central archive that offers policy-driven collection, retention and disposition. The Port should also aim to a full-text indexing search and retrieval of .pst file content. Because of the number of employees at the Port and multiple e-mail systems used, the Department should evaluate the most efficient approach for the organization. The Port should also take into consideration all the privacy and security restrictions.	E-mail systems functional requirements: 36 CFR Subpart B. <u>Transfer Instructions for Existing e-mail Messages with Attachments</u>

	<p>Document Repository, Web Content Management, and Correspondence Systems: Port has implemented multiple Document repository, Web Content, and correspondence systems. These tools have not been expanded to include RM functionalities.</p>	<p>Port should address all document repositories, web content management, and correspondence systems so that the scheduling of the artifacts created in these systems is consistent with the functions related to the Document rather than the system hosting them. Most of the listed collaboration systems have the ability to add metadata and workflows to the stored document. Leveraging these functionalities will help automate the retention of document based on their schedule.</p>
	<p>Records Management Systems: There are a few RMA systems at Port to track paper records. There is no electronic recordkeeping system specifically dedicated to RM. None of the systems have been reviewed for compliance with NARA minimum requirements.</p>	<p>Port needs to be able to efficiently and effectively manage mission-critical information including storage, versioning, and ownership capabilities in a unified manner. Whether the Port decides to move toward one or multiple RM systems, the organization should strive to reach uniform approach to Records and Records Management. The solution will enhance auditing, tracking, and discovery of records improving performance across the agency with more automated processes.</p>
	<p>All Other IT Systems: The Port needs to identify all IT systems where record keeping is needed. The Records Management capabilities of these systems need to be assessed. The Port needs to make sure that records contained in all of the IT systems can be discovered and accessed timely.</p>	<p>Port should assess if the records stored in the Port IT systems are properly retained as scheduled. The Port should also make sure that the records contained in these systems can be easily discovered. The Port should also evaluate a cross system search solution taking in consideration the risks related to not being able to produce records when needed.</p>
<p>Scheduling of IT Systems</p>	<p>Port is in the process of scheduling all IT systems across Port for review.</p>	<p>The Port should implement a specific processes related to the scheduling of electronic systems which states the necessary requirements, defines the process to schedule an IT system, and assures that the responsibility of maintaining the records for the appropriate disposition schedule is understood and agreed upon by the system owner.</p>

RM Integration with other Enterprise Processes	Human Resources (HR): Records Officer is actively working to provide a better integration of RM into the HR processes.	The Port will define a set of target processes to push the RM requirements through the HR processes.	
	Capital Planning: The Port is actively working to include RM in the design, development, and implementation of information systems.	Incorporate Records Management and archival functions into the design, development, and implementation of information systems.	
	Enterprise Architecture: Records Management is not included as part of segment development steps. It is also not included in the business process engineering requirements.	Port should ensure that RM is considered in the steps and when a business process is analyzed. RM should be a required layer of the architecture or each new segment development.	<u>Business Process Design As-Is and To-Be Checklists</u>
	Information Security: There are Information Security best practices for the Port. The best practices do not specifically address Records Management but they do provide requirements that address the security of records contained in IT Systems.	The Port can add a standard RM check list for responsible of authorizing the IT systems to operate.	
Resources	The Port is overwhelmed with the amount of work in support of the RM program. Some liaisons are not able to focus their full attention to the task of RM and have to find balance between available resources and work related requirements.	A better integration of RM into to the organization's processes and the implementation of an electronic Records Management system will help automate manual and time-consuming tasks, freeing agency personnel time. Streamlined processes and a Records Management system will allow Records Officers to spend more time supporting core processes and less on reporting and responding to data calls.	

Training	The Port has been providing training for Records Officers, managers, liaisons, and employees from time to time. Training requirements should be included in the HR RM requirements.	Training is directly related to the amount of records created and retained. The Port should continue to improve and provide training. The development of a better e-mail recordkeeping solution with automated features will help employees to better follow RM guidance.
Unique Records Schedules	The Port record schedules inventory is on the way. Before any electronic solution is evaluated and implemented, the Port needs to have a clear view of the record schedules and file plans. The process of maintain a record schedule is a manual process.	Before the functional requirements process begins, the Port should have the complete list of schedules.

