



# REGULAR COMMISSION MEETING

PORT OF KENNEWICK

OCTOBER 13, 2015 MINUTES

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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, Chief Executive Officer  
Tana Bader Inglima, Deputy CEO  
Tammy Fine, CFO/Auditor  
Amber Hanchette, Director of Real Estate and Operations  
Nick Kooiker, CFO/Auditor  
Larry Peterson, Director of Planning and Development  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Mr. Gene Wagner led the Pledge of Allegiance.

## PUBLIC COMMENT

Ed Frost, 609 West Albany Street, Kennewick. Mr. Frost stated at the September 22, 2015, the Commission took action on several items, which were not clearly identified on the published Agenda. Mr. Frost inquired, if going forward, staff could mark items where action may be taken on the published Agenda, to allow for a proper opportunity for the public to provide input.

No further comments were made.

## CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated October 2, 2015**  
Direct Deposit and E-Payments totaling \$55,836.91
- B. Approval of Warrant Registers Dated October 13, 2015**  
Expense Fund Voucher Numbers 37242 through 37300 for a grand total of \$318,317.49
- C. Approval of Commission Meeting Minute Dated September 22, 2015**

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



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## PRESENTATION

### A. *City of Kennewick Arts Council Update*

Mr. Arntzen reported that he and Ms. Bader Inglima have been working incorporating an artistic bus shelter for Columbia Gardens and have met several times with Ben Franklin Transit representatives. Mr. Arntzen introduced Ms. Barb Carter, the Port Art Consultant, who will brief the Commission on the bus shelter concept. Mr. Arntzen thanked Ms. Carter for her continuous assistance in bringing art to the island.

Ms. Carter thanked the Commission and stated 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 decorative bus shelter would serve many purposes:

- Create an icon and identifier for the Village;
- Serve greater passenger use created from placemaking efforts including wine production, tasting rooms, the arts and Duffy's Pond biking and walking paths;
- Provide a cool public amenity for local residents;
- Demonstrate how public amenities can be creatively designed;
- Encourage the BF Transit to adopt creatively designed shelters throughout the region.

Ms. Carter stated the current bus stop site is unattractive and a new shelter would be used quite frequently. The Kennewick Arts Commission (KAC) has met at twice to discuss a number of proposals and found artist Kevin Berry, from Scottsdale. Mr. Berry has completed 18 bus shelters in the Scottsdale area and Ms. Carter stated the City of Scottsdale is extremely happy with Mr. Berry's work. The KAC selected a covered shelter, which measures 19 feet long, 14 feet deep and will be ADA accessible. The structure will use recycled materials and includes a concrete/glass marble bench.

Ms. Carter stated, if the project were to proceed, the KAC voted unanimously to allocate a portion of their small \$5,000 budget to part of the project, which is indicative of their support. The KAC supports adding design elements in public amenities and addressed the following challenges during their meetings:

- Select an aesthetic design suitable for the site;
- Consider the Transit's needs for ADA compliance;
- Assure the design addresses the Commission's safety, sustainability and maintenance requirements;
- Determine the Artists ability to meet proposed construction, quality and schedule standards.

Furthermore, the KAC made the following recommendations:

- Kevin Berry's Transit Shelter Proposal #1;
- Weathered Metal Structure;
- Eliminate Trash Receptacle;





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- Add seat dividers to concrete benches;
- Use purple, cream and green grape color pallet; and
- Add lighting to the wire mesh glass inserts.

Mr. Novakovich inquired if there was an estimated cost for the bus shelter.

Ms. Carter stated the KAC set a realistic budget of \$50,000.

Mr. Moak approves of the design and asked if a trash receptacle would be added.

Ms. Carter stated the same trash receptacle that is used in Columbia Gardens will be placed at the bus shelter, to tie the projects together. The Port will be maintaining the shelter, since it is Port property.

Mr. Peterson stated the Port granted the City of Kennewick an easement for the landscaping, and the bus pullout is included in that easement, however, it is Port property and will be maintained by the Port.

Ms. Bader Inglima stated the bus shelter will be an iconic element that will draw people into the Village and surrounding areas.

Mr. Arntzen stated staff has had discussions with the City and BF Transit regarding participation, however, a financial agreement has not been made. Furthermore, there is a potential that a private party, who has made commitments in the past, may contribute. Mr. Arntzen stated partnerships with the City and BF Transit are important and the KAC has made a substantial commitment as well. Mr. Arntzen believes the Port will pick up bulk of cost, as previously reported to the Commission however, a partnership would be ideal, to say this was a community project.

Mr. Novakovich inquired if there will be a plaque recognizing the partnerships.

Ms. Carter stated there will be a plaque honoring the community partnerships.

Mr. Arntzen stated, the Port is very careful about spending tax payer dollars wisely and appreciates the Commission's consideration of the bus shelter. Mr. Arntzen believes the bus shelter will be an important icon for the community. Mr. Arntzen will continue to work out the details and report back to the Commission at a later date.

## NEW BUSINESS

### ***A. Columbia Gardens Latino Mural and Artwork Agreement***

Mr. Arntzen and Mr. Diaz, Chairman of the Latino Heritage Mural Committee have been working on an agreement regarding expectations and outlining the roles of the committee, the Port and Kennewick Arts Commission (KAC). Mr. Arntzen stated the group continues to have joint meetings to discuss elements surrounding the mural and the project has taken on a life of its own and Mr. Arntzen appreciates the hard work of the committee.



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Mr. Diaz, chairman of the Latino Heritage Mural Committee, thanked the Commission and stated, the goal of the mural is to celebrate the significant contribution of the Latino community to the wine industry through art. Mr. Diaz stated the Committee has made presentations to the Mid-Columbia Arts Foundation and the Kennewick Arts Commission, who recommended the Committee form a sub-committee to vet artists, make recommendations to the KAC and draft a call for art. Mr. Diaz and Ms. Carter are drafting a call for art, which will be publicized mid-November.

The Latino Heritage Mural Committee would like to see values emulated in the mural, such as;

- Family and community;
- Respect;
- Cultural pride; and
- A strong work ethic.

The themes reflected in the mural are the following:

- Agricultural/wine/labor;
- Latino's history and activities in the region, including leadership;
- Mid-Columbia landscape through the seasons; and
- Fiestas and Music.

Mr. Diaz reported the committee has pledged to fundraise and have raised \$450 towards the project and believe the Port's contribution will total \$15,000. The Mid-Columbia Arts Foundation has volunteered to act as a fiscal agent for the mural and Mr. Diaz anticipates signing a Memorandum of Understanding.

Ms. Gracie Valle-Chimal thanked the Commission for the opportunity and believes the mural will unify the community and bridge the communication gap.

Mr. Novakovich is proud of the project and appreciates the Committee's hard work. Furthermore, Mr. Novakovich believes it will be a benefit for the community and would like to see it move forward.

Mr. Moak asked how long of a lead time would the artist need.

Ms. Carter stated the call for art should be publicized mid-November, with a two month waiting period for responses. Once the funds are available, the contract would be awarded and the artist could begin work by the end of January.

