

Port of Kennewick Commission Chambers will be open to the public during Commission Meetings.
However, the Port will continue to use GoToMeeting to provide remote access,
and Commissioners and the Port team will attend remotely.

To participate and make public comments remotely, please call in at: 1-877-309-2073, Access Code: 784-891-069
Or, join on-line at the following link: <https://meet.goto.com/784891069>

AGENDA

Port of Kennewick
Regular Commission Business Meeting
Port of Kennewick Commission Chambers (or via GoToMeeting)
350 Clover Island Drive, Suite 200, Kennewick Washington

December 13, 2022
2:00 p.m.

- I. CALL TO ORDER**
- II. ANNOUNCEMENTS AND ROLL CALL**
- III. PLEDGE OF ALLEGIANCE**
- IV. PUBLIC COMMENT** *(Please state your name for the public record)*
- V. CONSENT AGENDA**
 - A. Approval of Direct Deposit and ePayments Dated December 2, 2022
 - B. Approval of Warrant Register Dated December 13, 2022
 - C. Approval of Regular Commission Meeting Minutes November 22, 2022
- VI. REPORT/PRESENTATION**
 - A. Clover Island Design Standards, MAKERS Architecture & Urban Design; Resolution 2022-41 (LARRY/AMBER)
 - B. Summary of Employee Accomplishments (TIM/TANA)
- VII. NEW BUSINESS**
 - A. Clover Island Update (TIM)
 - B. Commissioner Compensation; Resolution 2022-42 (CAROLYN)
 - C. 2023-2024 CEO Goals & Objectives; Resolution 2022-43 (NICK)
 - D. Amendment of CEO Delegation of Authority; Resolution 2022-44 (CAROLYN)
 - E. Award of Bid: Columbia Gardens Signage; Resolution 2022-45 (AMBER)
- VIII. REPORTS, COMMENTS AND DISCUSSION ITEMS**
 - A. 1135 Update (TANA)
 - B. Port Risk Philosophy (LARRY)
 - C. Commission meetings (formal and informal meetings with groups or individuals)
 - D. Non-Scheduled Items
(LISA/BRIDGETTE/TANA/NICK/LARRY/AMBER/CAROLYN /TIM/KEN/TOM/SKIP)
- IX. PUBLIC COMMENT** *(Please state your name for the public record)*
- X. ADJOURNMENT**

PLEASE SILENCE ALL NOISE MAKING DEVICES



PORT OF KENNEWICK REGULAR COMMISSION MEETING

DRAFT

NOVEMBER 22, 2022 MINUTES

Commission Meeting recordings, with agenda items linked to corresponding audio, can be found on the Port's website at: <https://www.portofkennewick.org/commission-meetings-audio/>

Commission President Skip Novakovich called the Regular Commission Meeting to order at 2:00 p.m. via GoToMeeting Teleconference.

ANNOUNCEMENTS AND ROLL CALL

The following were present:

Board Members: Skip Novakovich, President (via telephone)
Kenneth Hohenberg, Vice President (via telephone)
Thomas Moak, Secretary (via telephone)

Staff Members: Tim Arntzen, Chief Executive Officer (via telephone)
Tana Bader Inglima, Deputy Chief Executive Officer (via telephone)
Amber Hanchette, Director of Real Estate and Operations (via telephone)
Nick Kooiker, Chief Finance Officer (via telephone)
Lisa Schumacher, Special Projects Coordinator
Bridgette Scott, Executive Assistant (via telephone)
Carolyn Lake, Port Counsel (via telephone)

PLEDGE OF ALLEGIANCE

Marie Mosley led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

- A. *Approval of Direct Deposit and E-Payments Dated November 16, 2022***
Direct Deposit and E-Payments totaling \$68,862.22
- B. *Approval of Warrant Register Dated November 22, 2022***
Expense Fund Voucher Number 104289 through 104316 for a grand total of \$108,352.21
- C. *Approval of Regular Commission Meeting Minutes November 8, 2022***
- D. *Authorization for CEO to Execute Letter to Greenbrier Rail Services (Exhibit A)***
- E. *Approval to Amend Contract with Express Employment Professionals; Resolution 2022-39***

MOTION: *Commissioner Hohenberg moved to approve the Consent Agenda as presented; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

PORT OF KENNEWICK REGULAR COMMISSION MEETING

NOVEMBER 22, 2022 MINUTES

DRAFT

NEW BUSINESS

A. *Chief Executive Officer Annual Performance Review; Resolution 2022-40*

Mr. Kooiker presented the history of the Evaluation Committee and stated that the Committee met several times to reestablish the procedures. Mr. Kooiker, Commissioner Hohenberg and Ms. Lake make up the Committee and streamlined the performance review. Additionally, the Committee is working on CEO goals for 2023-2024.

Ms. Lake stated the Committee was very thoughtful and deliberated multiple times. Ms. Lake stated as reflected in the CEO Evaluation Report and Evaluation (*Exhibit B*), if there was ever a challenge, it was how to include all the accomplishments over the past year into the approved format. Ms. Lake stated the Committee included a detailed report on the duties and expectations of the CEO. The Committee believes that 2022 was a very successful year under the CEO's leadership and the strongest statement is that the "CEO has steered the Port back to being mission focused and to achieve the best return for taxpayer dollars." Ms. Lake stated the Committee recommends the Commission approve a performance rating as exceptional in accordance with the CEO's contract. Furthermore, the last two years of COVID have been unprecedented and based upon the economic times and the exceptional performance, the Committee is recommending a one-time salary adjustment of +9% for 2023, and then revert to the standard in the CEO contract for 2024.

Commissioner Hohenberg agrees with Mr. Kooiker and Ms. Lake's comments and stated goals are great, and the Port has done a lot of great things this past year; however, Commissioner Hohenberg appreciates the great work that gets done every day by the manager, the fires he puts out, and leading in a way that the Commission does not receive calls from constituents. Whatever the issue has been, Mr. Arntzen has led with integrity and positive outcome. Commissioner Hohenberg offered up examples of other cities and entities offering higher than normal salary adjustments because of issues like: COVID, inflation, and other economic problems. Commissioner Hohenberg fully supports the recommendations brought forth by Committee.

Commissioner Novakovich thanked the Committee for their work on the evaluation and stated some of the goals that we were looking for with the revised evaluation process was consistency, transparency, and brevity and he believes the Committee succeeded.

MOTION: *Commissioner Hohenberg moved to approve Resolution 2022-40 regarding the CEO's 2022 Annual Performance Review and adopting the CEO Evaluation Committee's Performance Appraisal Rating recommendation attached as Attachment "A" and that the Commission hereby deems the CEO's performance for 2022 as "exceptional"; Commissioner Novakovich seconded.*

PUBLIC COMMENT

Marie Mosley, City of Kennewick City Manager. Ms. Mosley wanted to take the opportunity to say she has enjoyed years of working with Mr. Arntzen as the Port's CEO. Mr. Arntzen has been an exceptional leader and has been a visionary, and works very well with the City of Kennewick in partnership. Ms. Mosley is very happy and proud to be working with the Port and Mr. Arntzen. Ms. Mosley is supportive of the direction that the Commission is heading with Mr. Arntzen's performance review and concurs

PORT OF KENNEWICK REGULAR COMMISSION MEETING

NOVEMBER 22, 2022 MINUTES

DRAFT

with the work that she has seen Mr. Arntzen do and the partnership we have enjoyed between the City and the Port. Ms. Mosley stated that in large reason are the contributions that Mr. Arntzen provides and the partnership and the work that he does to facilitate that relationship between the City and the Port.

Commissioner Novakovich thanked Ms. Mosley for the City's partnership with the Port of Kennewick, and he really appreciates it. Commissioner Novakovich stated if people look at what we have done through the partnership we have created, it is an exceptional partnership and benefits our constituents.

No further comments were made.

With no further discussion, motion carried unanimously. All in favor 2 Ayes (Commissioners Hohenberg and Novakovich): 1 Abstain (Commissioner Moak).

MOTION: *Commissioner Hohenberg moved that the Commission, in its approval of Resolution 2022-40, in accordance with the CEO's contract, and with consideration the CEO Evaluation Committee's recommendation, adopt a CEO salary of adjustment for 2023 of a one-time salary adjustment of +9%, based on the rationales and for the time limits as stated in the CEO Evaluation Committee's recommendation; Commissioner Novakovich seconded.*

PUBLIC COMMENT

No comments were made.

With no further discussion, motion carried unanimously. All in favor 2 Ayes (Commissioners Hohenberg and Novakovich): 1 Abstain (Commissioner Moak).

REPORTS, COMMENTS AND DISCUSSION ITEMS

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

Commissioners reported on their respective committee meetings.

B. Non-Scheduled Items

Ms. Hanchette reported that the Veteran's Christmas Tree located in The Willows is lit and the operations team is working on lighting Clover Island.

Mr. Arntzen thanked the Evaluation Committee and Ms. Mosley for her comments. We have worked together for many years, and it has been Mr. Arntzen's pleasure to work with Ms. Mosley. Mr. Arntzen thanked the Port team and stated very seldom does a person accomplish anything by himself or herself, it's a team sport. Mr. Arntzen thanked the Commission for making very sound decisions, and believes we have a lot to look forward to and have been successful in the past. Furthermore, he believes we will continue to be successful in the future.

Commissioner Hohenberg is very thankful for his transition to the Port of Kennewick as a Commissioner and stated it certainly has been an exciting year and we have gotten a lot of stuff done despite a lot of obstacles and unknowns. Commissioner Hohenberg is really looking forward to 2023 and wished everyone a happy and safe holiday. Commissioner Hohenberg thanked the

PORT OF KENNEWICK REGULAR COMMISSION MEETING

NOVEMBER 22, 2022 MINUTES

DRAFT

Port staff and his fellow Commissioners for their patience, as he gained further understanding of the Port.

Commissioner Novakovich stated Commissioner Hohenberg has been a welcome addition to the Commission and appreciates him being here.

Commissioner Novakovich echoed the Evaluation Committee's comments and stated he has known Mr. Arntzen since 1996, and he has seen the progress Mr. Arntzen has made and how he works with people. Commissioner Novakovich agrees with Ms. Mosley on the partnership that Mr. Arntzen was able to develop and praised him for his ability to keep the Port team intact through COVID and various issues. Commissioner Novakovich thinks the evaluation and the 9% increase in salary is very well deserved.

PUBLIC COMMENTS

No comments were made.

COMMISSION COMMENTS

No comments were made.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 2:28 p.m.

APPROVED:

**PORT of KENNEWICK
BOARD of COMMISSIONERS**

Skip Novakovich, President

Kenneth Hohenberg, Vice President

Thomas Moak, Secretary

PORT OF KENNEWICK

RESOLUTION No. 2022-39

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK AUTHORIZING
AN AMENDMENT TO THE CONTRACT WITH
EXPRESS EMPLOYMENT PROFESSIONALS**

WHEREAS, Express Employment Professionals has been a reliable source for temporary workers to perform maintenance duties at various port properties; and

WHEREAS, the Port Commission authorized a contract with Express Employment Professionals on February 8, 2022 in the amount of \$100,000; and

WHEREAS, the Port needs to amend the contract to add additional funding to maintain properties at the desired levels.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby authorize the Port's Chief Executive Officer to execute an amendment to the service agreement with Express Employment Professionals for \$75,000.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 22nd day of November 2022.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**

By: DocuSigned by:
Skip Novakovich
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SKIP NOVAKOVICH, *President*

By: DocuSigned by:
Kenneth Hohenberg
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KENNETH HOHENBERG, *Vice President*

By: DocuSigned by:
Thomas Moak
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THOMAS MOAK, *Secretary*

PORT OF KENNEWICK

Resolution No. 2022-40

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK APPROVING THE
PORT CHIEF EXECUTIVE OFFICER'S
2022 PERFORMANCE EVALUATION**

WHEREAS, the Port Commission oversees the annual evaluation of the Port's Chief Executive Officer's ("CEO") performance pursuant to the CEO's Employment Agreement, and pursuant to Resolution 2022-19, by which the Commission authorized a CEO Evaluation Committee.

WHEREAS, the CEO Evaluation Committee consists of Port Commissioner Ken Hohenberg, Port Chief Financial Officer Nick Kooiker and Port General Legal Counsel Carolyn Lake.

WHEREAS, as directed by the Port Commission through its adoption of Resolution 2022-19, the CEO Committee met on multiple occasions to undertake the CEO evaluation, using the evaluation procedure, as described in Resolution 2022-19, Exhibit A.

WHEREAS, the CEO Evaluation Committee also is charged with offering a recommendation for salary adjustment in accordance with the CEO employment agreement.

WHEREAS, the CEO Evaluation Committee has shared its written recommendation with the CEO as Resolution 2022-19 directs and has shared its written recommendation with the full Commission, with a copy attached hereto as **Attachment 1**.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

- 1. Performance Evaluation.** The Port of Kennewick Board of Commissioners has reviewed the CEO Evaluation Committee's recommendation attached as Attachment "A" and hereby approves modifies the CEO's performance evaluation as recommended.
- 2. Performance Appraisal Rating.** The Port of Kennewick Board of Commissioners, in accordance with the CEO's contract, and with consideration of the CEO Evaluation Committee's recommendation hereby deems the CEO's performance for 2022 as: "exceptional", "satisfactory", or "above satisfactory".
- 3. CEO Salary Adjustment.** The Port of Kennewick Board of Commissioners, in accordance with the CEO's contract, and with consideration the CEO Evaluation Committee's recommendation, adopts a CEO salary adjustment for 2023 as follows:
 a one-time salary adjustment of +9%, based on the rationales and for the time limits as stated in the CEO Evaluation Committee's recommendation.
 Other: _____.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 22nd day of November, 2022.

By: DocuSigned by:
Skip Novakovich
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SKIP NOVAKOVICH
President

By: DocuSigned by:
Kenneth Hohenberg
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KENNETH HOHENBERG
Vice President

By: Abstain
THOMAS MOAK
Secretary

Attachment 1 to Proposed Resolution 2022-40

2022 CEO ANNUAL PERFORMANCE REVIEW CEO Evaluation Committee's Recommendation to Commission

IMPORTANT DUTIES/EXPECTATIONS	PERFORMANCE APPRAISAL		COMMISSIONER COMMENTS
	Met	Not Met	
<p>I. <u>Vision and Purpose</u></p> <p>A. Assists the Commission in defining its shared vision. Communicates that direction to the organization.</p> <p>B. Collaborates with the Commission to advance the Port's vision and purpose.</p> <p>C. Advocates the vision by strategic resource allocation toward attainment.</p>	X		<p>The CEO has steered the Port back to be mission-focused and achieving the best return for taxpayer dollars. Some examples include:</p> <ul style="list-style-type: none"> • Resolving the Governance Audit in a time and cost-efficient manner. • Overseeing an economical review and update of Commission Rules of Policy and Procedures • Preparing and sharing Port Priorities Briefing Memo for Commission discussion • Simplified and revised the art fund policy via Resolution 2022-24
<p>II. <u>Strategic Agility</u></p> <p>Is proactive; anticipates future trends, benefits and consequences; has broad knowledge and perspective; can objectively state possibilities and probabilities.</p>	X		<p>The CEO successfully undertook the following pro-active initiatives:</p> <ul style="list-style-type: none"> • Modified workplace protocols to address COVID 19 in a manner that preserved Port staff productivity and morale. • Led public meeting protocols to operate remotely to accommodate pandemic restrictions while also maintaining transparency between Commission and the public.
<p>III. <u>Operating Plans/Financial Plans</u></p> <p>A. Develops, maintains and implements strategic plans and operational goals that effectively brings the Port's vision to fruition.</p> <p>B. Administers the Port's financial affairs consistent with state law and adopted policies, budget and financial guidelines.</p>	X		<p>The CEO in partnership with Commission and Staff effectively keeps the Port's focus in alignment with Port's adopted Policies and Budget- no easy task.</p> <p>Completed the Laserfiche contract routing process, as well as a paperless review and digital document filing system to reduce costs and increase efficiency of the records management process</p>

Attachment 1 to Proposed Resolution 2022-40

	Met	Not Met	
<p>IV. <u>Integrity</u> Sets the tone for the Port by exemplifying consistent values and high ethical awareness, honesty, and fairness.</p>	X		<p>The CEO operates with transparency, both internally with Staff and Commission and externally with the public.</p> <p>With CEO leadership, Port achieved clean Performance Audit results in 2019 and 2020.</p>
<p>V. <u>Political and Institutional Sensitivity</u></p> <p>A. Maneuvers through complex political and institutional situations effectively; anticipates potentially negative reactions, recommends and plans a course of action; views politics as a necessary part of organizational and public sector life and works to be effective within that reality. Unless otherwise not practical, obtains Commission concurrence prior to publicly stating position.</p> <p>B. Develops solutions to complex issues that challenge the Port's ability to recognize its vision and purpose. Demonstrates sensitivity to resource availability when developing solutions.</p>	X		<p>Proactively puts out sparks before they become fires.</p> <p>Researched and worked to understand implications to Clover Island, waterfront masterplan, and historic downtown redevelopment; and to receive greater community feedback related to Clover Island Inn purchase/lease options for the Fortify "micro" housing proposal. Advised Commission regarding that proposal—a process which took seven months and a tremendous amount of staff time and energy that went into shepherding that proposal to resolution; including reaffirming Clover Island land lease policy Resolution 2022-05.</p> <p>Coordinated public hearing and redistricting process using independent consultant to evaluate and propose Revised Commission District boundaries—legally required adjustments successfully completed with no complaints filed Resolution 2022-22.</p> <p>Managed property security /health/safety issues and police and agency incident reports regarding squatters, car crashes into lighthouse wall/streetlights, dock damage, boat sinking, oil/gas spills in marina, vandalism, graffiti, and restroom and other property damage.</p> <p>Managed transfer of Vista Field streets to city; established legal lots of record at Vista Field and recorded parcels with County; and recording of the Vista Field Covenants Conditions and Restrictions with Benton County.</p>

Attachment 1 to Proposed Resolution 2022-40

<p>C. Leads the Port in building effective relationships with tenants, customers and community.</p>		<p>Worked with USACE on 1135 construction project for shoreline restoration and managed that project for the protection and benefit of the Port and its investment partners-- transitioned that project from A&E design to construction, to current mitigation of erosion of soil and plants.</p> <p>CEO has worked to sustain and strengthen significant partners:</p> <ul style="list-style-type: none"> o US Army Corps of Engineers: 1135 Project; toured Clover Island project (also discussed Duffy’s Pond and port’s adjacent land interests) with USACE Senior Policy Official and Walla Walla District Chief of Plan Formulation Section. o Washington State Recreation office: Toured with RCO ALEA grant manager and provided quarterly reports regarding Clover Island 1135 project. o City of Kennewick: Engaged in multiple and ongoing conversations with City of Kennewick manager regarding MOU for future RCCF funding/partnership projects. Resolved Deschutes Driveway/access via interlocal agreement with city and property owners Resolution 2021-22. Concluded Washington Street improvement ILA. Renewed Columbia Gardens “vibrancy” marketing arrangement with city; and recognized City investments at Vista Field and Columbia Gardens gala events. o Benton County: Recognized County’s RCCF investments at Vista Field and Columbia Gardens gala events; managed RCCF grant for Clover Island and applied for RCCF for hangar project funds. o City of Richland: Coordinated Interlocal Agreement and financial support for City of Richland’s Center Parkway Extension Project with ribbon cutting on 9/28/22. o Kennewick Police Department: Met with Chief Guerrero regarding port projects/KPD support in ensuring safety of
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Attachment 1 to Proposed Resolution 2022-40

			<p>port properties; discussed KPD support for Vista Field hangar project.</p> <ul style="list-style-type: none"> o TRIDEC: Coordinated with TRIDEC to strengthen involvement with Port marketing and promotion for Vista Field during RECON. o CTUIR: Met with Executive Director, Don Sampson and Chairwoman, Kat Brigham of the CTUIR regarding the port's projects and plans.
	Met	Not Met	
<p>VI. <u>Knowledge/ Decision Quality</u></p> <p>A. Knows how successful public ports work; knowledgeable in current and possible future practices, trends and information affecting port management, the port industry and our Port; knows the competition; is aware of how strategies and tactics work in the marketplace.</p> <p>B. Makes good decisions based on analysis, wisdom, experience and judgment; most solutions and suggestions turn out to be correct when judged over time.</p>	X		<p>Leads Port in strategic manner; knows what the Port is and is not.</p> <p>Managed marina at 100% capacity during peak season, coordinated fifteen boat haul-outs (average of three per month May through September); contracted for algae treatment.</p> <p>Researched and shared report investigating options for new maintenance facility location or lease including a Maintenance Facility Report by Energy Northwest</p> <p>Researched and provided port with option to state-mandated Long-term Care Act deductions.</p> <p>Transitioned IT services to new provider/upgraded technology to protect port systems.</p>
<p>VII. <u>Leadership/Management</u></p> <p>A. Demonstrates an entrepreneurial spirit by identifying ways to generate revenue, investment capital and maximizes the financial potential of existing port assets.</p>	X		<p>CEO managed expanded contract with Vibrancy Consultant for Columbia Gardens to work with food trucks and wineries which enabled coordination with Visit Tri-Cities to highlight the wine village during the TBEX travel blogger exchange, coordination of bus tours from the paddlewheel ships docking in Richland; and coordination of four "Summer Saturday Markets" generating substantial exposure and visitation for the wine & artisan village.</p>

Attachment 1 to Proposed Resolution 2022-40

<p>B. Rallies support behind the vision and strategic plan; can inspire and motivate staff and community.</p> <p>C. Creates an environment where employees at all levels contribute their knowledge, skills, abilities and ideas in a way that maximizes their potential. Employee potential is not limited by divisional walls or job title. Appropriately delegates to others. Is a good judge of talent; hires the best people available inside or outside the organization.</p> <p>D. Creates a climate in which people want to do and can do their best; can motivate team or project members; empowers others; invites input and shares ownership and visibility. Makes each person feel his/her work is important.</p>			<p>Successfully negotiated Bruker lease amendment for VFDF building; protecting port interests while respecting the evolving needs of a long-standing tenant via Resolution 2021-21; resolved lease termination with Resolution 2022-12.</p> <p>Presented Port of Kennewick projects and plans to Tri-City Area Regional Chamber of Commerce during their Annual State of the Ports luncheon; and gave a port/city partnership presentation to Kennewick City Council.</p> <p>Recognized Don Britain as 2021 Friend of the Port.</p> <p>Oversight and management of marketing and promotions for the port and port projects including launching the VistaField.com website, television, print, digital and social ads for both Vista Field and Columbia Gardens parcels; prepared eight new artistic renderings to help people understand the Vista Field vision; developed marketing materials to promote The Willows, Cable Greens, and Oak Street sites for sale; and port summer newsletter distributed.</p> <p>CEO actively involves all of Staff in providing input on annual Budget development; allowing all to have ownership in the final product.</p> <p>Implemented the Vista Field Team, where Staff members wear multiple hats, gaining broad operational growth and experience.</p> <p>Evokes Staff loyalty to the Port, Managed the port as a highly productive, successful, fiscally-sound organization, including leadership of a team of 13 employees whose average employment is 12.4 years with the Port.</p>
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Attachment 1 to Proposed Resolution 2022-40

	Met	Not Met	
<p>VIII. <u>Initiative/Courage/Adaptability</u></p> <p>A. Self-starting ability. Promptly takes hold and follows through with minimum direction.</p> <p>B. Willingness to state opinions and reasons without concern about the popularity of the views. Forthrightness in dealing with Commission, customers, suppliers, and others in the organization.</p> <p>C. Ability to adjust to changing conditions or unusual assignments. Flexibility in undertaking a variety of assignments, acceptance of decisions which go counter to own opinion.</p>	X		<p>Completed Vista Hangar Analysis and budget for the Hangar Renovation Project. This mission originally had an unacceptable price tag. The CEO was able to present a lean budget to accomplish the Project on lean budget; and submitted an application for RCCF funds to support this Vista Field Southern Gateway and Hangar Renovation project.</p> <p>Managed successful resolution to the Kiwanis playground project proposed for Columbia Gardens; and oversaw conceptual design for Wayfinding Signage at Columbia Gardens, assisted with presentation to Commissioners.</p> <p>Identified funds/adjusted budget and moved that signage project through A&E design to prepare that project for bid in October.</p> <p>Managed process of releasing Cave B from their lease, marketed that space, and worked to secure Muret-Gaston as new tenant for Columbia Gardens.</p>
<p>IX. <u>Loyalty</u></p> <p>Understanding and accepting of goals and policies of the organization. Willingness to support organization and management.</p>	X		<p>Leads with a 360-degree strategic vision, to anticipate issues and formulate a positive path forward.</p> <p>Supports the success of the Commission by providing the required information and allowing the appropriate time frame for decision making.</p> <p>On critical issues, provides the Commission multiple sessions for introduction, discussion and or planning sessions before seeking Commission action. One example of this is the 2023-2024 Budget.</p>

Attachment 1 to Proposed Resolution 2022-40

			<p>Regularly communicates commission direction and goals to management and staff so all elements of the Port stay aligned.</p> <p>Even when facing contentious decisions, remains loyal and committed to carry out the mission of the Port.</p> <p>Evokes staff loyalty to the Port and promotes a culture of positive teamwork.</p> <p>Manages contentious matters using visionary thought processes and creative solutions. One example is the budget for the Hanger Renovation Project, described above.</p>
	Met	Not Met	
<p>X. <u>Communications</u></p> <p>Effectiveness of exchanging significant information throughout all levels of the organization; with clients, vendors, and the public.</p>	X		<p>Provides excellent opportunities for regular communication with individual commissioners.</p> <p>Diligent in responding to requests for information from commissioners, staff and community.</p> <p>Keeps Port commissioners informed of relevant community issues and prepared to respond.</p> <p>Values transparency and executes significant public outreach.</p>

Additional Committee Comments:

The year 2022 was a very successful one for the Port of Kennewick, under the leadership of CEO Arntzen. In summary, the CEO has steered the Port back to be mission-focused and to achieving the best return for taxpayer dollars. The CEO in partnership with Commission and staff effectively keeps the Port's focus in alignment with Port's adopted Policies and Budget- no easy task. CEO Tim Arntzen leads with a 360-degree strategic vision, to anticipate issues and formulate a positive path forward. He manages contentious matters using visionary thought processes and creative solutions. CEO Tim Arntzen operates with transparency, both internally with Staff and Commission and externally with the public.

Attachment 1 to Proposed Resolution 2022-40

Therefore, based on all the above reasons, the CEO Evaluation Committee recommends to the Commission for approval a performance rating of “Exceptional” in accordance with the CEO contract.

In addition, the Committee recommends a one-time salary adjustment of +9%, based on the unusually high inflation and cost of living increase we currently are experiencing. Future CEO evaluations, including 2024, should revert back to the terms of the CEO contract unless exceptional circumstances exist at that time as well, as determined by the CEO Evaluation Committee at that time.



AGENDA REPORT

TO: Port Commission

FROM: Amber Hanchette; Director of Real Estate & Operations

MEETING DATE: November 22, 2022

AGENDA ITEM: Twin Tracks – Authorization for CEO to Execute Letter to Greenbrier Rail Services

I. REFERENCE(S):

Meeting Minutes September 27, 2022 – Commission consensus for staff to move forward with Greenbrier Rail’s proposal to construct a tent structure at the Twin Tracks Industrial Park

II. DISCUSSION:

The attached letter summarizes the tenant request, lease language, and tenant requirement to secure a surety bond in the amount of \$1.5 million as security to the port against liens on the subject property or the Project improvements.

III. ACTION REQUESTED OF COMMISSION:

Authorization for CEO to execute letter to Greenbrier Rail Services through Consent.



PORT of KENNEWICK

350 CLOVER ISLAND DRIVE, SUITE 200, KENNEWICK WASHINGTON 99336 509-586-1186 WWW.PORTOFKENNEWICK.ORG

November 22, 2022

Mr. Todd Richardson
Greenbrier Rail Services
22819 19 E. Cochran Road
Kennewick, WA 99337

RE: *Greenbrier Construction Request*

Dear Mr. Richardson,

The Port of Kennewick (the "Port") is in receipt of a letter from Greenbrier Rail Services, dated September 14, 2022, requesting permission from the Port "to erect a semi-permanent fabric structure over existing rail track at our facility" described further therein as:

Fabric structure will be approximately 174' wide x 350' long (nominal 60,900 sf) with a maximum height of 45'. Structure will be located over existing track and shown on the attached conceptual layout. The work will also include removal of one (1) existing building and an existing crane structure located in the footprint of the proposed structure as shown on the attached aerial view of the site (a close-up view of the structures to be removed is also attached for your information). Fabric structure will consist of arched steel frames supported by foundations designed for the specific site conditions. Fabric will be installed and attached to the steel frames as shown on the attached isometric view. All plans will be designed by a professional engineer licensed in the State of Washington and submitted to Benton County Building Officials for approval and permitting. On completion, record drawings and inspection reports will be submitted to you for your files.

Appended hereto as Attachment A is the aforementioned letter and corresponding attachments that detail the requested improvements (the "Project").

As you are aware, Section 8 of the 1993 Lease (including all amendments) (the "Lease") between Greenbrier and the Port requires Greenbrier to seek permission in writing from the Port for the construction of any improvements exceeding the value of fifteen thousand dollars (\$15,000.00). Permission to construct the Project has been granted by the Port Commissioners subject to the following terms and conditions:

Mr. Todd Richardson
November 22, 2022
Page 2

1. Greenbrier shall obtain all required permits and comply with all Federal, State and local regulations and requirements relevant to the Project.
2. Greenbrier shall provide permit approval and inspection logs to the Port demonstrating that the improvements were accepted by Benton County and the Washington State Department of Labor & Industry.
3. Greenbrier shall provide final as-built drawings and site plans along with 3+ photos of the finished Project for Port files.
4. Greenbrier shall obtain permission from the Port for the construction of any improvements falling outside of the scope of the Project generally described in Attachment A.
5. Removal of any improvements related to the Project at the conclusion of the Term of the Lease shall proceed subject to Section 8 of the Lease.
6. Pursuant to Section 8 of the Lease, Greenbrier shall secure a performance bond in the amount of one million five hundred thousand dollars (\$1,500,000.00), which shall secure the Port against liens on the subject property or the Project improvements.
7. Greenbrier shall comply with all other requirements of the Lease.

We look forward to watching your business continue to thrive and are excited to see how this new Project will continue to provide an economic boost to our local community. Should you have any further questions regarding the Port's approval of your request, please do not hesitate to contact me.

Sincerely,

Tim Arntzen
Port of Kennewick
Chief Executive Officer

PORT OF KENNEWICK REGULAR COMMISSION MEETING

SEPTEMBER 27, 2022 MINUTES

MOTION: *Commissioner Hohenberg moved to approve the Consent Agenda as presented; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

PRESENTATIONS

A. Horse Heaven Hills Wind Farm

Commissioner Novakovich introduced Margaret Hue.

Ms. Hue presented information on the proposed 24-mile wind farm on Horse Heaven Hills.

NEW BUSINESS

A. Greenbrier Lease

Ms. Hanchette stated Greenbrier Rail, a Port tenant located at the Twin Tracks industrial park, submitted a proposal to build a thermal membrane tent on their leased property. Ms. Hanchette presented the proposal and inquired if the Commission would like staff to move forward with Greenbrier Rail's request.

It is the Consensus of the Commission for staff to move forward with Greenbrier Rail's proposal to construct a tent structure at the Twin Tracks Industrial Park.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. CEO Evaluation Update

Mr. Kooiker and the CEO Evaluation Committee met this morning and anticipate bringing a draft for Commission approval in November, to meet the December 15th deadline.

B. 1135 Update

Ms. Bader Inglima stated TDX, the original contractor for the 1135 restoration project has begun staging on the island in preparation of additional work due to the erosion from the wet spring. Ms. Bader Inglima anticipates the work will be completed by the end of October and stated the Port plans to hold a celebration in the spring.

Commissioner Novakovich stated for the record, Ms. Bader Inglima has been working on this project since 2008 and thanked her for her perseverance.

C. Oak Street Purchase and Sale Agreement Update

Ms. Hanchette reported the Port received a letter of intent to purchase the property located at 1526 East 3rd Avenue.

D. Vista Field Update

Ms. Hanchette has been giving site tours of Vista Field to realtors, bankers, builders and community members. Ms. Hanchette and Mr. Peterson have been engaging in community outreach to educate the public on new urbanism and the mixed-use zoning.