Appendix C RECORDS LIFE CYCLE DIAGRAM



Appendix D GAPS AND OPPORTUNITIES PRIORITIZATION MATRIX

Gaps and Improvement Opportunities	Selection Criteria				Total	% Complete
	Risk of litigation	Urgency	Citizen Benefit	Is the HHS/Federal Mission Impacted by current... 1-10		
Priority Weights	1-10	1-10	1-10	1-10		
Records Management Governance Structure - 2.2	5	7	5	5	22	
Business Process Consistency - 3.2	7	10	6	10	33	
Paper Records - 4.2	5	6	3	6	20	
E-mail Systems						
Process of creating and maintaining emails - 5.1.2	8	10	6	9	33	
Current Technical Solution - 5.1.2	8	10	6	9	33	
Document Repository, Web Content, and Correspondence Management Systems						
Document Repository (e.g. Barracuda, SharePoint, etc.) - 5.2.2	8	9	8	9	34	
Web Content - 5.2.2	8	9	8	9	34	
Correspondence Management Systems - 5.2.2	4	4	8	2	18	
Records Management Systems - 5.3.2	3	5	5	6	19	
All Other IT Systems (Not already listed above) - 5.4.2	8	8	6	8	30	
Scheduling of IT Systems - 6.1.2	8	10	7	9	34	%
RM Integration with other Enterprise Processes						
Human Resources (HR) - (i.e. New hires and employee exit) - 7.1.1	7	7	7	7	28	
Capital Planning (IT System/EPLC) - 7.1.2	6	8	5	8	27	
Enterprise Architecture (Business Process modeling checklist) - 7.1.3	1	4	3	3	11	
Information Security (IT System/EPLC) - 7.1.4	6	8	5	8	27	
Continuity of Operations (COOP) - 7.2	3	10	10	10	33	

HHS Records Management Segment Transition plan

Freedom of Information (FOIA) - 7.3	6	6	10	10	32	
Litigation and Records Holds - 7.4	7	10	7	9	33	%
Federal Record Centers Audits - 8	0	10	0	2	12	%
Resources - 9.1	2	7	5	7	21	
Training						
Records Management Training Material - 9.2	3	10	7	10	30	
Records Management Training - 9.2	3	10	7	10	30	
Unique Records Schedules and File Plans (<i>Inventory records schedules</i>) - 9.3	8	10	7	10	35	

Appendix E PORT OF KENNEWICK RECORD OFFICER

Records Officer Name	Operating Division
Bridget Scott	Corporate Division and supports all Divisions of the Port

Vista Field Redevelopment



***Citizens & Port Commissioners
Master Planning Progress
Update July 28, 2015***

BASIC WORKSHOP FRAMEWORK

Staff BRIEFLY Presents Policy Questions

✓ Commission & Public Discussion

DPZ Team BRIEFLY Reviews Architectural Character development

✓ Commission & Public Comments

DPZ Team BRIEFLY Reviews Master Plan Revisions/Refinements

✓ Commission & Public Discussion

Staff BRIEFLY presents Proposed Timelines & Tasks

✓ Commission & Public Discussion

100,000 foot level

(Economic Policy)

#1 Return on Investment expectations

Is it more important to “make” the best urban place possible or “make” X millions of dollars?

(Priority Policy)

#2 Balancing Vista Field with other Port projects/efforts

How does the Port balance Vista Field redevelopment with other Port projects?

(Design & Economic Policy)

#3 LEAN “Utilize Efficiencies”

Should the Port embrace the “lean development” philosophy which focuses on seeking efficiencies in development costs (reusing assets, not unnecessarily over-sizing utilities); constructing adequate, not oversized roads; sufficient yet small incremental development (pay as you go) and simplified development regulations (pink zone)?

(Design Policy)

#4 NEW URBANISM “Not Suburban Sprawl”

Should the master plan be based upon the principles of New Urbanism?

(Design Policy)

#5 URBAN CENTER “Something Different”

Is it the Commissions intention the former Vista Field airport become the urban center the Tri-Cities currently lacks?

(Social Policy)

#6 Housing for all within the Economic Spectrum

Should the Port take steps to assure that housing within Vista Field be affordable to all within the community or should the affordability matter be left to market forces?



20,000 foot level

(Economic Policy)

#7 Vista Arts Center Incubation

Should the Port reserve a parcel sufficient for the construction of a 750-800 seat performing arts center by the private sector and under what terms?

(Implementation Policy)

#8 LOCAL CONTROL “Public Retains Control”

Should the Port complete the master plan and consider selling/transferring the project to one master developer or should the Port work with multiple developer, both small and large to realize the vision?

(Implementation Policy)

#9 DEVELOPER RECRUITMENT or RFP PROCESS

Should the Port recruit developers familiar with New Urbanism development or solicit interest through the RFP process?

(Implementation Policy)

#10 PARTNERSHIP “Public Agency Agreement”

What level of formal partnership should the Port seek prior to/in conjunction with development of Vista Field?