Mr. Peterson stated staff is working with Ms. Carter to determine whether the canvas will be the building or panels attached to the building. We are currently researching the cost and maintenance factors of each.

Ms. Carter believes the panels may be a better choice because the artist can complete the mural in a clean and safe environment, while construction on the building proceeds.





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Mr. Barnes inquired how the mural would be maintained if it was applied on the building directly. Mr. Barnes stated he would like to see the mural move forward with the best possible outcome and be able to stand up to the elements.

Ms. Carter stated the mural, when applied to the building may last five to seven years, however, if the mural is applied to panels, we have the opportunity to apply an automotive clear coat finish, which will extend the life of the mural. Ms. Carter stated there is a lot of community support and believes there will be donations to off-set the cost. The KAC supports the mural on panels, and believes is important to do it right. Ms. Carter is proud to be associated with this project.

Mr. Diaz thank the Commission for the opportunity and stated staff has been very helpful.

## ***B. Appointment of Port Auditor: Resolution 2015-23***

Mr. Arntzen reported, pursuant to Resolution 2011-03, the Board approved the Delegation of Authority to make personnel decisions allowing for the effective and efficient operations of the Port. During the Board meeting on September 22, 2015, Mr. Arntzen presented a "Staff Realignment Plan." This plan is essential for many reasons, but most notably because of the increased demand on current staff members to manage the large workloads. In addition, the current Port Auditor, Ms. Fine, will be retiring at the end of the year. As part of the realignment plan, Mr. Arntzen identified Nick Kooiker, the current Assistant Auditor for the Port, as the most suitable replacement for Ms. Fine. Mr. Kooiker has been working under the direction and influence of Mrs. Fine since July 1, 2013. Prior to joining the Port, Mr. Kooiker worked as a manager for the Benton County Treasurer and also has significant experience in the real estate industry.

Mr. Arntzen would like to appoint Mr. Kooiker as the Port Auditor and asked the Commission if there were any questions prior to ratification.

Ms. Fine stated Mr. Kooiker has been at the Port for over two years and is doing an excellent job. The law regarding is very unique in that the Port appoints an auditor, due to the certification review of expenditures. At the Port, the Auditor performs a complete and thorough financial audit, as well as working with bid law and compliance and other legal issues. Furthermore, the State Audit is almost complete, and the auditors have not found any issues. The accounting team is doing a great job and Mr. Kooiker is a team player.

Mr. Novakovich made a point of clarification, and stated the Commission is not appointing the Port Auditor, rather than ratifying the appointment made by the Chief Executive Officer.

## **PUBLIC COMMENT**

No comments were made.

***MOTION:*** Commissioner Novakovich moved for approval of Resolution 2015-23, ratifying the CEO's decision to appoint Nick Kooiker as the Port of Kennewick Auditor, effective immediately; Commissioner Moak seconded.



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## ***Discussion:***

*Mr. Novakovich agrees with Ms. Fine and stated, the Benton County Treasurer spoke highly of Mr. Kookier, and Mr. Novakovich believes he is highly qualified and deserves the appointment.*

*Mr. Barnes has worked with Mr. Kookier and finds him capable, confident and has been an excellent addition to Port staff. Mr. Barnes supports Mr. Arntzen's appointment of Mr. Kookier as Port Auditor.*

***With no further discussion, all in favor, 3:0. Motion carried unanimously.***

## **REPORTS, COMMENTS AND DISCUSSION ITEMS**

### ***A. Badger Mountain Trailhead Groundbreaking Ceremony***

Ms. Bader Inglima reported the groundbreaking ceremony for the joint parking expansion for Badger Mountain Trailhead Park was held on October 5, 2015. The Port partnered with the City of Richland, Benton County and Friends of Badger Mountain to expand parking at the trailhead. Badger Mountain has become a popular draw for residents and out of town visitors, with over 200,000 people visiting the trail in 2014. At peak times, parking has become a problem, with many people parking on the street and in residential areas when the lot is full, thus creating a public safety problem. The Port partnered with the City and County to provide funds to add an additional 76 paved parking stalls, which will contribute to our region's livability and help attract and retain young professionals to our workforce. It is anticipated that the project will be completed by Thanksgiving.

Mr. Barnes stated Badger Mountain Trail is very well received in our community and this project is measured in quality and use of our constituents and the public. Mr. Barnes thanked staff for working with our jurisdictional partners and Friends of Badger Mountain and stated this is an ambitious project with a quick turnaround.

Ms. Bader Inglima stated the City has been working with Ms. Fine, who ensured the City follow the joint partnership mandated by law. Ms. Bader Inglima thanked Ms. Fine and Mr. Peterson for their work on the project.

### ***B. Commission Directives: Resolution 2015-22***

Mr. Arntzen reported at the September 22, 2015 Commission Meeting, staff presented various policy matters for consideration by the Port Commission. Several matters were discussed previously, however, additional detail was needed. Upon adoption of Resolution 2015-22, the CEO (Executive Director) will implement the policy directives. Mr. Arntzen reiterated the directives, which gave staff the authority to implement:

#### **Directive No. 1.**

##### ***Columbia Drive Road***

The CEO is hereby directed to formalize the drawing as seen in "Exhibit A" of the road/utility alignment for Phase II of the Columbia Gardens Wine Village. The estimated construction cost is approximately \$350,000 +/- . The CEO shall incorporate the drawing into appropriate





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port planning activities.

## Directive No. 2.

### ***Vista Field and Phase II, Columbia Gardens Wine Village Capital Funding Plans***

The Executive Director is hereby directed to establish the funding plans attached hereto as “Exhibit B” as the initial funding plans for the above referenced properties. Further, the Executive Director shall update the Commission on any proposed changes or amendments to said funding plans.

## Directive No. 3.

### ***Vista Field***

*Vista Field will be developed based upon the principles of New Urbanism*

*Vista Field is intended to become the Tri-Cities New Town Center*

*Port strongly supports a privately funded Performing Arts Center in Vista Field*

### *(Economic Policy) Return on Investment Expectations*

While fiscal considerations are important to the Commission, the Commission finds that it is more important for the Port to make the best urban place possible as opposed to making the greatest initial monetary return for the Port.

### *(Implementation Policy) Redevelopment Leadership*

Upon completion of the master plan, the Port should function as the master developer.

### *(Economic & Design Policy) Lean Approach*

The Port embraces 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 and incremental development (pay as you go) and simplified development regulations (pink zone).

### *(Social Policy) Housing for all within the Economic Spectrum*

The Port will take steps to assure that housing within Vista Field is affordable to all within the community.

## Directive No. 4

### ***Vista Field -- Next Stage of Planning and Utility/Road Design***

The Port Commission establishes that the “next phase” of Vista Field planning (i.e. post charrette and post task force) will be for the Executive Director to:

- (1) Prepare a draft master plan which embodies the Charrette elements and public and Commission comments;
- (2) Segment the draft master plan into two elements (the planning and zoning element and the transportation and utility element);



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(3) Separately present each element to the city council for review, discussion and comment; and

(4) When appropriate, present the final draft master plan to the Port Commission and City Council for possible adoption.

