



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

NOVEMBER 10, 2015 MINUTES

CALL TO ORDER

Commission President Don Barnes called the Regular Commission meeting to order at 2:00 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

The following were present:

Board Members: Don Barnes, President
Skip Novakovich, Vice-President
Thomas Moak, Secretary

Staff Members: Tim Arntzen, 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
Jennifer Roach, Accounting Administrative Assistant
Lisa Schumacher, Special Projects Coordinator
Bridgette Scott, Executive Assistant
Kandy Yates, Receptionist
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Mr. Barnes led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated November 3, 2015**
Direct Deposit and E-Payments totaling \$57,837.50
- B. Approval of Warrant Registers Dated November 10, 2015**
Expense Fund Voucher Numbers 37346 through 37383 for a grand total of \$340,056.10
- C. Approval of Special Commission Meeting Minutes Dated October 27, 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. Arts Foundation of the Mid-Columbia, Ms. Pam Bykonen and Mr. Chuck Eaton

Mr. Arntzen stated Ms. Bykonen and Mr. Eaton will present a potential opportunity for the Port at Vista Field. Mr. Arntzen has met with Mr. Eaton and Ms. Bykonen about including the arts at Vista Field.

Ms. Bykonen, the chairwoman of the Arts Foundation of the Mid-Columbia (AFMC), thanked the Commission and believes the proposal is both beneficial to Port and the arts community at large.

The AFMC is preparing a proposal to the Port of Kennewick to purchase the Field Base Operations (FBO) building for use as an Arts Incubator. Ms. Bykonen stated the proposal is compatible with the Port's goals for Vista Field, while offering a public amenity through entertainment, education, and entrepreneurship; and it will bridge the time gap between now and the opening of the Vista Arts Center.

Ms. Bykonen stated the AFMC would like to create an Arts Incubator at the FBO building and become an organization or program that will function by nurturing the growth and development of artists, arts organizations or arts enterprises. Ms. Bykonen believes an Arts Incubator would help contribute to the development of Vista Field as the urban center of the Tri-Cities. This will be accomplished in three phases, which will include the Vista Arts Center and the Mid-Columbia Performing Arts Center. The Arts Incubator will help "brand" Vista Field as the Arts and Entertainment District of the Tri-Cities.

What would happen at the Arts Incubator?

- Exhibits in the gallery;
- Concerts in the hangar;
- Meetings in the conference rooms;
- Business in the offices;
- Collaborating in the common areas; and
- Classes, rehearsals, studio art, lessons, etc.

This is where art starts, as a collaborative effort where people can gather, share spaces or work jointly on projects. The AFMC is spearheading the project and is looking to start a social purpose corporation, which is defined as a for-profit organization, which provides the legal means to maximize financial returns, while putting the returns back into the community.

Who is "We"?

- A coalition of artists and art organizations to use, operate and manage the Art Incubator;
- Using the shared workspace business model utilized by FUSE;
- Gathered by the AFMC for the purpose of managing the FBO building;
- Mentored by FUSE to benefit from its experience of creating a shared workspace as well as funding sources.



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Ms. Bykonen stated, before the FBO building becomes an Arts Incubator, further evaluation of the building is required. The AFCM will need to evaluate the following:

- Heating and cooling systems;
- Public access and emergency egress requires professional review;
- Furniture and fixtures need replacing/updating.

Furthermore, the AFCM is looking at an estimated timeline, which includes:

- Early November – Proposal to the Port of Kennewick;
- End of 2015 – Port of Kennewick’s Master Plan for Vista Field will be released;
- Early 2016 – Conclude negotiations for the FBO Building and close on property;
- Spring 2016 – Art Starts!

Ms. Bykonen stated the goal of the AFCM is to open the FBO as an Arts Incubator, where people can come to view the artwork and programs that are created in the Arts Incubator spaces. Those art groups using the space will grow in size and popularity and move on to larger spaces at Vista Field, making room for new art groups to join the incubator. And finally, people who have grown to love and expect art to be centered at Vista Field search for a place where they can be a part of the vibrancy of the area and find it, at Vista Field’s residential community. Ms. Bykonen reported the *American Planning Association* publication recently featured the article “When Arts and Culture Take Center Stage,” which stated the arts help drive economic development and neighborhood revitalization.

Mr. Novakovich inquired why the AFCM would create a for-profit organization.

Ms. Bykonen stated a social purpose corporation is structured as a for-profit and does not qualify for a 501-C. The revenue that is created is put back into the public amenity, thus creating a social impact on our community.

Mr. Novakovich asked if the AFCM has created a budget for staffing and maintenance and operations.

Ms. Bykonen stated the AFCM is still working on a budget and the social purpose corporation would address items such as: fundraising, selling of shares, generating revenue, setting the budget and hiring staff. Ms. Bykonen reported FUSE is a community with co-working space in Richland, which formed a successful social purpose corporation and has offered to mentor the AFCM in their endeavor.

Mr. Novakovich thanked Ms. Bykonen for her presentation and believes an Arts Incubator is a great idea. This project would show the community that something is happening at Vista Field and he would like to see staff pursue this opportunity.

Mr. Moak appreciates that the AFMC believes the FBO can be useful and falls in line with the lean concept the Port is trying to implement at Vista Field. Mr. Moak is pleased to see the arts community embrace the idea. Mr. Moak inquired if the management of the Arts Incubator has been set up.



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Ms. Bykonen stated it is a work in progress and the social corporation Board will establish items such as the programming, dues, membership, and the volunteer system.

Mr. Moak asked how incubation, expansion and growth will be addressed for the artists.

Ms. Bykonen stated we will be collaborating with the Mid-Columbia SCORE chapter, a non-profit association dedicated to educating entrepreneurs and helping small businesses start and grow and succeed, who will educate and encourage the arts organizations to move on. We may establish a term out clause, however, we would rather foster the entrepreneurial environment and give artists the skills move ahead and own their own business.

Mr. Moak appreciates the idea and that AFCM is reaching out to others outside the art community, such as FUSE or SCORE, to make the incubator work from a business sense, as well as an artistic sense. Mr. Moak understands the pieces will take time and likes that the vision and how it ties in with the Port's vision for Vista Field. Mr. Moak is supportive of the Arts Incubator and believes it will better our community.

Mr. Barnes inquired why the AFCM would rather purchase the FBO versus leasing the building.

Ms. Bykonen stated the proposal has not been set in stone and the terms will be part of the negotiation process. Ms. Bykonen indicated the AFCM is willing to work with the Port on the terms.

Mr. Eaton stated we currently have contacted an architect and builder, who will evaluate code issues and egress. As part of the process, our consultants will advise us if it is better to rehab the building for use, or use as-is with the plan to build a new facility. Mr. Eaton believes the Art Incubator is not a short-term, fill-in project, but a permanent, long term project. As Ms. Carter states, "art starts," and this will be the place for art to start. The goal is to have a facility that the arts community could begin using by spring or summer of 2016 as opposed to starting a capital campaign to construct the facility, which could take three to five years.

Mr. Barnes asked staff to further explore the Arts Incubator idea.

Mr. Arntzen stated this was a good opportunity for the Commission to discuss the concept and staff will continue to meet with AFCM and bring back additional details. Furthermore, if the Commission would like to explore the idea further, staff will need to look at the potential impact to the Vista Field Master Plan.