DPZ Team Presentation

Michael Mehaffy & Laurence Qamar

provide a

BRIEF

presentation

City Council Involvement

- ❑ **WORKSHOP:** City Staff review of Mixed-Use Zoning & Design Concepts, followed by Council Comments & Direction
- ❑ **WORKSHOP:** City Staff review of Transportation Elements and Impact Analysis, followed by Council Comments & Direction
- ❑ **WORKSHOP:** City staff review of Draft Vista Field Redevelopment Master Plan, followed by Council Comments & Direction
- ❑ **PUBLIC HEARING:** City staff review of Draft Vista Field Redevelopment Master Plan, followed by Council Comments & Action;

Potential Timeline

- ☐ **AUGUST 2015 WORKSHOP: Mixed-Use Zoning & Design Concepts**
- ☐ **SEPTEMBER 2015 WORKSHOP: Transportation Elements and Impact Analysis**
- ☐ **OCTOBER 2015 WORKSHOP: Review Draft Vista Field Redevelopment Master Plan**
- ☐ **NOVEMBER PUBLIC HEARING: Consider approval of Vista Field Redevelopment Master Plan**

Memorandum

To: Tim Arntzen, Executive Director

From: Larry Peterson

Date: September 18, 2015

Re: Vista Field Master Plan –Commission Policy Recommendations

ok
LTP

The upcoming September 22, 2015 Commission meeting seems an excellent time to revisit some of the policy matters discussed in detail at the July 28, 2015 workshop. Ten policy matters were presented and discussed on July 28th, with the Commissioner's and public's position being quite evident on three of those matters. The policy issues which seem answered without question are:

- #1 Vista Field will be developed based upon the principles of New Urbanism;
- #2 Vista Field is intended to become the Tri-Cities New Town Center, and;
- #3 Port strongly supports a privately funded Performing Arts Center in Vista Field.

Another policy question posed during the July 28th meeting dealing with balancing priorities of multiple projects and jurisdictions is best suited for discussions involving the pending update of the Port's Comprehensive Scheme of Development.

This leaves six policy questions to be addressed in advance of completion of the Vista Field Master Plan. It is generally understood that redevelopment of the former Vista Field airport is likely a 20-year effort and it is recommended the process be dynamic and open to innovation as the project evolves. Decisions/direction on the following four policy matters would be helpful and if direction is clear on September 22nd a resolution could be prepared and presented at the October 13th meeting. **Surely these policy matters could be revisited in the future, but now is the time to decide on which path the project will start to move forward.**

The policy question regarding ROI expectations seems universal regardless what decisions are made on the other policies therefore this item will be addressed first in this memo. The next matter dealing with who shall act as the master developer has implications to numerous contemplated actions and definitive direction is needed at this time. The marketing policy is rolled into the master developer questions, therefore some or all of the remaining 2 policy matters may be moot and/or addressed by decisions on the master developer policy question.

The policy topics are:

- Economic Policy-Return on Investment expectations
- Implementation Policy-Redevelopment Leadership
- Design & Economic Policy-Lean Approach
- Social Policy-Housing for all within the Economic Spectrum

(Economic Policy) Return on Investment expectations

Is it more important to “make” the best urban place possible or “make” X millions of dollars? This policy question appears to have inherent philosophical conflicts between ROI and place making, but possibly discussion of the ROI timeline should occur. If immediate return (5-15 years) is desired then design decision and details within the working draft plan would need revision. However if the focus is on the 20, 30, 50 year benefits to the community and the economic return over the long term then the general principles to reinvest into the project as it develops would remain in the working draft.

This is not a new topic and staff is not suggesting that the choices of making a great place or a great return are mutually exclusive. It is a matter of focus.... what is the most important outcome to the Port Commission? The “return” that redevelopment of the 103 acres site yields could be measured in increased tax revenues from the 103-acre site over a given period of time, which would be the standard ROI analysis. Looking at a longer horizon demonstrates that compact development would yield greater revenues as compared to the standard suburban sprawl development occurring in the Tri-Cities. Sprawl type development is easier and this type of development could be completed quicker and would likely yield greater land sale and property tax revenues over the next 5 to 10 years.

However the compact nature of New Urbanism yields greater investment/taxes when the 15-20+ year horizon is considered. At about year 10 NU surpasses the sprawl revenues and then far outpaces the standard sprawl model in terms of revenues. The question also should involve considerations on the positive impacts development of a NU oriented Town Center could yield for the entire Tri-Cities. Most every Port action has positive impacts beyond the site boundary and in a greater degree to our community partners. This question really deals with the matter of “return” to the community, not just the Port.

Assuring that Vista Field becomes that great town center yields benefits the community well beyond the boundary of the site. Would having an urban core at Vista Field enhance business recruitment efforts for the entire Tri-Cities and talent recruitment efforts at Battelle’s Pacific Northwest National lab? Recent analysis conducted by both Visit Tri-Cities and TRIDEC consultants concluded the lack of an urban core is hurting the communities recruitment and retention efforts. These studies identify the lack of cultural depth as detractor to business recruitment and retention. Would an 800 seat performing arts center and a cluster of local restaurants aid in/support the tourism and marketing of the Tri-Cities and take a major step towards filling the identified culture void?