## PUBLIC COMMENT

No comments were made.

***MOTION:*** Commissioner Novakovich moved for approval of Resolution 2015-22, adopting the Policy Directives contained therein; Commissioner Moak seconded:

### ***Discussion:***

*Mr. Moak appreciated Mr. Frost's concerns and comments and stated the Commission learned from that meeting. He believes it is important for the directives to be memorialized and documented in resolution form.*

*Mr. Barnes agreed with Mr. Moak and stated the Port of Kennewick strives to be transparent and provide an opportunity for the public to comment. Mr. Barnes stated he is proud of how staff has worked to be transparent and engaging to the public throughout the Vista Field process, beginning with Charrette. Furthermore, the Port received an award from the Washington Public Ports Association (WPPA) for our work in engaging public. Mr. Barnes stated going forward, the Commission will make sure there are opportunities available for the public to weigh in.*

***With no further discussion, all in favor, 3:0. Motion carried unanimously.***

### **C. Kent Station**

Mr. Arntzen stated Kent Station is located in Kent, Washington, south of Seattle. Mr. Peterson conveyed the importance of Kent Station to Mr. Arntzen, because Carey Roe, City of Kennewick's Public Works Director, and other City staff are familiar with the project. Mr. Roe will be very influential in the Vista Field process and views Kent Station as being consistent with what Vista Field may become. Mr. Arntzen stated individual Commissioners will have an opportunity to visit Kent Station during the WPPA Winter Conference, and believes it is a good point of reference. Kent Station is a form of New Urbanism and contains many of the same attributes that were defined at the Charrette, such as the skinny street. Mr. Arntzen presented slides of Kent Station.

Mr. Peterson stated Kent Station is formerly a 22 acre chemical plant, which had been shut down for 10-15 years prior to redevelopment. It has taken 13 years to get to this point in redevelopment and they are now adding residential into the mix. Although the scale is much different from Vista Field, Kent Station is a good point of reference with City Staff.





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## ***D. Vista Field***

Mr. Peterson stated Duany Plater-Zyberk (DPZ) is working various stages of the Master Plan, specifically the Transportation System Impact Evaluation with Paramatrix. The City Public Works department requested the transportation analysis to determine the impact of the skinny streets and how they would tie into the existing road network. Mr. Peterson introduced Michael Mehaffy and Laurence Qamar of DPZ, for a Vista Field update.

Mr. Mehaffy stated DPZ is currently working on the entitlement process with the City and things are going smoothly. Mr. Mehaffy stated the commonalities with Kent Station as a common points of reference is very constructive. Furthermore, DPZ is finishing up the master plan and putting it into a form for the City to adopt and formalize. It is critical to get the entitlements right, to help the Port work with the private sector, to deliver a development that the public expects. Presently, we are moving forward on the Phase I design of Vista Field and working on the anchor and features that will make Vista Field an exciting place to be.

Mr. Qamar stated this is a continual process and as the first projects proceed, we are here to work with staff and other architects hired by the Port, to refine the design details, to fit collaboratively within the development.

Mr. Barnes asked if there are any issues in particular that the Commission should be aware of.

Mr. Mehaffy stated the most important item to watch for is developers coming at you with a different scope that is not necessarily part of the vision for Vista Field.

Mr. Qamar offered that the Commission and staff want to look forward in terms of development practices and not follow conventional practices.

Mr. Novakovich inquired if Mr. Mehaffy and Mr. Qamar have been working with the Mid-Columbia Arts Foundation regarding the Vista Arts Center.

Mr. Mehaffy stated, Chris Ritter, a DPZ colleague, has been working with arts foundation in conjunction with DPZ.

Mr. Peterson stated Mr. Ritter was a part of the DPZ team during the Charrette and he also generated the original graphic of the performing arts center. Mr. Ritter is helping the Vista Arts Center Task Force bring their vision to paper and capturing ideas from a practical aspect, to tie into the project.

Mr. Mehaffy stated Mr. Ritter also completed the renderings of the urban room, from the April 7, 2015 joint meeting. Mr. Mehaffy explained that Mr. Ritter is working independently with the arts foundation as a sub-consultant to DPZ, and not for the Port.

Mr. Arntzen is currently working on a creating a collaborative design process document with Ms. Luke and Mr. Mehaffy. Mr. Arntzen believes this will be a valuable tool for the Port that will work for most proposals and projects.



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## PUBLIC COMMENT

Jon Lindeman, 3405 West 46<sup>th</sup> Avenue, Kennewick. Mr. Lindeman stated he would like to see Vista Field emulate the corner of 10<sup>th</sup> Avenue in Kennewick, where people are able to walk to the market or other stores. Mr. Lindeman stated it is an important concept for developments that include mixed residential, which is usually overlooked.

No further comments.

*Mr. Barnes recessed the meeting at 3:32 p.m. for a break and will reconvene in eight minutes.*

*Mr. Barnes reconvened the meeting at 3:41 p.m.*

### ***E. Columbia Drive Bicycle Rentals***

Mr. Arntzen stated the Port received a letter of interest for Columbia Drive from a local business owner, who offers bike rentals to the community and tourists. The business owner believes with the development of Columbia Drive and Clover Island, a bike rental shop will benefit the redevelopment and offer an additional amenity to the island.

Mr. Arntzen stated the business plan calls for the Port to create a permanent cargotexture container within Columbia Gardens, available for lease by next summer. Mr. Arntzen stated staff and Mr. Barnes have seen how artistic the cargotexture containers can be, when they visited Austin, Texas on a research trip for Vista Field. Staff would like to use our efforts to work with the business owner as we get the Wine Village operational, to offer an amenity to the area. The concept is not overly expensive and staff is working on the proposal, however, there are some issues that need to be address, such as City zoning code does not allow for businesses to be operated out of these containers. The City has been very cooperative and asked Mr. Peterson to research the idea further. Another impediment, is that a restroom needs to be available to customers. Mr. Peterson suggested adding an ADA accessible restroom inside of the barrel storage house, which could be utilized by other businesses, such as food trucks or pop-ups. Staff believes the cargotexture containers would add vibrancy to the Wine Village and meet the community expectations of the Port. Mr. Arntzen inquired of the Commission's desire to further explore adding cargotexture containers to the Wine Village.

Mr. Peterson stated the additional elements for the Wine Village, such as the streetscape, the bus shelter, the Latino mural, and the adjacent pathway, will help the community rediscover the waterfront and create a vibrant area. The barrel house has an available 160 square feet available for the two ADA accessible restrooms, which could support all businesses within the Wine Village.

Mr. Moak believes this is something the Commission is interested in seeing. The concept is unique and additional activity in the Wine Village is a good thing. Mr. Moak inquired if the Port would be the owner of the cargotexture container.

Mr. Peterson stated the Port would purchase, insulate, and add power to the container. The merchant would then lease the container from the Port.





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Mr. Novakovich inquired if the Port could purchase one container with the potential to add additional containers.

Mr. Peterson confirmed the Port could purchase one container with the possibility of expanding at a later date.