Mr. Moak stated assuming DPZ is able to incorporate the FBO building into the Master Plan, he is interested in seeing the project move forward.

Mr. Barnes concurs with Mr. Moak and stated perhaps the Port enter into a lease hold agreement.

Mr. Arntzen stated the Port previously leased the FBO building, which was challenging and did not generate much revenue, which is why it was determined the building should be demolished.



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To lease the building would require additional capital improvements, however, if it could be acquired, it could be a valuable resource. Mr. Arntzen does not envision leasing the FBO building, but the Commission could consider a ground lease.

Mr. Arntzen stated the time line is very ambitious and believes there are additional details that need to be addressed. Mr. Arntzen believes there could be a place for all of the arts and with a possible future expansion that will include dirty art and the Academy of Children's Theater. As staff works with Mr. Eaton and Ms. Bykonen, we continue see the vision and Vista Field may become the mecca for arts in our community. If this idea comes to fruition, the stage is set for how the Port Commission can continue to foster the various forms of art in our community.

Mr. Arntzen stated this is an important proposal and together, with other potential opportunities, we will see early action projects at Vista Field.

Mr. Barnes called for public comment.

PUBLIC COMMENT

Justin Raffa, 1214 Gowan Avenue, Richland. Mr. Raffa, Artistic Director of the Mid-Columbia Mastersingers stated on November 18, 2015, the AFCM, the Arts Center Task Force, the Mid-Columbia Symphony, the Mid-Columbia Ballet, the Mid-Columbia Mastersingers and the Mid-Columbia Musical Theater are sponsoring the Tri-City Regional Chamber of Commerce Luncheon featured speaker, Karen Hanan, Executive Director of Arts Washington. Furthermore, Ms. Hanan will be meeting with staff to explore opportunities with the Port and how art and culture can be involved. Mr. Raffa expressed his support for the Arts Incubator and stated the arts community all stand together, we are supportive of one another, we are working together, and this is a unified Master Plan, not just for Vista Field, but for all the arts and cultural opportunities that exist for our community.

Steven Wiley, 3172 Willow Point Drive, Richland. Mr. Wiley, Chairman of the Arts Center Task Force, stated within the last month, we have visited several successful art centers on the west side. It is very clear that successful art centers have been able to drive the development of an arts district around them, such as the Admiral Theatre in Bremerton, Washington which has revitalized the downtown area. The area has driven the development of art and has created numerous economic development opportunities. Mr. Wiley believes the AFMC proposal dovetails perfectly with the vision of the arts, the Performing Arts Center and the Port's vision for Vista Field. Mr. Wiley expressed his excitement and support for the project.

Josh Peterson, 1164 North Montana Street, Kennewick. Mr. Peterson, Director of the Boys and Girls Club, Music and Arts Center in downtown Kennewick, is fully supportive of an Arts Incubator. The artistic youth in our community are hungry for a space like this, and we cannot expand our program due to lack of space. A facility like this will help push the young artists and musicians in our community, and give them an extra opportunity to create art, to create music, and to perform for their peers and network as they grow up in our community. Mr. Peterson reiterated his support this project, and is excited to see it come to fruition for the community.



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Mr. Novakovich appreciates the comments and support the Commission has heard today. When the Commission discussed the Port's Comprehensive Scheme on October 27, it was important to maintain flexibility, to be able to take advantage of opportunities, and this is a perfect example. Mr. Novakovich stated the comments expressed today show that an Art Incubator would benefit our community and he appreciates the Commission's willingness to move forward.

Pat Fleming, 106429 East Badger Road, Kennewick. Mr. Fleming, an art teacher for the past 44 years, stated the visual arts seem to take a back seat. Mr. Fleming has attended performances at all the high schools, and stated you cannot find one publicly funded visual arts venue in the Tri-Cities. Mr. Fleming stated visual arts used to be able to exhibit at the cities and libraries; however, due to unforeseen circumstances, we are no longer able to. The single largest industry in the country is entertainment and the fifth largest industry is graphics and yet, there is lack of support for the arts in our community. The AFCM is offering the Port an opportunity, and Mr. Fleming does not understand why an Arts Incubator could not be funded through public funds. Mr. Fleming stated Moses Lake has a \$1,000,000 Museum and Art Center which is supported by the City of Moses Lake and museum members. The Tri-Cities doesn't have a facility like this and the community is in desperate need of a place that supports all arts.

Mr. Barnes thanked Ms. Bykonen and Mr. Eaton for the presentation and appreciates the public comments. The Commission would like staff to further pursue the opportunity and continue to work with AFCM.

NEW BUSINESS

A. Spaulding Business Park Land Sale: Resolution 2015-27

Ms. Hanchette reported one lot (#3) remains in Spaulding Business at 1.29 acres. Support, Advocacy and Resource Center (SARC) has offered to purchase 0.83 acres, which is equal to 36,154 square feet located in Spaulding Business Park for \$180,774.00. The purchase price equates to \$5.00 per square foot which is generally consistent with sales activity in the area. If the Port is willing to subdivide, the buyer would pay full price for the back piece, and pay for access improvements, utility easements, and road improvements, which would benefit the remaining front piece.

SARC intends to build a minimum of a 6,000 square foot building for administrative offices and client services. The building will include a tranquil courtyard and the site will be large enough for future expansion. The facility will initially employ 10 staff members with a growth strategy to add more staff through the addition of a counseling program. The desired location is near other community resource agencies (Tri-Cities Chaplaincy, The ARC of Tri-Cities) that are already located in the Spaulding Business Park. Ms. Hanchette introduced SARC Executive Director, JoDee Garretson, to talk about the organization.

Ms. Garretson stated SARC's mission is to provide 24 hour crisis services, support and advocacy to victims, non-offending family members, and others impacted by crime. By purchasing the property and building a new facility, SARC will be able to expand our programs and grow. At this time, our current facility does not allow for expansion and there are issues with privacy. Ms. Garretson reported the budget for the facility and land is \$1,400,000 and SARC needs to raise \$250,000 to reach the goal. Ms. Garretson stated SARC received a State Grant of \$700,000,



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which needs to be expended by June 30, 2017 and believes the time frame is reasonable and the facility will be completed in over a year and half. Furthermore, the architect has completed the initial drawings and a builder has been chosen. The land is so important due to its central location, with Child Protective Services, Tri-Cities Chaplaincy and The ARC nearby and easy highway access for our partner agencies.

Mr. Novakovich inquired if SARC will be adding ten new employees or is that the current number of staff.

Ms. Garretson stated SARC currently has nine employees and will have additional employees with the addition of a counseling program.

Mr. Moak asked Ms. Hanchette if the remaining parcel is more marketable at a smaller size.

Ms. Hanchette stated there is interest in the parcel and it is a desirable piece of property.

Mr. Barnes is supportive of the land sale and thanked Ms. Garretson for the presentation and answering the Commission's questions.

PUBLIC COMMENT

No comments were made.

MOTION: Commissioner Novakovich moved for approval of Resolution 2015-27, authorizing the Port's Executive Director to execute all necessary documentation associated with the land sale to Support, Advocacy & Resources Center and to take all other action necessary to close this transaction; Commissioner Moak seconded.