ATTACHMENT A
(Project documents)

PROPOSED FABRIC STRUCTURE
INSTALLATION PROJECT

GREENBRIER (GBX) RAIL SERVICES

EXHIBIT A



TWIN TRACKS INDUSTRIAL PARK

EXHIBIT A



September 14, 2022

Amber Hanchette
Director | Real Estate & Operations
Port of Kennewick

Re: Proposed Fabric Structure Installation Project
Greenbrier Rail Services
Finley, Washington

Ms. Hanchette:

Greenbrier Rail Services (GRS), an industry leader in the manufacture and repair of railcars, is currently leasing property located at 228919 Cochran RD Finley, Washington from the Port of Kennewick. Per the terms of the lease, we would like to request your permission to erect a semi-permanent fabric structure over existing rail track at our facility.

Fabric structure will be approximately 174' wide x 350' long (nominal 60,900 sf) with a maximum height of 45'. Structure will be located over existing track and shown on the attached conceptual layout. The work will also include removal of one (1) existing building and an existing crane structure located in the footprint of the proposed structure as shown on the attached aerial view of the site (a close-up view of the structures to be removed is also attached for your information). Fabric structure will consist of arched steel frames supported by foundations designed for the specific site conditions. Fabric will be installed and attached to the steel frames as shown on the attached isometric view. All plans will be designed by a professional engineer licensed in the State of Washington and submitted to Benton County Building Officials for approval and permitting. On completion, record drawings and inspection reports will be submitted to you for your files.

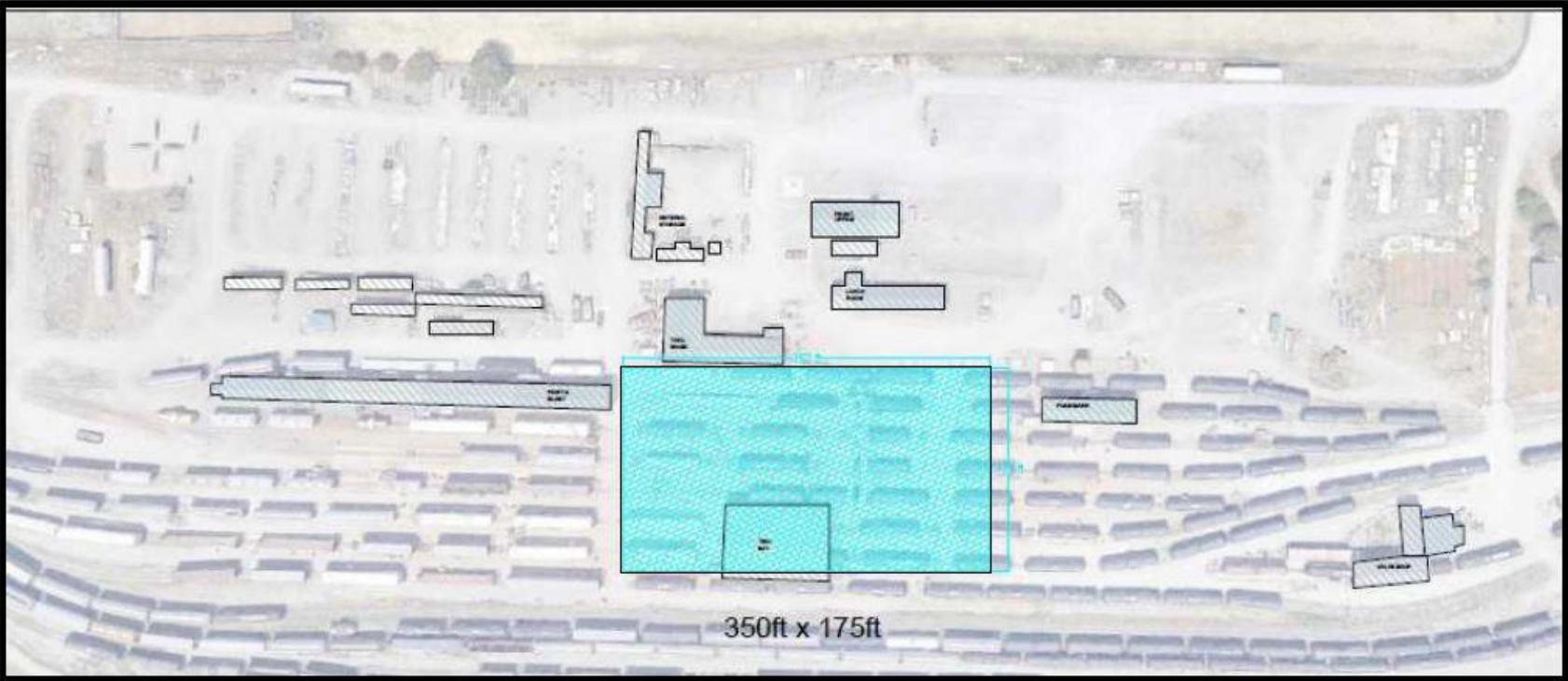
Our Construction Manager for this work is RFW Construction Group. Please contact me or our Construction Manager representative Ray Lowrance (ph: 731-445-5630, email: rhlwrance@rfwgroup.com) for additional information or with any questions. We are available to meet or conference with you to discuss the project in detail.

We appreciate your consideration and look forward with your permission to move forward.

Sincerely,
Greenbrier Rail Services

Todd Richardson
Finley Plant Manager

Finley Tent Project





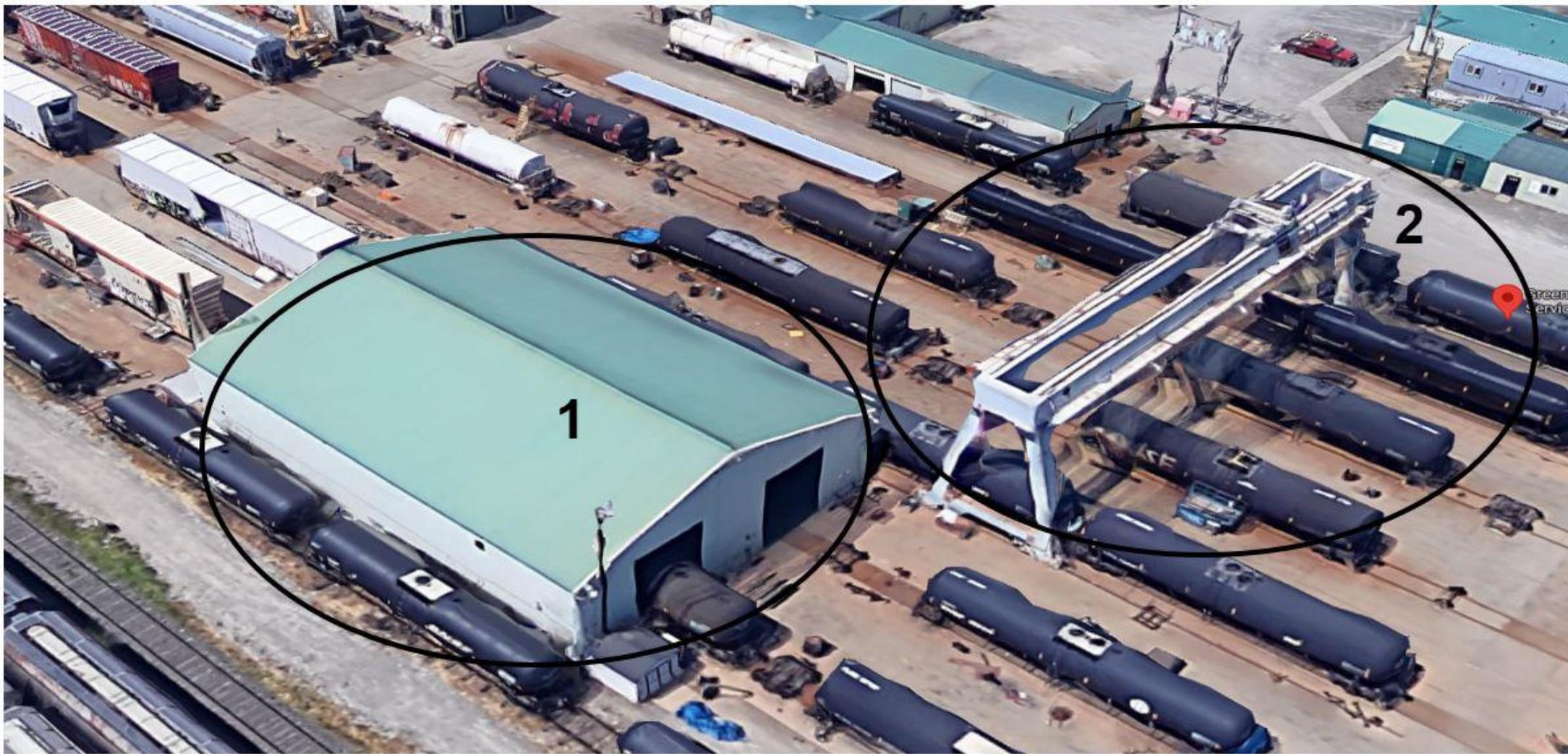
Transformer Location ★

Greenbrier Railcar Services - Finley WA

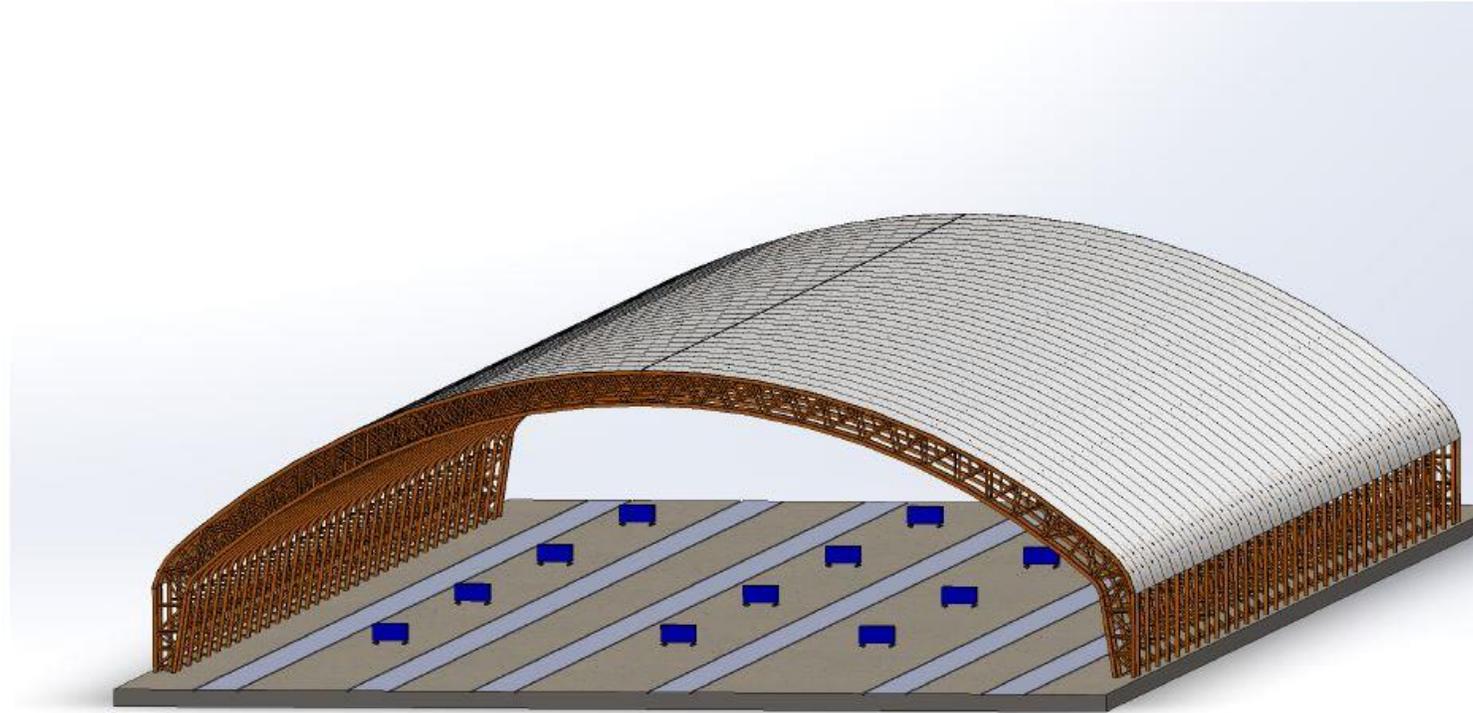
Demo Crane

Demo Building

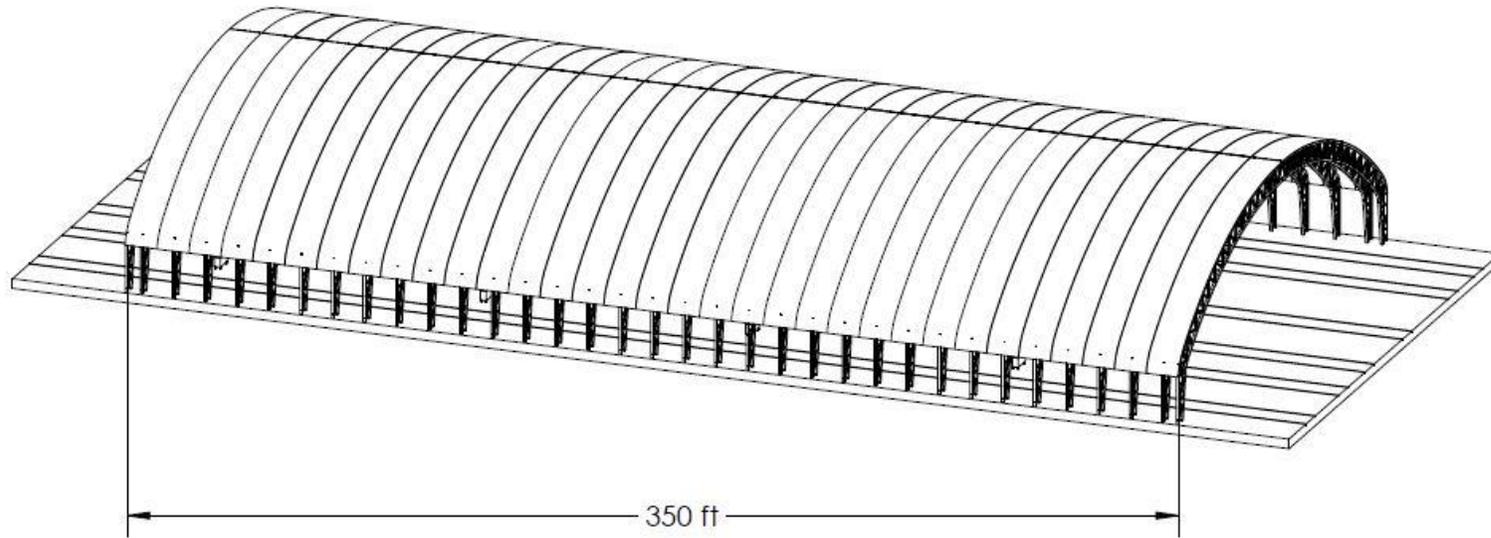
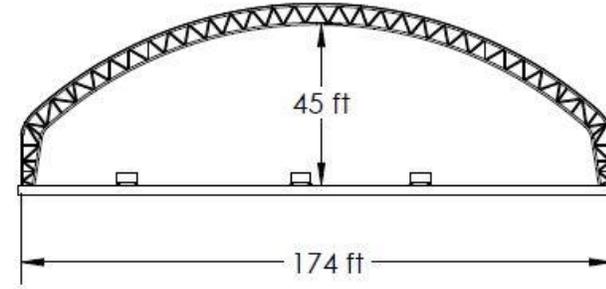
Measure distance
Click on the map to add to your path
Total area: 5,546.19 m² (59,698.70 ft²)
Total distance: 308.13 m (1,010.91 ft)



Finley Tent



Dimensions in inches for tolerances not specified use the following table: FRAC 1/32 .x .1 .xx .01 .xxx .001 .xxxx .0005 .ANG .5		DWG. NO.	Sheifer ASM	ASM Supplier	Big Top	Project	Finley Tent	Date	Friday, September 9, 2022 11:29:33 AM
		View	3D Design	Contractor	RFW	General Mgr	Juan Maciel	Revision	A
		Location	Finley, WA	Design Approval	Jeremy Dark	Plant Mgr.	Russell Richardson	Projection	Additional Notes
		Client	Finley Repair Shop	Designer	Jesus S. / Jesus L.	Page	1 OF 3		



Dimensions in inches
for tolerances not
specified use the
following table:

FRAC	1/32
X	0.005
XX	0.01
XXX	0.015
XXXX	0.02
ANG	0.005



DWG. NO.	Shelter ASM	ASM Supplier	Big Top	Project	Finley Tent	Date	Friday, September 9, 2022 11:29:33 AM
View	3D Design	Contractor	RFW	General Mgr	Juan Maciel	Revision	A
Location	Finley, WA	Design Approval	Jeremy Dark	Plant Mgr.	Russell Richardson	Projection	Additional Notes
Client	Finley Repair Shop	Designer	Jesus S. / Jesus L.	Page	3 OF 3		

Attachment 1 to Proposed Resolution 2022-40

2022 CEO ANNUAL PERFORMANCE REVIEW
CEO Evaluation Committee's Recommendation to Commission

IMPORTANT DUTIES/EXPECTATIONS	PERFORMANCE APPRAISAL		COMMISSIONER COMMENTS
	Met	Not Met	
<p>I. <u>Vision and Purpose</u></p> <p>A. Assists the Commission in defining its shared vision. Communicates that direction to the organization.</p> <p>B. Collaborates with the Commission to advance the Port's vision and purpose.</p> <p>C. Advocates the vision by strategic resource allocation toward attainment.</p>	X		<p>The CEO has steered the Port back to be mission-focused and achieving the best return for taxpayer dollars. Some examples include:</p> <ul style="list-style-type: none"> • Resolving the Governance Audit in a time and cost-efficient manner. • Overseeing an economical review and update of Commission Rules of Policy and Procedures • Preparing and sharing Port Priorities Briefing Memo for Commission discussion • Simplified and revised the art fund policy via Resolution 2022-24
<p>II. <u>Strategic Agility</u></p> <p>Is proactive; anticipates future trends, benefits and consequences; has broad knowledge and perspective; can objectively state possibilities and probabilities.</p>	X		<p>The CEO successfully undertook the following pro-active initiatives:</p> <ul style="list-style-type: none"> • Modified workplace protocols to address COVID 19 in a manner that preserved Port staff productivity and morale. • Led public meeting protocols to operate remotely to accommodate pandemic restrictions while also maintaining transparency between Commission and the public.
<p>III. <u>Operating Plans/Financial Plans</u></p> <p>A. Develops, maintains and implements strategic plans and operational goals that effectively brings the Port's vision to fruition.</p> <p>B. Administers the Port's financial affairs consistent with state law and adopted policies, budget and financial guidelines.</p>	X		<p>The CEO in partnership with Commission and Staff effectively keeps the Port's focus in alignment with Port's adopted Policies and Budget- no easy task.</p> <p>Completed the Laserfiche contract routing process, as well as a paperless review and digital document filing system to reduce costs and increase efficiency of the records management process</p>

Attachment 1 to Proposed Resolution 2022-40

	Met	Not Met	
<p>IV. <u>Integrity</u> Sets the tone for the Port by exemplifying consistent values and high ethical awareness, honesty, and fairness.</p>	X		<p>The CEO operates with transparency, both internally with Staff and Commission and externally with the public.</p> <p>With CEO leadership, Port achieved clean Performance Audit results in 2019 and 2020.</p>
<p>V. <u>Political and Institutional Sensitivity</u></p> <p>A. Maneuvers through complex political and institutional situations effectively; anticipates potentially negative reactions, recommends and plans a course of action; views politics as a necessary part of organizational and public sector life and works to be effective within that reality. Unless otherwise not practical, obtains Commission concurrence prior to publicly stating position.</p> <p>B. Develops solutions to complex issues that challenge the Port’s ability to recognize its vision and purpose. Demonstrates sensitivity to resource availability when developing solutions.</p>	X		<p>Proactively puts out sparks before they become fires.</p> <p>Researched and worked to understand implications to Clover Island, waterfront masterplan, and historic downtown redevelopment; and to receive greater community feedback related to Clover Island Inn purchase/lease options for the Fortify “micro” housing proposal. Advised Commission regarding that proposal—a process which took seven months and a tremendous amount of staff time and energy that went into shepherding that proposal to resolution; including reaffirming Clover Island land lease policy Resolution 2022-05.</p> <p>Coordinated public hearing and redistricting process using independent consultant to evaluate and propose Revised Commission District boundaries—legally required adjustments successfully completed with no complaints filed Resolution 2022-22.</p> <p>Managed property security /health/safety issues and police and agency incident reports regarding squatters, car crashes into lighthouse wall/streetlights, dock damage, boat sinking, oil/gas spills in marina, vandalism, graffiti, and restroom and other property damage.</p> <p>Managed transfer of Vista Field streets to city; established legal lots of record at Vista Field and recorded parcels with County; and recording of the Vista Field Covenants Conditions and Restrictions with Benton County.</p>

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<p>C. Leads the Port in building effective relationships with tenants, customers and community.</p>		<p>Worked with USACE on 1135 construction project for shoreline restoration and managed that project for the protection and benefit of the Port and its investment partners-- transitioned that project from A&E design to construction, to current mitigation of erosion of soil and plants.</p> <p>CEO has worked to sustain and strengthen significant partners:</p> <ul style="list-style-type: none"> o US Army Corps of Engineers: 1135 Project; toured Clover Island project (also discussed Duffy’s Pond and port’s adjacent land interests) with USACE Senior Policy Official and Walla Walla District Chief of Plan Formulation Section. o Washington State Recreation office: Toured with RCO ALEA grant manager and provided quarterly reports regarding Clover Island 1135 project. o City of Kennewick: Engaged in multiple and ongoing conversations with City of Kennewick manager regarding MOU for future RCCF funding/partnership projects. Resolved Deschutes Driveway/access via interlocal agreement with city and property owners Resolution 2021-22. Concluded Washington Street improvement ILA. Renewed Columbia Gardens “vibrancy” marketing arrangement with city; and recognized City investments at Vista Field and Columbia Gardens gala events. o Benton County: Recognized County’s RCCF investments at Vista Field and Columbia Gardens gala events; managed RCCF grant for Clover Island and applied for RCCF for hangar project funds. o City of Richland: Coordinated Interlocal Agreement and financial support for City of Richland’s Center Parkway Extension Project with ribbon cutting on 9/28/22. o Kennewick Police Department: Met with Chief Guerrero regarding port projects/KPD support in ensuring safety of
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Attachment 1 to Proposed Resolution 2022-40

			<p>port properties; discussed KPD support for Vista Field hangar project.</p> <ul style="list-style-type: none"> o TRIDEC: Coordinated with TRIDEC to strengthen involvement with Port marketing and promotion for Vista Field during RECON. o CTUIR: Met with Executive Director, Don Sampson and Chairwoman, Kat Brigham of the CTUIR regarding the port’s projects and plans.
	Met	Not Met	
<p>VI. <u>Knowledge/ Decision Quality</u></p> <p>A. Knows how successful public ports work; knowledgeable in current and possible future practices, trends and information affecting port management, the port industry and our Port; knows the competition; is aware of how strategies and tactics work in the marketplace.</p> <p>B. Makes good decisions based on analysis, wisdom, experience and judgment; most solutions and suggestions turn out to be correct when judged over time.</p>	X		<p>Leads Port in strategic manner; knows what the Port is and is not.</p> <p>Managed marina at 100% capacity during peak season, coordinated fifteen boat haul-outs (average of three per month May through September); contracted for algae treatment.</p> <p>Researched and shared report investigating options for new maintenance facility location or lease including a Maintenance Facility Report by Energy Northwest</p> <p>Researched and provided port with option to state-mandated Long-term Care Act deductions.</p> <p>Transitioned IT services to new provider/upgraded technology to protect port systems.</p>
<p>VII. <u>Leadership/Management</u></p> <p>A. Demonstrates an entrepreneurial spirit by identifying ways to generate revenue, investment capital and maximizes the financial potential of existing port assets.</p>	X		<p>CEO managed expanded contract with Vibrancy Consultant for Columbia Gardens to work with food trucks and wineries which enabled coordination with Visit Tri-Cities to highlight the wine village during the TBEX travel blogger exchange, coordination of bus tours from the paddlewheel ships docking in Richland; and coordination of four “Summer Saturday Markets” generating substantial exposure and visitation for the wine & artisan village.</p>

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<p>B. Rallies support behind the vision and strategic plan; can inspire and motivate staff and community.</p> <p>C. Creates an environment where employees at all levels contribute their knowledge, skills, abilities and ideas in a way that maximizes their potential. Employee potential is not limited by divisional walls or job title. Appropriately delegates to others. Is a good judge of talent; hires the best people available inside or outside the organization.</p> <p>D. Creates a climate in which people want to do and can do their best; can motivate team or project members; empowers others; invites input and shares ownership and visibility. Makes each person feel his/her work is important.</p>			<p>Successfully negotiated Bruker lease amendment for VFDF building; protecting port interests while respecting the evolving needs of a long-standing tenant via Resolution 2021-21; resolved lease termination with Resolution 2022-12.</p> <p>Presented Port of Kennewick projects and plans to Tri-City Area Regional Chamber of Commerce during their Annual State of the Ports luncheon; and gave a port/city partnership presentation to Kennewick City Council.</p> <p>Recognized Don Britain as 2021 Friend of the Port.</p> <p>Oversight and management of marketing and promotions for the port and port projects including launching the VistaField.com website, television, print, digital and social ads for both Vista Field and Columbia Gardens parcels; prepared eight new artistic renderings to help people understand the Vista Field vision; developed marketing materials to promote The Willows, Cable Greens, and Oak Street sites for sale; and port summer newsletter distributed.</p> <p>CEO actively involves all of Staff in providing input on annual Budget development; allowing all to have ownership in the final product.</p> <p>Implemented the Vista Field Team, where Staff members wear multiple hats, gaining broad operational growth and experience.</p> <p>Evokes Staff loyalty to the Port, Managed the port as a highly productive, successful, fiscally-sound organization, including leadership of a team of 13 employees whose average employment is 12.4 years with the Port.</p>
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Attachment 1 to Proposed Resolution 2022-40

	Met	Not Met	
<p>VIII. <u>Initiative/Courage/Adaptability</u></p> <p>A. Self-starting ability. Promptly takes hold and follows through with minimum direction.</p> <p>B. Willingness to state opinions and reasons without concern about the popularity of the views. Forthrightness in dealing with Commission, customers, suppliers, and others in the organization.</p> <p>C. Ability to adjust to changing conditions or unusual assignments. Flexibility in undertaking a variety of assignments, acceptance of decisions which go counter to own opinion.</p>	X		<p>Completed Vista Hangar Analysis and budget for the Hangar Renovation Project. This mission originally had an unacceptable price tag. The CEO was able to present a lean budget to accomplish the Project on lean budget; and submitted an application for RCCF funds to support this Vista Field Southern Gateway and Hangar Renovation project.</p> <p>Managed successful resolution to the Kiwanis playground project proposed for Columbia Gardens; and oversaw conceptual design for Wayfinding Signage at Columbia Gardens, assisted with presentation to Commissioners.</p> <p>Identified funds/adjusted budget and moved that signage project through A&E design to prepare that project for bid in October.</p> <p>Managed process of releasing Cave B from their lease, marketed that space, and worked to secure Muret-Gaston as new tenant for Columbia Gardens.</p>
<p>IX. <u>Loyalty</u></p> <p>Understanding and accepting of goals and policies of the organization. Willingness to support organization and management.</p>	X		<p>Leads with a 360-degree strategic vision, to anticipate issues and formulate a positive path forward.</p> <p>Supports the success of the Commission by providing the required information and allowing the appropriate time frame for decision making.</p> <p>On critical issues, provides the Commission multiple sessions for introduction, discussion and or planning sessions before seeking Commission action. One example of this is the 2023-2024 Budget.</p>

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			<p>Regularly communicates commission direction and goals to management and staff so all elements of the Port stay aligned.</p> <p>Even when facing contentious decisions, remains loyal and committed to carry out the mission of the Port.</p> <p>Evokes staff loyalty to the Port and promotes a culture of positive teamwork.</p> <p>Manages contentious matters using visionary thought processes and creative solutions. One example is the budget for the Hanger Renovation Project, described above.</p>
	Met	Not Met	
<p>X. <u>Communications</u></p> <p>Effectiveness of exchanging significant information throughout all levels of the organization; with clients, vendors, and the public.</p>	X		<p>Provides excellent opportunities for regular communication with individual commissioners.</p> <p>Diligent in responding to requests for information from commissioners, staff and community.</p> <p>Keeps Port commissioners informed of relevant community issues and prepared to respond.</p> <p>Values transparency and executes significant public outreach.</p>

Additional Committee Comments:

The year 2022 was a very successful one for the Port of Kennewick, under the leadership of CEO Arntzen. In summary, the CEO has steered the Port back to be mission-focused and to achieving the best return for taxpayer dollars. The CEO in partnership with Commission and staff effectively keeps the Port’s focus in alignment with Port’s adopted Policies and Budget- no easy task. CEO Tim Arntzen leads with a 360-degree strategic vision, to anticipate issues and formulate a positive path forward. He manages contentious matters using visionary thought processes and creative solutions. CEO Tim Arntzen operates with transparency, both internally with Staff and Commission and externally with the public.

Attachment 1 to Proposed Resolution 2022-40

Therefore, based on all the above reasons, the CEO Evaluation Committee recommends to the Commission for approval a performance rating of “Exceptional” in accordance with the CEO contract.

In addition, the Committee recommends a one-time salary adjustment of +9%, based on the unusually high inflation and cost of living increase we currently are experiencing. Future CEO evaluations, including 2024, should revert back to the terms of the CEO contract unless exceptional circumstances exist at that time as well, as determined by the CEO Evaluation Committee at that time.



AGENDA REPORT

TO: Port Commission

FROM: Larry Peterson, Director of Planning & Development

MEETING DATE: December 13, 2022

AGENDA ITEM: Port of Kennewick: Waterfront District-Clover Island Design Standards

- I. REFERENCE(S):**
Resolution 2022-41
Clover Island Design Standards dated December 13, 2022
- II. FISCAL IMPACT:** N/A
- III. DISCUSSION:** The Port waterfront district properties known as Clover Island, Columbia Gardens Urban Wine & Artisan Village, Willows and Cable Greens are zoned Commercial Marina (CM) on the island and Urban Mixed Use (UMU) south of Levee 5D. Both the CM and UMU city zoning establish basic design criteria with the intent being the developer (Port) augments the zoning regulations with additional design criteria.
- On September 28, 2021 via Resolution 2021-17 the Port adopted Design Standards for the Columbia Gardens Urban Wine & Artisan Village, which MAKERS Architecture & Urban Design helped prepare. On February 8, 2022 via Resolution 2022-08 the Port adopted Design Standards for the Willows & Cable Greens sites, which MAKERS Architecture & Urban Design helped prepare. Following adoption of those documents staff began working with the MAKERS team to tailor the format of those design standards to incorporate characteristics applicable to Clover Island. The attached Clover Island Design Standards would provide the extra level of design control sought by the Port.
- IV. ACTION REQUESTED OF COMMISSION:**
Commission discussion and action to either approve the attached resolution enacting the Clover Island Design Standards or discussion and clear direction to staff on changes desired that would likely result in approval as a subsequent Commission meeting.

MOTION: I move approval of Resolution 2022-41 approving and adopting the Clover Island Design Standards; and ratify and approve all action by port officers and employees in furtherance hereof; and authorize the port Chief Executive Officer to take all action necessary in furtherance hereof.

PORT OF KENNEWICK

RESOLUTION No. 2022-41

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING THE
CLOVER ISLAND DESIGN STANDARDS***

WHEREAS, MAKERS Architecture and Urban Design was contracted to assist the Port with preparation of the Design Standards for the Port's waterfront district properties known as Clover Island; and

WHEREAS, MAKERS Architecture and Urban Design prepared the draft Design Standards to complement the City's underlying Commercial Marina (CM) zoning and the Port's recently adopted Kennewick Historic Waterfront District Master Plan; and

WHEREAS, the Board of Commissioners has reviewed the Clover Island Design Standards.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby approves and adopts the Clover Island Design Standards as prepared and revised by MAKERS Architecture and Urban Design (Exhibit A).

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 13th day of December, 2022.