Mr. Arntzen believes this could be a pilot program and staff could see if the venture is successful. Mr. Arntzen stated the City of Richland has been very successful in creating a vibrant area at John Dam Plaza by incorporating food vendors and events at the site and is currently installing additional infrastructure.

Mr. Novakovich supports the idea.

Mr. Barnes stated the concept is interesting and would like staff to pursue further. He believes if the City approves the zoning it will make the Wine Village an appealing gathering place.

Mr. Arntzen thanked the Commission and staff will continue to pursue the cargotexture concept. Furthermore, the cost may be an estimated \$20,000 for the container and site preparation, not including the cost of the joint restroom.

***F. Cancellation of November 24 and December 22, 2015 Commission Meetings***

Ms. Scott inquired if the Board would like to cancel the November 24, and December 22, 2015 Commission meetings due to the Thanksgiving and Christmas Holidays. Furthermore, the Special Fall Workshop is scheduled for October 27, 2015 at 6:00 p.m. in lieu of the Regular Commission Business Meeting.

**PUBLIC COMMENT**

No comments were made

***MOTION: Commissioner Moak moved that the Commission cancel the November 24 and December 22, 2015 Regular Business Meetings due to the proximity to the holidays; Commissioner Novakovich seconded: With no further discussion, all in favor, 3:0. Motion carried unanimously.***

***G. Preliminary Review of Committee Assignments for 2016***

Ms. Scott stated before the Commission is the preliminary Committee Assignments for 2016 and inquired if the Commission had any comments, additions or deletions regarding the list.

Mr. Novakovich would like to add the Hispanic Chamber of Commerce and volunteered to attend the meetings. Furthermore, he is satisfied with the committees he is currently on.

Mr. Moak indicated that he has not attended a State Good Roads meeting, which is held in Ellensburg, and does not believe it is a good use of Commission time or Port funds. Mr. Moak is content with the other assignments.



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Mr. Novakovich is fine with eliminating Port representation on the State Good Roads Committee and believes the Local Good Roads may be disbanding as well.

Mr. Arntzen suggested staff take notes and analyze Commission comments to see if there may be implications to discontinuing Port representation.

Mr. Barnes is comfortable and content with list as is and is pleased to continue working with the organizations in which he has a set.

Ms. Scott stated there is one administrative change for the TRIDEC Executive Board, which rotates amongst the community and Port of Pasco will serve for 2016.

Mr. Arntzen will take assess the Commission comments and bring back the list for adoption at the November 10, 2015 meeting. Furthermore, he asked the Commission if they would like to discuss the 2016 election of officers.

## PUBLIC COMMENT

Gene Wagner, 4024 West 3<sup>rd</sup> Avenue, Kennewick. Mr. Wagner stated it was refreshing to sit and listen to the meeting and congratulated the Commission and staff for all their hard work.

No further comments were made.

Mr. Arntzen stated the Commission has the option to elect officers at a future meeting or wait until January 2016. Additionally, Mr. Arntzen inquired if the Commission would like to serve for a one or two year terms and if they would like to see the positions rotate.

Mr. Moak prefers to elect the current officers.

Mr. Barnes inquired if there is a term limit.

Ms. Luke would need to research the Commission Policy regarding annual elections.

Mr. Novakovich stated the Commission has set precedence, because previously, the Commissioner who was up for election was the President, following a rotation.

Mr. Moak is not in favor of rotation.

Mr. Barnes would like to think about this and consider and address at the November 10, 2015 meeting.

Mr. Arntzen stated staff will research the policy and statutes and come back with more detailed information.

***H. Commissioner Meetings (formal and informal meetings with groups or individuals)***  
Commissioners reported on their respective committee meetings.





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## I. Non Scheduled Items

1. Mr. Novakovich visited the Tamastlikt Cultural Institute Store and donated two books to the Port of Kennewick Library:
  - *They Are Not Forgotten: Sahaptian Place Names Atlas of the Cayuse, Umatilla and Walla Walla* by Eugene S. Hunn, E. Thomas Morning Owl, Phillip E. Cash Cash and Jennifer Karson Engum
  - *Umatilla Dictionary: A Project of the Confederated Tribes of the Umatilla Indian Reservation and Noel Rude*

Ms. Bader Inglima stated Bobbie Conner, who has worked very closely with the Port, has been very instrumental in getting the books published and is extremely proud of the work.

2. Ms. Scott reminded the Commission and public that the Port will not be holding the Regular Commission Business Meeting on October 27, 2015 at 2:00 p.m., but rather holding a Special Workshop at 6:00 p.m. regarding the Comprehensive Scheme and 2015-2016 Work Plan and Capital Improvements. The Special Workshop will be at the Port of Kennewick and open to the public.
3. Ms. Bader Inglima attended the Affiliated Tribes of the Northwest Indians (ATNI) Annual Convention in Spokane in September. Ms. Bader Inglima was there on behalf of the Port of Kennewick who had been invited and encouraged to attend by our Memorandum of Understanding (MOU) partners, the Confederated Tribes of the Umatilla Indian Reservation (CTUIR). The Port took the opportunity to partner with the CTUIR on some advertising and the Port's name was prominently displayed at the event, including our logo in their program. A number of the delegates thanked us for our support and attendance. Ms. Bader Inglima had the chance to visit with Chairman Ron Allen of the Jamestown S'Klallam Tribe. Mr. Allen had briefly met with Mr. Arntzen at the 2014 Conference, and expressed his desire to meet and discuss our MOU partnership with the CTUIR. Ms. Bader Inglima also met with Brigadier General Spellman, of the US Army Corps of Engineers (USACE), and thanked him for the hard work of the Walla Walla team regarding the Clover Island 1135 Ecosystem Restoration Project. Ms. Bader Inglima believes it is very worthwhile for the Port to be represented at the ATNI Convention and next year, and the Port may want to have a display showcasing the 1135 project with the USACE.

Ms. Bader Inglima reported met with Senator Murray's Regional Director, Raquel Crowley. Mr. Novakovich and I gave her a very thorough overview of Port projects and toured many of our project sites. Ms. Crowley was very interested in the work the Port is doing and Ms. Bader Inglima believes it will be a very good relationship.

4. Mr. Arntzen attended the Gala Devine, a Trios Event, with Mr. Moak and Ms. Scott.

Mr. Arntzen stated the Port of Benton land transfers received from the Department of Energy, through the hands of TRIDEC, are worth between \$35,000,000 - \$70,000,000. When the Port of Kennewick works through the budget process, we are not receiving gifts of land from other entities. Mr. Arntzen stated the Port pays TRIDEC \$35,000 a year in dues and wondered if the



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entity receiving the gift of land could work out a funding mechanism with TRIDEC that would relieve the burden of paying dues.

Mr. Barnes stated the land that was transferred came without infrastructure and Port of Benton is reporting it is of low market value and to make it valuable, a substantial investment will be required.

5. Mr. Peterson reported on the construction schedule for Clover Island:
  - The Boat Ramp is on schedule and is slated for completion on November 30, 2015;
  - Thursday, October 15, 2015, the Port will open bids for Village at Island Harbor, Phase I;
  - The Boat Launch in-water concrete planks have arrived in advance of construction;
  - The Boat Launch in-water small works project will be bid on November 10, 2015;
  - The Boat Launch in-water small works project is anticipated to begin on December 1, 2015.