Through the broader community lens one could see that making a great place benefits the entire region significantly more than the potential revenues to the Port from some land sales at Vista Field. Though this same lens one could also see significantly greater returns to the Port as the value of the entire Tri-Cities grows, thus concluding the potential gain of a few land sales are insignificant to the larger potential that Vista Field redevelopment poses. There is another lens which focuses solely on the Port’s finances and over a shorter period of time which likely suggests the Port extract maximum value from the land and focus much less on the longer term place making efforts. The policy question for the Commission comes down to **through which lens does the Commission see Vista Field redevelopment?**

(Implementation Policy) Redevelopment Leadership

Upon completion of the master plan should the Port consider selling/transferring the project to one master developer, function as the master developer or form a Public Development Authority with the City? There are pro's and con's with each approach and each approach has implications to near and long term Port efforts and actions. A decision to seek one private sector master developer involves a far different and divergent path than the Port or a Port/City PDA acting as the master developer. Currently the project is heading towards the path where the Port functions as the master developer and efforts to identify infrastructure funding mechanisms, market the project opportunities, remain engaged with the community and realign staff resources to accomplish these tasks are being developed.

Staff has been working with Steve DiJulio of the Seattle law firm of Foster Pepper, former Port of Bellingham Executive Jim Darling (*now a consultant with Maul, Foster, Alongi*) and Michael Mehaffy of DPZ, to determine what type of entity or structure the port should form for the proper administration of the Vista Field redevelopment process. There are only a finite and modest number of methods in which the port could move forward for the development process, such as:

- (1) Sell the entire site to a single developer and monitor and enforce the developer's adherence to port-formulated and adopted development safeguards such as master plan and design standards (along with city adopted standards such as zoning and design standards); or
- (2) Act as its own master developer, in essence:
 - (a) Formulating development safeguards such as master plan and design standards (along with city adopted standards such as zoning and design standards);
 - (b) Advertising development opportunities thru various processes, including requests for Expressions of Interest (EOI's), Requests for Proposals (RFP's) or other processes;
 - (c) Selecting developers for advertised parcels (less than the entire site, perhaps 3-10 acre parcels each);
 - (d) Working with developers on a collaborative design process and working with the assistance of the Town Architect to develop a mutually agreed-upon development plan that meets specific goals and objectives determined by the port;
 - (e) Monitor development to ensure compliance with port plans; and
 - (f) Repeat process for life of buildout of entire site; or
- (3) Form a Public Development Authority (PDA), working jointly with the City of Kennewick for desired development of the entirety of the site. This would require the port sharing development authority and vision with the city, and most likely property proceeds with the city.

This matter has been discussed on several occasions with the commission and it appeared to staff that the commission leaned toward the port acting as its own master developer. The Vista Vision Task Force strongly favored this approach as did a number of citizens. Port staff asks for a decision on this as all future work relies on staff having a solid understanding of the commission's policy related to site development structure. The decision on the place making/return to the Port & community policy likely has great influence on this policy matter.

Which development approach is most likely to achieve the Commission's desire outcome?

(Economic & Design Policy) Lean Approach

Should the Port embrace the “lean development” philosophy which focuses on seeking efficiencies in development costs (reusing assets, not unnecessarily over-sizing utilities); constructing adequate, not oversized roads; sufficient yet small incremental development (pay as you go) and simplified development regulations (pink zone)? This lean philosophy if adopted would permeate all aspects of the redevelopment ranging from entitlement (zoning & design standards) currently being pursued with the City, phasing & infrastructure investment, development pace expectations and requirements imposed on the private sector. The V.V.T.F. made this recommendation and the tax paying citizens seem to strongly encourage their leaders to spend their tax dollars wisely.

Lean does not mean cheap or inferior, lean means cost effective, innovative use of materials. Lean does not require elaborate/expensive “show stopping architecture” or ornate materials, lean does encourage using simple materials in creative ways to create a sense of place. A great place is made by combining people with an interesting built environment. Great places are vibrant, full of life. Great places need not be elaborate or ostentations and in fact show stopping architecture results in high construction cost, greater rents to amortize these costs and therefore higher costs to the end user. This likely leads to exclusivity (only the upper income can afford to shop, dine, live) and negatively impacts the vitality of the space. Consider great places in the northwest such as Pike’s Place Market, Seattle’s waterfront of the Pybus Market in Wenatchee... none of which are ornate or fancy, yet all are vibrant.

Regardless of the Commission’s decision on the redevelopment leadership role, pursuing and obtaining lean development standards benefit’s the project. The Port, a PDA or a private master developer would benefit from the lean entitlement regulations which translates to lower development costs and either lower infrastructure cost to the Port or PDA if that route is selected or likely a higher land sale price if the private master developer route is selected.