Discussion:

Mr. Moak stated the Commission has given Ms. Hanchette direction to sell the Spaulding property and SARC is an agency that is very visible and does a lot of good for our community. Mr. Moak is very supportive of this land sale.

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

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Levy Certification: Resolution 2015-25

Ms. Fine stated each year, the Commission has the opportunity to pass the Property Tax Levy which, establishes how much the Port will collect in property taxes and is then forwarded to the Benton County Treasurer. Resolution 2015-26 is required by law, and authorizes the Commission to take an increase in the tax levy of 1%, pursuant to RCW 84.55.120 and WAC 458-19-005. Ms. Fine stated the Port will receive approximately \$45,000 and this will not increase property taxes

Mr. Barnes stated since 2001, the levy rate has decreased from .41 to .33 cents.



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PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Novakovich moved for approval of Resolution 2015-25, Levy Certification; Commissioner Moak seconded. With no further discussion, all in favor, 3:0. Motion carried unanimously.*

B. Increase in Tax Capacity: Resolution 2015-26

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Novakovich moved for approval of Resolution 2015-26, authorizing an increase in the Tax Capacity, authorizing the 1%; Commissioner Moak seconded. With no further discussion, all in favor, 3:0. Motion carried unanimously.*

C. WPPA Legislative Meeting Report

Mr. Novakovich reported on the 2016 Washington Public Ports Legislative Committee Agenda Issues:

1. **Tourism Funding:** When the State cut tourism funding, the Washington Tourism Alliance was created. The Alliance put forward a proposal in the 2015 Legislative session for a coordinated statewide tourism marketing plan, paid for by the businesses that benefit from tourism. This is likely to be back in 2016, however, not all funding partners supported the last proposal. WPPA mulled the idea that perhaps the Ports work together and create the Federation of Washington Ports to promote tourism. Under RCW 52, Ports are authorized to do this;
2. **Industrial Development District (IDD) Levy Flexibility:** On the heels of the bill passed in 2015, which allows ports a flexible timeline to better utilize the IDD funding tool for specific projects. At this time, there are a few ports that cannot levy the remainder of levies that were partially utilized under the old statute. A technical correction needs to be made, which was referred to the Economic Development Committee to undertake. Also, it was discussed to have a complete reset of the IDD levy when a Port reaches the 100 year mark as a District;
3. **Public Works Assistance Account:** WPPA may renew this effort to expand the Public Works Assistance Account, which would allow ports to access their funds and protect the fund for its intended use;
4. **Port Infrastructure Funding:** This would add flexibility to the investment opportunities for ports. It would also assist in the ability to create a port infrastructure program which allows ports to fund infrastructure while maximizing port investments;
5. **Model Toxic Control Act (MTCA) Funding Preservation:** The WPPA supports the Department of Ecology's \$36,000,000 budget request to fill the shortfall caused by the revenue in the MTCA accounts. WPPA is exploring how to best ensure legislation that addresses the structural problems in these accounts and magnify the effects of a revenue shortfall on Remedial Action Grants. It was reported that the account was swept and



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\$250,000,000 was put back into the General Fund. Furthermore, the Governor's Carbon Tax will put Boise at Walulla out of business with a loss of 700 jobs;

6. Public Records Act: The State Auditor's Office (SAO) is conducting a survey on Public Records requests, to potentially allow agencies to recoup some costs pertaining to commercial requests. Also, it is likely there will be a proposal which states the Advisory Committees should be subject to the PRA and the Open Public Meetings Act. Jim Kuntz believes newspapers should be subject to this requirement as well.
7. WPPA: The WPPA is considering bringing legislation forward which will broaden the ports authority to allow hiring private sector auditors to perform audits. Several ports have found many inconsistencies in SAO findings.

D. 2016 Committee Assignments

Ms. Scott addressed the Commission comments regarding the Committee Assignments and made adjustments. Ms. Scott stated the following committees have been removed from the list: Port of Kennewick Policy Representative; the Port of Pasco Commissioner's Citizens Committee; and the State Good Roads Association. In addition, the Port of Pasco will reside on the TRIDEC Executive Board for 2016 and the Hispanic Chamber of Commerce has been added to the Committee Assignments list.

The Commission discussed the Committee Assignments as outlined in Exhibit A and added the following:

- Mr. Barnes will serve as alternate on the Historic Downtown Kennewick Partnership;
- Mr. Barnes will serve as the alternate of the Tri-Cities Hispanic Chamber of Commerce;

Mr. Moak would like to see the Commission engage more with the policy makers rather than business.

Mr. Barnes stated there are several new council members in West Richland and welcomes the opportunity for a joint meeting with the West Richland City Council.

Mr. Arntzen stated there are four new Council Members and staff will look at setting up a joint meeting in the first quarter of 2016. This will be an opportunity to inform new council members on Port projects in West Richland.

Mr. Barnes recessed the meeting at 3:23 p.m. for a break and will reconvene at approximately 3:30 p.m.

Mr. Barnes reconvened the meeting at 3:34 p.m.

E. 2016 Election of Officers

Mr. Arntzen stated every year, in conjunction with the Committee Assignments, the Commission discusses the election of officers: President, Vice President, and Secretary. The Commission has the option of discussing and electing officers today or electing officers at the December 8, 2015 or the first meeting in January 2016.



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Mr. Barnes stated the Port Policy does not specify a date for the election of officers, nor does it set a term limit. The current policy affords the ultimate flexibility and in the past, officers have served one year terms. Mr. Barnes reported at the recent WPPA Small Ports Conference, the Port of Olympia stated the Commission President conducts the meeting, however, he or she does not have any greater power than the other Commissioners. Mr. Barnes has happily served as the Port President for the past two years and whatever action the Commission decides, he is fine with.

Mr. Novakovich thanked Mr. Barnes for addressing the Port Policy and believes the Commission should discuss what needs to be added to policies, and then hold the election of officers at the December 8th meeting.

Mr. Barnes stated the current policy allows for flexibility and believes Commission should proceed with caution if they alter the current policy. If the Commission adjusts the policy, by including election dates and terms of office, we should also consider addressing if an officer is unable to serve.

Mr. Novakovich stated in regards to term limits, the Commission set a precedence by establishing a two year budget and electing Mr. Barnes to serve as Commission President for two one year terms. Mr. Novakovich would like to see a two year election cycle and term limit which would coincide with the budget processes and the previous elections. Mr. Novakovich stated, the policy could also include language addressing the ability to serve.

Mr. Moak likes the two year terms and does not believe the Commission needs to hold elections every year. Also, a two year term should coincide with election cycle, so the newly elected Commissioner could be part of the election process.

Mr. Barnes likes Mr. Moak's idea of following the election cycle and including the newly elected Commissioner. Mr. Barnes inquired if the Commission would like to postpone the election until the January 12, 2016 meeting.

Mr. Moak stated the policy needs to be updated prior to voting.

Mr. Barnes is not in favor of a new policy which specifies a term and stated the current policy allows for flexibility, however, it is worthy of consideration. Mr. Barnes asked staff to draft a new policy which includes the following:

- Two year term limit;
- Elections to be held in January; and
- Include language if officer is no longer able to serve.