## PUBLIC COMMENTS

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick stated the November Regional Chamber of Commerce Meeting is sponsored by the various arts groups of the Tri-Cities and will feature the Director of Washington Arts Commission. The groups pooled their resources together for the \$1500 sponsorship of the keynote speaker. Furthermore, Mr. Burdick has heard a lot of discussions regarding Vista Field developers and hopes that when the Commission discusses residential parcels, they will be available for purchase by private individuals and built by individuals.

No comments were made.

## COMMISSIONER COMMENTS

No comments were made.

Mr. Barnes anticipates the Executive Session will last approximately 20 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 4:54 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 4:58 p.m. for approximately 20 minutes.

Ms. Hanchette exited the meeting at 5:18 p.m. to extend the Executive Session 5 minutes.

Ms. Hanchette exited the meeting at 5:23 p.m. to extend the Executive Session 5 minutes.





# REGULAR COMMISSION MEETING

PORT OF KENNEWICK

OCTOBER 13, 2015 MINUTES

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Mr. Barnes adjourned the Executive Session at 5:24 p.m.

Mr. Barnes reconvened regular commission meeting at 5:24 p.m.

## ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:25 p.m.

### APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS

*Don Barnes, President*

*Skip Novakovich, Vice President*

*Thomas Moak, Secretary*

# ***PORT OF KENNEWICK***

## **Resolution No. 2015-22**

### **A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING VARIOUS POLICY MATTERS**

**WHEREAS**, on September 22, 2015, staff presented several policy matters for Commission consideration; and

**WHEREAS**, upon consideration and discussion of the matters by the Commission, the Commission provides the following direction to the Executive Director:

**NOW, THEREFORE; BE IT HEREBY RESOLVED** that the Board of Commissioners of the Port of Kennewick hereby directs the Executive Director to take all action to implement the policy directives listed below:

#### **Directive No. 1.**

##### Columbia Drive Road

The Executive Director is hereby directed to formalize the drawing of the road/utility alignment for Phase II of the Columbia Gardens Wine Village. The drawing is attached hereto as "Exhibit A". Estimated construction cost is approximately \$350,000 +/- . The Executive Director shall incorporate the drawing into appropriate port planning activities.

#### **Directive No. 2.**

##### Vista Field and Phase II, Columbia Gardens Wine Village Capital Funding Plans

The Executive Director is hereby directed to establish the funding plans attached hereto as "Exhibit B" as the initial funding plans for the above referenced properties. Further, the Executive Director shall update the Commission on any proposed changes or amendments to said funding plans.

#### **Directive No. 3.**

##### Vista Field

*Vista Field will be developed based upon the principles of New Urbanism*

*Vista Field is intended to become the Tri-Cities New Town Center*

*Port strongly supports a privately funded Performing Arts Center in Vista Field*

##### *(Economic Policy) Return on Investment Expectations*

While fiscal considerations are important to the Commission, the Commission finds that it is more important for the Port to make the best urban place possible as opposed to making the greatest initial monetary return for the Port.

##### *(Implementation Policy) Redevelopment Leadership*

Upon completion of the master plan, the Port should function as the master developer.



(Economic & Design Policy) Lean Approach

The Port embraces 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 and incremental development (pay as you go) and simplified development regulations (pink zone).

(Social Policy) Housing for all within the Economic Spectrum

The Port will take steps to assure that housing within Vista Field is affordable to all within the community.

**Directive No. 4**Vista Field -- Next Stage of Planning and Utility/Road Design

The Port Commission establishes that the “next phase” of Vista Field planning (i.e. post charrette and post task force) will be for the Executive Director to:

- (1) Prepare a draft master plan which embodies the charrette elements and public and commission comments;
- (2) Segment the draft master plan into two elements (the planning and zoning element and the transportation and utility element);
- (3) Separately present each element to the city council for review, discussion and comment; and
- (4) When appropriate, present the final draft master plan to the Port Commission and City Council for possible adoption.

Road/Utility Design

The Port Commission establishes that the transportation and utility element of the draft Vista Field master plan (prepared by DPZ, EcoNorthwest and Port staff) shall be as shown in the drawing which is attached hereto as “Exhibit C”.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 13th day of October, 2015.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