If the private sector functions as the master developer, this lean philosophy may or may not be carried out in the project. Surely the private developer would utilize the efficiencies of the lower infrastructure cost, yet they may elect to “splurge” on vertical improvements which likely increase their rents, thus expanding the profit margin. This scenario could lead to a development that due to construction expenses limits the market to those on the financial upper end of the spectrum. *It is nearly impossible to picture a scenario where the Commission directs/ attempts to direct the private master developer to spend less or “tone down” their project.*

If the lean philosophy is adopted and the Port or PDA functions as the master developer, it is important to remember expensive and vibrant are not synonymous and in many cases seem disconnected. Many times the review focus shifts to the building elevation plans and materials selected and rarely is the interrelationship within the streetscape or neighborhood considered. Building projects would need to be viewed through the lens of the entire redevelopment effort ... does this help make Vista Field a great place?

Determination on the development leadership role has implications on the lean approach to Vista Field redevelopment. Considering all of the interrelated factors ... **does the Commission accept/adopt/embrace the lean philosophy for redevelopment of Vista Field?**

(Social Policy) Housing for all within the Economic Spectrum

Should the Port take steps to assure that housing within Vista Field be affordable to all within the community or should the affordability matter be left to market forces? The idea that Vista Field could accommodate all persons from the highest paid executive to the minimum wage earner was discussed at the Charrette. The 2013 FEIS and February 2015 Charrette report identified the potential of 1,100+ residential units including both rental apartments and ownership options of condos and attached single family housing. Inherent price variations would exist due to unit sizing, therefore some range of options would exist solely by design. Most urban areas have seen the values of desirable places (*intent is creation of a “desirable place” at Vista Field*) escalate based upon place, not square footage of the unit, which leaves many out of the market.

This policy although presented separately is truly linked to and impacted by Commission decisions on economic return expectations and project oversight responsibility. Frankly speaking assuring all income spectrums have a place in Vista Field would mean less than maximum value is extracted from each square foot of residential construction. Market demands solely driving the type and size of each unit likely would result in sale and lease rates at the upper end of the current housing market range, well beyond the median household price point. If maximizing return on land sales is deemed paramount then pursuing this matter seems moot. However if benefit is perceived to assure variation in the cost of housing, then several steps would be required.

Staff has begun exploring options that could address the idea of varying housing values by mixing market rate and median value units throughout Vista Field. The mixed use nature of the NU model at Vista Field would integrate different unit types, sizes and values, block by block and within each building. The “separate silos” mentality seen in the Tri-Cities (and many other cities too) where all one of type of housing/price point is in Building A and another type/price point is in Building B is not what is being discussed and frankly is contrary to the entire concept of mixing uses. These staff efforts involve discussions with other agencies, lenders and developers to understand the mechanics involved.

An additional challenging aspect of this policy would be addressing a future escalation in values anticipated in conjunction with Vista Field becoming the desirable urban center. Engineering a solution before housing disparity becomes a problem involves applying lessons learned from other urban communities. This policy question really has two parts **is assuring housing for all in Vista Field redevelopment perceived as a problem/potential problem?** ... and if so ...**is it the responsibility of the Port Commission to address?**

Memorandum

To: Tim Arntzen, Executive Director 
From: Larry Peterson
Date: September 18, 2015
Re: Vista Field Master Plan – Update: Process, Roadway & Utility, Phasing

The master planning process is progressing to completion in early November, with several pieces nearing refinement. The design character elements were discussed in detail at the July 28th workshop and zoning code amendments to allow development contemplated for the last 10 months is being refined, therefore those aspects are not discussed in this document. This memo includes information of the presentation process, roadway & utility design and phasing options.

PLANNING PROCESS

Overall Concept: Simply put, the “next phase” of Vista Field planning (i.e. post charrette and post task force) is to prepare a master plan that embodies the charrette elements and public and commission comments and present it to the city council for possible adoption. Should the port obtain a good master plan from the city, the value of Vista Field becomes incredible. With no master plan, or a watered-down master plan, the site will not reach the potential captured during the Charrette.

Two-Step Process: To accomplish this planning strategy, staff and consultants have decided to segment the draft master plan into two elements (the planning and zoning element and the transportation and utility element). Staff has decided the best path forward would be to separately present each element to the city council for consideration. Staff and consultants believe that this two-step approach is preferable to asking the city council to consider the several-hundred-page draft master plan in one fell swoop. This approach avoids overwhelming the council.

In furtherance of this strategy, City planner Greg McCormick and I collaborated to present the planning and zoning element of the draft Vista Field master plan to the city council in a workshop on August 25, 2015. The council engaged in discussion with the mayor making several favorable comments related to the planning and zoning element and the process utilized by joint staff. The council is tentatively scheduled to receive the transportation and utility element on October 27, 2015. It is anticipated that in December the Port will present the entire master plan to the City Council.