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

By: _____

SKIP NOVAKOVICH, President

By: _____

KENNETH HOHENBERG, Vice President

By: _____

THOMAS MOAK, Secretary

Port of Kennewick
Clover Island Design Standards



December 13, 2022

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PART 1 – INTRODUCTION

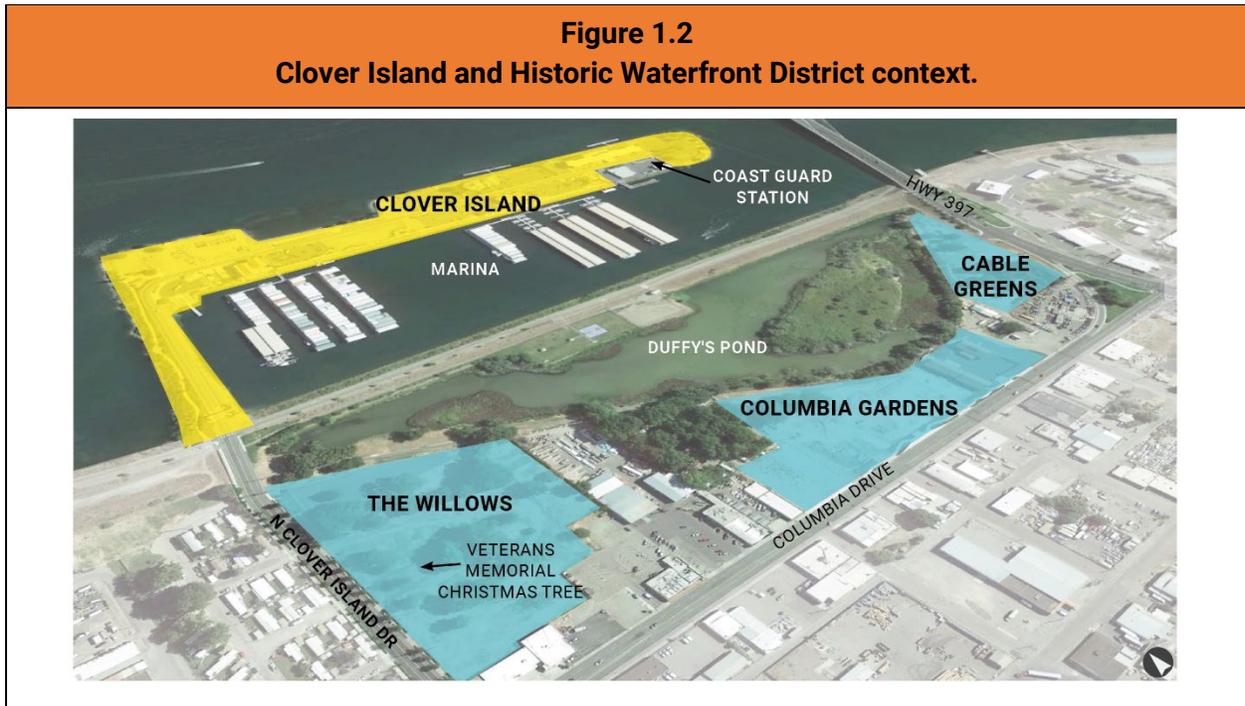
1.1 – Background

These design standards were completed in support of the 2021 Port of Kennewick Historic Waterfront Master Plan and to replace and modernize the design standards in the 2003 Clover Island Master Plan. Clover Island comprises approximately 15.5 acres on the Columbia River. Whereas the zoning allows for a great variety of uses, the future uses are expected to be recreation-oriented commercial and civic. Some residential and additional lodging uses may also be possible. Consistent with community goals, these standards will ensure new development is high-quality and creates enjoyable places for people to live, work, and visit.

1.2 – Applicability

- A. These standards apply to all new development on Clover Island. The Coast Guard property is exempt.
- B. Individual design criteria may also have more specific applicability statements.
- C. Relationship to the 2021 Historic Waterfront Master Plan: This document implements key design policies from the master plan.
- D. Relationship to Kennewick Municipal Code. These standards apply in addition to zone-based standards in the Kennewick Municipal Code (Clover Island is zoned Commercial, Marina or CM; see Title 18 KMC) and the standards of the Kennewick Shoreline Master Program for the Clover Island High Intensity Special Area (see Chapter 18.68 KMC and Appendix A-6).

Figure 1.2
Clover Island and Historic Waterfront District context.



1.3 – Intent of the Standards

Thoughtful urban design is a critical strategy for realizing the vision and goals of Clover Island. To that end, these standards are intended to:

- A. Provide a high standard for site planning and building design consistent with the goals and policies of the 2021 Historic Waterfront Master Plan.
- B. Provide clear objectives for the planning and design of individual developments.
- C. Describe a practical and desirable development character for Clover Island and to create an environment that is inspired by local Kennewick and Tri-Cities building traditions, while conveying an appropriate waterfront image.

1.4 – Clover Island Design Strategy

The Port of Kennewick has a desire to retain and enhance the character of the island around a theme that is built on the positive attributes of both the island and the larger community. These attributes are primarily expressed through architecture and site design and include:

- A. A unique island setting on the Columbia River.
- B. A visual link to historic local architecture, including granaries, mills, and early Kennewick residences.
- C. The island's close proximity to downtown Kennewick.
- D. A mix of water-dependent, water-related, tourism, and business uses.

Modern interpretations of historic local architecture are encouraged. The buildings constructed in recent years – the Port of Kennewick administration building and the yacht club building – contribute well to Clover Island's character and meet the intended theme. New buildings on Clover Island should continue with modern interpretations of industrial styles and materials.

Refer to the 2021 Historic Waterfront District Master Plan for additional guidance on design theme and design objectives. These include supporting event programming, completing the shoreline perimeter trail and viewpoints, facilitating economic activity and complementing existing businesses, and offering a variety of services for residents and boaters.

A key design objective from the Master Plan is to preserve the prominence of the island's west end lighthouse, which is approximately 60 feet in height. Development in this area should be located and limited in height to respect the lighthouse as a landmark and should help frame westerly views up the Columbia River, as viewed from Clover Island Drive.

In addition, other established view corridors should be preserved and enhanced with new development. For view corridor locations and policies, see the Kennewick Shoreline Master Program for the Clover Island High Intensity Special Area (Chapter 18.68 KMC and Appendix A-6).

Figure 1.4
Clover Island design theme images.



1.5 – Illustrative Examples

The site plans on the following pages are intended to illustrate example site layouts and building types designed consistent with the Master Plan and the Design Standards herein. Keep in mind that there are numerous possible site layouts that could be configured to meet the standards herein. The intent here is to show how all the various design guideline elements can fit together.



Figure 1.5.B
Northwest Clover Island development conceptual layout



The 2021 Historic Waterfront District Master Plan envisions a temporary event venue on this site. Over time, the site could transition to a more permanent event facility and/or boutique hotel in a configuration that respects the prominence of the lighthouse and preserves open space on the western end of the island. Open space on the north side of the development could integrate well with the shoreline trail. This concept assumes a 40-50 room hotel and 2,500-3,000 square feet of event space. This concept assumes that on-street parking to the east is available as overflow for larger events.

1.6 – Interpretation

The word “must” is intended to be a mandate. Where the word “should” or “encouraged” is used, it is intended to be a recommendation.

1.7 – Departures

All available departure opportunities for standards are noted within each standard by the capitalized term DEPARTURES. Such departures are voluntary and must only be approved if they meet the intent of the individual standard.

1.8 – Definitions

Introduction. All words used in these design standards carry their customary meanings, except for those defined below.

“ADA” means the Americans with Disabilities Act.

“Articulation” means the giving of emphasis to architectural elements (like windows, balconies, entries, etc.) that create a complementary pattern or rhythm, dividing large buildings into smaller identifiable pieces. See Standard 3.1 for articulation provisions.

“Articulation interval” means the measure of articulation, the distance before architectural elements repeat. See Standard 3.1 for articulation provisions.

“Blank wall” means a ground floor wall or portion of a ground floor wall as described in Standard 3.6 that does not include a transparent window or door.

“Building frontage” refers to the “façade” or street-facing elevation of a building. For buildings not adjacent to a street, it refers to the building elevation(s) that features the primary entrance to the uses within the building. Depending on the context the term is used in, it may also refer to the uses within the building. For example, a “storefront” is a type of building frontage.

“Façade” means the entire street wall of a building extending from the grade of the building to the top of the parapet or eaves and the entire width of the building elevation. For buildings not adjacent to a street, the façade refers to the building elevation containing the main entrance or entrances to the building.

“Internal pathway” refers to any pedestrian path or walkway internal to a development. This includes sidewalks along private streets.

“KMC” means Kennewick Municipal Code.

“Modulation” means stepping forward or backwards a portion of the façade as a means to articulate or add visual interest to the façade.

“Roofline” means the highest edge of the roof or the top of a parapet, whichever establishes the top line of the structure when viewed in a horizontal plane.

“Streetscape” means the space between the buildings on either side of a street that defines its character. The elements of a streetscape include building façades, landscaping (trees, yards, shrubs, plantings, etc.), sidewalks, street paving, street furniture (benches, kiosks, trash receptacles, fountains, etc.), signs, awnings, and street lighting.

“Vertical building modulation” means stepping back or projecting forward vertical walls of a building face, within specified intervals of building width and depth, as a means of breaking up the apparent bulk of a structure’s continuous exterior walls. Vertical building modulation may be used to meet façade articulation provisions in Standards 3.1.A.

“Weather protection” means a permanent horizontal structure above pedestrian areas such as sidewalks and building entries that protects pedestrians from inclement weather.

PART 2 – SITE PLANNING STANDARDS

2.1 – Frontage Standards

Intent

- To enhance the pedestrian environment and recreational opportunities.
- To promote good visibility between buildings and trails for security for pedestrians and to create a more welcoming and interesting trail and residential environment.

Relation to Zoning Standards

These provisions go beyond the shoreline management standards in Chapter 18.68 KMC.

Design Criteria

- A. Shoreline perimeter trail frontage standards.** All development on sites adjacent to the Columbia River shoreline must comply with the standards in Table 2.1.A below.

Figure 2.1.A Shoreline perimeter trail frontage standards.		
Element	Standards	Examples and Notes
Shoreline perimeter trail	New development must extend or enhance the Clover Island shoreline perimeter trail, consistent with the Historic Waterfront District Master Plan and the Kennewick Shoreline Master Program (see also Section 2.2 of these standards).	Note: If the trail section adjacent to the development site is already complete, this standard does not apply (further trail improvements are not required). Remodels are also exempt from this standard.
Building placement	Buildings may be located at the edge of the shoreline perimeter trail if the ground floor uses a storefront design. Otherwise, buildings must be set back 5-10' from the trail. Greater setbacks are acceptable for plazas meeting the standards in Section 2.4.	
Setback use	Landscaping, decks, plazas, patios, dining areas, playgrounds, and other similar uses are encouraged within trail setback areas. Service and trash storage areas are prohibited.	
Parking location	For new buildings, vehicular parking may not occupy any location between the water and the building.	
Fences & walls	Height limits for opaque fences & walls are 42 inches. Deck railings associated with non-residential development or uses must be at least 60% transparent.	See also the view corridor provisions of the Kennewick Shoreline Master Program for the Clover Island High Intensity Special Area, Appendix A-6.
Building use	Refer to permitted uses for the Commercial, Marina zone and the Clover Island High Intensity Environment under the City of Kennewick Shoreline Master Program, Appendix A-6.	

Figure 2.1.A Shoreline perimeter trail frontage standards.		
Element	Standards	Examples and Notes
Building entrances	For non-residential uses, at least one customer building entry visible and accessible from the shoreline trail is required.	
Façade transparency	For non-residential buildings, at least 25% of the building façade facing a shoreline must be transparent.	

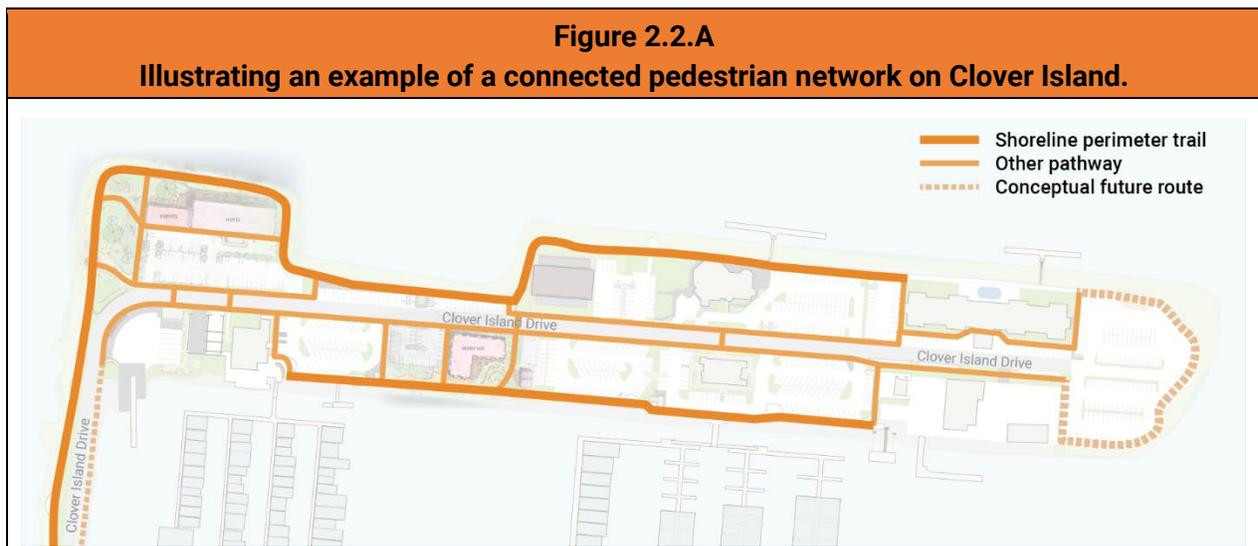
2.2 – Pedestrian Circulation

Intent

To improve the pedestrian and bicycling environment by making it easier, safer, and more comfortable to walk or ride among residences, to businesses, to the trail and street sidewalk, to transit stops, through parking lots, to adjacent properties, and connections throughout the city.

Design Criteria

- A. General pedestrian connectivity.** Developments must provide an integrated and connected pedestrian circulation network that encourages walking. Required connections include:
1. Shared and individual entrances to streets, trails and recreational areas, parking areas, and other pedestrian amenities.
 2. Between on-site buildings.
 3. Between Clover Island Drive and the shoreline perimeter trail.



B. Pedestrian facility design.

1. The following are minimum dimensions. Larger dimensions may be appropriate for high-volume facilities and for facilities located adjacent to high-activity land uses.
 - a. Shoreline perimeter trail: Eight feet wide paving.
 - b. Off-street sidewalks: Six feet wide paving.
 - c. Clover Island Drive sidewalks: Five feet wide paving.
2. Where new buildings front on the shoreline perimeter trail, an adequate area must be provided for pedestrian circulation. A combination of pathways, boardwalks, or terraced walkways may be used to create pleasant, barrier-free access in these areas.

2.3 – Landscaping

Intent

- To assist in creating a distinctive design character for the area.
- To promote well-conceived and attractive landscaping that reinforces the architectural and site planning concepts in response to site conditions and context.
- To promote plant materials that are native or compatible to the local shrub-steppe landscape.

Relation to Zoning Standards

These provisions go beyond the landscaping standards in Chapter 18.21 KMC. Clover Island is exempt from the parking lot landscaping standards of KMC 18.21.060(4).

Design Criteria

A. General landscaping standards.

1. Landscaped areas must consist of grade level or elevated planting beds featuring a mix of trees, shrubs, ornamental grasses, groundcover, and other vegetation. Landscaped area may not consist only of rocks or gravel.
2. Landscaping materials must include species native to the region or hardy, waterwise, and noninvasive species appropriate in the climatic conditions of the Tri-Cities region (decorative annuals and/or perennials in strategic locations are an exception). Generally acceptable plant materials must be those identified as hardy in Zone 7a as described in the United States Department of Agriculture's Plant Hardiness Zone Map.
3. Installation standards.
 - a. The combination of trees, shrubs, and ornamental grasses must be designed to cover at least 70-percent of the landscaped areas within three years of planting.
 - b. Shrubs, except for ornamental grasses, must be a minimum of one-gallon size at the time of planting. Shrubs and hedges adjacent to walkways and trails must be limited to 42-inches in height at maturity to maintain visibility (exceptions may be made for landscaping adjacent to blank walls).
 - c. Groundcovers must be planted and spaced to result in total coverage of the required landscape area within three years, specifically either four-inch pots at 18 inches on center or one-gallon or greater sized containers at 24 inches on center.
 - d. Mature tree and shrub height and size must be accounted for in the siting and design of landscaped areas.
4. Water conservation design. Water conservation may be achieved by a combination of any of the following techniques:
 - a. Group plants into areas of similar water need.
 - b. Locate plants based on solar orientation, exposure, and drainage patterns.
 - c. Amend soil based on existing conditions.

B. Irrigation standards. It is required to irrigate landscaping using a spray irrigation system.

C. Trail corridor and plaza landscaping and design.

1. Landscaping edging the trail and plaza spaces should be designed to help frame the trail and plaza spaces, soften building and retaining walls, and create a memorable and distinctive design character while maintaining good visibility for safety purposes. This includes a combination of trees, shrubs, ornamental grasses, perennials, and ground covers that comply with the provisions in Standards 2.3.A-B above.
2. On the water side of the shoreline perimeter trail, shoreline vegetation should be installed on the top part of the bank to act as a buffer and pedestrian barrier between the pathway and the top of the bank. Utilize native shrubs and grasses to soften the shoreline. Developments are not required to replace or expand existing shoreline vegetation adjacent to the development site.

Figure 2.3.A
Appropriate landscaping examples.



- D. Parking lot landscaping.** Use deciduous trees with a round, branching pattern, which can provide shade, to soften the appearance of parking areas, and allow for views under the canopy towards the water. Landscaped areas may incorporate rain gardens and other forms of stormwater management.

Figure 2.3.B
Appropriate parking lot landscaping examples.



E. Clover Island Drive frontage landscaping.

1. Street trees. Deciduous trees with a round, branching pattern are recommended to promote visual impact and provide summer shade, yet allow views under the canopy. Trees with bright fall color are also preferred.
2. Groundcover plantings. Use low-maintenance groundcovers and shrubs at street edges and within planting strips adjacent to the sidewalk. Shrubs that reach a mature height of approximately two feet are recommended to retain views towards the river from the street and sidewalk. Where appropriate, lawns are recommended.
3. Parking lot perimeter. Where new parking areas are developed or expanded adjacent to Clover Island Drive, a minimum five feet of landscaping is required between parking areas and the sidewalk. Landscaped areas may incorporate rain gardens and other forms of stormwater management.
4. Building frontage. Where new buildings are developed or expanded adjacent to Clover Island Drive, a minimum of five feet of landscaping is required between the building and the sidewalk. Landscaped areas may incorporate rain gardens and other forms of stormwater management. Landscaped areas may include paved pathways, plazas, and other hardscapes outside building entries.
5. See Part 6 for other Clover Island Drive standards.

2.4 – Plazas and Viewpoints

Intent

- To provide plaza spaces that attract visitors to commercial areas.
- To enhance the development character and attractiveness of development.

Design Criteria

Where provided, plaza spaces must meet the criteria of (A) and (B).

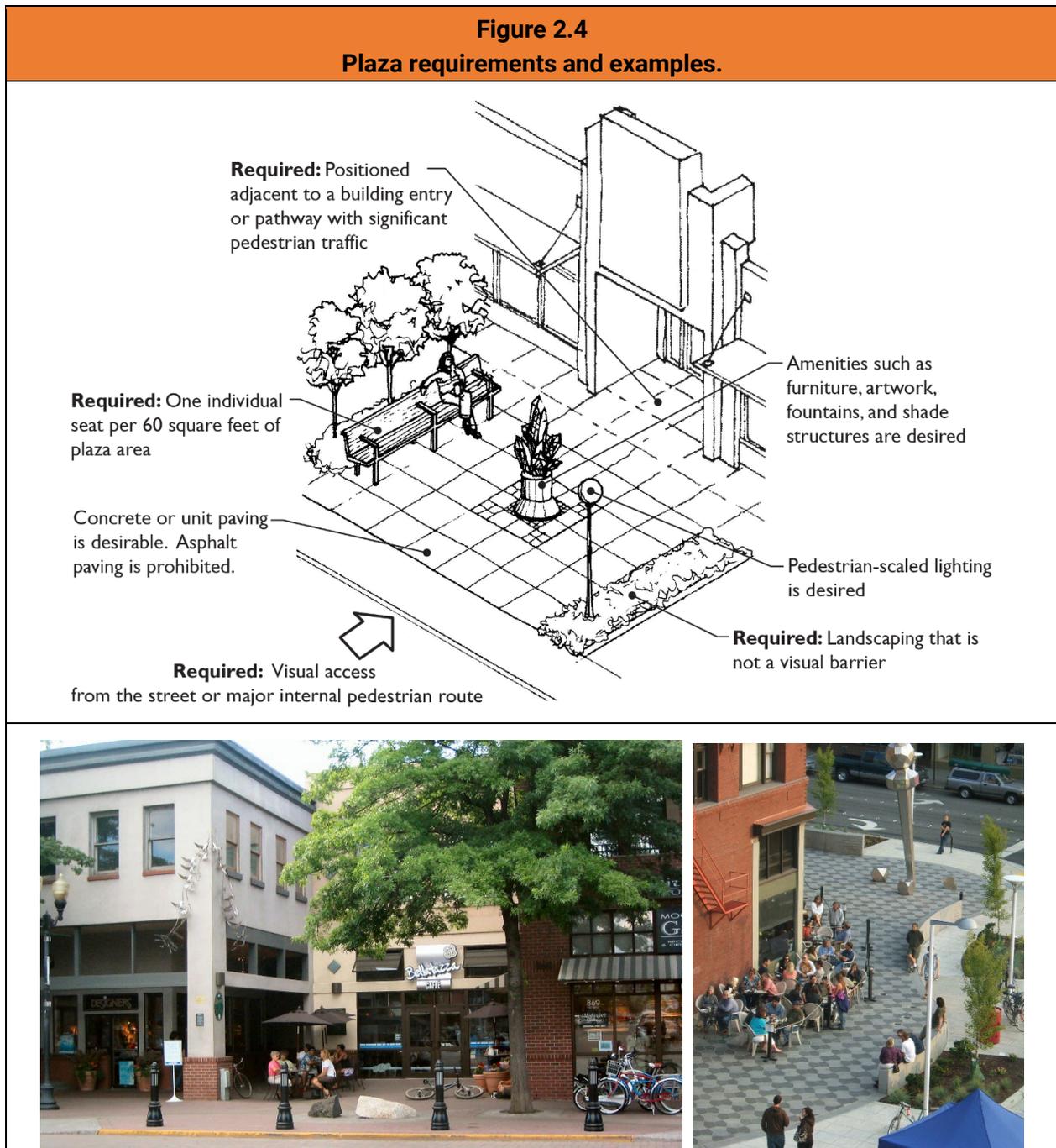
A. Required plaza features.

1. The space must abut a public sidewalk or other major internal pedestrian route and be designed to function as a focal point and gathering spot.
2. The space must be ADA compliant and generally level with the adjacent sidewalk or internal pedestrian route. Steps, ramps, and grade changes may be acceptable, provided the outdoor space is designed to be visually and physically accessible from the adjacent sidewalk or internal pedestrian route and the space meets all other standards herein.
3. The space must feature no dimension less than 15 feet in order to provide functional leisure or recreational activity.
4. The space must be framed on at least one side by buildings that are oriented towards the space (via entries and generous façade transparency). Plazas should also provide views of the Columbia River and marina.
5. Paved walking surfaces of either concrete or approved unit paving are required. Form-in-place pervious concrete paving is allowed. The recommended primary color is grey, to be used in conjunction with patterns of concrete bonding and/or colored pavers. Gravel surface areas may be allowed for special seating areas.
6. Pedestrian amenities must be integrated into the space. Examples include, but are not limited to, site furniture, artwork, drinking fountains, shade structures, kiosks, or other similar features that complement the space and encourage use of the space by a variety of users.
7. At least one individual seat per 60-square feet of plaza area or open space is required. At least 50-percent of the required seating must be built-in seating elements, while moveable seating may be used for the remaining percentage. Two feet of seating area on a bench or ledge at least 16-inches deep at an appropriate seating height qualifies as an individual seat. Reductions of up to 50-percent will be allowed for the integration of specialized open spaces that meet the intent of these standards.
8. Landscaping components that add visual interest and do not act as a visual barrier must be integrated. Such components can include, but are not limited to, trees, planting beds, raised planters, and/or potted plants.

B. Prohibited plaza features.

1. Large expanses of uninterrupted paving or paving without pattern.
2. Asphalt paving.
3. Unscreened service and utility areas or venting of mechanical systems.

4. Adjacent chain-link fences.
5. Adjacent “blank walls” without “blank wall treatment” (see Standard 3.6).
6. Outdoor storage.



C. Viewpoints. Viewpoints should generally conform with the plaza criteria of (A) and (B) above, in order to create flexible and well-maintained spaces for people to enjoy shoreline views. However, greater flexibility in design is warranted, particularly where specific viewpoint functions and features are described in the 2021 Historic Waterfront Master Plan.

2.5 – Service Areas & Utilities

Intent

- To promote thoughtful design of service elements integrated into the project’s design and to mitigate the impacts of those elements on on-site uses and activities and uses abutting the site.
- To provide adequate, durable, well-maintained, and accessible service and equipment areas.

Design Criteria

A. Location of ground-level service areas and mechanical equipment. Ground-level building service areas and mechanical equipment including loading docks, trash collection and compactors, dumpster areas, storage tanks, electrical panels, HVAC equipment, and other utility equipment should be located inside buildings. If any such elements are outside the building at ground level, the following location standards apply:

1. Service areas must be located for convenient service access while avoiding negative visual, auditory, olfactory, or physical impacts on the streetscape environment and adjacent properties.
2. Service areas for multiple users or tenants must be co-located or consolidated to the extent practical.

B. Screening of ground-level service areas and mechanical equipment. Where the only option for locating a service area is an area visible from a street, pedestrian pathway, plaza, trail, or from an adjacent property, the area must be screened. Where screening of ground level service areas is required, the following applies:

1. Structural enclosures must be constructed of masonry, heavy-gauge metal, heavy timber, or other decay-resistant material that is also used with the architecture of the main building. Alternative materials other than those used for the main building are permitted if the finishes are similar in color and texture, or if the proposed enclosure materials are more durable than those for the main structure. The walls must be sufficient to provide full screening from the affected roadway, pedestrian areas, or adjacent property, but must be no greater than seven feet tall. The enclosure may use overlapping walls as a screening method.
2. Gates must be made of heavy-gauge, sight-obscuring material.
3. The service area must be paved.
4. The sides and rear of service enclosures must be screened with landscaping at least three-feet wide in locations visible from the street, parking lots, and pathways to soften views of the screening element and add visual interest. Plants must be arranged with a minimum of 50-percent coverage at time of installation and be able to grow to fully screen or shield the equipment within three years.

DEPARTURES to the above provisions will be considered provided the enclosure and landscaping treatment meet the intent of the standards and add visual interest to site users.

Figure 2.5.B
Acceptable trash screening enclosures.



Both examples use durable and attractive enclosures with trees and shrubs to soften views of the enclosures from the side.

- C. Utility meters, electrical conduit, and other service utility apparatus.** These elements must be located and/or designed to minimize their visibility to the public. Project designers are strongly encouraged to coordinate with applicable service providers early in the design process to determine the best approach in meeting these standards. If such elements are mounted in a location visible from the street, pedestrian pathway, plaza, or trail, they must be screened with vegetation and/or integrated into the building's architecture.

Figure 2.5.C
Acceptable and unacceptable utility meter location and screening examples.



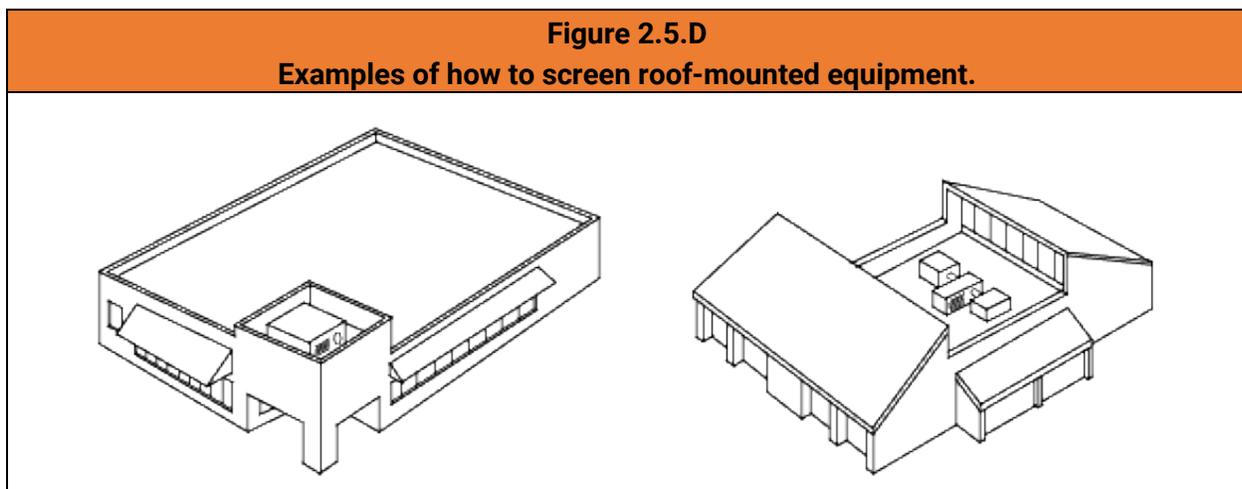
Place utility meters in less visible locations. The left example is successfully tucked away in a less visible location and screened by vegetation. The right image is poorly executed and would not be permitted in such a visible location on the front of a building; such meters must be coordinated and better integrated with the architecture of the building.

D. Roof-mounted equipment.

1. All rooftop equipment, including air conditioners, heaters, vents, and similar equipment must be fully screened from public view at the ground level. Screening must be located so as not to interfere with operation of the equipment.

Exception: Roof-mounted wind turbines, solar energy and photovoltaic systems, and rainwater reuse systems do not require screening.

2. Solar photovoltaic panels must be integrated into the surface of the roof and not expose an independent structure. Panels must be inclined at the same pitch as the roof plane.
3. For other rooftop equipment, all screening devices must be well integrated into the architectural design through such elements as parapet walls, false roofs, roof wells, clerestories, or equipment rooms. Screening walls or unit-mounted screening is allowed but less desirable. The screening materials must be as high as the equipment being screened.
4. The screening materials must be of material requiring minimal maintenance. Wood must not be used for screens or enclosures. Louvered designs are acceptable if consistent with the building design style. Perforated metal is not permitted.
5. Noise producing mechanical equipment such as fans, heat pumps, etc. must be located and/or shielded to minimize sounds and reduce impacts to adjacent residential uses.



2.6 – Residential Amenity Space

Intent

- To create usable amenity space that is suitable for leisure or recreational activities for residents.
- To create amenity space that contributes to the residential setting.

Design Criteria

Residential amenity space meeting the following standards is required for all new multi-family development and residential mixed-use developments.

A. Amount required. Applicable developments are required to provide residential amenity space equal to a minimum of 75 square feet per new dwelling unit.

For example, a development with 12 units must provide a minimum of 900 square feet of amenity area.

B. Amenity space types and distribution. The following table illustrates the types of residential amenity spaces that may be used to meet the requirement in subsection (A) above.

Figure 2.6.B Residential amenity space standards.		
Residential amenity space type	Maximum percentage of required area	Cross-reference to Section 2.6 design standards
Common outdoor recreation areas	Up to 100%	Subsection (C)(1)
Shared roof decks	Up to 75%	Subsection (C)(2)
Private balconies (applicable only to adjacent dwelling units)	Up to 50%	Subsection (C)(3)

For example, of the 900 square feet of amenity area required for a 12-unit development, up to 75% of the required area (675 square feet) may be met by providing a shared roof deck. A larger roof deck area is allowed but the extra area does not further count towards the minimum amenity area for the development.

C. Residential amenity space design standards.

1. Common outdoor recreation areas. Such spaces are internal to a development and accessible to all tenants of a development, but may not be accessible to the general public. Examples include, but are not limited to, landscaped courtyards, decks, entrance plazas, gardens with walkways, children’s play areas [see subsection (C)(4)], swimming pools, and water features. Common outdoor recreation areas must meet the following design standards:
 - a. The minimum area is 300-square feet. The space must feature dimensions necessary to provide functional leisure or recreational activity. Stairways and service elements located within or on the edge of the space are not included in the recreation area calculations. Bike parking may be included within the area.

- b. The area must be located in accessible areas that are visible from units within the development.
- c. The area must feature paths, walkable lawns, landscaping, seating, lighting, play structures, sports courts, or other pedestrian amenities to make the area functional and enjoyable for a range of users.
- d. The area must be separated from ground level windows, streets, vehicular circulation areas, service areas, and parking lots with landscaping, fencing, and/or other acceptable treatments that enhance safety and privacy for both the recreation area and dwelling units.