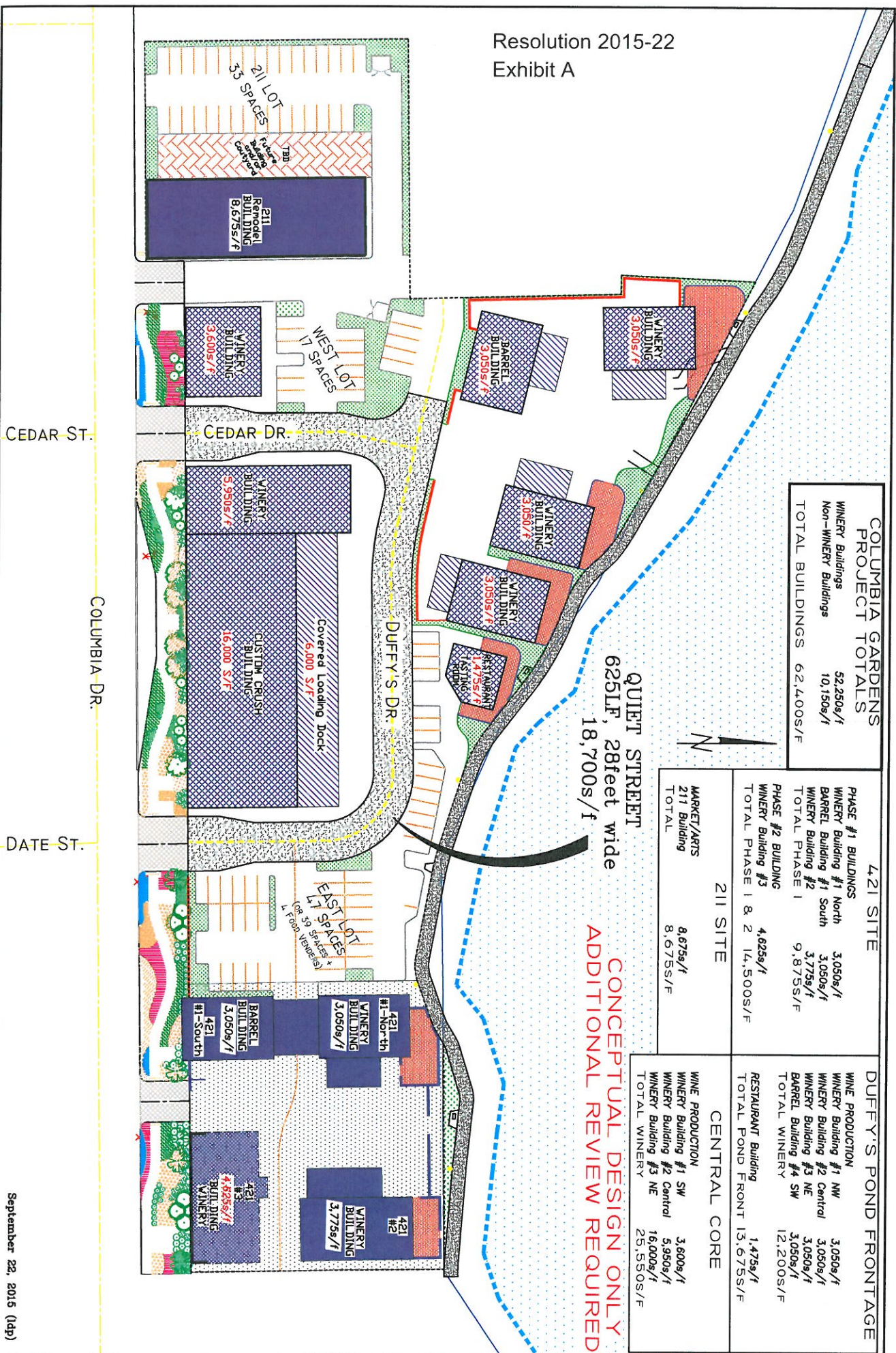
By:   
DON BARNES, *President*

By:   
SKIP NOVAKOVICH, *Vice President*

By:   
THOMAS MOAK, *Secretary*



Resolution 2015-22  
Exhibit A

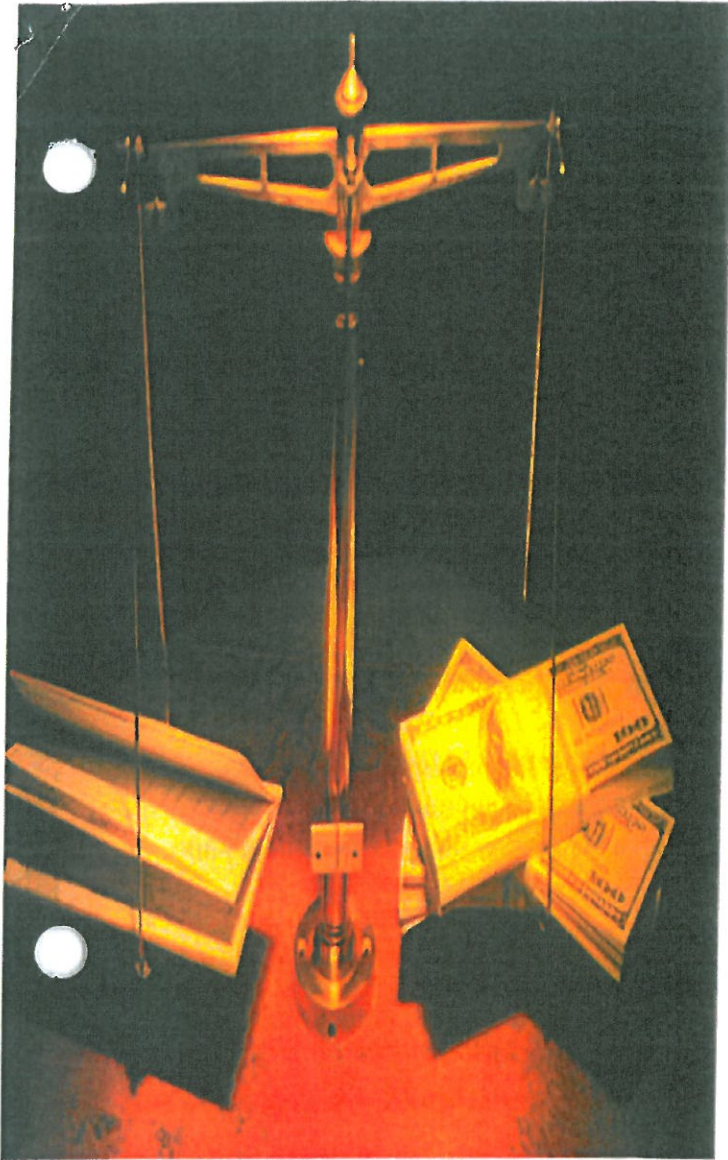


COLUMBIA GARDENS PROJECT TOTALS	
Winery Buildings	52,250s/f
Non-Winery Buildings	10,150s/f
<b>TOTAL BUILDINGS</b>	<b>62,400s/f</b>

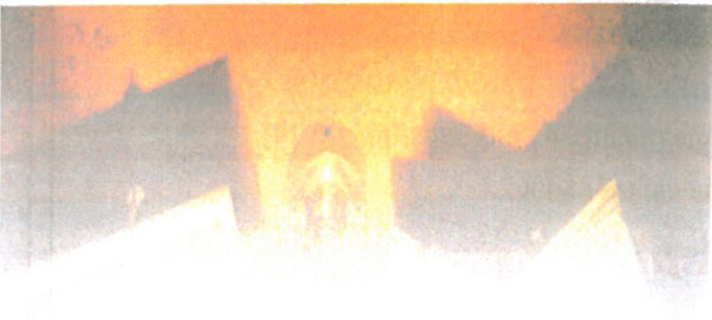
421 SITE		DUFFY'S POND FRONTAGE	
<b>PHASE #1 BUILDINGS</b>		<b>WINE PRODUCTION</b>	
Winery Building #1 North	3,050s/f	Winery Building #1 NW	3,050s/f
Barrel Building #1 South	3,050s/f	Winery Building #2 Central	3,050s/f
Winery Building #2	3,775s/f	Winery Building #3 NE	3,050s/f
<b>TOTAL PHASE 1</b>	<b>9,875s/f</b>	Barrel Building #4 SW	3,050s/f
<b>PHASE #2 BUILDING</b>		<b>TOTAL WINERY</b>	<b>12,200s/f</b>
Winery Building #3	4,625s/f	RESTAURANT Building	1,475s/f
<b>TOTAL PHASE 1 &amp; 2</b>	<b>14,500s/f</b>	<b>TOTAL POND FRONT</b>	<b>13,675s/f</b>
<b>211 SITE</b>		<b>CENTRAL CORE</b>	
MARKET/ARTS		WINE PRODUCTION	
211 Building	8,675s/f	Winery Building #1 SW	3,600s/f
<b>TOTAL</b>	<b>8,675s/f</b>	Winery Building #2 Central	5,950s/f
		Winery Building #3 NE	16,000s/f
		<b>TOTAL WINERY</b>	<b>25,550s/f</b>

CEDAR ST.  
CEDAR DR.  
DUFFY'S DR.  
COLUMBIA DR.  
DATE ST.





# Finance Plan – Columbia Drive Redevelopment



Tammy Fine, CPA, CFE  
PORT OF KENNEWICK  
Chief Financial Officer & Auditor

## **COLUMBIA DRIVE REDEVELOPMENT FINANCE REQUIREMENTS**

- Phase I: Already funded and underway (Port and City partnership).
- Phase II: Establish an initial \$750k implement infrastructure identified in Exhibit A.