Mr. Barnes believes adding language that allows the Commission to hold a special election with a 2/3rds Commission vote would address many issues.



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Ms. Luke and staff will draft a policy and bring back to the Commission at the December 8, 2015 meeting.

Mr. Barnes stated the Commission can address the policy change at the December 8, 2015 meeting and elect officers at the January 12, 2016 meeting.

Mr. Arntzen recognizes the issues and will work with Ms. Luke to draft a policy, which allows for flexibility but still addresses the Commission's directives, which include:

- Two year term limit;
- Elections to be held in January; and
- Include language for a special election if the Commission deems necessary with a 2/3rds vote.

F. Lease Compliance

Ms. Fine stated the lease process and compliance engages almost all staff and 79% of staff time is spent on the marina, which is the most active of all properties. The Port utilizes a standardized lease and requires the following:

- Current insurance;
- Current bonds or deposits or waiver (as per RCW); and
- May have other requirements outlined in the lease agreements.

The Marina Lease Process begins at the front desk with Ms. Yates, who performs following duties with a new marina tenant:

- Reviews standard lease agreement with the customer and obtains signature;
- Obtains driver's license;
- Obtains insurance (per Port policy) and registration;
- Calculates the lease rates (pro-rates if necessary);
- Collects and deposits payments;
- Completes the electrical form if applicable and issues keys;
- Updates lease database and provides ongoing follow up.

Ms. Roach ensures that all the Port's lease contracts are adequately monitored, proper payments have been paid or received and all Port leases are in compliance with their contract requirements and properly reported in the financials.

Mr. Kooiker reviews all leases for compliance and stated nearly 100% of Port leases are in compliance. Furthermore, new lease payment provisions have reduced staff time in collection, stabilized cash flow and resulted in fewer uncollectable accounts.

Ms. Fine stated since the Port implemented the automatic renewal process, marina leases are easier to maintain.

Mr. Novakovich asked if reminders are sent to the tenants for insurance updates.

Ms. Fine stated Ms. Yates and Ms. Roach are continually following up with tenants for insurance compliance.



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Mr. Moak asked what happens if a new tenant does not provide the proper documentation.

Ms. Yates stated if a new tenant does not have all the required documents, they will not be issued keys until lease requirements are complete.

Ms. Fine stated staff will administer the following if a tenant falls behind on their payments:

- Deactivate tenant key cards;
- Incur late fees;
- Incur interest fees; and
- Lock up boat.

Ms. Hanchette reported the Port has not had any audit issues in the leasing operations and have had 15 years of clean audits. Ms. Hanchette stated this is a team effort and our internal communication is very import. Furthermore, Ms. Yates does a phenomenal job communicating the Port's expectations to each tenant, prior to occupancy.

Mr. Barnes inquired how many slips are in the marina and if there is a waiting list.

Ms. Hanchette stated there are a 150 slips in the marina and at this time of year, there is a turnover rate of approximately 10 %. During the summer, the marina is almost full and slips are not available. The marina lease and map is available on-line, which allows the public the ability to see what slips are available and what the lease requirements are.

Mr. Barnes thanked staff for the update and for doing an excellent job representing the Port.

Mr. Arntzen stated he is very proud of his team and appreciates all their hard work.

Mr. Novakovich inquired if the tenants liked the new gates.

Ms. Hanchette reported the feedback has been positive and tenants appreciate the aesthetics and the additional security.

G. Travel: Wine & Grape Growers Symposium, ICSC and IEDC Conferences

Mr. Arntzen stated there are several travel opportunities for the Commission to consider for 2016:

- Wine and Grape Growers Symposium, January 2016, Sacramento, California;
- International Council of Shopping Centers (ICSC), May 2016, Las Vegas, Nevada;
- International Economic Development Conference (IDEC); and
- Congress for New Urbanism (CNU), June 2016, Detroit, Michigan.

Mr. Arntzen anticipated that the Willows property would be ready to market in time for the Wine and Grape Growers Symposium in Sacramento in January, however, additional value engineering is needed to ready the plan. Our objective is that the Willows will be complementary to the wine industry and contain mixed-use buildings and tasting rooms. Mr. Arntzen inquired what conferences or training the Commission may want to attend in 2016.



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Mr. Novakovich believes the Port should have a presence wherever wine is related, unless it is a burden on staff.

Ms. Bader Inglima stated she has attended the Wine and Grape Growers Symposium in Sacramento and the ICSC with the City of Kennewick. Furthermore, the Port will have a booth in partnership with the City of Kennewick at the local Washington Association of Wine Grape Growers Show (WAWGG) and believes it has been the most productive for the Port in generating interest in the Wine Village.

Mr. Moak stated it is important to look at most effective use of the Port's travel resources and he believes all of the conferences offer a good learning opportunity. Mr. Moak stated he learned a lot at the Wine and Grape Growers Symposium and believes there is value in visiting the area as well.

Mr. Barnes is supportive and stated staff should continue to market Port opportunities at our wine themed redevelopments along Columbia Drive, West Richland and possibly Vista Field at these events.

Mr. Arntzen believes Sacramento is a great conference to attend, however, he does not believe it will be beneficial for 2016. Mr. Arntzen stated the IEDC has very informative courses that pertain to redevelopment and believes it is beneficial to both the Commission and staff. Mr. Arntzen believes CNU, which focuses on New Urbanism, is an important conference to attend, because Detroit is undergoing a renaissance and slowly rebuilding. Mr. Peterson has expressed his desire to attend the CNU conference.

Mr. Novakovich inquired about the Waterfront Conference.

Mr. Arntzen stated the Waterfront Center is another opportunity which focuses on revitalization of areas close to waterfronts.

Mr. Novakovich thanked Mr. Arntzen for his perspective.

Mr. Arntzen suggested each Commissioner select a conference, outside of Washington, that they would like to attend and staff will gather additional information.

H. Vista Field

Mr. Peterson reported the Transportation Impact Evaluation Analysis (TSIE) Draft for Vista Field is complete. The City of Kennewick requested additional information on potential transportation impacts Vista Field will generate to the surrounding street network. Port staff has sent the draft to the City's traffic engineer, and will forward onto Ben Franklin Transit and the Council of Governments for further review. The City Council has reviewed the design and zoning standards and City staff will review the TSIE Analysis and bring before the Council in January 2016. Mr. Peterson stated there will not need to be any offsite improvements necessary in the first ten years of development. At build out, there is one traffic signal necessary at the intersection of Kellogg and Quinault, near Lawrence Scott Park. Furthermore, the TSIE includes



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internal capture, where people visit several businesses in Vista Field, not just one place. Mr. Peterson stated with the potential use of the FBO, there will be a slight modification to the drawings, and the roadway will now veer around the building.

I. Columbia Drive

Mr. Peterson stated the Port has been granted a conditional use permit for construction of the three winery buildings. The Port received approval from the City for a slight deviation of design standards to construct the buildings. On November 24, 2015, staff will receive the building permit from the City and the bidding process will begin early December. Mr. Peterson stated the bid opening is scheduled for January 21, 2016 and the bid results will be presented to the Commission on January 26, 2016. Included in the bid set are the following: construction of three buildings, the one acre site improvements, the undergrounding of utilities, and the utility extension. Mr. Peterson estimates the time frame for construction will be from February 2016 to November 2016. Furthermore, tenants will need to obtain a liquor license, and a finished space is required before that process can begin.