DEPARTURES will be considered for the standards above provided they meet the purpose of the standards and fill a recreational need for the residents of the development. The use and design of the space must be integrated with the surrounding site and building features in a manner that is complementary to the development and any adjacent streetscape.



2. Shared roof decks. Such spaces are located on the top of buildings or intermediate levels and are accessible to all residents of the development. Examples of amenities include, but are not limited to, cooking and dining areas, seating areas, gardening areas, water features, children’s play areas [see subsection (C)(4)], and pet play areas. Shared rooftop decks must meet the following design standards:
 - a. Space must feature hard-surfacing and provide amenities that encourage use, such as seating and weather protection elements.
 - b. Space must integrate landscaping elements that enhance the character of the space and encourage its use.
 - c. Space must incorporate features that provide for the safety of residents, such as enclosures, railings, and appropriate lighting levels.

Figure 2.6.C.2
Shared roof deck examples.



3. Private balconies. This space is adjacent and directly accessible to the subject unit. Private balconies must meet the following design standards:
 - a. Balconies must be at least 36 square feet in area with no dimension less than four feet to qualify as amenity space.
 - b. Private balconies should be at least partially recessed into the building façade.

Figure 2.6.C.3
Private balcony examples.



4. Children's play areas. Any children's play areas integrated as a part of a common outdoor recreation area or shared roof deck must meet all the following design standards (in addition to the design standards listed above):
 - a. The minimum area is 200-square feet.
 - b. Measures necessary to protect children's safety from vehicular traffic must be included, such as low fencing or landscaping to provide a physical barrier around the perimeter.
 - c. Shade and rest areas for supervision must be provided by using deciduous landscaping, architectural elements (including but not limited to pergolas or shelters), or other means.
 - d. Natural, creative play elements should be provided, such as ground slides from one level to another, tricycle tracks, swings hung from arbors or trees, paths that meander and are of varying materials and widths, water that can be manipulated, outdoor rooms made from landscape or rocks, and berms and hills.
 - e. Play areas must be designed for a variety of ages, activities, and motor skills.

2.7 – Site Fixtures, Furnishings, and Materials

Intent

- To create site details which are appropriately designed and scaled to create a welcoming and comfortable pedestrian setting.
- To specify site fixtures, furnishings, and materials which are durable and easily maintained.
- To specify energy-efficient and safe outdoor lighting which avoids glare and light pollution.

Design Criteria

A. Lighting.

1. Streetlights. Lights should be placed to conform with local standards for roadway lighting levels. The recommended color is gray/silver/metallic.
2. Plaza lighting. The public open spaces should maintain average surface lighting levels of 2-4 footcandles. Utilize the streetlights as needed for recommended sidewalk lighting levels and viewpoint plazas. The height of such lights should be a maximum of 12 feet, or as appropriate to the scale of the plaza or space. The fixtures should be sited to minimize light glare and the impacts on views to the water from plaza spaces and adjacent buildings.
3. Pathway and boardwalk lighting. Use metal bollard fixtures with integral lighting (concrete bollards with integral lighting may be substituted with approval). Special attention should be given to vandal resistance in bollard design. Integral post-mounted lights are also options for pier and boardwalk areas. The recommended color is gray/silver/metallic. On the shoreline perimeter trail, low-level bollard lighting, no more than three-and-a-half feet in height, should be provided to reduce visual glare and impacts on adjacent uses.



- B. Benches.** Metal benches with powder coating finishes are recommended for character and durability. The recommended color is gray/silver/metallic.

C. Fixtures.

1. Trash cans and support features. Use metal trash receptacles that complement the benches. The recommended color is gray/silver/metallic. Trash cans should not be placed directly adjacent to benches and other seating.
2. Clearance bollards. For clearance bollards and special separation or vehicular delineation bollards, use concrete-filled steel pipe, either embedded in concrete or with a built-down base. The recommended color is solar yellow.
3. Railings and handrails. Use metal pipe handrails as the prototypical railing type for marine and ship-related railings. Metal mesh panel railings are acceptable for boardwalks, walkways, and piers.

2.8 – Signs

Intent

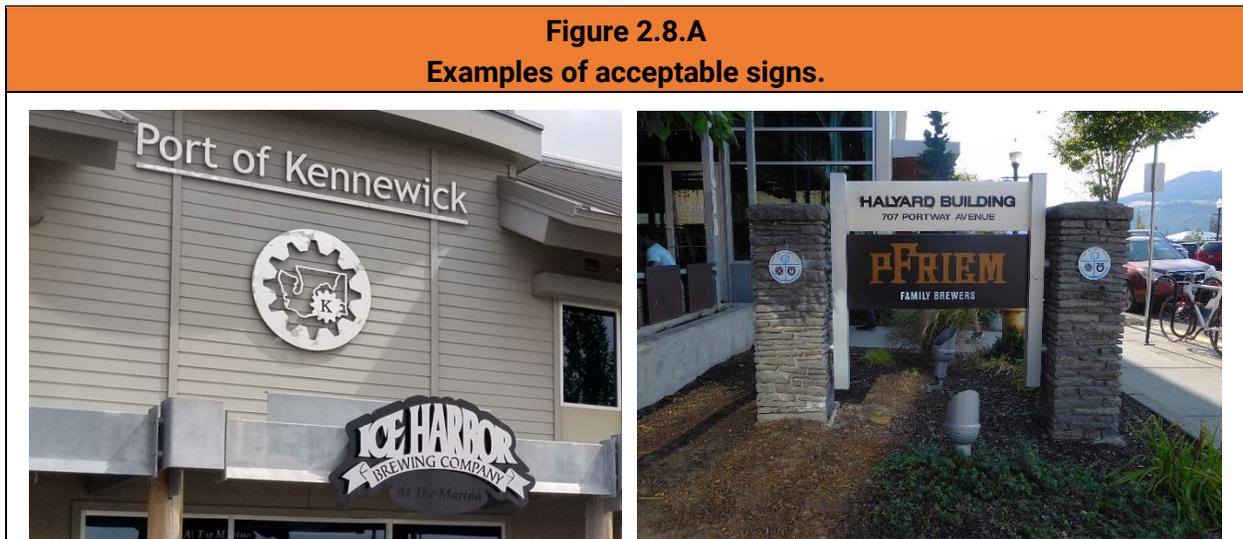
- To encourage development of signs which are appropriate to the pedestrian-oriented scale and character of Clover Island.
- To promote economic development and attractive business advertising.

Relation to Zoning Standards

These standards supplement the sign regulations in Chapter 18.24 KMC and the Kennewick Shoreline Master Program (Chapter 18.68 KMC).

Design Criteria

A. Generally. New signs should be small in scale, oriented to the pedestrian, and integrated with building design. Signs should contribute positively to the image of Clover Island. Automobile-oriented signs should be avoided. Wood, metal, concrete, and stone are preferred materials.



A. Freestanding signs.

1. Pole signs are prohibited. Pole signs are a type of freestanding sign with a single column attaching the sign to the ground.
2. The maximum height of freestanding signs is 10 feet.
3. The maximum sign area per freestanding sign is 40 square feet.

B. Wall sign standards.

1. Each use may have a total of three wall signs per street frontage, which may be placed anywhere on the building.
2. Wall signs must be proportional to the façade on which they are placed. They must be no wider than two-thirds the width of the individual façade.
3. Wall signs must not be placed closer than 18 inches to the top or ends of a wall.

PART 3 – BUILDING DESIGN STANDARDS

3.1 – Building Massing & Articulation

Intent

To employ façade articulation techniques that reduce the perceived scale of large buildings and add visual interest and a human-scaled pattern.

Design Criteria

A. Façade articulation. Façade articulation is required for building facades and other building elevations facing the shoreline, plazas, Clover Island Drive, and containing primary building entrances.

For commercial and mixed-use buildings, at least three articulation features must be employed at intervals no greater than 40 feet.

B. Articulation features to meet the standards of (A) above include:

1. Window patterns and/or entries.
2. Providing vertical building modulation of at least 12-inches in depth if tied to a change in roofline or a change in building material, siding style, or color.
3. Change in roofline with a difference in height, slope or pitch, direction, or shape (such as towers or dormers).
4. Change in building material or siding style.
5. Vertical elements such as a trellis with plants, green wall, or art element.
6. Use of vertical piers/columns (not applicable to residential buildings).
7. Use of awnings or similar weather protection features.
8. Other design techniques that effectively break up the massing of structures and add visual interest.

Figure 3.1.B
Articulation examples.



C. Roof forms and features.

1. Form: Gabled roofs with dormers are preferred. Flat roofs are allowed, provided they employ a distinctive roofline that effectively provides an identifiable “top” to the building. This could include a traditional cornice line or a contemporary interpretation of a traditional cornice line. Any pitched roofs must have a minimum slope of 4:12.
2. Modulation: Gabled dormers are encouraged to lend variety to the buildings, add visual interest, and provide additional usable space in the buildings’ attic spaces. The maximum width of a roofline without modulation (a gabled dormer, for instance) shall be 75 feet for commercial buildings and 50 feet for buildings containing residential uses.
3. Overhangs. Minimum eave overhangs of 15-18 inches are recommended for weather protection.

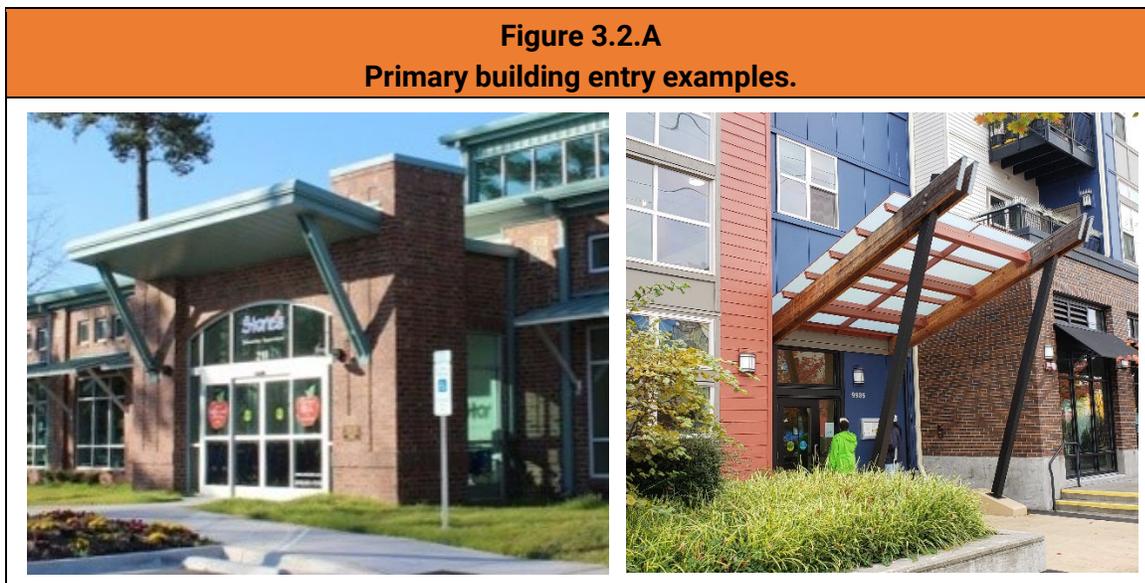
3.2 – Building Entries

Intent

- To create clear and welcoming building entries.
- To add visual interest to the street and neighborhood.
- To emphasize pedestrian entrances over garage entries.

Design Criteria

A. Commercial and mixed-use buildings. If a primary common building entrance exists, it must be designed as a clearly defined and demarcated standout architectural feature of the building. Such entrances must be easily distinguishable from individual tenant entrances on the building. Such entries must be scaled proportional to the building.



3.3 – Building Details

Intent

- To encourage the incorporation of design details and small scale elements into building façades that are attractive at a pedestrian scale.

Design Criteria

A. Façade details. The ground floor of all commercial and mixed-use buildings must be enhanced with appropriate details. This standard applies to building façades facing the shoreline, plazas, and containing primary building entrances. Applicable façades must employ at least one detail element from each of the three categories in Standard 3.3.B for each façade articulation interval (see Standard 3.1.A).

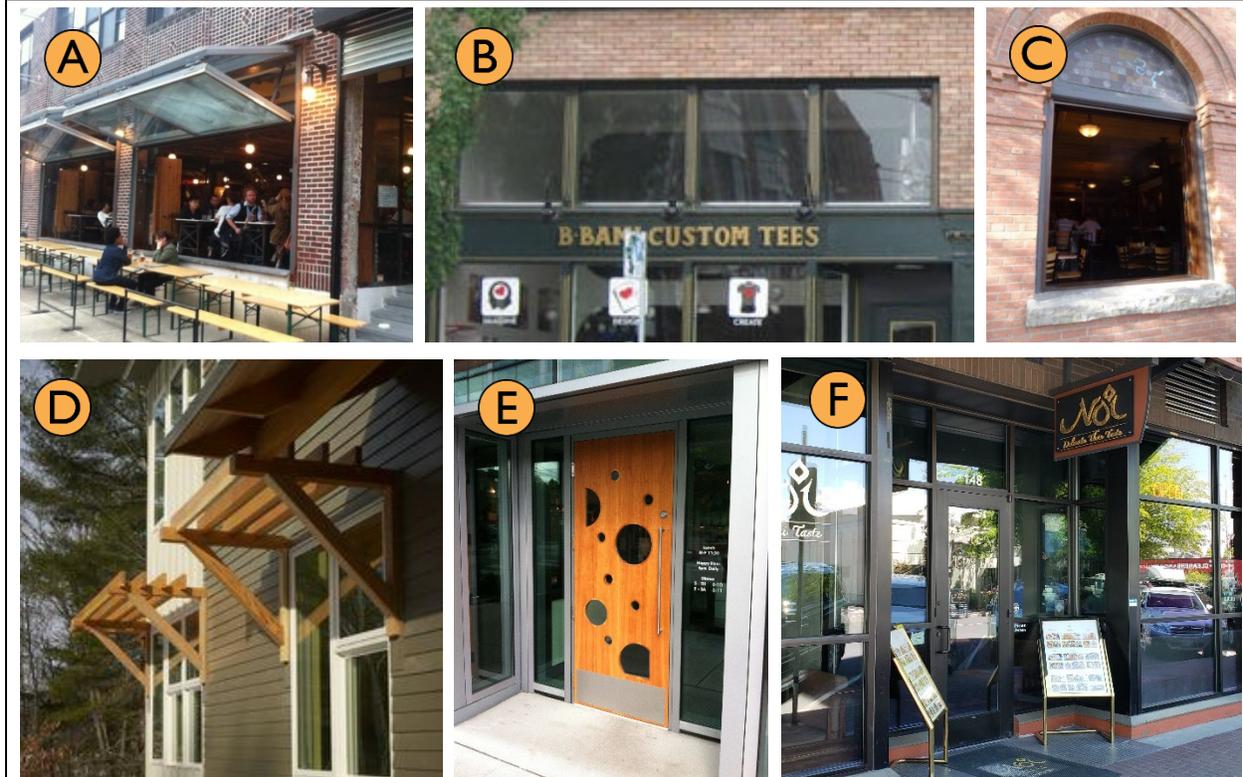
For example, a commercial building with 90-feet of trail frontage with a façade articulated at three 30-foot intervals will need to employ a façade detail from each of the three categories below for all three façade segments.

B. Façade detail categories.

1. Window and/or entry treatment:

- a. Display windows divided into a grid of multiple panes.
- b. Transom windows.
- c. Roll-up windows/doors.
- d. Other distinctive window treatment that meets the intent of the standards.
- e. Recessed entry.
- f. Decorative door.
- g. Other decorative or specially designed entry treatment that meets the intent of the standards.

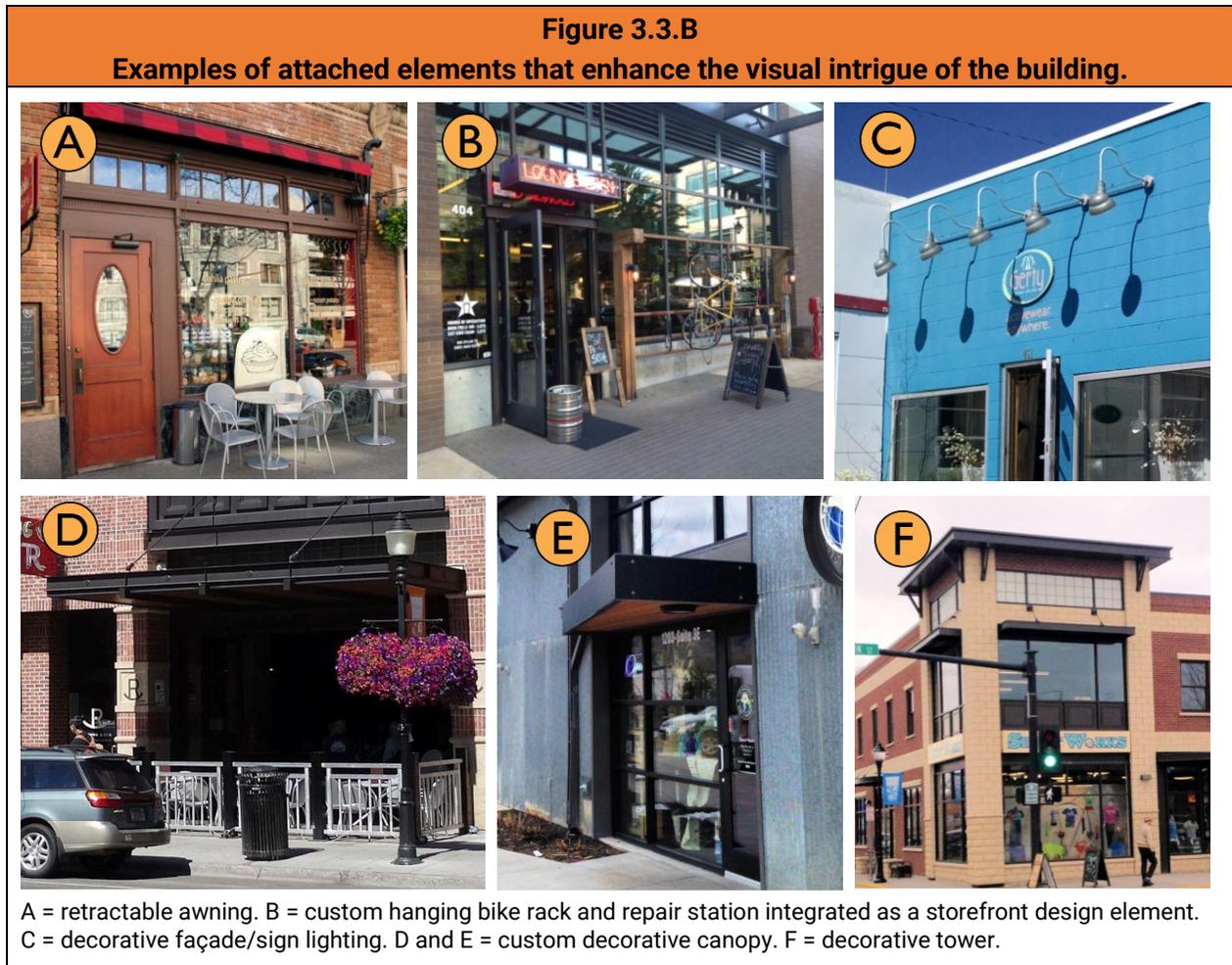
Figure 3.3.A
Examples of decorative or specially designed windows and entries.



A = openable storefront window. B = transoms. C = openable window with decorative details.
D = decorative window shades. E = decorative door. F = recessed entry.

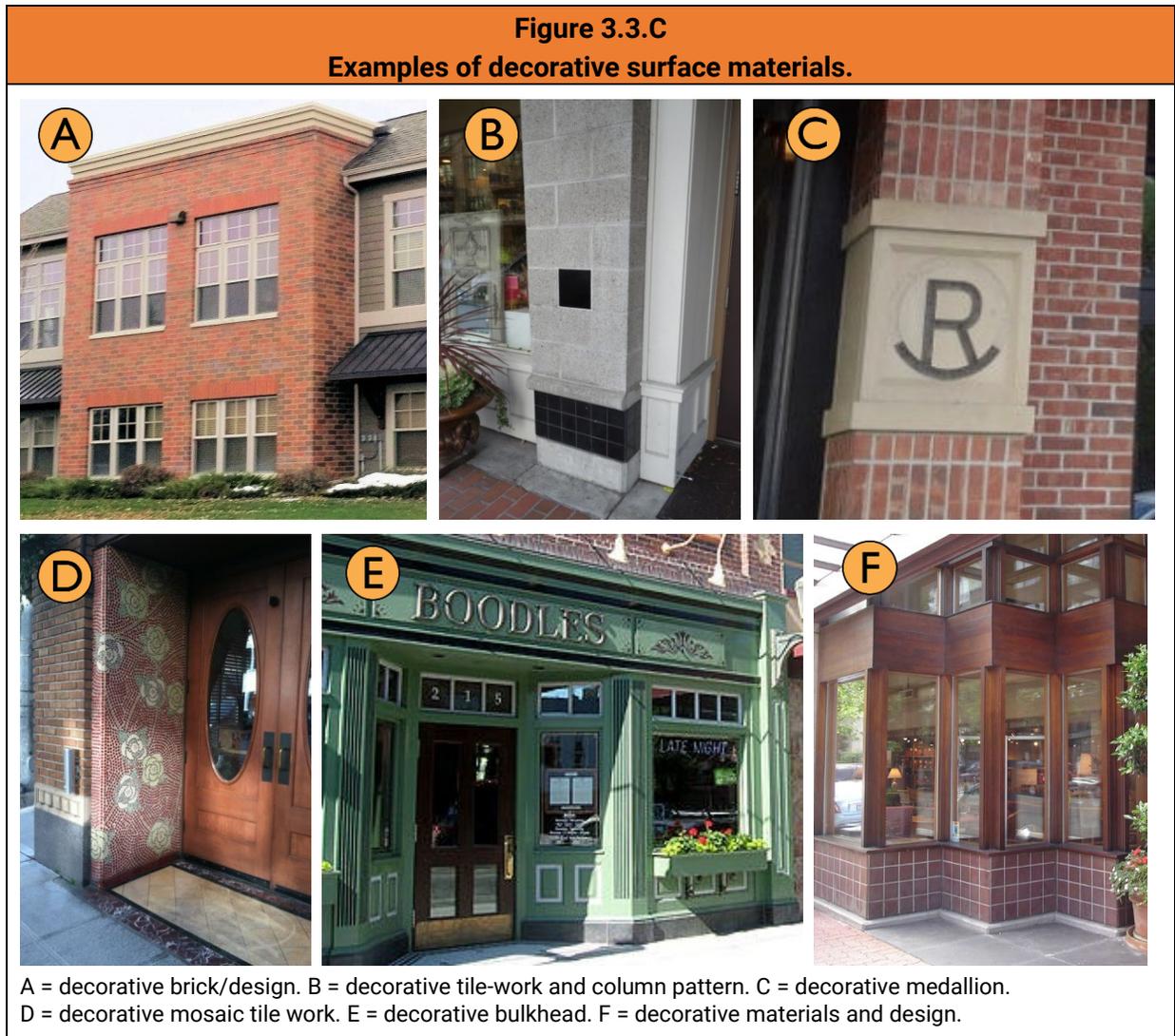
2. Building element, façade attachment, or façade detail:

- a. Custom-designed weather protection element such as a steel canopy, cloth awning, or retractable awning.
- b. Decorative building-mounted light fixtures.
- c. Bay windows, trellises, towers, and similar elements.
- d. Decorative, custom hanging sign(s).
- e. Other details or elements that meet the intent of these standards.



3. Decorative material and artistic elements:

- a. Decorative building materials/use of building materials. Examples include decorative use of brick, tile, or stonework.
- b. Artwork on building, such as a mural or bas-relief sculpture.
- c. Decorative kick-plate, pilaster, base panel, or another similar feature.
- d. Hand-crafted material, such as special wrought iron or carved wood.
- e. Other details that meet the intent of the standards.



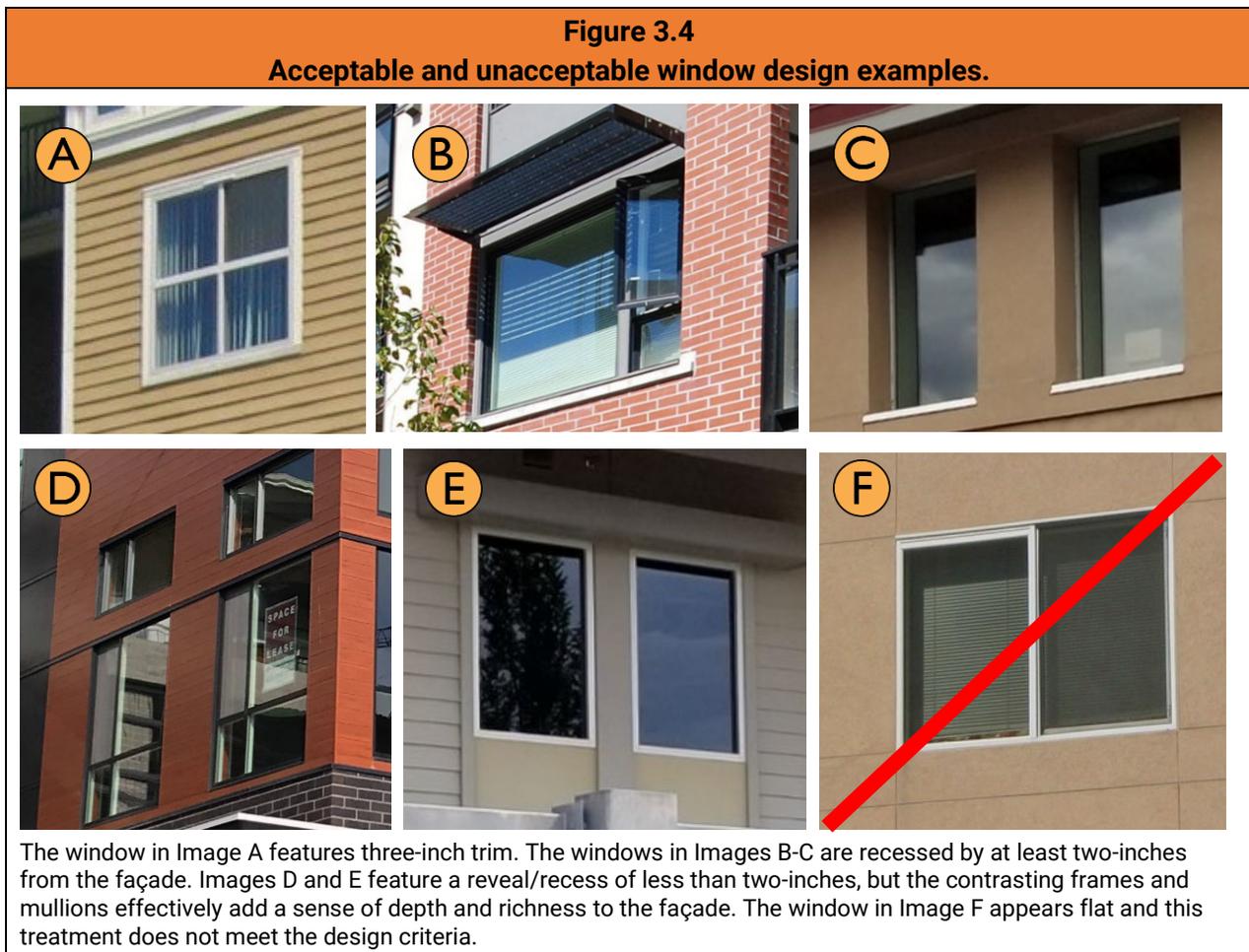
3.4 – Window Design

Intent

- To integrate window design that adds depth, richness, and visual interest to the façade.

Design Criteria

- A. All windows must employ designs that add depth and richness to the building façade. At least one of the following features must be included to meet this requirement:
 1. Recess windows at least two-inches from the façade.
 2. Incorporate window trim (at least three-inches wide) around windows.
 3. Incorporate other design treatments that add depth, richness, and visual interest to the façade.
- B. Highly reflective glass must not be used on more than 10-percent of a building façade or other building elevations facing trails and containing primary building entrances.
- C. Commercial-grade double-glazed wood or vinyl windows with operable sash are recommended. Projected and bay windows are acceptable.



3.5 – Materials and Color

Intent

- To encourage the use of durable, high quality, and urban building materials that minimize maintenance cost and provide visual interest from all observable vantage points.
- To promote the use of a distinctive mix of materials that helps to articulate façades and lends a sense of depth and richness to the buildings.
- To place the highest priority in the quality and detailing of materials on the first floor at the pedestrian scale.

Design Criteria

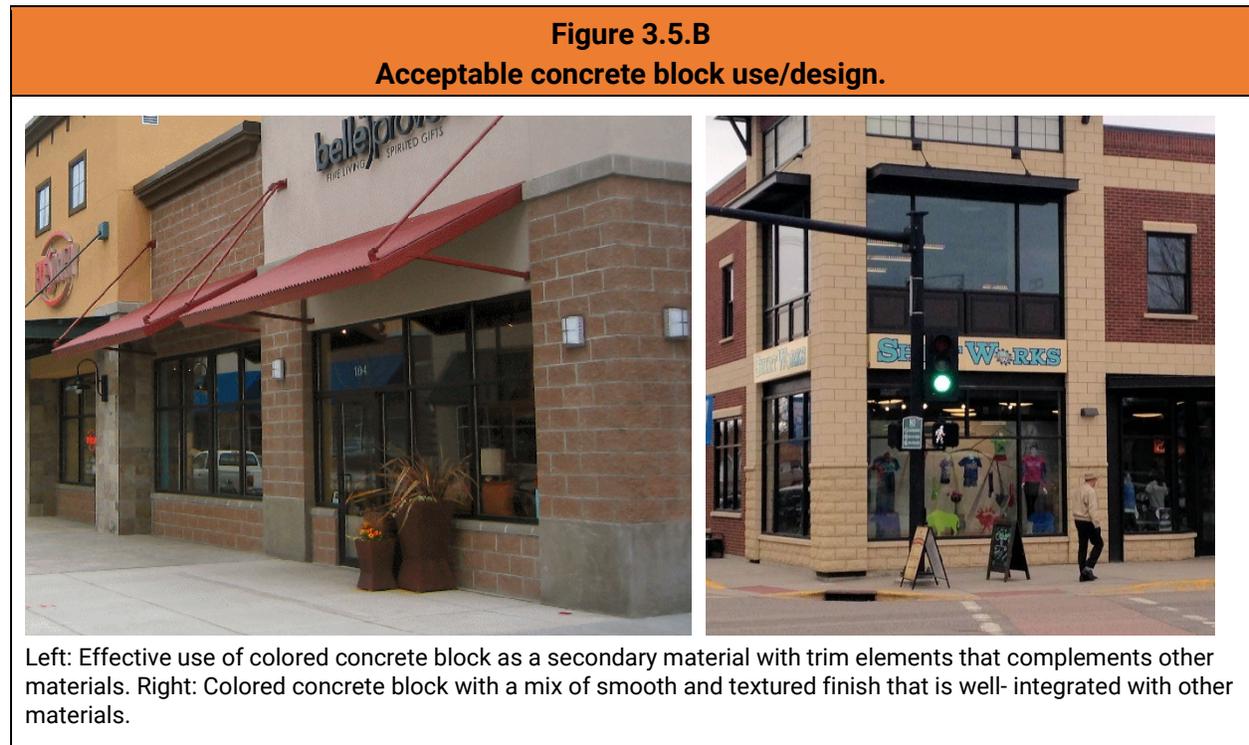
If a development includes concrete block, metal siding, exterior insulation and finish system (EIFS), or cementitious wall board paneling/siding on a building exterior, the conditions set forth in Standards 3.5.B-E below apply. These materials are not required and the use of other exterior materials is encouraged. Standard 3.5.F provides guidance on exterior building colors.

A. Preferred materials.

1. The preferred exterior wall materials are wood bevel siding, stucco, or cement board applied per the manufacturer's specifications and in combination with painted wood trim and/or galvanized sheet metal.
2. Metal roofs are preferred on all buildings.

B. Concrete block (also known as concrete masonry unit or CMU).

1. Concrete block is acceptable as a primary material on smaller support buildings, such as pump stations and public restrooms, with floor areas of less than 500 square feet.
2. Concrete block may be used on larger buildings as a secondary material when it employs a mixture of colors and/or textures (such as split face or ground face block) or employs a combination of design details to articulate the building and add visual interest.



C. Metal siding.

Metal siding may be used on all building elevations provided it complies with the following standards:

1. It must feature visible corner molding and trim.
2. Metal siding must be factory finished, with a matte, non-reflective surface.
3. Walls with more than 50 percent metal siding must feature a roof overhang above the wall.

DEPARTURES will be considered provided the material's integration and overall façade composition meets the intent of the standards.