## **COLUMBIA DRIVE PARTNERSHIPS & ALTERNATIVE FINANCING MECHANISMS**

- Identify and develop local, state, and federal government partnerships that would assist in funding and benefit from the redevelopment project (i.e. City of Kennewick, Benton Franklin Transportation, local Colleges, Tribes, Private Sector, Department of Revenue, etc...).
- Explore various public/private partnerships that would help assist in funding and benefit from the redevelopment.
- Explore alternative financing mechanisms such as the Local Revitalization Financing tools, livable center initiative funded by ARC, low income housing tax credits,
- Attract businesses and developers with incentives such as infrastructure, fee waivers and reduction, fast track permitting, public/private partnership, etc...
- Research tools for public/private partnerships such as transferring land to developer/business in exchange for an agreed upon development project, minimal ground lease rates for 2-3 years, applying partial proceeds of lease payments to purchase of land, Port finances land sales with postponed payment plans, Port builds then sells to private sector, etc....

## **SIMPLE FINANCING PLAN PHASE I - (NO TAX INCREASE)**

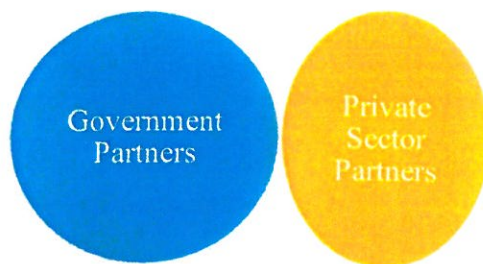
- 1) Port and Partners fund \$750k by 2018.
  - a) Port sets aside \$350k from the 2015/2016 budget (land sale proceeds from 2014).
  - b) Enter into an interlocal with the City of Kennewick for \$400k.
- 2) Explore partnership opportunities for a phase II.
- 3) Explore grants for phase II.

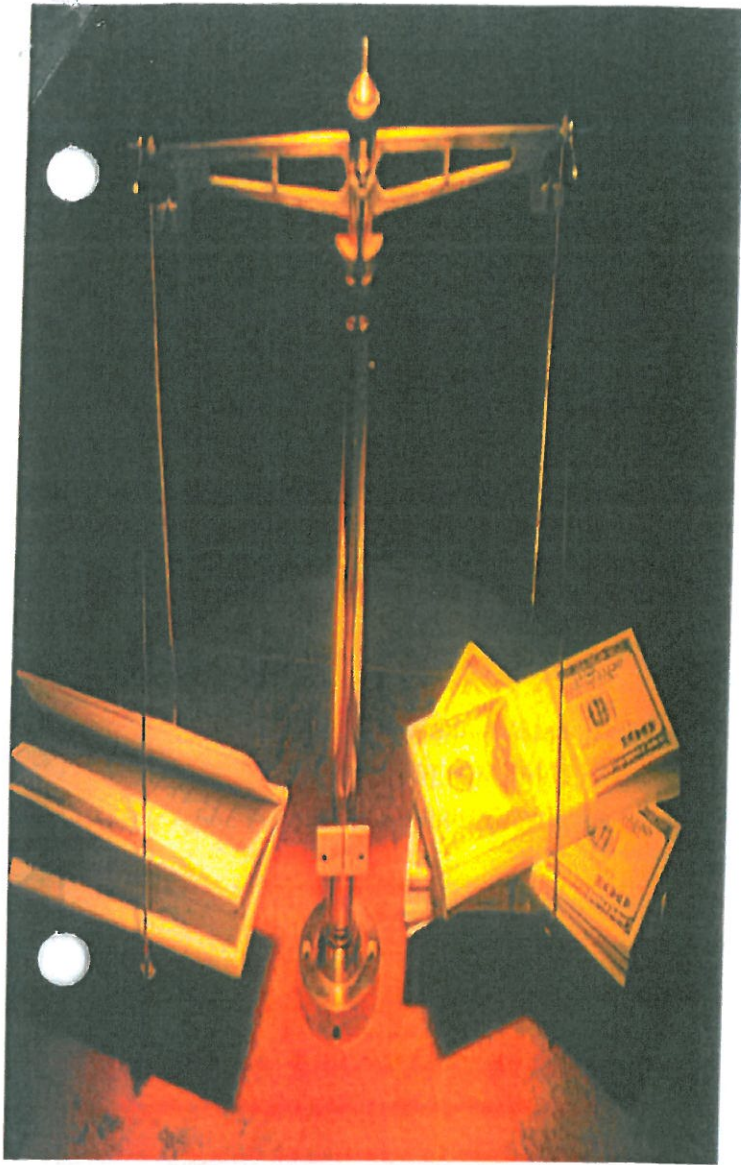


## PARTNERSHIPS PHASE II – (NO TAX INCREASE)

- 1) During Phase I, Port explores partnerships to accomplish the following for Phase II:
  - a) Port hires a management firm for services to attract developers, businesses, financing mechanisms and alternatives.
  - b) Port, City, IRS, Department of Revenue, and other local governments to work together to offer fee waivers or reduction of cost, fast track permitting, leasing and selling property incentives identified above, tax credits, and other developer and business incentives for Phase I activities.
  - c) Port works on grants for livable center initiative funding and HUD funding and works with a private sector developer to develop low income housing condo units along with a high income housing condo units (Santa Barbara example).
  - d) Port enters into a public/private joint venture where the Port retains stock or profit share in a private company in exchange for the value of the land transferred.
  - e) Port enters into a turnkey project(s) where the Port finances, builds, and then turns it over to a private sector to operate. The Port could receive lease revenues, profit share, or a combination. These agreements can have an option for the private sector to buy.
  - f) Port works with local banks who would offer low interest financing packages for developers and business owners.

\*Note: The financing alternatives with private sector would need individual analysis for gifting of public funds and credit not to be loaned.





# Finance Plan - Vista Field Redevelopment



Tammy Fine, CPA, CFE  
PORT OF KENNEWICK  
Chief Financial Officer & Auditor



## VISTA FIELD REDEVELOPMENT FINANCE REQUIREMENTS

- Phase I: Establish an initial \$5m to implement infrastructure identified in Exhibit A.
- Phase II: Explore partnerships for creative financing mechanisms.

## VISTA FIELD PARTNERSHIPS & ALTERNATIVE FINANCING MECHANISMS

- Identify and develop local, state, and federal government partnerships that would assist in funding and benefit from the redevelopment project (i.e. City of Kennewick, Kennewick Irrigation District, Benton Franklin Transportation, Tribes, Department of Revenue, etc...).
- Explore various public/private partnerships that would help assist in funding and benefit from the redevelopment.
- Explore alternative financing mechanisms such as the Local Revitalization Financing tools, livable center initiative funded by ARC, low income housing tax credits,
- Attract businesses and developers with incentives such as infrastructure, fee waivers and reduction, fast track permitting, public/private partnership, etc...
- Research tools for public/private partnerships such as transferring land to developer/business in exchange for an agreed upon development project, minimal ground lease rates for 2-3 years, applying partial proceeds of lease payments to purchase of land, Port finances land sales with postponed payment plans, Port builds then sells to private sector, etc....