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

Commissioners reported on their respective committee meetings.

K. Non Scheduled Items

1. Mr. Moak and Mr. Novakovich offered their congratulations to Mr. Barnes on the election.
2. Ms. Hanchette stated for past several years the Port has supported the lighting of the Veteran's Christmas tree in the Willows parking lot and it will be lit again this year, from November 25, through first of the year.

PUBLIC COMMENTS

Ed Frost, 609 West Albany Street, Kennewick. Mr. Frost inquired if the TSIE Analysis and Executive Summary could be placed on the Port website for public viewing.

Mr. Peterson stated staff will post the Draft TSIE Analysis on the Port website.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.

Mr. Barnes anticipates the Executive Session will last approximately 25 minutes, for Personnel, per RCW 42.30.110(1)(g) with 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 4:33 p.m.

EXECUTIVE SESSION

A. Personnel, per RCW 42.30.110(1)(g)

Mr. Barnes convened the meeting into Executive Session at 4:35 p.m. for approximately 25 minutes.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

NOVEMBER 10, 2015 MINUTES

Ms. Fine exited the meeting at 5:00 p.m. to extend the Executive Session 10 minutes.

Ms. Fine exited the meeting at 5:10 p.m. to extend the Executive Session 5 minutes.

Mr. Barnes adjourned the Executive Session at 5:15 p.m.

Mr. Barnes reconvened Regular Commission Meeting at 5:15 p.m.

Mr. Novakovich stated the Port of Kennewick has a very adept staff with excellent leadership.

MOTION: *Commissioner Novakovich moved for approval, accepting the memo (Exhibit B) dated October 14, 2015, regarding the Executive Director's 2015-2016 Goals and Objectives, accomplished in 2015; Commissioner Moak seconded.*

Discussion:

Mr. Novakovich stated, Mr. Arntzen had fifteen goals to complete in a two year period (2015-2016) and has completed nine goals in ten months. Mr. Novakovich fully supports the memo.

Mr. Barnes agrees with Mr. Novakovich and stated the Port has received an excellent effort from our Executive Director in 2015. Furthermore, the memorandum sets forth a status update of each of the outlined goals and objectives for 2015-2016 and as Ms. Fine reported, Mr. Arntzen has met nine of the fifteen goals thus far. Mr. Barnes is supportive of the motion.

Mr. Moak stated the 2015-2016 goals and objectives were big and complex items and the intent was it would take two years to complete, as identified in work plan. A lot has been accomplished, and the Port Commission also asks a lot, and he believes 2016 will be even better. Mr. Moak supports the motion.

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

Mr. Novakovich stated it is essential to approve the Executive Director's Evaluation. Ms. Fine led each Commissioner individually through the process and it was found that the Executive Director has done a very good job and the Port is in a far better place today than it was several years ago.

Motion: *Commission Novakovich moves for approval of the Commission's evaluation of the Executive Director for his 2015 Annual Performance Review, based on the Employment Agreement dated November 15, 2013, and deems the Executive Director's performance to be exceptional. Mr. Moak seconded.*

Discussion:

Mr. Moak stated the Executive Director has been working on the various pieces of Clover Island, Vista Field and Columbia Drive and now the arts groups. The Executive Director has been active in all areas and this has been an exceptional year for the Port and he has been exceptional.



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

NOVEMBER 10, 2015 MINUTES

Mr. Barnes stated the Port of Kennewick Commission has differing opinions and philosophies, and we enter into many healthy discussions, and I enjoy working with my fellow Commissioners; however, our differing views create a challenging job for our Executive Director. Mr. Arntzen has three bosses, with different points of view which makes his position more challenging, and his work has been exceptional given this particular set of circumstances.

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

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:22 p.m.

APPROVED:

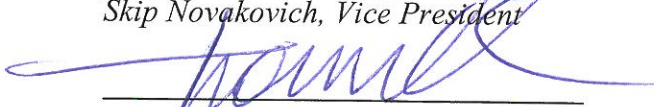
PORT of KENNEWICK BOARD of COMMISSIONERS



Don Barnes, President



Skip Novakovich, Vice President




Thomas Moak, Secretary



DRAFT PORT of KENNEWICK 2016 COMMISSION ORGANIZATION REPRESENTATION

NAME	MEETING SCHEDULE	MEETING TIME	MEETING PLACE	CURRENT COMMISSIONER REPRESENTING POK	COMMENTS
Benton-Franklin Council of Governments Board of Directors	3rd Friday	11:30 AM	El Chapala: Columbia Drive	Commissioner Skip Novakovich	Alternate: Commissioner Don Barnes
Benton-Franklin Council of Governments Policy Advisory Committee (PAC)	Second Thursday	7:00 AM	Cousin's	Commissioner Skip Novakovich	Alternate: Commissioner Thomas Moak
Benton-Franklin Council of Governments Local Good Roads & Transportation Association	3rd Wednesday every other month	5:30 PM	TBA	Commissioner Thomas Moak	Alternate: Commissioner Don Barnes Meets Feb, April, June, Aug, Oct, Dec. Locations TBA
Confederated Tribes of the Umatilla Indian Reservation (CTUIR)	As Called			Commissioner Skip Novakovich	Alternate: Commissioner Thomas Moak
Historic Downtown Kennewick Partnership	3rd Friday	7:30 AM	Downtown Kennewick Business Center	Commissioner Thomas Moak	Alternate: Commissioner Don Barnes
Tri-Cities Hispanic Chamber of Commerce	3rd Tuesday	11:30 AM	Pasco Red Lion	Commissioner Skip Novakovich	Alternate: Commissioner Don Barnes
Tri-City Regional Chamber Board of Directors Meeting	3rd Wednesday every other month	7:00 AM	Bechtel Board Room	Commissioner Don Barnes	Alternate: Commissioner Thomas Moak
Visit Tri-Cities (formerly Tri-Cities Visitor & Convention Bureau) (Full Board Meeting)	4th Wednesday	7:30 AM	Tri-Cities Business & Visitor Center Bechtel Board Room	Commissioner Don Barnes	Alternate: Commissioner Thomas Moak
TRIDEC Board of Directors Meeting	4th Thursday	4:00 PM	Tri-Cities Business & Visitor Center Bechtel Board Room	Commissioner Don Barnes	Alternate: Commissioner Skip Novakovich
TRIDEC Executive Board Meeting	2nd Thursday every other month	4:00 PM	Tri-Cities Business & Visitor Center Bechtel Board Room	Port of Pasco	Tri-Ports Executive Board Rep (Rotates Annually) 2014 - Port of Kennewick 2015 - Port of Benton 2016 - Port of Pasco
Trios Health, City of Kennewick and Port of Kennewick	Quarterly Meetings	5:30 PM	Trios Health's Administration Conference Room	Commissioner Thomas Moak	Alternate: Commissioner Don Barnes Jan, April, August & November
West Richland Area Chamber of Commerce	1st Wednesday	Noon	The Sandberg Event Center	Commissioner Skip Novakovich	Alternate: Commissioner Don Barnes
West Richland Economic Development Committee	As Called			Commissioner Skip Novakovich	Alternate: Commissioner Don Barnes