Figure 3.5.C
Acceptable metal siding examples.



Left: Metal siding with corner and window trim and employing a variety of textures and colors. Note the roof overhang. Right: A good departure example without a consistent roof overhang, but the short length of the walls, amount of window openings, trim, and color/pattern changes create an acceptable design that meets the intent of the standards.

D. Exterior Insulation and Finish System (EIFS).

EIFS may be used when it complies with the following:

1. EIFS must not be used on the ground floor of building elevations. Concrete, masonry, or other highly durable material(s) must be used for the ground floor of building elevations to provide a durable surface where damage is most likely.
2. EIFS must not be the primary cladding material on upper floors and must be integrated with other acceptable materials.
3. EIFS must feature a smooth or sand finish only.
4. EIFS must be trimmed in wood, masonry, or other material and must be sheltered from weather by roof overhangs or other methods.

DEPARTURES will be considered provided the material's integration and overall façade composition meets the intent of the standards.

**Figure 3.5.D
Acceptable EIFS examples.**

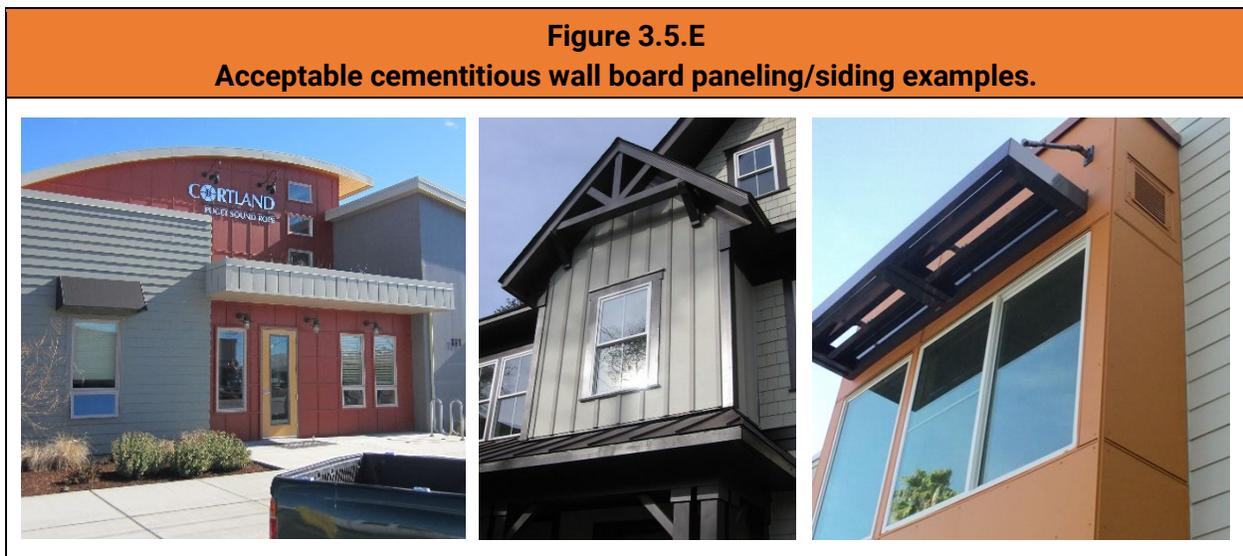


E. Cementitious wall board paneling/siding.

Cementitious wall board paneling/siding may be used provided it meets the following provisions:

1. Cement board paneling/siding may be the dominant exterior material but must be integrated with other acceptable materials (specifically, up to 70-percent of non-window exterior materials may be cement wall board paneling/siding). Where cement wall board paneling/siding is the dominant siding material, the design must integrate a mix of colors and/or textures that are articulated consistent with windows, balconies, and modulated building surfaces and the design must be balanced with façade details that add visual interest from the ground level and adjacent buildings.

DEPARTURES will be considered provided the material’s integration and overall façade composition meets the intent of the standards.



F. Building color.

1. The color of new building facades, trim elements, and roofs should be complementary of the existing Port buildings on Clover Island.
2. Fluorescent and neon colors may be used sparingly and are best used for accents and small buildings.
3. Heavy use of white colors should be avoided.

Figure 3.5.F
Acceptable examples of building colors.



Examples of existing Port buildings.



Other examples of acceptable building colors. The lower right image is an example where a single bold color may be appropriate for a small building.

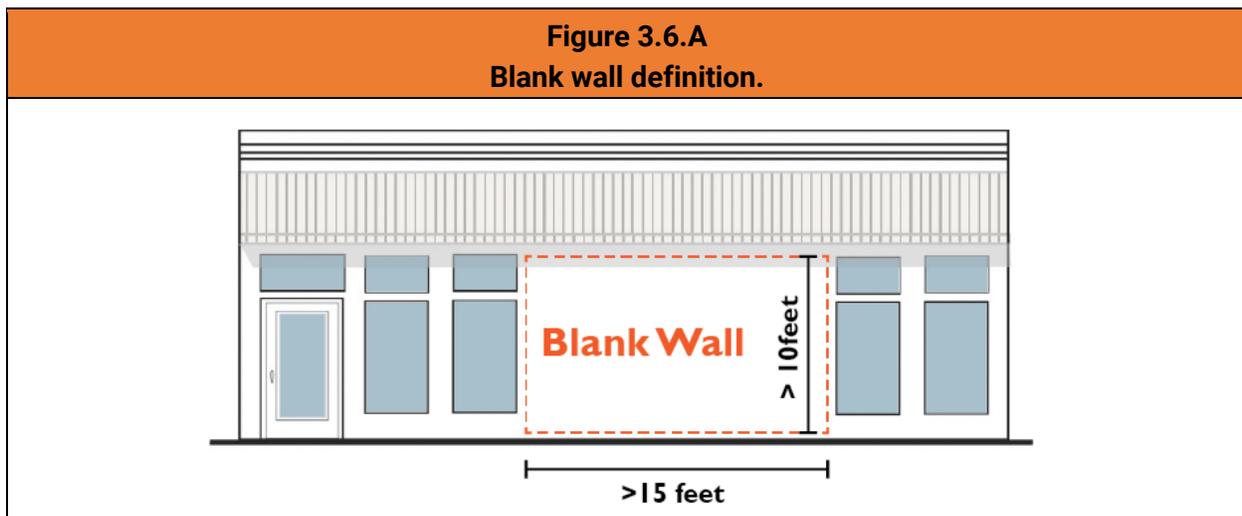
3.6 – Blank Wall Treatment

Intent

- To avoid untreated blank walls.
- To retain and enhance the pedestrian-oriented character of streetscapes.

Design Criteria

- A. Blank wall definition.** A wall (including building façades and retaining walls) is considered a blank wall if it does not include a transparent window or door and has the following dimensions: Over 10 feet in height and over 15 feet in horizontal length.



- B. Blank wall treatment standards.** Untreated blank walls adjacent to Clover Island Drive, a plaza, the shoreline perimeter trail, or customer/resident parking lots are prohibited. Methods to treat blank walls on buildings can include:
1. Landscape planting bed at least five-feet wide, or a raised planter bed at least two-feet high and three-feet wide, in front of the wall. Planting materials must be sufficient to obscure or screen at least 60-percent of the wall's surface within three years.
 2. Installing a vertical trellis in front of the wall with climbing vines or plant materials.
 3. Installing an artistic mural as approved by the Director.
 4. Special building detailing that adds visual interest at a pedestrian scale. Such detailing must use a variety of surfaces; monotonous designs will not meet the intent of the standards.

For large visible blank walls, a variety of treatments may be required to meet the intent of the standards.

DEPARTURES will be considered provided the entire façade composition meets the intent of the standards for the context of the wall (e.g., walls along pathway corridors connecting parking areas to building entries might be granted more flexibility than street facades).

Figure 3.6.B
Blank wall treatment examples.



PART 4 – BOATHOUSE STANDARDS

4.1 – Boathouse Maintenance Standards

Existing boathouses must be maintained in accordance with this section. Boathouses may also need to conform to local, state, and federal permitting agency requirements and additional requirements that may be imposed by the Port.

Intent

Ensure boathouses are maintained in good structural and visible condition and comply with all applicable law.

Design Criteria

- A. Boathouse structures must meet local building code requirements.
- B. Boathouses must meet local electrical code requirements.
- C. Floatation elements must be encapsulated within the boathouse.
- D. Damaged, rusty, stained, or moldy siding must be cleaned, repaired, or replaced.
- E. Roofs must be secured to the walls with methods typical of industry standards.
- F. Boathouse structures must be secured sufficiently to the dock.

Figure 4.1
Boathouse maintenance standards.



Boathouses must be maintained in good structural and visible condition.

PART 5 – ROADWAY STANDARDS

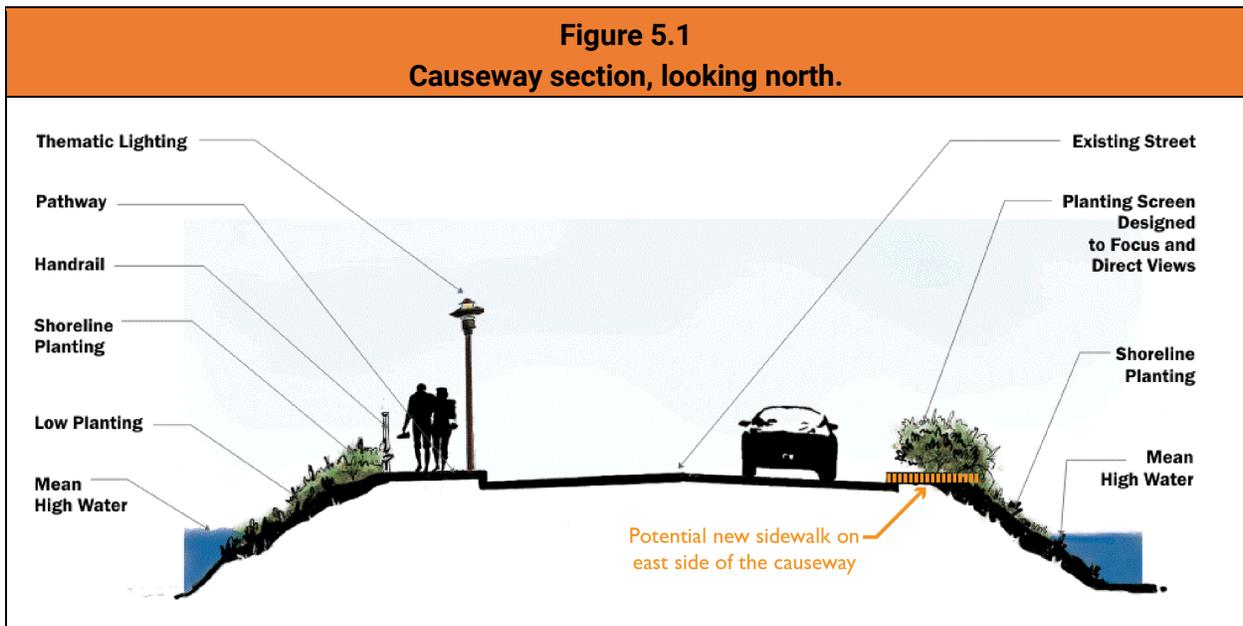
5.1 – Causeway to Clover Island

Intent

The causeway to Clover Island functions as a multimodal gateway to the island.

Design Criteria

If a new sidewalk is built on the east side of the causeway it should be at least five feet wide.



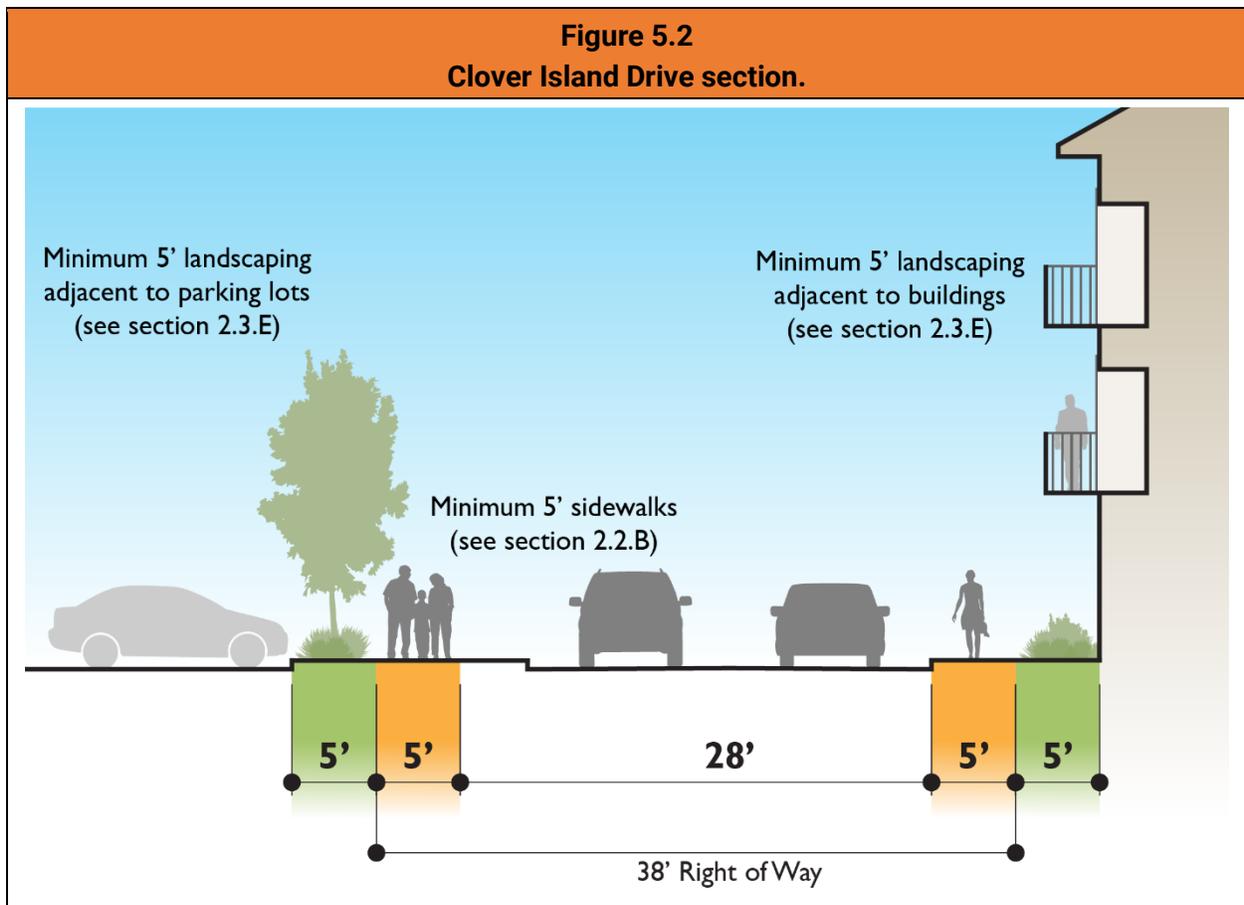
5.2 – Clover Island Drive

Intent

Clover Island Drive is the island’s multipurpose landscaped and lighted center around which all island features are organized.

Design Criteria

- A. The roadway connects all uses and viewpoints on the island with a continuous, walkable boulevard that is an easily recognizable icon visible from the Cable Bridge and other viewpoints.
- B. See Section 2.2.B for Clover Island Drive sidewalk standards.
- C. See Section 2.3.E for detailed Clover Island Drive frontage landscaping standards.





AGENDA REPORT

TO: Port Commission

FROM: Tim Arntzen, CEO

CC: Carolyn Lake, Port Legal Counsel

cc: Nick Kooiker Port of Kennewick, Chief Financial Officer/Auditor

MEETING DATE: December 13, 2022

AGENDA ITEM: Proposed Resolution Addressing Inflation Rate To Be Applied To Commissioner Compensation For Future Commissioners- Action Item: Request for Approval

I. REFERENCE(S): Proposed Adoption of Resolution 2022-42, addressing the inflation rate to be applied to Commissioner compensation for future Commissioners & acknowledging the status quo annual 4% inflation rate adjustment for current Commissions as established most recently by prior Resolution 2014-39.

II. RELATED HISTORY:

Resolution No. 2006-54, which first established a Commission salary, separate from the state-set structure, which included an annual Commissioner salary inflation adjustment, and eliminated the per diem compensation.

Resolution 2011-46, in which the Port Commission reinstated the per diem compensation allowed by state law in addition to Commission salary.

Resolution 2014-39, adopting a monthly fixed salary amount effective January 1, 2015 “with an automatic cost of living adjustment of 4% in January”.

Resolution 2021-19, which addressed legislative change to the date on which inflation adjustments would be made every five years and which affirmed the existing Commission salary structure.

III. FISCAL IMPACT: \$0

IV. DISCUSSION:

RCW 53.12.260 provides for compensation to be paid to Port commissioners and establishes the rate of compensation according to the Port’s gross operating revenues and provides alternatively that each Port district may establish its Commissioner rate of compensation.

Under Washington law, Port Commissioner compensation takes two forms: a per diem amount and a monthly salary amount. Pursuant to RCW 53.12.260, the dollar thresholds for both per

diem compensation and salary shall be adjusted for inflation by the state Office of Financial Management every five years, with the next adjustment occurring on January 1, 2024 based upon changes in the consumer price index as defined in that statute during that time period and based on recent legislature that changed the per diem review date from July 1 to January 1 every five years.

RCW 53.12.260(4) also allows a port commission to set compensation for commissioners in lieu of the amounts specified in the statute (both per diem and monthly). Pursuant to this authority, the Port of Kennewick previously took action to set compensation for its commissioners in lieu of the amounts specified in the statute.

In 2006, the Port Commission adopted Resolution 2006-54, which first established a Commission salary, separate from the state-set structure, which included an annual Commissioner salary inflation adjustment. That Resolution also eliminated the per diem compensation.

In 2011, the Port Commission reinstated the allowed per diem compensation allowed by state law in addition to Commission salary, by Resolution 2011-46. Both compensation Resolutions 2006-4 and 2011-46 acknowledged that pursuant to statutory and constitutional provisions, their salary increases would only take effect upon the subsequent re-election of the existing Commissioner or the election of a new Commissioner.

By Resolution 2014-39, the Port of Kennewick Commission again adopted a monthly fixed salary amount effective January 1, 2015 “with an automatic cost of living adjustment of 4% in January”.

The annual inflation rate for Commission salaries was established by previous Port action in 2006 by 2006-4 and reaffirmed in 2014 by Resolution 2014-39, and the reintroduction of a per diem rate occurred in 2011 by Resolution 2011-46. These policies have been effective only for those Commissioners elected or re-elected after the salary policy adoption date. Therefore, this salary structure applies to all current Commission members. Commissioner Ken Hohenberg, representing District 1 citizens since 2022, Commissioner Thomas Moak, representing District 2 citizens since 2014 and having been re-elected since 2014, and Commissioner Skip Novakovich, representing District 3 citizens since 2009 and having been re-elected since 2014.

In December 2021, the Port Commission took additional action on compensation in response to an apparent legislative drafting error. That Port Resolution 2021-29 addressed Commission compensation as follows by affirming that:

1. Pursuant to RCW 53.12.260(3) the 2021 Port of Kennewick commissioner compensation of \$2,569.28 per month, adjusted 4% annually for inflation, shall be maintained for all current commissioners and shall apply to all Port of Kennewick commissioners hereinafter elected or appointed, and
2. The RCW 53.12.260(4) inflationary per adjustment that will occur on January 1, 2024, and each five years thereafter will be applied to all Port of Kennewick commissioner compensation.

Resolution 2021-19 affirmed the existing Commission salary structure and did not institute a new salary policy. The annual inflation adjustment is self-executing as written, and is consistent with Washington State Constitution, Article XI Section 8.

The Washington State Constitution, Article XI Section 8, provides that the salary of a Port commissioner cannot be increased or decreased during their term of office, meaning that any adjustment to Port Commissioner compensation shall go into effect only after each existing Commissioner position stands for election and at the first date of the next term of each Commission position.

Staff recommends that it is in the best interest of the Port to maintain current levels of commissioner compensation but also to ensure that commissioners newly elected or re-elected in or after 2023 are provided an appropriate inflation adjustment given current extraordinary inflationary times, in a manner consistent with Article XI, Section 8 of the Washington State Constitution.

Submitted for Commission consideration is Resolution 22-42 which would maintain existing Commissioner compensation for current members but allow for adjusted compensation for future Commissioners as follows:

1. Pursuant to RCW 53.12.260(3), the calculation for the 2023 Port of Kennewick commissioner compensation shall remain status quo for all current commissioners and, pursuant to Resolution 2014-39, be automatically adjusted annually 4% for inflation.
2. Pursuant to RCW 53.12.260(3) the 2022 Port of Kennewick commissioner compensation of \$2672.05 per month, shall be automatically adjusted annually for inflation at a rate equal to the general wage increase based on the Cost-of-Living Adjustment (COLA) measured as the increase in the Consumer Price Index (CPI-W) from the third quarter of the second removed preceding year through the third quarter of the immediately preceding year, but not less than four percent (4.0%) effective each January 1st, beginning 2023, and shall apply to all Port of Kennewick commissioners hereafter elected, re-elected, or appointed.

V. ACTION REQUESTED OF COMMISSION:

I move approval of Resolution 2022-42 approving an inflation rate to be applied to Commissioner compensation for future Commissioners & acknowledging the status quo annual 4% inflation rate adjustment for current Commissions.

PORT OF KENNEWICK

Resolution No. 2022-42

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK ADDRESSING THE INFLATION RATE TO BE APPLIED TO COMMISSIONER COMPENSATION FOR FUTURE COMMISSIONERS & ACKNOWLEDGING THE STATUS QUO ANNUAL 4% INFLATION RATE ADJUSTMENT FOR CURRENT COMMISSIONS AS ESTABLISHED MOST RECENTLY BY PRIOR RESOLUTION 2014-39

WHEREAS, RCW 53.12.260 provides for compensation to be paid to Port commissioners and establishes the rate of compensation according to the Port's gross operating revenues and provides alternatively that each Port district may establish its Commissioner rate of compensation.

WHEREAS, under Washington law, Port Commissioner compensation takes two forms: a per diem amount and a monthly salary amount. Pursuant to RCW 53.12.260, the dollar thresholds for both per diem compensation and salary shall be adjusted for inflation by the state Office of Financial Management every five years, with the next adjustment occurring on January 1, 2024 based upon changes in the consumer price index as defined in that statute during that time period and based on recent legislature that changed the per diem review date from July 1 to January 1 every five years.

WHEREAS, RCW 53.12.260(4) also allows a port commission to set compensation for commissioners in lieu of the amounts specified in the statute (both per diem and monthly). Pursuant to this authority, the Port of Kennewick previously took action to set compensation for its commissioners in lieu of the amounts specified in the statute.

WHEREAS, in 2006, the Port Commission adopted Resolution 2006-54, which first established a Commission salary, separate from the state-set structure, which included an annual Commissioner salary inflation adjustment.¹ That Resolution also eliminated the per diem compensation.

WHEREAS, in 2011, the Port Commission reinstated the allowed per diem compensation allowed by state law in addition to Commission salary, by Resolution 2011-46.² Both compensation Resolutions 2006-4 and 2011-46 acknowledged that pursuant to statutory and constitutional provisions, their salary increases would only take effect upon the subsequent re-election of the existing Commissioner or the election of a new Commissioner.

¹Resolution 2006-54: "NOW, THEREFORE; BE IT HEREBY RESOLVED, that as of November 14, 2006, the compensation of the Commissioners of the Port of Kennewick, as set forth in RCW 53.12.260(3), shall be set at \$850 a month, eliminating the current per diem compensation, with an annual cost of living adjustment of four (4%) percent per year of which cost of living adjustment shall be adjusted to the compensation of the Commissioners in January of each year; and.."

²Resolution 2011-46: "... as of November 8, 2011, the compensation of the Commissioners of the Port of Kennewick, as set forth in RCW 53.12.260(3) and Resolution 2006-54, shall be amended to include the monthly per diem amounts as allowed by RCW 53.12.260(1) as amended by Office of Financial Management."

WHEREAS, by Resolution 2014-39, the Port of Kennewick Commission again adopted a monthly fixed salary amount effective January 1, 2015 “with an automatic cost of living adjustment of 4% in January”.

WHEREAS, the annual inflation rate for Commission salaries was established by previous Port action in 2006 by 2006-4 and reaffirmed in 2014 by Resolution 2014-39, and the reintroduction of a per diem rate occurred in 2011 by Resolution 2011-46. These policies have been effective only for those Commissioners elected or re-elected after the salary policy adoption date. Therefore, this salary structure applies to all current Commission members. Commissioner Kenneth Hohenberg, representing District 1 citizens since 2022, Commissioner Thomas Moak, representing District 2 citizens since 2014 and having been re-elected since 2014, and Commissioner Skip Novakovich, representing District 3 citizens since 2009 and having been re-elected since 2014.

WHEREAS, in December 2021, the Port Commission took additional action on compensation in response to an apparent legislative drafting error. That Port Resolution 2021-29 addressed Commission compensation as follows by affirming that:

1. Pursuant to RCW 53.12.260(3) the 2021 Port of Kennewick commissioner compensation of \$2,569.28 per month, adjusted 4% annually for inflation, shall be maintained for all current commissioners and shall apply to all Port of Kennewick commissioners hereinafter elected or appointed, and
2. The RCW 53.12.260(4) inflationary per adjustment that will occur on January 1, 2024, and each five years thereafter will be applied to all Port of Kennewick commissioner compensation.

WHEREAS, Resolution 2021-19 affirmed the existing Commission salary structure, and did not institute a new salary policy. The annual inflation adjustment is self-executing as written, and is consistent with Washington State Constitution, Article XI Section 8.

WHEREAS, The Washington State Constitution, Article XI Section 8, provides that the salary of a Port commissioner cannot be increased or decreased during their term of office, meaning that any adjustment to Port Commissioner compensation shall go into effect only after each existing Commissioner position stands for election and at the first date of the next term of each Commission position.

WHEREAS, it is in the best interest of the Port to maintain current levels of commissioner compensation but also to ensure that commissioners newly elected or re-elected in or after 2023 are provided an appropriate inflation adjustment given current extraordinary inflationary times, in a manner consistent with Article XI, Section 8 of the Washington State Constitution.

NOW THEREFORE, based upon the foregoing it is resolved by the Port of Kennewick, by and through its Commission, to maintain existing Commissioner compensation for current members but allow for adjusted compensation for future Commissioners as follows:

1. Pursuant to RCW 53.12.260(3), the calculation for the 2023 Port of Kennewick commissioner compensation shall remain status quo for all current commissioners and, pursuant to Resolution 2014-39, be automatically adjusted annually 4% for inflation.
2. Pursuant to RCW 53.12.260(3) the 2022 Port of Kennewick commissioner compensation of \$2672.05 per month, shall be automatically adjusted annually for inflation at a rate equal to the general wage increase based on the Cost-of-Living Adjustment (COLA) measured as the increase in the Consumer Price Index (CPI-W) from the third quarter of the second removed preceding year through the third quarter of the immediately preceding year, but not less than four percent (4.0%) effective each January 1st, beginning 2023, and shall apply to all Port of Kennewick commissioners hereafter elected, re-elected, or appointed.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 13th day of December, 2022.

PORT of KENNEWICK BOARD of COMMISSIONERS

By: _____

SKIP NOVAKOVICH, President

By: _____

KENNETH HOHENBERG, *Vice President*

By: _____

THOMAS MOAK, Secretary



AGENDA REPORT

TO: Port Commission

FROM: CEO Evaluation Committee

MEETING DATE: December 13, 2022

AGENDA ITEM: Approval of CEO's 2023/24 Goals & Objectives

I. REFERENCE(S): CEO's Outstanding Goals and Objectives (Exhibit A)
Resolution 2022-43 CEO 2023/24 Goals and Objectives (Exhibit B)
Resolution 2022-19 CEO Evaluation Policy

II. FISCAL IMPACT: N/A

III. DISCUSSION: The CEO has two outstanding Goals and Objectives as identified in Exhibit A.

Before the Commission today is a proposed list of 2023/24 goals and objectives - Exhibit B. The proposed goals were drafted by the CEO Evaluation Committee, following guidance established by the Commission policy via Resolution 2022-19. The CEO has also reviewed the proposed goals.

IV. RECOMMENDATION: Approve Resolution 2022-43, approving CEO's 2023/24 goals and objectives.

V. ACTION REQUESTED OF COMMISSION:

Motion: I move approval of Resolution 2022-43, approving CEO's 2023/24 goals and objectives.

PORT OF KENNEWICK

Resolution No. 2022-43

**A RESOLUTION OF THE PORT OF KENNEWICK
BOARD OF COMMISSIONERS APPROVING
CEO'S 2023/24 GOALS AND OBJECTIVES**

WHEREAS, the Board of Commissioners of the Port of Kennewick met this 13th day of December, 2022, a quorum of the Commissioners being present; and

WHEREAS, pursuant to the CEO's employment agreement, the Port Commission is required to approve goals and objectives on an annual basis; and

WHEREAS, there are two outstanding 2021-22 Goals and Objectives for the Port CEO as identified in Exhibit A; and

WHEREAS, the CEO Evaluation Committee has met multiples times to prepare a proposed goals list for the 2023/24 budget cycle as identified in Exhibit B.

NOW, THEREFORE, BE IT RESOLVED the Port of Kennewick Board of Commissioners hereby approves the 2023/24 CEO's Goals and Objectives, as attached in "Exhibit B".

BE IT FURTHER RESOLVED that all action by port officers and employees in furtherance hereof is ratified and approved; and further, the port Chief Executive Officer is authorized to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 13th day of December, 2022.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**

By: _____

SKIP NOVAKOVICH, *President*

By: _____

KENNETH HOHENBERG, *Vice President*

By: _____

THOMAS MOAK, *Secretary*

Exhibit "A"

EXHIBIT A					
CEO 2021/22 Goals & Objectives (including update on 2019/20 ongoing goals)					
DATE: November 8, 2022					
GOAL & OBJECTIVE		TACTICAL STEPS	ACTION	STATUS (checkmark = Completed)	COMMENTS
2019/2020 Goals and Objectives Carryover					
Visia Field	2019/20 GOAL	Sell one parcel or obtain one ground lease (does not include Arts Center Task Force).	Considered complete when presented to Commission.	50% complete	The Port now has lots to sell, and are advertising to sell lots. Have one letter of intent received, but no offers to purchase have been presented to commission.
	2				
2021/2022 Goals and Objectives					
Kennewick Waterfront	2021/22 GOAL	Implement the identified Duffy's Pond tenant-improvements and algae mitigation plan.	Considered complete when presented to Commission.	50% Complete	Standing bar installed on tasting room patios. Food truck plaza fencing was bid (pulled project due to escalating material costs whereby bidders wouldn't hold pricing with material cost tripling). City permits finalized for restroom. Working with Palencia regarding design of demonstration vineyard. All algae mitigation prep work required by Port is complete. Chemical application is dependent upon City schedule.
	5				

*PORT OF KENNEWICK
CEO EVALUATION COMMITTEE'S
RECOMMENDED GOALS - 2023-2024*

1. Complete A&E for Vista Field Parking Lots
2. Pursue Interlocal Agreement (or MOU) with City of Kennewick related to City of Kennewick-allocated RCCF funds to be used to benefit projects located within the City in Vista Field or Columbia Drive.
3. Carry out Joint Meeting with One Jurisdictional Partner (remote)
4. Prepare and Market one (1) Clover Island lot for Lease
5. Complete A&E and cost estimate for Clover Island Stage project and assess opportunities for public private partnership
6. Market for sale, and sell or lease one (1) lot in the Kennewick Waterfront Area which includes Willows, Cable Greens and Columbia Drive
7. Complete Vista Field Development Building Exterior Improvements
8. Present Options for Hybrid Meeting and Work Protocols that promotes continued Staff and Port productivity
9. Identify and Present to Commission Joint Tridec Project of benefit to the Port
10. Flexible Goal: Identify and Present one additionally beneficial Project or ROI partnering opportunity to Commissioners

PORT OF KENNEWICK

RESOLUTION No. 2022-19

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK REVISING THE CHIEF EXECUTIVE OFFICER (CEO) EMPLOYMENT AGREEMENT AND PERFORMANCE EVALUATION PROCESS

WHEREAS, the Chief Executive Officer's (CEO) current Employment Agreement (CEO Agreement) is in need of amendment to clarify the effect of subsequent benefit amendments; to more clearly delineate terms of indemnification; and to update the current individualized method used to review CEO's performance; and

WHEREAS, revising and amending the CEO Agreement in these areas will provide for greater clarity; and

WHEREAS, re-instituting the former CEO committee performance evaluation process consisting of one Commissioner serving a two-year term, the Chief Financial Officer (CFO), and Port Attorney will promote a more efficient and less complicated review process, and

WHEREAS, returning to the Committee Evaluation Process for CEO performance evaluations is accomplished by revising the Commission Rules of Policy and Procedure, Section 15, which in turn also adopts Exhibit A - the Committee Evaluation Process and Exhibit B, the CEO Annual Evaluation Form; and

WHEREAS, the Port CFO has reviewed the proposed documents and finds them in order.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners take the following actions:

1. The Port of Kennewick Board of Commissioners hereby approve and adopt the Third Amendment to the CEO Employment Agreement to (a) add a new Section 4.9 to clarify the effect of future amendments, (b) modify Section 7 to address indemnification, and (c) to acknowledge the change in title from "Executive Director" to the current title of "Chief Executive Officer", all as set as set forth in **Attachment 1** – Third Amendment to Employment Agreement.
2. The Port of Kennewick Board of Commissioners hereby revise Commission Rules of Policy and Procedure at Section 15 to reinstate the Committee CEO Evaluation Process, all as set as set forth in **Attachment 2** which incorporates **Exhibit A**- CEO Evaluation Committee Process and **Exhibit B** – CEO Annual Evaluation Form.
3. The Port of Kennewick Board of Commissioners hereby rescind Resolutions 2019-24, 2017-27 and 2017-16 upon adoption of this Resolution; and
4. The Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof.