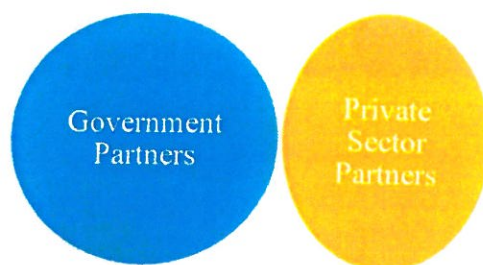
## SIMPLE FINANCING PLAN PHASE I - (NO TAX INCREASE)

- 1) Port will fund \$5m by 2018.
  - a) Port sells Southridge Land at \$2.8m in 2016/2017. *8.5a*
  - b) Port sells Verizon land at \$1.3m in 2016/2017 *9.89a*
  - c) Port sets aside \$900k of property taxes in 2017/2018.
- 2) Explore partnership opportunities for a phase II.
- 3) Explore grants for phase II.

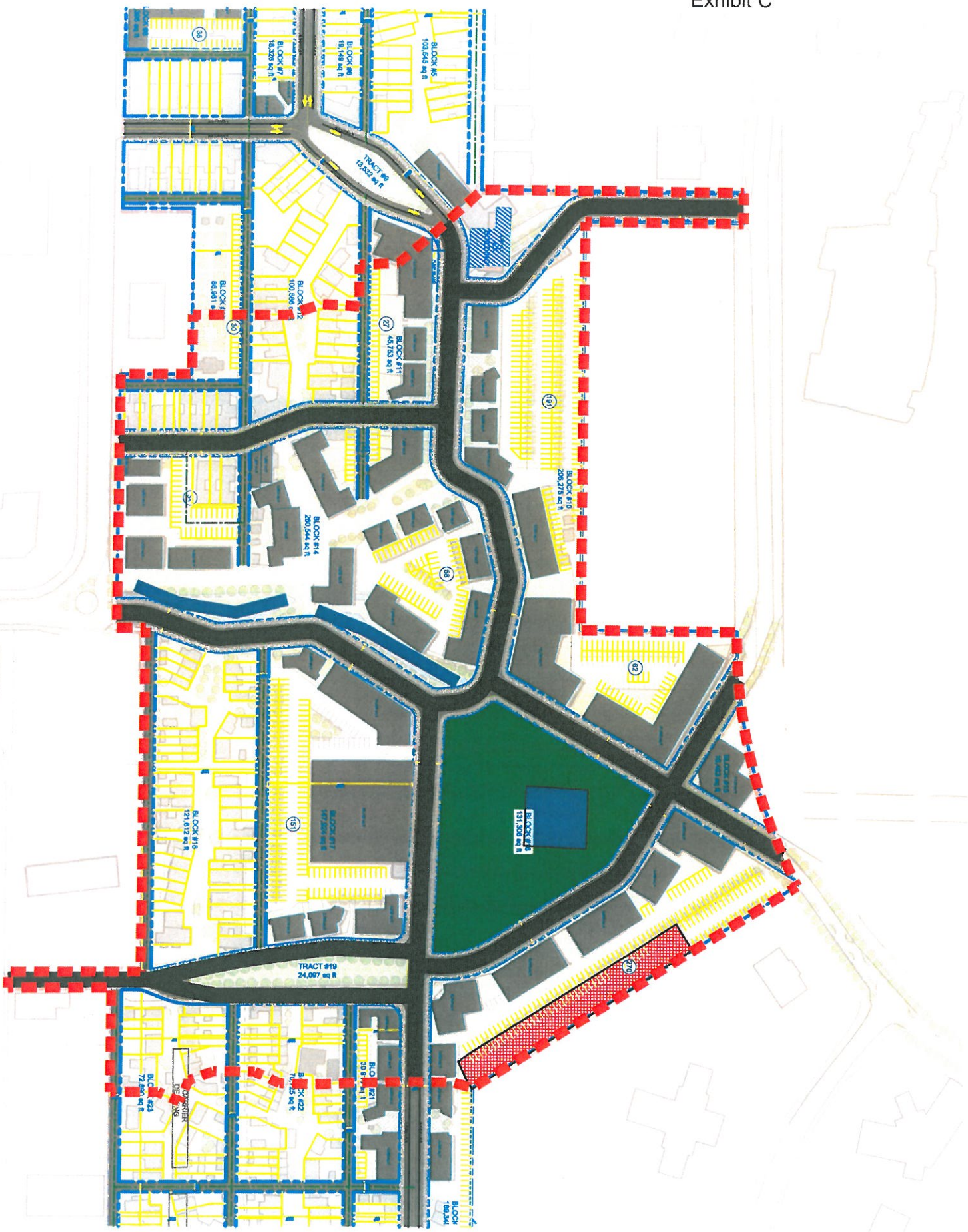
## PARTNERSHIPS PHASE II – (NO TAX INCREASE)

- 1) During Phase I, Port explores partnerships to accomplish the following for Phase II:
  - a) Port hires a management firm for services to attract developers, businesses, financing mechanisms and alternatives.
  - b) Port, City, IRS, Department of Revenue, and other local governments to work together to offer fee waivers or reduction of cost, fast track permitting, leasing and selling property incentives identified above, tax credits, and other developer and business incentives for Phase I activities.
  - c) Port works on grants for livable center initiative funding and HUD funding and works with a private sector developer to develop low income housing condo units along with a high income housing condo units (Santa Barbara example).
  - d) Port enters into a public/private joint venture where the Port retains stock or profit share in a private company in exchange for the value of the land transferred.
  - e) Port enters into a turnkey project(s) where the Port finances, builds, and then turns it over to a private sector to operate. The Port could receive lease revenues, profit share, or a combination. These agreements can have an option for the private sector to buy.
  - f) Port works with local banks who would offer low interest financing packages for developers and business owners.

\*Note: The financing alternatives with private sector would need individual analysis for gifting of public funds and credit not to be loaned.







***PORT OF KENNEWICK***

**RESOLUTION 2015-23**

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
PORT OF KENNEWICK APPOINTING THE PORT AUDITOR***

**WHEREAS**, the Board of Commissioners of the Port of Kennewick met this 13th day of October, 2015, a quorum of the Commissioners being present; and

**WHEREAS**, pursuant to the CEO's Delegation of Authority established by Resolution 2011-03, the CEO is required to manage all personnel related items for effective operation of the Port; and

**WHEREAS**, the CEO presented a staff realignment plan to the Board of Commissioners on September 22, 2015 outlining a plan to effectively manage current and future workloads at the Port; and

**WHEREAS**, in accordance with the staff realignment plan, the CEO has identified the current Assistant Auditor/Accountant as the most suitable for replacement of the current Port Auditor.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Port of Kennewick hereby ratify the CEO's decision to appoint Nick Kooiker as the Port of Kennewick Auditor effective immediately.

**ADOPTED** by the Board of Commissioners of Port of Kennewick this 13th day of October 2015.

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

By:   
DON BARNES, *President*

By:   
SKIP NOVAKOVICH, *Vice President*

By:   
THOMAS MOAK, *Secretary*