DRAFT PORT of KENNEWICK

2016 COMMISSION ORGANIZATION REPRESENTATION

NAME	MEETING SCHEDULE	MEETING TIME	MEETING PLACE	CURRENT COMMISSIONER REPRESENTING POK	COMMENTS
WPPA Board of Trustees	As Called			Commissioner Skip Novakovich	Alternate: Tim Aintzen
WPPA Economic Development Committee	As Called			Commissioner Thomas Moak	Alternate: Tim Aintzen
WPPA Legislative Committee	As Called			Commissioner Skip Novakovich	Alternate: Tim Aintzen
WPPA Marina Committee	As Called			Commissioner Don Barnes	Alternate: Tim Aintzen

TO: PORT OF KENNEWICK COMMISSIONERS
FROM: TAMMY FINE, CFO/AUDITOR
SUBJECT: EXECUTIVE DIRECTOR 2015 GOALS & OBJECTIVES UPDATE
DATE: OCTOBER 14, 2015

Executive Director's Goals & Objectives accomplished through September 2015 include:

1. Project prioritization process for Commission review:

Develop prioritization plan for Commission review to focus on identified work plan items (establish firm plan to resist piling onto already full work plates—if a new opportunity arises and an unidentified project is added, the plan would help identify what item “falls off” the plate unless staffing levels are increased).

STATUS: Work in progress.

2. Develop financing plan for Phase 2 of the 1135 Program for Clover Island Shoreline.

STATUS: Completed

\$500k was set aside and approved in the 2015/16 work plan and budget (25% match for the federal investment for phase 2). The Port has the \$2m federal project completely funded due to the drop in the anticipated cost of the project from \$5m to \$2m. The Executive Director provided the Commission on August 11, 2015 a plan for funding optional amenities. Commission voted to keep the \$500k for the federal match; and to fund the foundation for the over-water pier at an additional \$150k +/- . The \$500k is already budgeted in 2015/16 and the \$150k is included in the 2015/16 budget.

3. Clover Island Redevelopment - Complete the following items identified within the work plan, in coordination with the approved budget, financial and operational philosophy:

- 1) Completion of Village at Island Harbor shoreline pathway.

STATUS: Work in progress.

Design is complete, project went out to bid on September 27, 2015 and bids are due Oct. 15th, with construction slated to start right after award presentation to Commission on October 27/28, 2015.

- 2) Installation of CTUIR artwork and display panels.

STATUS: Work in progress.

Design is complete, artwork is complete, and bids are due Oct. 15th, with construction slated to start right after award presentation to Commission on October 27/28, 2015.

- 3) RCO grant funded project (construction completion by December 31, 2015 and all required paper work completed by February, 2016).

STATUS: Work in progress.

Design is complete, project was bid, construction has started and construction is slated to be completed by 12/31/15.

4. Columbia Drive Redevelopment – *complete the following items identified within the work plan, in coordination with the approved budget, financial and operational philosophy:*

- 1) Phase I – three (3) winery buildings @ 421, utilities underground and EFT shell is no longer required, which is a \$300,000 cost savings due to the City installing an in-ground wine treatment vault.

STATUS: Work in progress.

Design complete, landscape plan and lighting plan submitted to the City, permits are submitted as of 10/1/15, and in 95% design stage for buildings; underground utilities are at 75% of design. Project will go out to bid in November 2015.

- 2) Phase II – present a draft interlocal agreement (including a financial plan framework) with a developer to maintain the current Tri-City momentum to enhance public and private partnerships.

STATUS: Work in progress.

The Port is working with the City of Kennewick on an interlocal agreement and potential development option for phase II.

5. Vista Field Redevelopment - *complete the following identified within the work plan, in coordination with the approved budget, financial and operational philosophy:*

- 1) Complete design for road infrastructure and utilities
- 2) Implement next stage of planning

STATUS: Completed

Pursuant to Port Commission Resolution No. 2015-22, dated October 13, 2015, the Port Commission decided to:

- 1) *Complete design for road infrastructure and utilities: The Port Commission established 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 was shown in the Commission Meeting of September 22, 2015.*

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

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

6. Explore options on development “structure” or potential entity form for Vista Field development.

STATUS: Completed

Pursuant to Port Commission Resolution No. 2015-22, dated October 13, 2015, the port commission decided to follow the below development structure:

“(Implementation Policy) Redevelopment Leadership: Upon completion of the master plan, the Port should function as the master developer”.

7. Produce Capital Investment Plan for financing Vista Field and Columbia Drive development projects.

STATUS: Completed

These plans were approved by Commission on September 22, 2015 and formalized in Port Commission Resolution No. 2015-22, dated October 13, 2015, the Port Commission decided to:

- a. Implement a Phase II road and utility plan for Columbia Gardens, Phase II. Thus, Tammy was able to assemble the Capital Investment Plan for Phase II. It was approved by the resolution mentioned above.*
- b. Additionally, with the same resolution, the commission approved the Vista Field infrastructure Capital Investment Plan.*

8. West Richland: Implement approved work plan in coordination with the approved budget, financial, and operational philosophy.

\$200,000 agreement to City of West Richland for Shoreline Park, under construction as of June 2016.

STATUS: Work in progress.

9. Richland: *Implement approved work plan in coordination with the approved budget, financial, and operational philosophy.*

\$150,000 to City of Richland for Badger Mountain Trailhead Parking lot, groundbreaking held October 5, 2015. Project scheduled to be completed by December 2015.

STATUS: Work in progress.

10. Implement staff realignment.

STATUS: Completed

Tim has been working on the plan for many months, and presented it to the Commission for information purposes at the Commission Meeting of September 22, 2015. Effective October 1, 2015 he implemented the Commission approved plan.

11. Complete the comprehensive scheme update and present to Commission.

STATUS: Completed

Completed and presented the comprehensive scheme update to Commission on October 27/28, 2015.

12. Conduct every other year Commission Strategic Retreat Pilot Project (facilitated & off-campus).

STATUS: Work in progress.

13. Implement semi-annual Commission workshops.

STATUS: Completed

First commission workshop was held on July 28, 2015. At that workshop the commission discussed Vista Field policy matters.

Second workshop scheduled for October 27/28, 2015, where the Port's Comprehensive Scheme will be discussed.

14. Research, develop plan and implement Phase I of paperless system identified within the work plan and budget.

STATUS: Completed

Paperless system has been researched, plan has been developed, and Phase I has been implemented where staff have implemented various paperless processes for payroll, accounts payable, paperless financial statements and audit processes, and capital planning department. Paperless system plan was presented to Commission on September 22, 2015.

15. Research, develop plan and implement Phase I of records management system identified within the work plan and budget.

STATUS: Completed

Records management system has been researched, plan has been developed, and Phase I has been implemented where staff have conducted an inventory and has identified the first batch for the disposition review process. The Records Management Plan was presented to Commission on September 22, 2015.

WORK IN PROCESS FROM 2014 and PRIOR YEARS, TABLED OR COMMISSION DECIDED ON A DIFFERENT DIRECTION:

PRIORITY:

Assist West Richland with the next steps for the Wine Effluent Treatment Project

STATUS: Work in progress.