RESOLUTION No. 2022-19

Page 2

ADOPTED by the Board of Commissioners of Port of Kennewick on the 26th day of July 2022.

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

By: DocuSigned by:
Skip Novakovich
0E53A30E1C8E442...
SKIP NOVAKOVICH, President

By: DocuSigned by:
Kenneth Hohenberg
89F77EAC8921416...
KENNETH HOHENBERG, Vice President

By: Disapprove
THOMAS MOAK, Secretary

THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

This Third Amendment dated July 26, 2022 amends that certain Employment Agreement entered into on November 15, 2013 by and between the PORT OF KENNEWICK, a Washington public port district, (the "Employer" or the "Port"), and TIM ARNTZEN (the "Employee" or "Chief Executive Officer"), as amended March 24, 2017 by the CEO's extension of the Longevity Agreement through December 31, 2020 (via memo); as amended by the First Amendment dated December 12, 2017 as referenced in Resolution 2017-27; as amended by Second Amendment dated November 26, 2019 (without Resolution); as amended by Resolution 2019-24 dated September 24, 2019; and as amended by Resolution 2020-30 dated December 8, 2020 which further extended the Longevity Agreement through December 31, 2025, ("CEO Agreement").

The Port and Chief Executive Officer wish to update and further amend the CEO Agreement as follows:

1. A new Section 4.9 is added to the CEO Agreement as follows:

4.9 It is understood that the Employee shall not receive a reduction to benefits provided pursuant to his employment agreement due to the adoption of any subsequent amendment or modification of this agreement. It is recognized that there may be a reduction in benefits provided pursuant to this Agreement should such reduction be mandated by law.

2. Section 7 of the CEO Agreement is amended to add the additional language underlined below as follows:

Employer Responsibility:

To the maximum extent permitted by law, Employer shall defend, indemnify, and hold Employee harmless from and against any and all claims, demands, suits, action or proceedings of any kind of nature arising out of the performance-by Employee of the Employee's duties and responsibilities as Chief Executive Officer of the Employer.

In addition, whenever an action or proceeding for damages is brought against the Employee, the Employer shall defend, indemnify, and hold the Employee harmless to the maximum extent permitted by the law for any liability incurred by the Employee in his capacity as an officer or employee of the Port acting in good faith. If the Employee personally incurs direct or indirect costs in order to respond to any such action, suit, proceeding, or claim, the Employer shall promptly reimburse the Employee upon written demand setting out such costs, provided indemnification of attorney's fees shall not exceed the hourly rate of the Port's General Legal Counsel as reflected in that General Legal Counsel's contract with the Port. Further, any amounts paid by

Resolution 2022-19
Attachment 1

the Employee in settlement or as a result of a judgement shall be reimbursed by the Employer unless the Employer shall establish that the Employee did not act in good faith and in the best interests of the Port in carrying out his duties.

To the extent of any conflict between this agreement and any other policy or procedure of the Port, this Agreement shall prevail. The obligations of the Employer to indemnify and hold the Employee harmless shall survive the termination of this Agreement or expiration of the employment relationship. Therefore, the obligation to indemnify the Employee applies whether the individual is currently or was previously employed by the Port of Kennewick at the time facts giving rise to such a matter arose.

3. The CEO Agreement is revised throughout to replace all references to “Executive Director” with the updated title of “Chief Executive Officer”.
4. The following previous amendments to the CEO Agreement are rescinded: (a) First Amendment dated December 12, 2017 as referenced in Resolution 2017-27; (b) Creation of Committee Evaluation Process approved by Resolution 2017-16, Second Amendment dated November 26, 2019, as referenced in Resolution 2019-24; and (c) Reversion of the Committee Evaluation Process approved by Resolution 2019-24.
5. All other provisions except those previous amendments expressly referenced herein and not rescinded and as amended herein remain in full force and effect.

EMPLOYER:

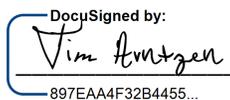
EMPLOYEE:

PORT OF KENNEWICK

A Washington state public port district

By:  _____
DocuSigned by:
Skip Novakovich
0E53A30E1C8E442...

Skip Novakovich, Commission President

By:  _____
DocuSigned by:
Tim Arntzen
897EAA4F32B4455...

Tim Arntzen, Chief Executive Officer

Resolution 2022-19
Attachment 2

	PORT OF KENNEWICK	
	Port Commission Rules of Policy and Procedure	
	CHIEF EXECUTIVE OFFICER (CEO) EVALUATION	Section 15.0
	Adopted by the Commission on July 26, 2022 Resolution 2022-19	Replaces Section 15, adopted February 22, 2011 and as amended by Resolution 2016-01, adopted January 12, 2016 and Replaces Resolution 2017-16, adopted October 10, 2017 Replaces Resolution 2017-27, adopted December 12, 2017

15. CEO EVALUATION

15.1 CEO Evaluation Committee

- 15.1.1 The Port Commission shall appoint a CEO Evaluation Committee made up of the Port's Chief Financial Officer, Port Attorney, and one Commissioner to serve a 2-year term. Each member shall be unbiased.
- 15.1.2 The CEO Evaluation Committee will develop the CEO's goals and objectives for Port Commission review and approval. The goals and objectives developed by the Committee shall be specific, measurable, attainable, realistic, timely and in alignment with the Port's mission, budget, work plan, and comprehensive scheme of development.
- 15.1.3 The Commission accepts the following procedure for the CEO Evaluation Committee to evaluate the CEO's performance, which is attached hereto as **Exhibit "A"**, and the CEO Evaluation Committee has created the Chief Executive Officer Performance Evaluation Form Revised 2022, which is attached hereto as **Exhibit "B"**.
- 15.1.4 On an annual basis, the CEO Evaluation Committee will conduct CEO's performance evaluation.

- 15.1.5 On an annual basis, the CEO Evaluation Committee will present the results of its evaluation of the CEO's performance to the Port Commission for review and approval. Such results may include, among other things, recommendation for salary adjustment in accordance with CEO's employment agreement.
- 15.1.5 The CEO Evaluation Committee may use assistance from other staff members or consultants as necessary and appropriate.
- 15.1.6 The Port Commission shall address CEO performance issues as they arise by timely referring them to the CEO Evaluation Committee. The CEO Evaluation Committee will develop a procedure for handling performance issues that may arise between annual evaluations. As part of that procedure, any performance related item must be communicated to the CEO in writing within 14 business days following the date any such alleged action or inaction occurred. If the CEO Evaluation Committee fails to notify the CEO of a matter of which the Commission members are aware, the performance related item shall not be relied upon or addressed in a performance review. Prior to issuing such a written notice, the CEO Evaluation Committee shall undertake an appropriate inquiry, which generally will include discussion with the CEO, in accordance with applicable laws, policies and contracts. Once notified, the CEO shall be provided a reasonable period of time to cure the concern or deficiency.

**RESOLUTION 2022-19
EXHIBIT “A” TO SECTION 15,
COMMISSION RULES OF PROCEDURES**

1. CEO EVALUATION PROCESS

1.1 CEO Evaluation Committee

1.1.1 *COMMITTEE AUTHORITY:* Resolution 2022-19 authorized the creation of the CEO Evaluation Committee (Committee). Furthermore, it established the members of the Committee are: Port’s Chief Financial Officer; Port Attorney; and one Commissioner to be appointed by the Commission.

1.1.2 *COMMISSION DIRECTION:* The Commission direction for the Committee is as follows:

- Develop a process for evaluating CEO’s performance.
- Perform the CEO evaluation using the Chief Executive Officer Performance Evaluation Form revised 2022.
- Develop the CEO’s goals and objectives for Commission review and approval.
- Present the CEO evaluation to the Commission for review and approval annually. This will include a recommendation for salary adjustment in accordance with CEO’s employment agreement.
- Use assistance from other staff members or consultants as necessary and appropriate.
- Develop a process for handling performance issues as they arise between annual evaluations if performance issues are brought forth by the Port Commission.

1.1.3 *COMMITTEE MEETINGS:* The Committee will meet at least annually, conducting its first meeting for CEO’s performance review no later than September 15th. The Commission typically will need to approve the CEO’s evaluation at their first meeting in November, so the ideal time to present to Commission is at the second meeting in October. The deadline for final Commission approval is November 15th.

1.1.4 *CHANGES TO THIS PROCESS:* Changes to this process must be approved by the majority of the Committee members, and with the consent of the CEO, which consent shall not be unreasonably withheld.

1.2 CEO Annual Evaluation Process

- 1.2.1 The Committee will evaluate the goals & objectives set by the Commission as part of the evaluation process.
- 1.2.2 The Committee will also consider additional work either directed or performed for the Port's benefit that was not included in the initial goals and objectives approved by Commission.
- 1.2.3 The Committee will also consider the overall operational success at the Port (including but not limited to: marina and building occupancy, land sales, property maintenance, contract management, financial oversight, strategic alliances/partnerships, communications, positive publicity, brand reputation, and strategic leadership including personnel management and development).
- 1.2.4 The Committee will include resolved or unresolved performance issues addressed by the Commission in the CEO's evaluation.
- 1.2.5 The Committee will present the CEO evaluation to the CEO and allow the CEO to draft a formal response before the evaluation is presented to the Commission.
- 1.2.6 The Committee will present the evaluation to the Commission as allowed by law.
- 1.2.7 The Committee will provide the Commission a CEO performance recommendation of "unsatisfactory," "satisfactory," "above satisfactory," or "exceptional" in accordance with the CEO Employment Agreement.

Performance Appraisal Ratings:

- Exceptional – The individual is making a significant contribution to the organization. This person constantly accepts responsibilities beyond those of the job held and continuously exceeds expectations regarding completion of work assignments. There are few areas regarding performance of job responsibilities in which he/she could improve.
- Above Satisfactory – The individual is a steady and consistent performer and carries out duties in a fully responsible and effective manner. Meets and occasionally exceeds expectations regarding job responsibilities and completion of work assignments. Even though present performance is acceptable, there may be areas regarding performance of job responsibilities in which the person should improve.

- Satisfactory – The individual generally meets standards or expectations. It is expected that with the appropriate improvement plan, performance will reach a fully satisfactory level within a specified time period.
- Unsatisfactory – The individual generally does not meet standards or expectations. It is expected that with the appropriate improvement plan, performance will reach a satisfactory level within a reasonable specified time period in keeping with part 10 of the CEO's employment agreement and prior to the imposition of any disciplinary action.

1.2.8 The Committee shall maintain confidentiality around its deliberations and evaluation results.

1.3 CEO Goals and Objectives

- 1.3.1 In order to promote creativity & collaboration, the CEO can recommend goals and objectives for the Committee's consideration.
- 1.3.2 The Committee will review the CEO's recommended goals and objectives in order to determine if the goals are specific, measurable, attainable, realistic, timely and in alignment with the Port's mission, budget, work plan, and comprehensive scheme of development.
- 1.3.3 The Committee will involve the CEO during the goal setting process in order to allow feedback. In addition, this ensures the goals are specific, measurable, attainable, realistic, timely and in alignment with the Port's mission, budget, work plan, and comprehensive scheme of development.
- 1.3.4 The Committee will also consider one goal that is open to allow flexibility (example: Identify and present additional mutually beneficial or ROI partnering opportunities to Commissioners).
- 1.3.5 The CEO and committee will work to the best of their abilities to reach agreement on goals and objectives before presenting to the Commission for approval.
- 1.3.6 The Committee will present the final goals and objectives to the Commission for approval.
- 1.3.7 The Committee, with CEO feedback, may also present to the Commission recommendations on amending the goals and objectives (example: Commission directive change, or goal may be modified due to budget changes).

- 1.3.8 The Committee will perform review of the CEO goals and objectives and present this update to the Commission at least annually for the evaluation process.

1.4 Performance Issues Process

- 1.4.1 The Port Attorney will perform legal review of the performance related item and gather information or documents. Port Attorney may use assistance from other staff members or consultants as deemed appropriate and within the approved budget.
- 1.4.2 The Port Attorney will present to the Committee the performance related items and findings.
- 1.4.3 If the Committee determines the performance related item is a finding that needs Commission discussion, the Committee will add the performance item to the agenda for the Commission to discuss as allowed in executive session, upon consent from the CEO.
- 1.4.4 Performance evaluations shall be made a part of the CEO's personnel file. The CEO has the right to review this file and to make a written request that information and documentation be removed that the CEO believes is inaccurate, incredible, unsubstantiated, or unwarranted. Upon review, the Employer shall remove all information identified by the CEO which is found to be inaccurate, not credible, or unsubstantiated, or where any discipline was not warranted.

**RESOLUTION 2022-19
EXHIBIT “B” TO SECTION 15,
COMMISSION RULES OF PROCEDURES**

ANNUAL PERFORMANCE EVALUATION

CEO Evaluation Committee Evaluations of the CEO’s Performance

IMPORTANT DUTIES & EXPECTATIONS	PERFORMANCE APPRAISAL		COMMENTS/EXAMPLES:
	Met	Not met	Attach pages/documentation as needed
<p>I. Vision and Purpose:</p> <ul style="list-style-type: none"> A. Assists the Commission in defining its shared vision. Communicates that direction to the organization. B. Collaborates with the Commission to advance the Port’s vision and purpose. C. Advocates the vision by strategic resource allocation toward attainment. 			<p>Click or tap here to enter text.</p>
<p>II. Strategic Agility: Is proactive; anticipates future trends, benefits, and consequences; has broad knowledge and perspective; can objectively state possibilities and probabilities.</p>			
<p>III. Operating Plans/Financial Plans:</p> <ul style="list-style-type: none"> A. Develops, maintains, and implements strategic plans and operational goals that effectively brings the Port’s vision to fruition. B. Administers the Port’s financial affairs consistent with state law and adopted policies, budget, and financial guidelines. 			

<p>IV. Integrity: Sets the tone for the Port by exemplifying consistent values and high ethical awareness, honesty, and fairness.</p>			
<p>V. Political and Institutional Sensitivity:</p> <ul style="list-style-type: none"> A. Maneuvers through complex political and institutional situations effectively; anticipates potentially negative reactions, recommends, and plans a course of action; views politics as a necessary part of organizational and public sector life and works to be effective within that reality. Unless otherwise not practical, obtains Commission concurrence prior to publicly stating position. B. Develops solutions to complex issues that challenge the Port’s ability to recognize its vision and purpose. Demonstrates sensitivity to resource availability when developing solutions. C. Leads the Port in building effective relationships with tenants, customers, jurisdictional partners, and community. 			
<p>VI. Knowledge/Decision Quality:</p> <ul style="list-style-type: none"> A. Knows how successful public ports work; knowledgeable in current and possible future practices, trends, and information affecting port management, the port industry, and our Port; knows the competition; is aware of how strategies and tactics 			

<p>work in the marketplace.</p> <p>B. Makes good decisions based on analysis, wisdom, experience, and judgment; most solutions and suggestions turn out to be correct when judged over time.</p>			
<p>VII. Leadership/Management:</p> <p>A. Demonstrates an entrepreneurial spirit by identifying ways to generate revenue, investment capital and maximizes the financial potential of existing port assets.</p> <p>B. Rallies support behind the vision and strategic plan; can inspire and motivate staff and community.</p> <p>C. Creates an environment where employees at all levels contribute their knowledge, skills, abilities, and ideas in a way that maximizes their potential. Employee potential is not limited by divisional walls or job title. Appropriately delegates to others. Is a good judge of talent; hires the best people available inside or outside the organization.</p> <p>D. Creates a climate in which people want to do and can do their best; can motivate team or project members; empowers others; invites input and shares ownership and visibility. Makes each person feel his/her work is important.</p>			

<p>VIII. Initiative/ Courage/ Adaptability:</p> <p>A. Self-starting ability. Promptly takes hold and follows through with minimum direction.</p> <p>B. Willingness to state opinions and reasons without concern about the popularity of the views. Forthrightness in dealing with Commission, customers, suppliers, and others in the organization.</p> <p>C. Ability to adjust to changing conditions or unusual assignments. Flexibility in undertaking a variety of assignments, acceptance of decisions which go counter to own opinion.</p>			
<p>IX. Loyalty: Understanding and accepting of goals and policies of the organization. Willingness to support organization and management.</p>			
<p>X. Communications: Effectiveness of exchanging significant information throughout all levels of the organization; with clients, vendors, and the public.</p>			

PERFORMANCE APPRAISAL OVERALL RATING				
The CEO's performance for the year 2022 is found to be:	Exceptional	Above Satisfactory	Satisfactory	Unsatisfactory

Additional Evaluator Comments:



AGENDA REPORT

TO: Port Commission

FROM: Tim Arntzen, CEO

CC: Nick Kooiker Port of Kennewick, Chief Financial Officer/Auditor

cc: Carolyn Lake, Port Legal Counsel

MEETING DATE: December 13, 2022

AGENDA ITEM: Proposed Updates to the Commission’s Delegation of Authority to the Chief Executive Officer - Action Item: Request for Approval

I. REFERENCE(S): Proposed Adoption of Resolution 2022-44, containing updates to the Commission’s Delegation of Authority to the Chief Executive Officer.

II. RELATED HISTORY:

Resolution No. 2018-26- Revised Part 3 – Providing for Port On Call Contracting, and replacing and rescinding prior Resolution 2015-29

Resolution No. 2021-28 Revised Part 2- Revised the Commission Structure For Licensed Brokers

III. FISCAL IMPACT: \$0

IV. DISCUSSION:

The Commission authorized the Port Chief Executive Officer (CEO) to oversee an update to the Commission Delegation of Authority to the Chief Executive Officer (“Delegation Policy”) for Commission consideration. The Rules were last updated in December 2021 via Resolution 2021-28.

A redlined and a “clean” version of the draft Delegated Policy are provided to Commission. The Index below briefly explains draft changes. Port Counsel and Chief Financial Officer are also available as additional resources.

Page - Redlined version	Part	Section	Brief Description
Page 10	2.0	2.1	Pertains to Sale Of Real And Personal Property and authorizes the CEO to sell and convey Port, surplus real or personal property subject to the statutory conditions contained in RCW 53.08.090.

Page - Redlined version	Part	Section	Brief Description
17-18	6.0	2.0, 2.1-2.6	Pertains to CEO's authority to adjust and settle claims, sets perimeters for exercising that authority, reserves to Commission authority in certain instances (affirmative duty (non-monetary obligation), injunctive relief, and or which is memorialized by a federal Consent Decree or other regulatory enforceable Order), defines "claim" and "litigation" and allows monetary settlements made by Port insurers on Port's behalf.
20	8.0	1.4	Clarifies that procurement of insurance is exempt from competitive bidding requirements pursuant to RCW 39.04.280(d).
23	11.0	~	No substantive change but clarifies that statutory requirement that Commission adopt employment benefits by Resolution is satisfied by the Commission's adoption of this present Resolution which delegates employee benefit matters to the CEO.
31	18	2.5	Updates statutory reference pertaining Port Auditor authority for approval of reimbursement vouchers by Port Commissioners for promotional hosting expenditures from RCW 53.36.140 to RCW 53.36.120.
38	24	1.0 3.0	Updates statutory reference to Port's Public Records Officer to be RCW 42.56.580(3) and includes citation to records procedures and Model Rules found at RCW 42.56.040, and the Public Records Act—Model Rules at Chapter 44-14, Washington Administrative Code.

V. ACTION REQUESTED OF COMMISSION:

MOTION: I move approval of Resolution 2022-44 approving updates to the Commission Delegation of Authority to the Chief Executive Officer and rescinding and superseding all prior Resolutions on this subject matter, including Resolutions 2015-29, 2018-26, 2021-28, provided however Resolution 2022-38, the Declaration of Local Emergency which leaves in place the CEO's emergency delegation of authority to manage local conditions related to health and safety and to manage local conditions remains in full force and effect.

PORT OF KENNEWICK

RESOLUTION 2022-44

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE
PORT OF KENNEWICK ADOPTING UPDATES TO THE
CHIEF EXECUTIVE OFFICER'S DELEGATION OF AUTHORITY**

WHEREAS, on December 8th, 2015 the Board of Commissioners approved the Chief Executive Officer's (CEO) delegation of authority; and

WHEREAS, the Commission previously revised that Delegation of Authority by Resolution No. 2018-26, in which Part 3 was amended to provide for Port On Call Contracting, and which replaced and rescinded prior Resolution 2015-29; and

WHEREAS, the Commission also previously revised that Delegation of Authority by Resolution No. 2021-28, in which Part 2 was amended the Commission Structure For Licensed Brokers; and

WHEREAS, the Commission authorized the Port CEO to oversee an update to the Commission Delegation of Authority to the Chief Executive Officer ("Delegation Policy") for Commission consideration; and

WHEREAS, under the CEO's direction, Staff and legal counsel reviewed the Delegation of Authority and recommend selection portions of the Delegation of Authority be refreshed.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick hereby approves adopting the Chief Executive Officer Delegation of Authority, as identified in Attachment "A".

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board of Commissioners of the Port of Kennewick hereby states that this Resolution 2022-44 supersedes and rescinds all prior Resolutions on this subject matter, including Resolutions 2015-29, 2018-26, 2021-28, provided however Resolution 2022-38, the Declaration of Local Emergency which leaves in place the CEO's emergency delegation of authority to manage local conditions related to health and safety and to manage local conditions remains in full force and effect.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 13th day of December, 2022.

**PORT of KENNEWICK BOARD of
COMMISSIONERS**

By: _____

SKIP NOVAKOVICH, *President*

By: _____

KENNETH HOHENBERG, *Vice President*

By: _____

THOMAS MOAK, *Secretary*



PORT OF KENNEWICK

CHIEF EXECUTIVE OFFICER DELEGATION OF AUTHORITY

COMMISSION POLICY INTRODUCTION

Adopted by the Commission on December 8, 2015,
Resolution 2015-29

Revised December 11, 2018, Resolution 2018-26

Further Revised December 13, 2022, Resolution 2022-44

This policy removes and replaces all previous Port policies adopted which address the items identified within this policy. This policy cross references Port Commission Rules of Policy and Procedure and CEO's Procedures for Staff.

PURPOSE AND AUTHORITY

The Port Commission establishes the Port of Kennewick's policy objectives and the rules governing its business transactions. The Commission retains an Executive Director, hereinafter referred to as "Chief Executive Officer" or "CEO" to conduct the Port's business consistent with the Commission's policies and rules. The Commission directs the CEO only by action of the Commission in its capacity as the Port's governing authority. For these purposes, unless the context indicates otherwise, the term "CEO" means the Port's "managing official" as the term is used from time to time in Title 53 RCW. The CEO is the chief executive officer, [along with his/her designee(s)], is appointed by the Port Commission to manage Port operations.

RCW 53.12.270 grants the Port Commission authority to delegate to the CEO "such administrative powers and duties of the Commission as it may deem proper for the efficient and proper management of Port District operations." Under these authorities and Resolution No. 2015-29 the Port Commission adopts this Policy delegating administrative powers and duties to the CEO of the Port and establishing guidelines and procedures to govern the CEO's responsibilities and exercising of delegated authority.

GENERAL DELEGATION OF AUTHORITY AND RESPONSIBILITY

Delegation of Authority

The CEO is responsible for the operation, maintenance, development, alteration, improvement, administration, and use of all Port real and personal property; all actions required for personnel administration; and all other actions essential to supporting the Port's mission. The CEO may take any action in the Port's best interests and within the Port's authorized budget necessary to resolve any matter related to the CEO's authority, including where not specifically addressed herein. Subject to the limitations in this Policy, other Port resolutions and policies, and applicable law, the CEO is responsible for:

- Operation, maintenance, administration, and use of Port facilities and other properties.
- Development of industrial districts.

- Implementation of construction work, alterations and improvements to Port facilities and other properties.
- Administration of all day-to-day Port operations.
- Execution of contracts and other documents related to Port operations that are authorized by this Policy or otherwise approved by the Commission.
- Applications for permits associated with Port facilities or projects.
- Applications for and acceptance of grants or other funds from federal, state, and local governments, consistent with actions described in this Policy.

Consultation with Commission

The CEO must regularly inform and consult with the Commission regarding the Port’s significant business transactions. Unless otherwise permitted or ratified, the CEO must inform the Commission promptly following all significant actions authorized by this Policy.

Staff Delegations

The CEO may retain administrative staff to operate and manage the Port under the CEO’s directives. Consistent with Port policies, the CEO may further delegate to appropriate Port staff any administrative authority or responsibility delegated to the CEO by the Port Commission to further efficient and proper Port administration.

2. Rules and Procedures

The CEO may adopt administrative rules, regulations, and procedures necessary to carry out this Policy and for the efficient and proper operation of the Port. The Commission provides CEO the Express Delegation of Authority and Limitations attached hereto and incorporated herein by reference, as follows:

EXPRESS DELEGATION OF AUTHORITY AND LIMITATIONS

- Part 1.0 LEASE OF REAL AND PERSONAL PROPERTY
- Part 2.0 REAL PROPERTY PURCHASES AND SALES
- Part 3.0 CONTRACTS FOR PERFORMANCE OF WORK
- Part 4.0 PERFORMANCE OF WORK BY PORT STAFF OVER \$40,000
- Part 5.0 ACQUISITION OF MATERIALS, EQUIPMENT, AND SERVICES
- Part 6.0 UNCOLLECTIBLE ACCOUNTS, SETTLEMENTS OF CLAIMS, AND LITIGATION

Part 7.0	CREDIT CARDS
Part 8.0	COMMERCIAL INSURANCE
Part 9.0	TREASURER AND PETTY CASH ACCOUNTS
Part 10.0	TRAVEL AND VEHICLE
Part 11.0	PORT HOLIDAYS, PAID TIME OFF, LEAVE, AND BENEFITS
Part 12.0	STANDARDS OF CONDUCT
Part 13.0	DRUG, ALCOHOL, AND VIOLENCE FREE WORKPLACE
Part 14.0	WHISTLEBLOWER ACT
Part 15.0	DISCIPLINE
Part 16.0	RECOGNITION, AWARDS, AND TEAM BUILDING POLICY
Part 17.0	WORKING MEALS
Part 18.0	PROMOTIONAL HOSTING
Part 19.0	FRAUD PREVENTION AND ETHICS
Part 20.0	PROGRAMS AND PROCEDURES
Part 21.0	MISCELLAENOUS
Part 22.0	AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT
Part 23.0	FIXED ASSETS
Part 24.0	RECORDS OFFICER
Part 25.0	PORT AUDITOR AND ATTORNEY
Part 26.0	BUDGET, FINANCIAL, AND OPERATIONAL PHILOSPHY

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	LEASES OF REAL AND PERSONAL PROPERTY	Part 1.0
	Adopted by the Commission on December 8, 2015: Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 1.0

1.0 LEASES OF REAL AND PERSONAL PROPERTY

1.1 General Lease of Real and Personal Property Policy.

- 1.1.1 Except as otherwise provided herein, all real and personal property belonging to the Port (when available for leasing), must be leased under an appropriate written lease executed in accordance with RCW 53.08.080;
- 1.1.2 The amount of rental must be fair rent for the property based on CEO developed procedures of determining fair rent value;
- 1.1.3 The lease must state the use to which the property may be put by the tenant, which must be consistent with the Port's standards of use;
- 1.1.4 A legally sufficient standardized lease agreement will be used on all leases unless an alternative lease agreement is utilized that undergoes a legally sufficient review procedure;
- 1.1.5 Comply with and take necessary measures to ensure compliance or to protect the Port's legal position including but not limited to obtaining security for the performance of each lease and securing rental insurance or other insurance coverage required for leases (see RCW 53.08.085); and
- 1.1.6 The CEO must ensure that all terms are complied with and take all necessary measures to cause compliance or to otherwise protect the Port's rights under each lease, including without limitation by giving of all notices provided for in each lease.

1.2 Leases Executed by the Commission. The following leases will be submitted to the Commission for approval:

- 1.2.1 Leases in which the term of the lease, including any renewal options, exceeds five years; or

- 1.2.2 Leases in which the total monthly rental amount exceeds \$5,000 per month (excluding LET, utilities, and other ancillary items).
- 1.3 **Leases Executed by the CEO.** Except as provided above, the CEO authorized to approve all other leases.

2.0 COMMISSION ON LEASES OF REAL AND PERSONAL PROPERTY

2.1 **General Lease of Real and Personal Property Policy.** The Port of Kennewick desires to use all available resources to market Port real property to its maximum potential. Use of licensed real estate professionals/brokers may foster more economic development opportunities. When it is desirable to secure the services of a real estate professional or broker, the terms and conditions for the lease of Port property will be as follows:

2.2 Lease of Real Property (Excluding Marina)

- 2.2.1 **Licensed Real Estate/Broker.** All real estate professionals and brokers whom the Port conducts business with must be licensed in the State of Washington.
- 2.2.2 **Lease Approval.** Real Estate Professional/Broker does not have lease approval authority but can negotiate on the behalf of the Port in a non-binding manner. All final terms and conditions will be reviewed by the CEO for compliance with the laws, regulations, Port policies and procedures.
- 2.2.3 **Commission.** The rate of commission will not exceed five (5%) percent of the net lease payments for the first five years and two and a half (2.5%) percent of the net lease payments for the second five years. Net lease payments are gross lease payment less applicable fees such as concession fees, triple net, common area maintenance charges, leasehold taxes, leasehold improvements or amortization of improvements, and delinquent rent payments.
- 2.2.4 **Statement.** Real Estate Professional/Broker must supply the Port with a written statement of details on potential lead(s), date lead was obtained and introduced to Port staff, any potential financial interest Real Estate Professional/Broker may have with the lead, and a signed statement regarding conflicts of interests.
- 2.2.5 **Payment of Commission.**
 - 2.2.5.1 **Month-to-Month, Annual, and Multi-Year Leases:** If tenant has current payment status and still occupies the leased space, commission is calculated based on the following:

- A. One-half of the first twelve months of net lease payments will be paid after six months of the fully executed lease effective date.
- B. The remaining one-half of the first twelve months commission will be paid at the end of twelve months from the fully executed lease effective date.
- C. From then on, commission will be paid annually at the year end and based on the rents collected.
- D. If lessee terminates lease early, payment of commission will be paid through the lease termination date.

All commission payments are subject to the Port's check processing procedures.

2.2.5.2 Existing Tenants. Commission will not be paid on leases involving existing tenants for new leases, renewals, or options exercised.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	REAL OR PERSONAL PROPERTY PURCHASES AND SALES	Part 2.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised Resolution No. 2021-28 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 2.0

1. REAL OR PERSONAL PROPERTY PURCHASES AND SALES

The CEO may offer to purchase real property without prior Commission approval, provided that each offer expressly indicates that it is subject to Commission approval. When the Commission authorizes the acquisition of real property by purchase, the CEO must take all necessary steps, including without limitation by obtaining appraisals, to secure title to the property for the Port. *See RCW 53.08.010-.020.*

When the Commission authorizes the sale of real property, the CEO must take all necessary steps to complete the transaction, including without limitation by accepting deposits, opening escrow, and signing all necessary documents. *See RCW 53.08.090-.092.*

The CEO may approve and sign the following easements and covenants over Port property: (1) those easements and covenants that benefit the Port (e.g., utility easements); and (2) all other easements and covenants that do not exceed a term of two years and where the interest granted does not substantially interfere with the Port’s use of the property or the property’s fair market value. All other easements and covenants exceeding two years must be approved by the Port Commission.