ROADWAY DESIGN

The roadway and utility design has been refined following the November 2014 charrette, however the underlying concepts of a fine grained road network yielding a small block network, utilizing existing runway and taxi-lane alignments remains the foundation. Modifications from the layouts proposed during the charrette are the result of discussions with the City’s Traffic Engineer & Public Works Director and adjacent property owners or their representatives. Basically the

street plan is no longer dependent upon the performance/cooperation of adjacent property owners and connects to the existing city streets at locations tentatively deemed as acceptable by city staff.

A detailed transportation analysis (Transportation System Impact Evaluation-TSIE) is being conducted by DPZ and their sub-consultant Parametrix. This analysis assesses the likely transportation impacts that redevelopment of Vista Field poses to the city's existing street network. The TSIE will identify necessary improvements/modification that Vista Field redevelopment will trigger and the timing of those improvements. City staff together with Ben-Franklin Transit, Benton-Franklin Council of Governments, Port staff, DPZ and Parametrix all helped define the scope of this analysis. The first step of the process is establishing a road network to analyze. The conceptual layouts contained in the charrette report and the subsequent evolution were then used to create a digitized street layout for the TSIE.

The TSIE process is underway with deliverables in mid-October, which then allows review and presentation to the City. The outcomes of the TSIE will help establish likely off-site infrastructure enhancements linked to Vista Field redevelopment. The 2013 FEIS identified up to \$2,000,000 may be necessary for off-site infrastructure improvements, but not the detail and timing of those improvements which the TSIE addresses. The roadway design utilized for the TSIE analysis is included with this memo, however the details may be hard to see at such a large scale.

UTILITY DESIGN

TSIE layout then allowed fine tuning of the utility system designs, which utilize the roadway and alley alignments for the location and design of the backbone utility systems. Few should be surprised that one major deviation for the concepts generated during the charrette has occurred related to the utility network. That deviation is hanging wires overhead is no longer proposed and all utilities are being designed as underground. Generally "wet" utilities (water & sewer) will be placed in the streets and "dry" utilities (power, natural gas & communications) will be placed in the alleys. Specific details on transformer or fire hydrant placement are addressed at the construction document level, however the streets and alleys and abutting buildings and uses can easily and logically accommodate these items.

The roadway network was designed to also serve as both the utility corridors for on-site development as well as providing key connections for city utilities currently bisected by the mile long Vista Field barrier. Utilities of sufficient capacity and depth surround the site, therefore multiple options exist for connection to the exist networks. These options provide both flexibility in phasing and redundancy upon buildout... both of which are ideal situations.

PHASING

Due to the existing roadway and utility networks encircling the site, numerous phasing options and scenarios exist. Based upon the public discussion the last 6+ months and the general direction provided by the Commission on September 8, 2015, the proposed Vista Arts Center site is the core of the first phase. This Phase #1 could be separated into smaller segments depending on infrastructure funding available to the master developer as well as the VAC timing. DPZ and

their sub-consultant EconNorthwest working with Port staff created these various phasing scenarios which are based with the following assumptions and cost estimates:

Assumptions

- ✓ VAC (P.A.C.) will be part of Phase #1;
- ✓ Establishing Grandridge Blvd. to Deschutes Ave. connection is an important first step;
- ✓ Developing the public park/plaza is an important first step;
- ✓ Corporate hangars B & C need to be included in/connected to the first phase;
- ✓ Approximately \$4.5 million would be available for Phase #1 infrastructure;
- Off-site traffic mitigation expenses would not be triggered by the first phase;
- Design and soft cost would equal 15%

Cost Estimates/Factors (Notable savings beyond these prices is possible with innovative & “Lean” approaches)

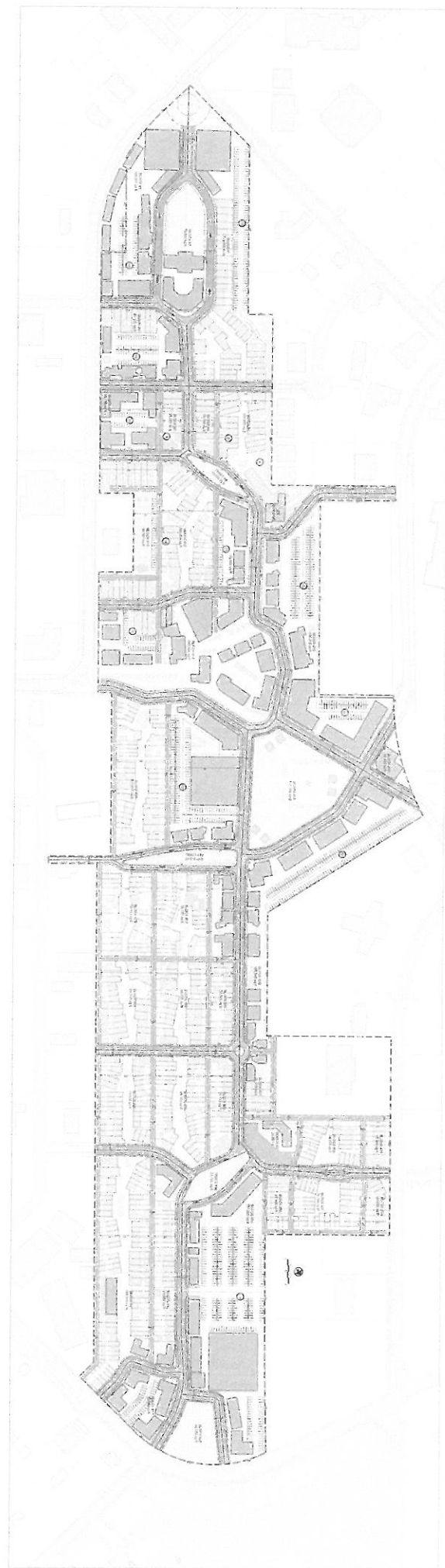
2-lane street w/parallel parking (road, utilities, sidewalk, trees) at \$400LF: \$2,375,000;
Gateway features/signage at \$100,000 each: \$200,000