The Port has been working with West Richland on this project. In September of 2013 a group traveled to CA to see how the process works. The initial location was thought to be on Port property. However, due to Port property not being within the City limits which precluded utility hook-ups, West Richland secured another location within City limits so they would not lose the grant dollars secured to build the treatment plant.

Identify Real Property For Purchase in Richland:

STATUS: Work in progress.

Worked with Joe Schiessl (7/16 & 8/6/14) and identified parcels to purchase within a 150 acre area around Island View. A joint meeting was held on October 21, 2014 to discuss properties.

Development of Due Diligence Policy for Land Sales, Leases and Development Partners:

STATUS: Work in progress.

Tim developed a policy for Commissioner review and it will be presented on a future date.

REGULAR:

Sell or Lease one Parcel in West Richland:

STATUS: Work in progress.

The Port actively markets current properties for sale in a variety of venues. Throughout this year the Port has promoted the property for sale or lease; and will continue to bring focus to the port-owned parcel in City of West Richland.

The Port worked with City of West Richland to bring the former racetrack land within the City's UGB, and in August of 2015, the City Council approved the Port's request for that 93 acre parcel; creating additional future marketable lots in West Richland.

Develop a Branding Plan:

STATUS: Work in progress.

A draft RFP was created to seek assistance with this process. Commissioners stated that they would like this rebranding process to coincide with the Port's 100 Year Celebration. New brand materials were developed for the Port's 100th Anniversary and unveiled in spring of 2015. A history research report was presented to the Commission and Governor Inslee attended the Port's community recognition event. In July 2015, a contractor was hired to complete a market brand report; Commission and staff interviews have taken place and the targeted date for completed report is the end of October 2015. The branding evaluation project and RFP is scheduled for consideration for the 2015-2016 Work Plan.

OPTIONAL:

Clover Island Overwater Coverage: Continue Design & Permit Efforts:

STATUS: Tabled 2012

PORT OF KENNEWICK

RESOLUTION NO. 2015-25

A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE PORT OF KENNEWICK CERTIFYING THE PORT'S 2015 LEVY FOR 2016 COLLECTION

WHEREAS, the Board of Commissioners of the Port of Kennewick met and considered its budget for the calendar year 2015 and 2016 at a special meeting on November 18, 2014, a quorum of the Commission being present; and

WHEREAS, a legal notice of public hearing on the Preliminary Budget of Port of Kennewick for the calendar year of 2015 and 2016 was published in accordance with RCW 53.35.020, RCW 53.35.045 and RCW 84.52.020, and such hearing being held on the 28th day of October, 2014; and

WHEREAS, the Port's actual levy amount from 2015 year was \$3,644,740; and

WHEREAS, the population of the Port is more than 10,000; and

WHEREAS, the Board of Commissioners of Port of Kennewick after hearing and after duly considering all relevant evidence and testimony presented, determined that the Port of Kennewick requires a regular levy for the 2016 tax year in the amount of \$4,200,000, which includes an increase in property tax revenue from the previous year, amounts resulting from the addition of new construction, improvements to property, any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the district and in its best interest.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick substantiate that an increase in the regular property tax levy is hereby authorized for the levy to be collected in 2016 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be approximately \$45,000, which is a percentage increase of 1% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

BE IT FURTHER RESOLVED that the Board of Commissioners of the Port of Kennewick hereby direct the Director of Finance/Auditor to certify a copy of this resolution and forward the same to the Clerk of the Board of the County Commissioners in accordance with RCW 84.52.020.

APPROVED and dated by the Commissioners of the Port of Kennewick at a regular meeting on November 10, 2015.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


DON BARNES, *President*


SKIP NOVAKOVICH, *Vice President*


THOMAS MOAK, *Secretary*

CERTIFICATION OF TAX LEVY

STATE OF WASHINGTON

County of Benton

In accordance with RCW 84.52.020, I, **Tammy Fine**, Director of Finance/Auditor for Port of Kennewick, do hereby certify to the Benton County legislative authority that the Commissioners of said district request that the following levy amounts be collected in 2016 as provided in the district's budget, which was adopted at a public hearing held on November 18, 2014. I hereby request the Board of County Commissioners of Benton County, Washington, to make said regular levy of the Kennewick Port District, as set forth below, and that said regular levy is for operation, maintenance, land acquisition, construction, and the levy is to be distributed as follows:

Expense (General) Fund	\$4,180,000
Administration Refund Fund	\$20,000

<i>Total Regular Levy</i>	<i>\$4,200,000</i>
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<i>Population Certification:</i>	<i>Above 10,000</i>
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If the above certification is more than the Assessor's levy calculations, the Assessor's Office is directed to reduce the Construction Fund amount by the actual Assessor's levy calculation.

CERTIFIED this 10th day of November, 2015.

CERTIFIED BY:

**PORT of KENNEWICK
CFO/AUDITOR**


TAMMY FINE

HIGHEST LAWFUL LEVY CALCULATION

TAXING DISTRICT Port of Kennewick (Benton Co) 2014 Levy for 2015 Taxes

A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).

Year	2014		\$3,529,747.72	×	101.000%	=	\$3,565,045.20
			Highest Lawful Levy		Maximum Increase 101%		

B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).

\$233,822,977	×	0.333719810000	÷	\$1,000	=	\$78,031.36
A.V.		Last Year's Levy Rate				

C. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).

\$185,717,056	-	\$180,731,446	=	\$ 4,985,610.00
Current Year's A.V.		Previous Year's A.V.		Remainder

\$4,985,610	×	0.333719810000	÷	\$1,000	=	\$1,663.80
Remainder from Line C		Last Year's Levy Rate				

D. Regular property tax limit:	A+B+C	=	\$3,644,740.36
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Parts E through G are used in calculating the additional levy limit due to annexation.

E. To find the rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.

\$3,644,740.36	÷	\$10,921,486,047	×	\$1,000	=	0.333722017710
Total in Line D		Current Assessed Value				

F. Annexed area's current assessed value including new construction and improvements, times the rate in Line E.

	×	0.333722017710	÷	\$1,000	=	
Annexed Area's A.V.		Rate in Line E				

G. Regular property tax limit including annexation	D+F	=	\$3,644,740.36
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H. Statutory maximum rate times the assessed value of the district.

\$10,921,486,047	×	0.450000000000	÷	\$1,000	=	\$4,914,668.72
A.V. of District		Statutory Rate Limit				Statutory Amount

I. Highest Lawful Levy (Lesser of G and H)	=	\$3,644,740.36
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J. Tax Base For Regular Levy

1. Total district taxable value (including state-assessed property, and excluding boats, timber assessed value, and the senior citizen exemption for the regular levy) \$10,921,486,047

K. Tax Base for Excess and Voted Bond Levies

2. Less assessed value of the senior citizen exemption of less than \$35,000 income difference between the lower of the frozen or market value and the exempt value)

3. Plus Timber Assessed Value (TAV)

4. Tax base for excess and voted bond levies (1-2+3) \$10,921,486,047

Excess Levy Rate Computation

Excess levy amount divided by the assessed value in Line K4 above.