- 1.1. Not for Speculation.** Port-owned real property will only be sold for identifiable, immediate development and not for speculative purposes. To serve this goal, most sales will include a repurchase option in favor of the Port in the event identified development does not occur in a timely manner.
- 1.2. Onerous Contingencies.** The Port discourages onerous contingencies (e.g. long-term options, first rights of refusal, etc.), and such contingencies will be accepted only in exceptional circumstances.
- 1.3. “As Is”.** All Port property will be sold “AS IS” unless otherwise approved by Port Commission.

1.4. Offers. No Port real property will be sold or reserved unless the Port has received a valid offer on a Port standardized purchase and sale agreement, and such agreement is submitted and approved by the Port Commission in a public meeting. A legally sufficient review procedure shall be utilized if there are material exceptions to the Port standardized purchase and sale agreement. Until approval by the Port Commission, all property designated as “for sale” will remain for sale. The CEO is authorized to accept and make offers on real or personal property without prior Commission approval, provided that such offers clearly indicate the offer is subject to approval of the Commission or other similar language. The CEO will take all necessary steps, if applicable (e.g. securing appraisals, title searches, surveys, environmental reviews, deposits, escrow, or signing all necessary documents after Commission approval).

1.5. Determining Price. The CEO will develop a procedure for and make a reasonable determination of fair market value for property designated as available for sale before the purchase and sale agreement is presented to the Commission for approval.

The Port Commission may choose to sell Port-owned properties for less than fair market value, on a case-by-case basis, if the Port deems the business decision is not be considered a gift of public funds by a reasonable auditor (e.g. State Auditor’s guidance on gifting of public funds was reviewed and the Port determined the land sale is not a gift of public funds due to aiding in a general Port purpose and goals).

1.6. Prior Inspection. All prospects are encouraged to meet with the jurisdictional City or County staff to review the proposed site conditions (e.g. zoning, servicing, topography, grading, history of the property, existing neighbors, etc.) prior to submitting an offer to the Port.

1.7. Port Staff Assistance. Port staff will offer reasonable assistance to prospective purchasers of Port “for sale” real property pursuant to this policy (e.g. providing property information and tours of “for sale” property). Staff assistance will not be deemed to reserve any parcel of real property for any party, nor will staff assistance be deemed a commitment in any way whatsoever with respect to any Port real property.

1.8. Submission of Offer to Purchase by Prospective Purchaser. Offers to purchase Port property will be submitted by the prospective purchaser to Port staff in writing and dated. A valid offer must be signed upon submission and contain all information set forth below. Non-complying offers will be returned without processing:

- a. Identify the full legal name of the purchasing party and be executed by the purchasing party or its authorized representative;
- b. Contain a check for earnest money in a sum of not less than 5% of the offer price (in no case less than \$5,000);

- c. Contain a separate non-refundable administrative processing fee of \$500 for all parcels where the proposed purchase price is less than \$500,000 and \$1,000 for all parcels where the proposed purchase price is \$500,000 or greater;
- d. Identify the party to use and occupy the property, if different from the offering party;
- e. Legally describe the property subject to the offer;
- f. Indicate the total offer price;
- g. Indicate any terms for payment of purchase price;
- h. Identify any proposed contingencies;
- i. Identify a proposed closing date;
- j. Detail the proposed use of the property and timing for any construction or development;
- k. Identify size and type of building to be erected, if applicable;
- l. Identify anticipated number of employees with approximate wage levels;
- m. Indicate whether or not any new positions will be created as a result of the real property purchase, and if so, indicate number of new employees with approximate wage levels;

Interested parties must submit offers using a Purchase and Sale Agreement in Port approved format as developed by the Port attorney, CEO, and CFO. If the interested party does not use the Port approved agreement, the interested party will pay the Port for all out of pocket cost associated with review. Staff will review the offer with the offeror to ensure that the offeror has submitted all the information as required. Port staff will present the offer to the Port CEO with a brief oral summary of the offer. The CEO may send the offer back to the offeror for additional information or may proceed to present the offer to the Port Commission as set forth in this policy.

1.9. Presentation of Offer to Port Commission. When the CEO determines that an offer complies with the requirements of this policy, the CEO will submit the offer to the Port Commission for its consideration in due course (usually within 30 days of the submission of the offer to staff). Additionally the CEO will make a written recommendation to the Commission (except in cases of unusual circumstances, in which cases the CEO's recommendation to the Commission may be oral). The CEO's recommendation will request that the Commission accept the offer, reject the offer, present a counter offer or table the offer. The CEO will not sign any proposed offer until approved by the Port Commission by formal resolution.

1.10. Action on the Offer by Port Commission. Offers will be evaluated by the Port Commission based upon the criteria set forth above. If there are competing offers, either of which may be acceptable if made separately, the Port Commission may select the offer it believes best serves the goals of the Port. The Port Commission may reject any or all offers. The Commission will respond to

the offer through the CEO, who will communicate the response to the prospective purchaser as soon as practicable. Any action on an offer will only be made by official action of the Port Commission at a Commission meeting.

1.10.1.1. Acceptance of Offers. Within 10 days of the Port's acceptance of an offer, the CEO will sign and accept the offer on behalf of the Port Commission. The executed agreement and deposited earnest money will be transmitted to the closing agent designated in the offer. The property subject to the offer will not be removed from the "for sale" list, but will be marked with a 'sale pending' designation.

1.10.1.2. Rejection of Offers. If the Port Commission rejects an offer, the offer will immediately be null and void and of no force and effect. Earnest money will be refunded less processing fee.

1.10.1.3. Tabling of Offers. The Port Commission may table an offer to be reviewed at a later date.

2. SALE OF REAL AND PERSONAL PROPERTY

2.1. The CEO is authorized, pursuant to RCW 53.08.090, to sell and convey surplus real or personal property of the Port subject to statutory conditions.

3. COMMISSION STRUCTURE FOR LICENSED BROKERS-

Commissions will only be paid to licensed real estate brokers. The broker must submit a signed bona fide offer plus a signed appointment from the potential purchaser authorizing the broker to negotiate for the potential purchaser in order to be eligible to claim the commission. The broker authorization must include the name of the proposed purchaser and the date of their first contact with said purchaser. Unless the provision is strictly complied with, the Port will not pay any claimed commission.

2.1. After final approval of the sale by the Port Commission and after receipt of all funds due at closing, the Port of Kennewick will pay to the licensed real estate broker negotiating any such sale a commission of four (4) percent of the sale price on the sale of real property.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	CONTRACTS FOR PERFORMANCE OF WORK	Part 3.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised Resolution No. 2018-26 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 3.0 and Part 6.0

1.0 CONTRACTS FOR PERFORMANCE OF WORK

The CEO may, without prior Commission approval, execute contracts for work where the total contract does not exceed \$200,000 a year and as so long as all laws, regulations, and Port approved budget are followed. On contracts over the \$200,000 the CEO may complete and sign all necessary documents after Commission approval.

The CEO will develop procedures to ensure compliance with laws, regulations, and this policy.

2.0 SMALL WORKS PROJECTS

- 2.1 The CEO may use the Small Works Roster process pursuant to RCW 39.04.155 for construction contracts up to \$300,000. Contracts over the above CEO's delegation of authority must be approved by the Commission.
- 2.2 The CEO may, without Commission approval, prepare plans and specifications; issue notices calling for bids; accept bids and contracts for work where the total contract price does not exceed \$300,000. The CEO must ensure the requirements of RCW 53.08.120 are met and that the work is within the project's authorized budget.
- 2.3 The Small Works Roster is a listing of all responsible contractors who have requested to be on the list, and are properly licensed or registered to perform such work in this state. The Port can use other governmental Small Works Rosters that are in compliance with the applicable laws and regulations.
- 2.4 The term "public work" will include all work, construction, alteration, repair, or improvement executed at the cost of the Port of Kennewick, or which is by law a lien or charge on any property therein.
- 2.5 A written determination of the bid award will be kept on file, made available for public inspection, and retained in accordance with records management laws.

- 2.6 Pursuant to RCW 39.04.155, the breaking of any project into individual units of work or in phases is prohibited if it is done for the purpose of avoiding the \$300,000 limitations.

3. 2.7PUBLIC WORK PROJECT CLAIMS

3.1

4. ON-CALL/UNIT BASED CONTRACTING

- 4.1 “On Call” contracting is permitted as allowed by RCW 53.08.120.
- 4.2 The CEO will establish procedures to ensure compliance with RCW 53.08.120 and applicable bid laws.

5. FORMAL SEALED BID PROJECTS

- 5.1 Projects costing more than \$300,000 must follow the formal sealed bid laws and be approved by Commission in a public meeting.
- 5.2 The CEO will establish procedures to ensure compliance with formal sealed bid laws.

6. NON-ARCHITECTUAL AND NON-ENGINEERING SERVICES

- 6.1 The CEO may contract out and develop procedures for procurement of professional, personal, technical, or purchased services in accordance with RCW 53.19.
- 6.2 The Port Commission must approve service contracts in excess of \$200,000.
- 6.3 Amounts above \$50,000 but less than \$200,000 are subject to competitive bid requirements. Contracts over \$50,000 must have proper documentation showing the Port staff delegated by the CEO made attempts to identify potential consultants for inviting to bid on Port projects.
- 6.4 Contracts in excess of \$200,000 require a request for proposal process.
- 6.5 Regardless of amount, if the value of a contract amendment or amendments exceeds 50% of the value of the original contract, the amendment must be filed with the Commission and made available for public inspection prior to the proposed starting date of services under the amendment.
- 6.6 Regardless of amount, substantial changes in the scope of work specified in the contract or which are substantial additions to the scope of work specified in the formal solicitation document must be submitted to the Commission for this is required even if the original contract did not require Commission approval.
- 6.7 Regardless of amount, all services listed within this section must have a documented scope of work or services to be performed.

Port Commission exempts the following services from competitive bid process as allowed by RCW 53.19.20 since the Commission deems competitive solicitation process is not appropriate for services that deal with high risk areas, special education, and experience: Human resource, legal, information technology, marketing, project management, writing, accounting, financial, lobbyist, or bookkeeping services.

7. ARCHITECTURAL AND ENGINEERING (A&E) SERVICES

- 7.1** The CEO is authorized to procure A&E services in accordance with RCW 39.80.010-60 that do not exceed the purchasing limit set by Commission.
- 7.2** The statute requires advance notice of the requirement for professional services (39.80.030), evaluation of firms' qualifications and performance (39.80.040), and negotiation with firms in accordance with adjudged qualifications (39.80.050).
- 7.3** Contracts for services cannot be broken into multiple agreements to avoid compliance with this policy or State statutes.

8. CHANGE ORDERS.

Note: Non-A&E change orders and scope changes must follow the law as outlined in section 4.0 above.

When circumstances require individual changes in plans or specifications to properly accomplish contracted work, the CEO may, without prior Commission approval, execute individual change orders to a contract if the following conditions are met:

- 7.4.1** The change order will not exceed \$100,000;
- 7.4.2** The contract for work authorizes change orders;
- 7.4.3** The change order is reviewed for possible audit issues;
- 7.4.4** The total cost of all approved change orders, when added to the contract cost, remains within the project's authorized budget and applicable procurement laws; and
- 7.5** **7.4.5** The change order is validated or certified by the project architect, engineer, or Port project manager as necessary to the proper accomplishment of the project.

8 EXEMPTIONS TO COMPETITIVE BIDDING

EMERGENCY. When an emergency that poses or may pose a threat to life or property requires the immediate execution of a contract for work or professional or personal services, the CEO may make a finding of the existence of an emergency and may execute any contracts necessary to respond to the emergency. The CEO must follow the procedures set forth in RCW 39.04.020,

39.04.28053.19.010, 53.19.030 and other applicable laws, as the case may be and as each may be amended or recodified. At the first Commission meeting following the CEO's finding of emergency, the CEO must request Commission ratification of that finding and any contracts awarded or executed pursuant to that finding. To the extent practical, the CEO must continuously advise the Commission of the emergency's development and the progress of any contracts executed to remedy the emergency.

- 8.1 **Special Facilities.** For procurement of special facilities or due to market conditions the CEO has the authority to develop procedures in accordance with the law and regulations and approve procurement up to the delegation of authority.
- 8.2 **Sole Source Procurement.** If, after conducting a good faith review of available resources, the Port determines that there is only one source of the required services, materials, supplies, or equipment; a contract may be awarded without a competitive bid process. The CEO will develop procedures to ensure compliance with the laws and regulations
- 8.3 **Special Market Conditions.** The CEO can consider waiving established bidding requirements up to the delegation of authority if an opportunity arises to purchase favorably-priced equipment, supplies, or used goods at an auction. The CEO will develop procedures to ensure compliance with laws and regulations.
- 8.4 **Public Works under \$40,000.** The CEO will establish procedures for completion of public works projects estimated under \$40,000, pursuant to RCW 53.08.120.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PERFORMANCE OF CONSTRUCTION WORK BY PORT STAFF OVER \$40,000	Part 4.0
Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 4.0	

PERFORMANCE OF CONSTRUCTION WORK BY PORT STAFF.

Prior Commission approval is not required for any construction project performed by Port staff or inmate work crews. However, in accordance with RCW 53.08.135, construction projects over \$40,000 must be contracted out if it's deemed less expensive than using Port staff or inmate work crews. No written determination is required as Commission deems all construction projects over \$40,000 less expensive to contract out due to the potential hindrance of staff essential duties. Port staff can perform construction projects over \$40,000 if CEO deems essential duties can be performed and is cheaper to perform the construction project with staff or inmate work crews.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	ACQUISITION OF MATERIALS, EQUIPMENT, AND SERVICES	Part 5.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 5.0

CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT AND SERVICES.

The CEO may acquire, without prior Commission approval, utilities, materials, equipment, supplies and services (including services provided by public agencies) on the open market, pursuant to published rates or by competitive bidding when required by law for the normal maintenance and operations of the Port. Acquisitions must, where appropriate, be approved as a part of normal monthly expenses and must be within the project's authorized budget.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	UNCOLLECTIBLE ACCOUNTS, SETTLEMENTS OF CLAIMS, AND LITIGATION.	Part 6.0
Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 7.0, Part 9.0, and Part 10.0	

1.0 UNCOLLECTIBLE ACCOUNTS AND SETTLEMENTS OF CLAIMS

The CEO may write off any uncollectible account not exceeding \$10,000, subject to the following:

- 1.1 The CEO will be satisfied that reasonable effort has been made by the Port to collect the account prior to a write off.
- 1.2 In appropriate circumstances, the CEO is allowed to take necessary action in a court of law or assignment to a collection agency for the purposes of attempting to collect the delinquent account.

2.0 ADJUSTMENT AND SETTLEMENT OF CLAIMS

The CEO is responsible for directing the Port objectives in litigation, hiring experts as deemed necessary, and may settle claims where the amount at risk to the Port does not exceed \$50,000 and subject to the following:

- 2.1 A proper written notice has been served on the Port by the claimant and the Port's insurance will not cover the claim;
- 2.2 The CEO has determined that settlement is commercially reasonable and a likelihood exists that litigation expenses would be significant in relation to the amount claimed, and
- 2.3 Provided however any settlement that imposes upon the Port any affirmative duty (non-monetary obligation), injunctive relief, and or which is memorialized by a federal Consent Decree or other regulatory enforceable Order shall require Commission approval.

- 2.4 "Claim" shall mean the assertion of any position, right or responsibility by or against the Port, and any claims asserted by or against the Port which have or may reasonably become the subject of litigation but excluding (1) "uncollectible accounts" (2) employee health and unemployment claims, and (3) claims asserted as part of public works contracting, prior to litigation.
- 2.5 "Litigation," for purposes of this section, shall mean the assertion of any position, right or responsibility by or against the Port which may reasonably lead to or has been filed in any court of general jurisdiction, be it state or federal, or any quasi-judicial or administrative forum.
- 2.6 Nothing herein contained shall preclude administrative approval of settlements made by the Port's insurers of claims by or against the Port, where such settlement is payable by such insurer.

3.0 AUTHORITY TO RESOLVE ALL OTHER ISSUES

The CEO may take actions necessary to resolve any matter not specifically addressed herein that do not exceed \$50,000.

PORT OF KENNEWICK	
Chief Executive Officer Delegation of Authority	
CREDIT CARDS	Part 7.0
Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 8.0

1.0 CREDIT CARDS

RCW 43.09.2855 authorizes local governments to issue purchase cards for official government purchases and acquisitions. The CEO is authorized to issue purchase cards to staff and develop procedures to ensure compliance with the applicable laws, regulations, and this policy.

- 1.1. Credit card limits may not exceed \$15,000.
- 1.2. The CEO will maintain a schedule of Port credit cards, lines of credit, the users, along with corresponding credit limits, approval amounts, and such other schedules or procedures determined necessary.
- 1.3. All purchase(s), regardless of amount, must be for valid, authorized Port operations. The Port will seek reimbursement from the responsible approved cardholder for any non-Port purchase(s). Port employees, when submitting expense support for the valid use of authorized Port operations, will use proper documentation requirements as approved by the CEO.
- 1.4. An approved cardholder agrees that the Port has a right to withhold any and all funds payable to the approved cardholder from compensation or other payments from invalid or unauthorized purchase by the approved cardholder, and will have a lien for such right against other sources of funds. The Port can collect late fees and interest in the event the employee causes delay of payment. Cardholders who have been issued a credit card by the Port may not use the card if any disallowed charges are outstanding and must surrender the card upon demand by the CEO.

- 1.5. The CEO may, at any time, revoke the use of any Port credit card for any reason or no reason. Upon delivery of the revocation order to the credit card company, the Port will cease to be liable for any costs associated with the credit card.
- 1.6. Payments must follow the standard payment processing procedures and presented at the next reasonably possible Commission meeting.
- 1.7. Cash advances are prohibited.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	COMMERCIAL INSURANCE	Part 8.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 11.0

1.0 COMMERCIAL INSURANCE

- 1.1 The CEO may negotiate and obtain appropriate policies of insurance to cover all aspects of Port property and operations within a comprehensive insurance program.
- 1.2 The CEO is authorized to approve, from time to time, changes or modifications within the policies of insurance so long as the changes are appropriate to manage the Port's risks.
- 1.3 The CEO is authorized to elect to utilize self-insurance and to amend deductible provisions, as deemed in the best interest of the Port.
- 1.4 Procurement of insurance is exempt from competitive bidding requirements pursuant to RCW 39.04.280(d).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	TREASURER AND PETTY CASH ACCOUNTS	Part 9.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 12.0

1.0 TREASURER AND PETTY CASH ACCOUNTS

The CEO is authorized to direct the investments of Port funds in accordance with applicable laws and regulations as well as open up the necessary and legal accounts in order to properly manage the Port's operations and finances.

2.0 SIGNING AUTHORITY

The Port Auditor is required by law to sign and certify all checks, wire transfer, EFT's, and similar financial institution transactions. The Commission authorizes the Port Auditor to certify and sign all checks, wire transfers, EFT's and similar financial institution transactions necessary to properly manage the Port's operations and finances provided that a warrant register is provided to the Commission to sign and ratify at the next regular meeting. Furthermore, the Port Auditor needs to ensure that proper internal controls are in place to prevent fraud and waste in accordance with guidance provided by the Washington State Auditor's Office (SAO).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	TRAVEL AND VEHICLE	Part 10.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 14.0

TRAVEL

The CEO is authorized to approve, without prior authorization of the Commission, travel by employees and/or other authorized representatives of the Port for the purpose of valid Port travel that is within the approved budget. The CEO will develop procedures to ensure compliance with the laws and regulations (*see* RCW 42.24.080-160 and RCW 53.08.175-176).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PORT HOLIDAYS, PAID TIME OFF, LEAVE, AND BENEFITS,	Part 11.0
Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 15.0, Part 16.0, and Part 17.0	

PORT HOLIDAYS, PAID TIME OFF, LEAVE AND BENEFITS

The CEO is authorized to establish and manage employees’ holidays, paid time off (“PTO”), leave, and benefits as deemed necessary to hire and retain Port staff and in accordance with applicable laws. The CEO will develop procedures to properly document employee holidays, PTO, leave, and benefits.

The Commission intends that it’s adoption of this Resolution delegating to the CEO authority to establish such benefits for employees, including holiday pay, vacations or vacation pay, retirement and pension benefits, medical, surgical or hospital care, life, accident, or health disability insurance, and similar benefits (“Benefits”) satisfies the requirement of RCW 53.08.170 that such Benefits be established as the Port Commissioner shall by resolution provide.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	STANDARDS OF CONDUCT	Part 12.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 18.0

1.0 STANDARDS OF CONDUCT

All employees should act professionally and in the best interests of the Port at all times. Violations of the Port's standards of conduct are unacceptable and may result in discipline, up to and including immediate termination. The CEO will develop standards of conduct for the Executive and Port staff. The standards of conduct will set forth that, at a minimum, the following types of conduct that are not acceptable:

- 1.1 Abusive language or unprofessional conduct toward another person
- 1.2 Covert recording
- 1.3 Falsifying or inaccurately completing records, including employment applications or time sheets
- 1.4 Harassment or discrimination of any nature
- 1.5 Inappropriate dress or poor grooming
- 1.6 Insubordination or failure to carry out instructions
- 1.7 Misusing, destroying, or purposely damaging Port property or property of an employee
- 1.8 Performance that does not meet Port requirements
- 1.9 Tardiness or absenteeism
- 1.10 Theft of Port property or property of an employee or tenant
- 1.11 Unauthorized use or release of confidential information
- 1.12 Unprofessional conduct
- 1.13 Using work time for personal activities
- 1.14 Using, possessing, manufacturing, distributing, being under the influence of any controlled substance, alcohol or cannabis, or smelling of alcohol, cannabis, or controlled substance, while engaging in Port business, or during working hours or while on Port premises.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	DRUG, ALCOHOL, AND VIOLENCE FREE WORKPLACE	Part 13.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 19.0

1.0 VIOLENCE FREE WORKPLACE

The Port and its employees share responsibility for the provision of a safe and secure work environment for all employees. In order to ensure workplace safety and provide for each employee’s dignity, the CEO will establish a policy of zero tolerance for violence and take appropriate action, up to and including, immediate termination, against anyone who engages in threatening or violent behavior.

2.0 DRUG AND ALCOHOL FREE WORKPLACE

The Port maintains a drug and alcohol-free workplace. The possession, manufacture, distribution, dispensation, use or trafficking of alcohol, cannabis or controlled substances or smelling of alcohol, cannabis or controlled substance in the workplace, while on Port premises, while engaging in Port business, or during working hours, poses unacceptable risks to the safe, secure, and efficient operation of the Port and are strictly prohibited. The CEO will establish a policy of zero tolerance with employees violating the policy and take appropriate action, up to and including, immediate termination. Port-sponsored events and promotional hosting events may allow for limited amount of alcohol to be served as may be authorized by the CEO (see Promotional Hosting, Part 18.0, below).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	WHISTLEBLOWER ACT	Part 14.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 20.0

WHISTLEBLOWER ACT

The Port strives to conduct its business in an open and law-abiding manner. Accordingly, employees are encouraged to bring to the attention of the Port (or other appropriate governmental official) any improper actions of Port officials and employees. The Port will not retaliate against any employee who makes a complaint of improper actions in good faith and in accordance with the procedures established by the CEO. The CEO will establish a procedure that is in compliance with the State’s Local Government Whistleblower Protection Act, RCW 42.41.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	DISCIPLINE	Part 15.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 21.0

DISCIPLINE

The Commission authorizes the CEO to develop discipline procedures that are consistently applied to all staff and that meet all applicable laws and regulations.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	RECOGNITION, AWARDS, AND TEAM BUILDING POLICY	Part 16.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 22.0 and Part 23

RECOGNITION, AWARDS, AND TEAM BUILDING POLICY

The CEO is authorized to develop a flower, gift basket, gift card, employee awards, and team building procedure for employees, commissioners, or others with a connection to the Port, such as tenants, provided that flowers, gift basket or gift card will be presented only under special circumstances (e.g. awards, team building events, funerals, birthdays, etc.).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	WORKING MEALS	Part 17.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 24.0

WORKING MEALS

On occasion it is necessary for the Port to provide working meals when staff or Commissioners are requested or required to work through meal periods. The CEO will develop procedures on how to carry out working meals for valid Port purposes on a reasonable and occasional basis.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PROMOTIONAL HOSTING	Part 18.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 25.0

1.0 PROMOTIONAL HOSTING

The Office of the Washington State Auditor, Division of Municipal Corporations, with the assistance of the Office of the Attorney General, produced “Bulletin No. 404” regarding promotional hosting guidelines for the expenditure of public funds under Article VIII, Section 8 of the Washington Constitution, RCW 53.36.120 through .150, and Account No. 8081 of the prescribed Uniform Systems of Accounts for Port Districts of the State of Washington.

Under these authorities, the Port Commission adopts this Policy to govern all Port-sponsored promotional hosting. In construing this Policy, reference must be made to Bulletin No. 404, attached and incorporated as terms of this Policy, and as may be amended.

The CEO is authorized to develop procedures for the Port’s promotional hosting expenditures. The promotional hosting procedures should include the minimum procedures:

- 2.1 “Promotional hosting” means furnishing customary meals, refreshments, lodging, and transportation, or any combination of these items, in connection with business meetings, social gatherings, and ceremonies honoring persons or events relating to the authorized business promotional activities of a Washington port district. Promotional hosting may also include, without limitation, reasonable, customary and incidental entertainment and souvenirs of nominal value incidental to such events.
- 2.2 The CEO must include within the approved budget an amount for promotional hosting, which is currently limited under RCW 53.36.130, as may be amended, to expenditures from the Port’s gross operating revenues and by other specific amounts. In instances where Port expenditure restrictions conflict with RCW 53.36.130, state law controls.
- 2.3 CEO may use promotional hosting funds to promote industrial development or trade within the Port. Expenditures of promotional hosting funds must be limited to supporting Port officials or employees in seeking opportunities to:
 - Market to individuals or organizations the use, continued use or increased use of Port services, facilities or properties.

- Persuade individuals or organizations to donate, supply or sell to the Port (on the best available terms) properties, facilities, services or information needed by the Port to achieve a betterment or improvement of the Port's existing operations, facilities or services.
- Persuade individuals or organizations to purchase, lease, or contract from or with the Port on terms most favorable to the Port in order that the Port may enter into transactions for the development, improvement or use of its properties and facilities in a manner most suitable to serve the Port's best interests.
- Persuade individuals or organizations to assist the Port in fostering the increased use of its services and facilities by improving transportation schedules, adding to existing transportation, services and facilities, adjusting rates, improving navigation or generally increasing and improving the scope and efficiency of Port operations so as to contribute to the growth of the Port's business.
- Beneficiaries of promotional hosting funds must be reasonably capable of influencing or controlling decisions with respect to the subject matters listed above, and each expenditure amount must be reasonable and appropriate in relation to the specific purpose of each incident of promotional hosting.

2.4 Reimbursements for promotional hosting expenditures must, to the extent feasible, be supported with appropriate receipts; detail the name and the business relationship of each person hosted; and, in general terms, identify the purpose of the expenditure. All payments and reimbursements must be identified and supported on vouchers supplied by the Port.

2.5 Reimbursement vouchers by Port Commissioners for promotional hosting expenditures will be paid only if specifically approved by the Port Commission as part of the Port budget and pursuant to processes approved by the Port Auditor pursuant to RCW 53.36.120.

2.6 Without limitation, promotional hosting funds may not be used, and reimbursements will not be authorized, for the following activities or purposes:

- To influence the passage or defeat of any legislation by the legislature of the State of Washington, or the adoption or rejection of any rule, standard, rate or other legislative enactment of any agency of the State of Washington.
- For purposes not reasonably related in nature and amount to acquiring additional business or otherwise increasing and improving the scope and efficiency of the Port operations
- For the promotion of transactions prohibited under the conflict of interest statute, Chapter 42.23 RCW.
- For promotion of a benefit for the Port from an individual or an organization

that is already legally, contractually or otherwise obligated to furnish that benefit to the Port.

- 2.7** Promotional hosting expenses will be approved by the Port auditor as required by RCW53.36.140.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	FRAUD PREVENTION AND ETHICS	Part 19.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 26.0

FRAUD PREVENTION AND ETHICS

The Port defines the term “Fraud” as any wrongful or criminal deception intended to result in financial or personal gain. The Port of Kennewick has zero tolerance for fraud or any illegal activity.

The Port is committed to having a work atmosphere of fraud awareness, where its employees, which includes interns and volunteers, understand the indications of potential fraudulent or illegal activity and are supported when carrying out their responsibility to immediately report such activity.

The Port CEO will develop a procedure and facilitate timely notification of and take immediate action on any known or reported suspected loss of Port funds or assets, fraud or any illegal activity.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PROGRAMS AND PROCEDURES	Part 20.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 27.0 and Part 28.0

PROGRAMS AND PROCEDURES

The CEO is authorized to adopt any administrative programs and procedures necessary for the efficient operation of the Port.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	MISCELLANEOUS	Part 21.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 13 and Part 29.0

1.0 ELECTIONS AND VOTING

The CEO is authorized to vote in all elections on behalf of the Port, where votes are tabulated based upon acreage owned.

2.0 TRADE DEVELOPMENT PROGRAMS

Consistent with the authorized budget and applicable law, the CEO may develop and carry out programs of trade development (which may include tourism and tourism promotion), advertising (including the use of advertising firms), and promotion of the Port, including its properties, facilities, and services. Trade development programs must be reviewed periodically by the Commission.

3.0 ISSUANCE OF TARIFFS

The CEO may issue tariff agreements, tariffs and tariff amendments as necessary.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT POLICY	Part 22.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 30.0

AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT

It is the policy of the Port to provide equal opportunity to the users of all Port services and facilities, all contracting entities, Port employees and applicants for employment, and to assure that there be absolutely no discrimination against any person based on any status protected by federal, state or local law including but not limited to race, creed, color, national origin, sex, sexual orientation, marital status, age, honorably discharged veteran or military status, or the presence of any sensory, mental or physical handicap or the use of a trained dog guide or service animal by a person with a disability unless, in the instance of employees and applicants for employment, based upon a bona fide occupational qualification. The CEO will develop and carry out procedures in accordance with applicable laws and regulations.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	FIXED ASSETS	Part 23.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 32.0

FIXED ASSETS

The CEO has authority to set the Port's fixed asset capitalization and inventory requirements pursuant to generally accepted accounting principles.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	RECORDS OFFICER	Part 24.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	Cross Reference CEO's Procedures for Staff Part 33.0

1.0 RECORDS OFFICER

In accordance with RCW 42.56.580(3) the Port Commission appoints a Records Officer. The CEO will make a recommendation to the Port Commission for the person to be appointed to act in the capacity of Records Manager. The Records Manager will be selected during a public meeting and the Port’s website will reflect the current Records Manager appointment by the Commission.

2.0 RECORDS COMMITTEE

The CEO will develop a records committee.

3.0 PROCEDURES

The CEO has authority to establish records procedures in accordance with applicable laws and regulations, including but not limited to RCW 42.56.040, and the Public Records Act—Model Rules at Chapter 44-14, Washington Administrative Code (“WAC”) .

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PORT AUDITOR AND ATTORNEY	Part 25.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022-44	

1.0 PORT AUDITOR

Cross reference Port Commission Rules of Policy and Procedure.

2.0 PORT ATTORNEY

Cross reference Port Commission Rules of Policy and Procedure.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	BUDGET, FINANCIAL, & OPERATIONAL PHILOSOPHY	Part 26.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29 Further Revised December 13, 2022, Resolution 2022- 44	Cross Reference CEO's Procedures for Staff Part 36.0

BUDGET, FINANCIAL & OPERATIONAL PHILOSOPHY

Cross reference Port Commission Rules of Policy and Procedure.

12/09/22 DRAFT

PORT OF KENNEWICK

RESOLUTION 2022--44

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING UPDATES
TO THE
CHIEF EXECUTIVE OFFICER'S DELEGATION OF AUTHORITY
[Attachment A Only]**

	<h2 style="color: blue;">PORT OF KENNEWICK</h2>	
	<h3>CHIEF EXECUTIVE OFFICER DELEGATION OF AUTHORITY</h3>	<h3>COMMISSION POLICY NO. 1 <u>INTRODUCTION</u></h3>
	<p>Adopted by the Commission on December 8, 2015 Resolution 2015-29 Revised December 11, 2018. Resolution 2018-26</p>	<p>This policy removes and replaces all previous Port policies adopted which address the items identified within this policy. This policy cross references Port Commission Rules of Policy and Procedure and CEO's Procedures for Staff.</p>

PURPOSE AND AUTHORITY

The Port Commission establishes the Port of Kennewick's policy objectives and the rules governing its business transactions. The Commission retains an Executive Director, hereinafter referred to as "Chief Executive Officer" or "CEO" to conduct the Port's business consistent with the Commission's policies and rules. The Commission directs the CEO only by action of the Commission in its capacity as the Port's governing authority. For these purposes, unless the context indicates otherwise, the term "CEO" means the Port's "managing official" as the term is used from time to time in Title 53 RCW. The CEO is the chief executive officer, [along with his/her designee(s)], is appointed by the Port Commission to manage Port operations.