Public Plaza water feature w/sculpture: \$225,000;
Landscaped areas, irrigated, plants at \$5.00/SF: 125,000;
Larger grass areas, irrigated: \$3.00/SF: 200,000;
Crushed gravel park paths: 1,000 LF at 25 feet wide: \$75,000;
Park pavilions {3 shown} at \$40,000 each: \$125,000;

Stream/river approx. 750LF at 30 foot average wide \$225,000;
Waterfall & decorative water features (allowance) \$100,000;
Crushed gravel path adjacent stream/river. 750 LF at 20 feet wide: \$50,000;

Community building(s) \$200/SF
Off-street Joint Use Parking lot at \$3,000 per stall (100 stalls): \$300,000

Streets & Gateways	\$2,375,000
Public Plaza	\$750,000
Stream/River	\$375,000
<u>Joint Use Parking/Other</u>	\$300,000
PHASE #1 CONSTRUCTION COST:	\$4,000,000
 PHASE #1 SOFT COSTS:	 \$450,000
 PHASE #1 DEVELOPMENT COSTS:	 \$4,450,000



STAFF REORGINIZATION PLAN

9/22/15

Port staff is at full capacity responding to current workload. With the closure and redevelopment of Vista Field (VF) surfacing as a new major project, workload is anticipated to increase substantially. And different skill sets may be required. Among other things, staffing up for VF assumes that there will be a need for a port employee to interface with developers. Add to this the retirement of a key manager (CFO) and the corresponding need to replace that function. To address this, I have been formulating a proposed plan of action, which is partially based upon recommendations from Maul, Foster, Alongi (featuring former Port of Bellingham Executive Jim Darling), and Michael Mehaffy of DPZ, port staff and, to a lesser extent, commissioners. The suggested action plan described below is a result of those discussions.

Pursuant to port commission delegation of authority and port policies established by the commission, the Executive Director understands that this matter is to be solved by the Executive Director. However, the purpose of this memo and the related discussion is for informational purposes.

Issue:

How does the port staff up for the VF redevelopment process while simultaneously replacing the long-serving CFO who is retiring at the end of the year?

Brief Answer:

By: (1) creating the opportunity for the current Chief Executive Officer to interface with developers and consultants related to VF, by: (2) appointing an Assistant Chief Executive Officer (ACEO) to handle some of the Chief Executive Officer's current tasks, by: (3) contracting for a person(s) to assume some of the new ACEO's current tasks (the new ACEO is a current staff member), by: (4) contracting with a Town Architect to provide additional services needed in the formative years of the VF redevelopment process, by: (5) filling Finance Department vacancies by hiring a new CFO (hired from within the organization), and by contracting with a bookkeeper to fill additional roles needed in the finance department. This plan would cover current and reasonably-foreseeable future staffing and contracting needs.

Detailed Analysis:

Step #1: Chief Executive Officer Refocuses on VF Redevelopment

Both Jim Darling and Michael Mehaffy have indicated that as the VF development progresses, potential developers will want to talk with the Chief Executive Officer. While there would be much staff and consultant contact with developers, the developers will eventually want to spend time with the Executive. In addition to meeting with developers, the Chief Executive Officer would also need to spend additional time managing port staff planning efforts and the use of consultants. To meet this need, I propose to make more of my current time available to meet with potential developers and to spend on VF in general. While assuming new duties, I would also keep many of my other duties including managing staff and consultants, preparing final budget and work plans, visioning and oversight of capital projects, overseeing budgets, and interfacing with the commission and other organizational leaders (i.e. city managers, etc.).