	÷	\$10,921,486,047	×	\$1,000	=	
Levy Amount		A.V. from Line K4 above				

Bond Levy Rate Computation

Bond levy amount divided by the assessed value in Line K4 above.

	÷	\$10,921,486,047	×	\$1,000	=	
Levy Amount		A.V. from Line K4 above				

ACTUAL LEVY CALCULATION

TAXING DISTRICT Port of Kennewick (Benton Co) 2014 Levy For 2015 Taxes

Population: ☐ Less than 10,000 ☒ 10,000 or more
 Was a resolution/ordinance adopted authorizing an increase over the previous year's levy? ☒ Yes ☐ No
 If so, what was the percentage increase? 1.00%
 Was a second resolution/ordinance adopted authorizing an increase over the IPD? ☐ Yes ☐ No ☒ N/A
 If so, what was the percentage increase? _____

A. Previous year's actual levy times the increase as stated in ordinance or resolution (RCW 84.55.120). If the taxing district did not provide an ordinance or resolution use 100% in the field increasing the previous year's actual levy.
 Year 2014 \$3,529,747.72 × 101.000000000000% = \$3,565,045.20
Previous Year's Actual Levy 100% Plus the Percentage Increase
 B. Amount for new construction, improvements, and newly constructed wind turbines
 (Line B, page 1) = \$78,031.36
 C. Amount for increase in value of state-assessed property (Line C, page 1) = \$1,663.80
 D. Regular property tax limit: A+B+C = \$3,644,740.36

Parts E through G are used in calculating the additional levy amounts due to annexation.

E. To find the rate to be used in F, divide the levy amount as shown in D (page 1) by the current assessed value of the district, excluding the annexed area.
\$3,644,740.36 ÷ \$10,921,486,047 × \$1,000 = 0.333722017710
Total in Line D on page 1 Assessed Value
 F. Annexed area's current assessed value including new construction and improvements, multiplied by the rate in E.
 _____ × 0.333722017710 ÷ \$1,000 = _____
Annexed Area's A.V. Rate in Line E
 G. Total levy amount authorized, including the annexation D+F = \$3,644,740.36

H. Total levy amount authorized by resolution (G) plus amount refunded or to be refunded (RCW 84.55.070).
\$3,644,740.36 + _____ = \$3,644,740.36
Total from Line G Amount to be Refunded Amount allowable per Resolution/Ordinance

I. Total amount certified by county legislative authority or taxing district as applicable.
 (RCW 84.52.020 and RCW 84.52.070) = \$3,930,000.00

J. Levy limit from line G on page 1, plus amount refunded or to be refunded (RCW 84.55.070).
\$3,644,740.36 + _____ = \$3,644,740.36
Line G, Page 1 Amount to be Refunded Total

K. Amount of taxes recovered due to a settlement of highly valued disputed property (RCW 84.52.018).
\$3,644,740.36 — _____ = \$3,644,740.36
Lesser of H, I, or J Amount Held in Abeyance Total

L. Statutory limit from line H on page 1 (dollar amount, not the rate) = \$4,914,668.72

M. Lesser of K and L \$3,644,740.36

N. **Levy Corrections** Year of Error: _____
 1. Minus amount over levied (if applicable)
 2. Plus amount under levied (if applicable)
 O. **Total: M +/- N** \$3,644,740.36

Regular Levy Rate Computation: Lesser of L and O divided by the assessed value in line J1 on page 1.

\$3,644,740.36 ÷ \$10,921,486,047 × \$1,000 = 0.333722017710
Lesser of L and O Amount on line J1 on page 1

PORT OF KENNEWICK

RESOLUTION NO. 2015-26

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING AN INCREASE IN TAX LEVY CAPACITY PURSUANT TO RCW 84.55.120 AND WAC 458-19-005

WHEREAS, a public hearing was held by the Board of Commissioners for the Port of Kennewick regarding the 2015 and 2016 budget; and

WHEREAS, pursuant to RCW 84.55.120 and WAC 458-19-005, the rate of inflation (IPD rate) for 2015 is 1.591 percent and the limit factor for property taxes for 2015 is one hundred and one percent (101%); and

WHEREAS, the Port of Kennewick's levy amount from the previous year was \$3,644,740; and

WHEREAS, the Port has set its increase in tax levy capacity for the 2015 and 2016 budget at one percent (1%) and finds there is substantial need to set the levy limit at one hundred and one percent (101%); and

WHEREAS, the Board of Commissioners of the Port of Kennewick Taxing District, after hearing and after duly considering all relevant evidence and testimony presented, finds there is a substantial need to set the levy limit at one hundred one percent (101%), in order to discharge the expected expenses and obligations of the district and in its best interest; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Port of Kennewick Taxing District that an increase in the regular property tax levy, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in levy value of state assessed property, is hereby authorized for the 2016 levy in the amount of approximately \$45,000 which is a one (1%) percentage increase from the previous year.

ADOPTED by the Board of Commissioners of the Port of Kennewick at a regular meeting held this 10th day of November 2015; and duly signed by its proper officers in the authentication of its passage on said date.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


DON BARNES, *President*


SKIP NOVAKOVICH, *Vice President*


THOMAS MOAK, *Secretary*

PORT OF KENNEWICK

RESOLUTION No. 2015-27

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF
KENNEWICK AUTHORIZING A PURCHASE AND SALE AGREEMENT WITH THE
SUPPORT, ADVOCACY & RECOVERY CENTER (SARC)***

WHEREAS, SARC (Purchaser), has offered to purchase 0.83 acres of the area graphically depicted on "Exhibit A" at the Spaulding Business Park, in Richland, Washington from the Port of Kennewick (Seller) for the sum of \$180,774.00; and

WHEREAS, Port staff and the Port attorney have reviewed the proposed Purchase and Sale Agreement and find it is in proper form and is in the Port's best interest; and

WHEREAS, the Port Commission finds that said property is surplus to the Port's needs and the proposed sale is consistent with all previous Port policies, including its Comprehensive Scheme of Development.


NOW, THEREFORE; BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby authorizes the Port's Executive Director to execute a Purchase and Sale Agreement with SARC in the sum of \$180,774.00 and hereby authorizes the Port's Executive Director to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

BE IT FURTHER RESOLVED that the Port Commission declares that said property is surplus to the Port's needs and the proposed sale as referenced above is consistent with all previous Port policies, including its Comprehensive Scheme of Development.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 10th day of November, 2015.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**

By:


DON BARNES, President

By:


SKIP NOVAKOVICH, Vice President

By:


THOMAS MOAK, Secretary



ASSESSOR

Benton County

WASHINGTON

Map Title



10/9/2015

Benton County makes every effort to produce and publish the most current and accurate information possible. This information is furnished as a public service. The information must be accepted and used by the recipient with the understanding that the data was developed and collected for the purpose of developing property valuations, using the criteria of fair market value, as required by the State of Washington. The Appraised Value and Tax Information are updated at different times during the year and, therefore, may not always reflect same year values. Benton County assumes no liability whatsoever associated with the use or misuse of such data, and disclaims any representation or warranty regarding the completeness or accuracy of the data.

Note: Acreage and Square Footage data shown are approximate and may not be consistent with records maintained for appraisal purposes.

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