Step #2: Create Assistant Chief Executive Officer (ACEO) Position

As stated above, to permit me to take on new tasks related to VF, I would need to appoint a person to the newly-created position of Assistant Chief Executive Officer. And I would delegate some duties to the newly-created ACEO position, including:

- Working with directors to assemble each department's draft budget (submitted by July);
- Assigning staff members' attendance at port and other related conferences;
- Signing vouchers and related documents and approving small works, A/E, professional services, purchase orders, work orders and misc. contracts \$15,000 to \$50,000 on my behalf (except those signed by the Assistant Finance Director consistent with current port policy which is \$15,000 and under);
- Approving staff PTO requests (except for those approved by directors for their own staff members);
- Ensuring that performance appraisals are completed for all directors;
- Reviewing and providing final signature for all grant applications;
- Overseeing development, distribution, implementation and adherence to organizational policies and procedures and resolving organizational issues as appropriate;
- Acting as a liaison with particular community support groups; and
- Working with Commissioners to establish commission meeting agendas.

I will appoint Tana to the ACEO position.

Step #3: Contract for "Writing" Assistance

By Tana handling some of my current day-to-day activities, I will have more time to interface with VF developers. And in order to free up time for Tana to assume the assistant role and to accept delegation of some of my present duties, I would need to contract with a "writer" to assist with tasks that Tana had been performing, including newsletter and grant writing. This "writer" would also assist with public speaking engagements for commission and staff and the related preparatory time. It is anticipated that this person would work from home and not need regular office space or equipment provided by the port.

Step #4: Contract for "Town Architect"

As with other large-scale New Urbanism development projects (Alys Beach, Rosemary Beach, etc.) in-house planners, whether public or private, tend to utilize continued assistance with the project implementation and development. These services are often times referred to as "Town Architect Services" and generally consist of planning and development assistance. While port staff will take the lead or assist on projects as appropriate, the tasks listed below will be performed by or with the assistance of the Town Architect (TA) or its designees or subcontractors, in conjunction with port staff as appropriate. I plan to contract with DPZ to provide "Town Architect" service, which would include Michael Mehaffy as lead planner, Laurence Qamar assisting and continued alliance with headquarters and personnel in Miami. It is anticipated that other professionals would also play minor roles. The DPZ team would also feature a person with active commercial real estate development background to assist the port with negotiating and implementing real estate development deals.

A few details to be handled by the TA include:

Planning Assistance

Development and enforcement of procedures for design criteria and building program implementation; and
HOA/BID establishment, administration and enforcement.

Financial Planning, Analysis and Monitoring

Collaborate with port staff to ensure development costs are developed, reviewed, monitored, and updated as necessary;
Ensure projects remain on track and on budget;
Collaborate with estimators on cost estimates, cost model and material comparisons, constructability reviews, and schedules with qualifications and assumptions; and
Review and evaluate financial rate of return information to determine financial feasibility of projects.

Development Assistance

Manage pre-construction coordination meetings and assist with bid analysis and reviews;
Determine appropriate construction methods;
Determine cost-effectiveness of plans;
Assist with writing and assembling RFQs/RFPs for property disposition strategy and administration;
Develop developer due diligence standards and conduct due diligence review for potential developers;
Assist in locating potential business deals by contacting potential developers; discovering and exploring opportunities through networking with brokers, landowners, developers, municipal agencies and other stakeholders;
Advise on property sale terms;
Evaluate developer credentials/evaluate developer proposals for consistency with port master plan and other documents.

Construction Management Assistance

Coordinate and monitor the site inspection process; and
Manage developer project progress to completion/build out; work with real estate and construction teams to ensure that projects are in compliance with all contracts and other obligations.

Some of these services could be sub-contracted to persons such as David Robison (construction management and interface with city); and Taude Hume (legal counsel/developer advice).

As stated above, I propose to contract with DPZ as Town Architect and DPZ would provide the general VF assistance activities, thereby leveraging the current planner's time so he can work on VF and all other port planning activities.

Step #5: Address Finance Department Vacancies

Current Port CFO, Tammy Fine, plans to retire at the end of 2015. In addition, in June of 2014 a mid-level accounting assistant left the port, creating a void whereby some of the tasks were filled

in part by a contracted bookkeeper. The port did not refill the bookkeeper staff position. To replace the accumulated knowledge of Ms. Fine, I plan to:

- Promote current Assistant Finance Director to CFO;
- Contract for part-time bookkeeping services; and
- Contract with retiring CFO to provide:
 - One year of general training for new CFO;
 - General oversight;
 - Assistance with financial, audit, and accounting matters as applicable;
 - Annual financial audit report complication;
 - Annual financial audit assistance;
 - State Auditor's Office audit assistance (every three years); and
 - ED performance review/goals and related tasks.

Conclusion:

The port will be undergoing a radical revision of its mission and workload. The above plan has been formulated over the past year, with the input of skilled and experienced contributors and has the buy-in of staff. And the plan can be accomplished with no new funding.