RCW 53.12.270 grants the Port Commission authority to delegate to the CEO "such administrative powers and duties of the Commission as it may deem proper for the efficient and proper management of Port District operations." Under these authorities and Resolution No. 2015-29 the Port Commission adopts this Policy delegating administrative powers and duties to the CEO of the Port and establishing guidelines and procedures to govern the CEO's responsibilities and exercising of delegated authority.

GENERAL DELEGATION OF AUTHORITY AND RESPONSIBILITY

Delegation of Authority

The CEO is responsible for the operation, maintenance, development, alteration, improvement, administration, and use of all Port real and personal property; all actions required for personnel administration; and all other actions essential to supporting the Port's mission. The CEO may take any action in the Port's best interests and within the Port's authorized budget necessary to resolve any matter related to the CEO's authority, including where not specifically addressed herein. Subject to the limitations in this Policy, other Port resolutions and policies, and applicable law, the CEO is responsible for:

- Operation, maintenance, administration, and use of Port facilities and other properties.
- Development of industrial districts.

- Implementation of construction work, alterations and improvements to Port facilities and other properties.
- Administration of all day-to-day Port operations.
- Execution of contracts and other documents related to Port operations that are authorized by this Policy or otherwise approved by the Commission.
- Applications for permits associated with Port facilities or projects.
- Applications for and acceptance of grants or other funds from federal, state, and local governments, consistent with actions described in this Policy.

Consultation with Commission

The CEO must regularly inform and consult with the Commission regarding the Port's significant business transactions. Unless otherwise permitted or ratified, the CEO must inform the Commission promptly following all significant actions authorized by this Policy.

Staff Delegations

The CEO may retain administrative staff to operate and manage the Port under the CEO's directives. Consistent with Port policies, the CEO may further delegate to appropriate Port staff any administrative authority or responsibility delegated to the CEO by the Port Commission to further efficient and proper Port administration.

2. Rules and Procedures

The CEO may adopt administrative rules, regulations, and procedures necessary to carry out this Policy and for the efficient and proper operation of the Port. The Commission provides CEO the Express Delegation of Authority and Limitations attached hereto and incorporated herein by reference, as follows:

EXPRESS DELEGATION OF AUTHORITY AND LIMITATIONS

Part 1.0	LEASE OF REAL AND PERSONAL PROPERTY
Part 2.0	REAL PROPERTY PURCHASES AND SALES
Part 3.0	CONTRACTS FOR PERFORMANCE OF WORK
Part 4.0	PERFORMANCE OF WORK BY PORT STAFF OVER \$40,000
Part 5.0	ACQUISITION OF MATERIALS, EQUIPMENT, AND SERVICES
Part 6.0	UNCOLLECTIBLE ACCOUNTS, SETTLEMENTS OF CLAIMS, AND LITIGATION

Part 7.0	CREDIT CARDS
Part 8.0	COMMERCIAL INSURANCE
Part 9.0	TREASURER AND PETTY CASH ACCOUNTS
Part 10.0	TRAVEL AND VEHICLE
Part 11.0	PORT HOLIDAYS, PAID TIME OFF, LEAVE, AND BENEFITS
Part 12.0	STANDARDS OF CONDUCT
Part 13.0	DRUG, ALCOHOL, AND VIOLENCE FREE WORKPLACE
Part 14.0	WHISTLEBLOWER ACT
Part 15.0	DISCIPLINE
Part 16.0	RECOGNITION, AWARDS, AND TEAM BUILDING POLICY
Part 17.0	WORKING MEALS
Part 18.0	PROMOTIONAL HOSTING
Part 19.0	FRAUD PREVENTION AND ETHICS
Part 20.0	PROGRAMS AND PROCEDURES
Part 21.0	MISCELLAENOUS
Part 22.0	AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT
Part 23.0	FIXED ASSETS
Part 24.0	RECORDS OFFICER
Part 25.0	PORT AUDITOR AND ATTORNEY
Part 26.0	BUDGET, FINANCIAL, AND OPERATIONAL PHILOSOPHY

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	LEASES OF REAL AND PERSONAL PROPERTY	Part 1.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 1.0

1.0 LEASES OF REAL AND PERSONAL PROPERTY

1.1 General Lease of Real and Personal Property Policy.

- 1.1.1 Except as otherwise provided herein, all real and personal property belonging to the Port (when available for leasing), must be leased under an appropriate written lease executed in accordance with RCW 53.08.080;
- 1.1.2 The amount of rental must be fair rent for the property based on CEO developed procedures of determining fair rent value;
- 1.1.3 The lease must state the use to which the property may be put by the tenant, which must be consistent with the Port's standards of use;
- 1.1.4 A legally sufficient standardized lease agreement will be used on all leases unless an alternative lease agreement is utilized that undergoes a legally sufficient review procedure;
- 1.1.5 Comply with and take necessary measures to ensure compliance or to protect the Port's legal position including but not limited to obtaining security for the performance of each lease and securing rental insurance or other insurance coverage required for leases (see RCW 53.08.085); and
- 1.1.6 The CEO must ensure that all terms are complied with and take all necessary measures to cause compliance or to otherwise protect the Port's rights under each lease, including without limitation by giving of all notices provided for in each lease.

1.2 Leases Executed by the Commission. The following leases will be submitted to the Commission for approval:

- 1.2.1 Leases in which the term of the lease, including any renewal options, exceeds five years; or

- 1.2.2 Leases in which the total monthly rental amount exceeds \$5,000 per month (excluding LET, utilities, and other ancillary items).
- 1.3 **Leases Executed by the CEO.** Except as provided above, the CEO authorized to approve all other leases.

2.0 COMMISSION ON LEASES OF REAL AND PERSONAL PROPERTY

- 2.1 **General Lease of Real and Personal Property Policy.** The Port of Kennewick desires to use all available resources to market Port real property to its maximum potential. Use of licensed real estate professionals/brokers may foster more economic development opportunities. When it is desirable to secure the services of a real estate professional or broker, the terms and conditions for the lease of Port property will be as follows:
 - 2.2 **Lease of Real Property (Excluding Marina)**
 - 2.2.1 **Licensed Real Estate/Broker.** All real estate professionals and brokers whom the Port conducts business with must be licensed in the State of Washington.
 - 2.2.2 **Lease Approval.** Real Estate Professional/Broker does not have lease approval authority but can negotiate on the behalf of the Port in a non-binding manner. All final terms and conditions will be reviewed by the CEO for compliance with the laws, regulations, Port policies and procedures.
 - 2.2.3 **Commission.** The rate of commission will not exceed five (5%) percent of the net lease payments for the first five years and two and a half (2.5%) percent of the net lease payments for the second five years. Net lease payments are gross lease payment less applicable fees such as concession fees, triple net, common area maintenance charges, leasehold taxes, leasehold improvements or amortization of improvements, and delinquent rent payments.
 - 2.2.4 **Statement.** Real Estate Professional/Broker must supply the Port with a written statement of details on potential lead(s), date lead was obtained and introduced to Port staff, any potential financial interest Real Estate Professional/Broker may have with the lead, and a signed statement regarding conflicts of interests.
 - 2.2.5 **Payment of Commission.**
 - 2.2.5.1 **Month-to-Month, Annual, and Multi-Year Leases:** If tenant has current payment status and still occupies the leased space, commission is calculated based on the following:

- A. One-half of the first twelve months of net lease payments will be paid after six months of the fully executed lease effective date.
- B. The remaining one-half of the first twelve months commission will be paid at the end of twelve months from the fully executed lease effective date.
- C. From then on, commission will be paid annually at the year end and based on the rents collected.
- D. If lessee terminates lease early, payment of commission will be paid through the lease termination date.

All commission payments are subject to the Port's check processing procedures.

2.2.5.2 Existing Tenants. Commission will not be paid on leases involving existing tenants for new leases, renewals, or options exercised.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	REAL OR PERSONAL PROPERTY PURCHASES AND SALES	Part 2.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 2.0

1. REAL OR PERSONAL PROPERTY PURCHASES AND SALES

The CEO may offer to purchase real property without prior Commission approval, provided that each offer expressly indicates that it is subject to Commission approval. When the Commission authorizes the acquisition of real property by purchase, the CEO must take all necessary steps, including without limitation by obtaining appraisals, to secure title to the property for the Port. *See RCW 53.08.010-.020.*

When the Commission authorizes the sale of real property, the CEO must take all necessary steps to complete the transaction, including without limitation by accepting deposits, opening escrow, and signing all necessary documents. *See RCW 53.08.090-.092.*

The CEO may approve and sign the following easements and covenants over Port property: (1) those easements and covenants that benefit the Port (e.g., utility easements); and (2) all other easements and covenants that do not exceed a term of two years and where the interest granted does not substantially interfere with the Port's use of the property or the property's fair market value. All other easements and covenants exceeding two years must be approved by the Port Commission.

- 1.1. **Not for Speculation.** Port-owned real property will only be sold for identifiable, immediate development and not for speculative purposes. To serve this goal, most sales will include a repurchase option in favor of the Port in the event identified development does not occur in a timely manner.
- 1.2. **Onerous Contingencies.** The Port discourages onerous contingencies (e.g. long-term options, first rights of refusal, etc.), and such contingencies will be accepted only in exceptional circumstances.
- 1.3. **"As Is".** All Port property will be sold "AS IS" unless otherwise approved by Port Commission.
- 1.4. **Offers.** No Port real property will be sold or reserved unless the Port has received a valid offer on a Port standardized purchase and sale agreement, and such

agreement is submitted and approved by the Port Commission in a public meeting. A legally sufficient review procedure shall be utilized if there are material exceptions to the Port standardized purchase and sale agreement. Until approval by the Port Commission, all property designated as “for sale” will remain for sale. The CEO is authorized to accept and make offers on real or personal property without prior Commission approval, provided that such offers clearly indicate the offer is subject to approval of the Commission or other similar language. The CEO will take all necessary steps, if applicable (e.g. securing appraisals, title searches, surveys, environmental reviews, deposits, escrow, or signing all necessary documents after Commission approval).

- 1.5. Determining Price.** The CEO will develop a procedure for and make a reasonable determination of fair market value for property designated as available for sale before the purchase and sale agreement is presented to the Commission for approval.

The Port Commission may choose to sell Port-owned properties for less than fair market value, on a case-by-case basis, if the Port deems the business decision is not be considered a gift of public funds by a reasonable auditor (e.g. State Auditor’s guidance on gifting of public funds was reviewed and the Port determined the land sale is not a gift of public funds due to aiding in a general Port purpose and goals).

- 1.6. Prior Inspection.** All prospects are encouraged to meet with the jurisdictional City or County staff to review the proposed site conditions (e.g. zoning, servicing, topography, grading, history of the property, existing neighbors, etc.) prior to submitting an offer to the Port.
- 1.7. Port Staff Assistance.** Port staff will offer reasonable assistance to prospective purchasers of Port “for sale” real property pursuant to this policy (e.g. providing property information and tours of “for sale” property). Staff assistance will not be deemed to reserve any parcel of real property for any party, nor will staff assistance be deemed a commitment in any way whatsoever with respect to any Port real property.
- 1.8. Submission of Offer to Purchase by Prospective Purchaser.** Offers to purchase Port property will be submitted by the prospective purchaser to Port staff in writing and dated. A valid offer must be signed upon submission and contain ***all*** information set forth below. Non-complying offers will be returned without processing:
- a. Identify the full legal name of the purchasing party and be executed by the purchasing party or its authorized representative;
 - b. Contain a check for earnest money in a sum of not less than 5% of the offer price (in no case less than \$5,000);

- c. Contain a separate non-refundable administrative processing fee of \$500 for all parcels where the proposed purchase price is less than \$500,000 and \$1,000 for all parcels where the proposed purchase price is \$500,000 or greater;
- d. Identify the party to use and occupy the property, if different from the offering party;
- e. Legally describe the property subject to the offer;
- f. Indicate the total offer price;
- g. Indicate any terms for payment of purchase price;
- h. Identify any proposed contingencies;
- i. Identify a proposed closing date;
- j. Detail the proposed use of the property and timing for any construction or development;
- k. Identify size and type of building to be erected, if applicable;
- l. Identify anticipated number of employees with approximate wage levels;
- m. Indicate whether or not any new positions will be created as a result of the real property purchase, and if so, indicate number of new employees with approximate wage levels;

Interested parties must submit offers using a Purchase and Sale Agreement in Port approved format as developed by the Port attorney, CEO, and CFO. If the interested party does not use the Port approved agreement, the interested party will pay the Port for all out of pocket cost associated with review. Staff will review the offer with the offeror to ensure that the offeror has submitted all the information as required. Port staff will present the offer to the Port CEO with a brief oral summary of the offer. The CEO may send the offer back to the offeror for additional information or may proceed to present the offer to the Port Commission as set forth in this policy.

1.9. Presentation of Offer to Port Commission. When the CEO determines that an offer complies with the requirements of this policy, the CEO will submit the offer to the Port Commission for its consideration in due course (usually within 30 days of the submission of the offer to staff). Additionally the CEO will make a written recommendation to the Commission (except in cases of unusual circumstances, in which cases the CEO's recommendation to the Commission may be oral). The CEO's recommendation will request that the Commission accept the offer, reject the offer, present a counter offer or table the offer. The CEO will not sign any proposed offer until approved by the Port Commission by formal resolution.

1.10. Action on the Offer by Port Commission. Offers will be evaluated by the Port Commission based upon the criteria set forth above. If there are competing offers, either of which may be acceptable if made separately, the Port Commission may select the offer it believes best serves the goals of the Port. The Port Commission may reject any or all offers. The Commission will respond to

the offer through the CEO, who will communicate the response to the prospective purchaser as soon as practicable. Any action on an offer will only be made by official action of the Port Commission at a Commission meeting.

1.10.1.1. Acceptance of Offers. Within 10 days of the Port’s acceptance of an offer, the CEO will sign and accept the offer on behalf of the Port Commission. The executed agreement and deposited earnest money will be transmitted to the closing agent designated in the offer. The property subject to the offer will not be removed from the “for sale” list, but will be marked with a ‘sale pending’ designation.

1.10.1.2. Rejection of Offers. If the Port Commission rejects an offer, the offer will immediately be null and void and of no force and effect. Earnest money will be refunded less processing fee.

1.10.1.3. Tabling of Offers. The Port Commission may table an offer to be reviewed at a later date.

2. SALE OF REAL AND PERSONAL PROPERTY

2.1. The CEO is authorized, pursuant to RCW 53.08.090, to sell and convey surplus real or personal property of the Port subject to statutory conditions.

2.3.COMMISSION STRUCTURE FOR LICENSED BROKERS.

Commissions will only be paid to licensed real estate brokers. The broker must submit a signed bona fide offer plus a signed appointment from the potential purchaser authorizing the broker to negotiate for the potential purchaser in order to be eligible to claim the commission. The broker authorization must include the name of the proposed purchaser and the date of their first contact with said purchaser. Unless the provision is strictly complied with, the Port will not pay any claimed commission.

2.1. After final approval of the sale by the Port Commission and after receipt of all funds due at closing, the Port of Kennewick will pay to the licensed real estate broker negotiating any such sale a commission of four (4) percent of the sale price on the sale of real property.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	CONTRACTS FOR PERFORMANCE OF WORK	Part 3.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 3.0 and Part 6.0

1.0 CONTRACTS FOR PERFORMANCE OF WORK

The CEO may, without prior Commission approval, execute contracts for work where the total contract does not exceed \$200,000 a year and as so long as all laws, regulations, and Port approved budget are followed. On contracts over the \$200,000 the CEO may complete and sign all necessary documents after Commission approval.

The CEO will develop procedures to ensure compliance with laws, regulations, and this policy.

2.0 SMALL WORKS PROJECTS

- 2.1** The CEO may use the Small Works Roster process pursuant to RCW 39.04.155 for construction contracts up to \$300,000. Contracts over the above CEO's delegation of authority must be approved by the Commission.
- 2.2** The CEO may, without Commission approval, prepare plans and specifications; issue notices calling for bids; accept bids and contracts for work where the total contract price does not exceed \$300,000. The CEO must ensure the requirements of RCW 53.08.120 are met and that the work is within the project's authorized budget.
- 2.3** The Small Works Roster is a listing of all responsible contractors who have requested to be on the list, and are properly licensed or registered to perform such work in this state. The Port can use other governmental Small Works Rosters that are in compliance with the applicable laws and regulations.
- 2.4** The term "public work" will include all work, construction, alteration, repair, or improvement executed at the cost of the Port of Kennewick, or which is by law a lien or charge on any property therein.
- 2.5** A written determination of the bid award will be kept on file, made available for public inspection, and retained in accordance with records management laws.

- 2.6 Pursuant to RCW 39.04.155, the breaking of any project into individual units of work or in phases is prohibited if it is done for the purpose of avoiding the \$300,000 limitations.

3. 2.7PUBLIC WORK PROJECT CLAIMS

3.1

4. ON-CALL/UNIT BASED CONTRACTING

- 4.1 “On Call” contracting is permitted as allowed by RCW 53.08.120.
- 4.2 The CEO will establish procedures to ensure compliance with RCW 53.08.120 and applicable bid laws.

5. FORMAL SEALED BID PROJECTS

- 5.1 Projects costing more than \$300,000 must follow the formal sealed bid laws and be approved by Commission in a public meeting.
- 5.2 The CEO will establish procedures to ensure compliance with formal sealed bid laws.

6. NON-ARCHITECTUAL AND NON-ENGINEERING SERVICES

- 6.1 The CEO may contract out and develop procedures for procurement of professional, personal, technical, or purchased services in accordance with RCW 53.19.
- 6.2 The Port Commission must approve service contracts in excess of \$200,000.
- 6.3 Amounts above \$50,000 but less than \$200,000 are subject to competitive bid requirements. Contracts over \$50,000 must have proper documentation showing the Port staff delegated by the CEO made attempts to identify potential consultants for inviting to bid on Port projects.
- 6.4 Contracts in excess of \$200,000 require a request for proposal process.
- 6.5 Regardless of amount, if the value of a contract amendment or amendments exceeds 50% of the value of the original contract, the amendment must be filed with the Commission and made available for public inspection prior to the proposed starting date of services under the amendment.
- 6.6 Regardless of amount, substantial changes in the scope of work specified in the contract or which are substantial additions to the scope of work specified in the formal solicitation document must be submitted to the Commission for this is required even if the original contract did not require Commission approval.
- 6.7 Regardless of amount, all services listed within this section must have a documented scope of work or services to be performed.

Port Commission exempts the following services from competitive bid process as allowed by RCW 53.19.20 since the Commission deems competitive solicitation process is not appropriate for services that deal with high risk areas, special education, and experience: Human resource, legal, information technology, marketing, project management, writing, accounting, financial, lobbyist, or bookkeeping services.

7. ARCHITECTURAL AND ENGINEERING (A&E) SERVICES

- 7.1 The CEO is authorized to procure A&E services in accordance with RCW 39.80.010-60 that do not exceed the purchasing limit set by Commission.
- 7.2 The statute requires advance notice of the requirement for professional services (39.80.030), evaluation of firms' qualifications and performance (39.80.040), and negotiation with firms in accordance with adjudged qualifications (39.80.050).
- 7.3 Contracts for services cannot be broken into multiple agreements to avoid compliance with this policy or State statutes.

8. CHANGE ORDERS.

Note: Non-A&E change orders and scope changes must follow the law as outlined in section 4.0 above.

When circumstances require individual changes in plans or specifications to properly accomplish contracted work, the CEO may, without prior Commission approval, execute individual change orders to a contract if the following conditions are met:

- 7.4.1 The change order will not exceed \$100,000;
- 7.4.2 The contract for work authorizes change orders;
- 7.4.3 The change order is reviewed for possible audit issues;
- 7.4.4 The total cost of all approved change orders, when added to the contract cost, remains within the project's authorized budget and applicable procurement laws; and
- 7.5 7.4.5 The change order is validated or certified by the project architect, engineer, or Port project manager as necessary to the proper accomplishment of the project.

8 EXEMPTIONS TO COMPETITIVE BIDDING

EMERGENCY. When an emergency that poses or may pose a threat to life or property requires the immediate execution of a contract for work or professional or personal services, the CEO may make a finding of the existence of an emergency and may execute any contracts necessary to respond to the emergency. The CEO must follow the procedures set forth in RCW 39.04.020,

39.04.28053.19.010, 53.19.030 and other applicable laws, as the case may be and as each may be amended or recodified. At the first Commission meeting following the CEO's finding of emergency, the CEO must request Commission ratification of that finding and any contracts awarded or executed pursuant to that finding. To the extent practical, the CEO must continuously advise the Commission of the emergency's development and the progress of any contracts executed to remedy the emergency.

- 8.1 **Special Facilities.** For procurement of special facilities or due to market conditions the CEO has the authority to develop procedures in accordance with the law and regulations and approve procurement up to the delegation of authority.
- 8.2 **Sole Source Procurement.** If, after conducting a good faith review of available resources, the Port determines that there is only one source of the required services, materials, supplies, or equipment; a contract may be awarded without a competitive bid process. The CEO will develop procedures to ensure compliance with the laws and regulations
- 8.3 **Special Market Conditions.** The CEO can consider waiving established bidding requirements up to the delegation of authority if an opportunity arises to purchase favorably-priced equipment, supplies, or used goods at an auction. The CEO will develop procedures to ensure compliance with laws and regulations.
- 8.4 **Public Works under \$40,000.** The CEO will establish procedures for completion of public works projects estimated under \$40,000, pursuant to RCW 53.08.120.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PERFORMANCE OF CONSTRUCTION WORK BY PORT STAFF OVER \$40,000	Part 4.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 4.0

PERFORMANCE OF CONSTRUCTION WORK BY PORT STAFF.

Prior Commission approval is not required for any construction project performed by Port staff or inmate work crews. However, in accordance with RCW 53.08.135, construction projects over \$40,000 must be contracted out if it's deemed less expensive than using Port staff or inmate work crews. No written determination is required as Commission deems all construction projects over \$40,000 less expensive to contract out due to the potential hindrance of staff essential duties. Port staff can perform construction projects over \$40,000 if CEO deems essential duties can be performed and is cheaper to perform the construction project with staff or inmate work crews.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	ACQUISITION OF MATERIALS, EQUIPMENT, AND SERVICES	Part 5.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 5.0

CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT AND SERVICES.

The CEO may acquire, without prior Commission approval, utilities, materials, equipment, supplies and services (including services provided by public agencies) on the open market, pursuant to published rates or by competitive bidding when required by law for the normal maintenance and operations of the Port. Acquisitions must, where appropriate, be approved as a part of normal monthly expenses and must be within the project's authorized budget.

	<h1>PORT OF KENNEWICK</h1>	
	<h2>Chief Executive Officer Delegation of Authority</h2>	
	<h3>UNCOLLECTIBLE ACCOUNTS, SETTLEMENTS OF CLAIMS, AND LITIGATION.</h3>	<h3>Part 6.0</h3>
Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 7.0, Part 9.0, and Part 10.0	

1.0 UNCOLLECTIBLE ACCOUNTS AND SETTLEMENTS OF CLAIMS

The CEO may write off any uncollectible account not exceeding \$10,000, subject to the following:

- 1.1 The CEO will be satisfied that reasonable effort has been made by the Port to collect the account prior to a write off.
- 1.2 In appropriate circumstances, the CEO is allowed to take necessary action in a court of law or assignment to a collection agency for the purposes of attempting to collect the delinquent account.

2.0 ADJUSTMENT AND SETTLEMENT OF CLAIMS

The CEO is responsible for directing the Port objectives in litigation, hiring experts as deemed necessary, and may settle claims where the amount at risk to the Port in controversy does not exceed \$50,000 and subject to ensure the following:

- 2.1 A proper written notice has been served on the Port by the claimant and the Port's insurance will not cover the claim; ~~and~~
- 2.2 The CEO has determined that settlement is commercially reasonable re is a substantial likelihood that the Port is or will be found liable and a likelihood exists that litigation expenses would be significant in relation to the amount claimed, and :
- 2.3 Provided however any settlement that imposes upon the Port any affirmative duty (non-monetary obligation), injunctive relief, and or which is memorialized by a federal Consent Decree or other regulatory enforceable Order shall require Commission approval.

- 2.4 "Claim" shall mean the assertion of any position, right or responsibility by or against the Port, and any claims asserted by or against the Port which have or may reasonably become the subject of litigation but excluding (1) "uncollectible accounts" (2) employee health and unemployment claims, and (3) claims asserted as part of public works contracting, prior to litigation.
- 2.5 "Litigation," for purposes of this section, shall mean the assertion of any position, right or responsibility by or against the Port which may reasonably lead to or has been filed in any court of general jurisdiction, be it state or federal, or any quasi-judicial or administrative forum.
- 2.6 Nothing herein contained shall preclude administrative approval of settlements made by the Port's insurers of claims by or against the Port, where such settlement is payable by such insurer.

~~2.1.1 — There is a likelihood that a judgment rendered in the case would be in the amount claimed or higher; or There is a likelihood that the expenses involved in litigation would be significant in relation to the amount claimed.~~

3.0 AUTHORITY TO RESOLVE ALL OTHER ISSUES

The CEO may take actions necessary to resolve any matter not specifically addressed herein that do not exceed \$50,000.

PORT OF KENNEWICK	
Chief Executive Officer Delegation of Authority	
CREDIT CARDS	Part 7.0
Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 8.0

1.0 CREDIT CARDS

RCW 43.09.2855 authorizes local governments to issue purchase cards for official government purchases and acquisitions. The CEO is authorized to issue purchase cards to staff and develop procedures to ensure compliance with the applicable laws, regulations, and this policy.

- 1.1.** Credit card limits may not exceed \$15,000.
- 1.2.** The CEO will maintain a schedule of Port credit cards, lines of credit, the users, along with corresponding credit limits, approval amounts, and such other schedules or procedures determined necessary.
- 1.3.** All purchase(s), regardless of amount, must be for valid, authorized Port operations. The Port will seek reimbursement from the responsible approved cardholder for any non-Port purchase(s). Port employees, when submitting expense support for the valid use of authorized Port operations, will use proper documentation requirements as approved by the CEO.
- 1.4.** An approved cardholder agrees that the Port has a right to withhold any and all funds payable to the approved cardholder from compensation or other payments from invalid or unauthorized purchase by the approved cardholder, and will have a lien for such right against other sources of funds. The Port can collect late fees and interest in the event the employee causes delay of payment. Cardholders who have been issued a credit card by the Port may not use the card if any disallowed charges are outstanding and must surrender the card upon demand by the CEO.

- 1.5. The CEO may, at any time, revoke the use of any Port credit card for any reason or no reason. Upon delivery of the revocation order to the credit card company, the Port will cease to be liable for any costs associated with the credit card.
- 1.6. Payments must follow the standard payment processing procedures and presented at the next reasonably possible Commission meeting.
- 1.7. Cash advances are prohibited.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	COMMERCIAL INSURANCE	Part 8.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 11.0

1.0 COMMERCIAL INSURANCE

- 1.1 The CEO may negotiate and obtain appropriate policies of insurance to cover all aspects of Port property and operations within a comprehensive insurance program.
- 1.2 The CEO is authorized to approve, from time to time, changes or modifications within the policies of insurance so long as the changes are appropriate to manage the Port's risks.
- 1.3 The CEO is authorized to elect to utilize self-insurance and to amend deductible provisions, as deemed in the best interest of the Port.
- 1.31.4 Procurement of insurance is exempt from competitive bidding requirements pursuant to RCW 39.04.280(d).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	TREASURER AND PETTY CASH ACCOUNTS	Part 9.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 12.0

1.0 TREASURER AND PETTY CASH ACCOUNTS

The CEO is authorized to direct the investments of Port funds in accordance with applicable laws and regulations as well as open up the necessary and legal accounts in order to properly manage the Port’s operations and finances.

2.0 SIGNING AUTHORITY

The Port Auditor is required by law to sign and certify all checks, wire transfer, EFT’s, and similar financial institution transactions. The Commission authorizes the Port Auditor to certify and sign all checks, wire transfers, EFT’s and similar financial institution transactions necessary to properly manage the Port’s operations and finances provided that a warrant register is provided to the Commission to sign and ratify at the next regular meeting. Furthermore, the Port Auditor needs to ensure that proper internal controls are in place to prevent fraud and waste in accordance with guidance provided by the Washington State Auditor’s Office (SAO).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	TRAVEL AND VEHICLE	Part 10.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 14.0

TRAVEL

The CEO is authorized to approve, without prior authorization of the Commission, travel by employees and/or other authorized representatives of the Port for the purpose of valid Port travel that is within the approved budget. The CEO will develop procedures to ensure compliance with the laws and regulations (*see* RCW 42.24.080-160 and RCW 53.08.175-176).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PORT HOLIDAYS, PAID TIME OFF, LEAVE, AND BENEFITS,	Part 11.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 15.0, Part 16.0, and Part 17.0

PORT HOLIDAYS, PAID TIME OFF, LEAVE AND BENEFITS

The CEO is authorized to establish and manage employees' holidays, paid time off ("PTO"), leave, and benefits as deemed necessary to hire and retain Port staff and in accordance with applicable laws. The CEO will develop procedures to properly document employee holidays, PTO, leave, and benefits.

The Commission intends that it's adoption of this Resolution delegating to the CEO authority to establish such benefits for employees, including holiday pay, vacations or vacation pay, retirement and pension benefits, medical, surgical or hospital care, life, accident, or health disability insurance, and similar benefits ("Benefits") satisfies the requirement of RCW 53.08.170 that such Benefits be established as the Port Commissioner shall by resolution provide.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	STANDARDS OF CONDUCT	Part 12.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 18.0

1.0 STANDARDS OF CONDUCT

All employees should act professionally and in the best interests of the Port at all times. Violations of the Port's standards of conduct are unacceptable and may result in discipline, up to and including immediate termination. The CEO will develop standards of conduct for the Executive and Port staff. The standards of conduct will set forth that, at a minimum, the following types of conduct that are not acceptable:

- 1.1** Abusive language or unprofessional conduct toward another person
- 1.2** Covert recording
- 1.3** Falsifying or inaccurately completing records, including employment applications or time sheets
- 1.4** Harassment or discrimination of any nature
- 1.5** Inappropriate dress or poor grooming
- 1.6** Insubordination or failure to carry out instructions
- 1.7** Misusing, destroying, or purposely damaging Port property or property of an employee
- 1.8** Performance that does not meet Port requirements
- 1.9** Tardiness or absenteeism
- 1.10** Theft of Port property or property of an employee or tenant
- 1.11** Unauthorized use or release of confidential information
- 1.12** Unprofessional conduct
- 1.13** Using work time for personal activities
- 1.14** Using, possessing, manufacturing, distributing, being under the influence of any controlled substance, alcohol or cannabis, or smelling of alcohol, cannabis, or controlled substance, while engaging in Port business, or during working hours or while on Port premises.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	DRUG, ALCOHOL, AND VIOLENCE FREE WORKPLACE	Part 13.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 19.0

1.0 VIOLENCE FREE WORKPLACE

The Port and its employees share responsibility for the provision of a safe and secure work environment for all employees. In order to ensure workplace safety and provide for each employee's dignity, the CEO will establish a policy of zero tolerance for violence and take appropriate action, up to and including, immediate termination, against anyone who engages in threatening or violent behavior.

2.0 DRUG AND ALCOHOL FREE WORKPLACE

The Port maintains a drug and alcohol-free workplace. The possession, manufacture, distribution, dispensation, use or trafficking of alcohol, cannabis or controlled substances or smelling of alcohol, cannabis or controlled substance in the workplace, while on Port premises, while engaging in Port business, or during working hours, poses unacceptable risks to the safe, secure, and efficient operation of the Port and are strictly prohibited. The CEO will establish a policy of zero tolerance with employees violating the policy and take appropriate action, up to and including, immediate termination. Port-sponsored events and promotional hosting events may allow for limited amount of alcohol to be served as may be authorized by the CEO (see Promotional Hosting, Part 18.0, below).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	WHISTLEBLOWER ACT	Part 14.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 20.0

WHISTLEBLOWER ACT

The Port strives to conduct its business in an open and law-abiding manner. Accordingly, employees are encouraged to bring to the attention of the Port (or other appropriate governmental official) any improper actions of Port officials and employees. The Port will not retaliate against any employee who makes a complaint of improper actions in good faith and in accordance with the procedures established by the CEO. The CEO will establish a procedure that is in compliance with the State’s Local Government Whistleblower Protection Act, RCW 42.41.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	DISCIPLINE	Part 15.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 21.0

DISCIPLINE

The Commission authorizes the CEO to develop discipline procedures that are consistently applied to all staff and that meet all applicable laws and regulations.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	RECOGNITION, AWARDS, AND TEAM BUILDING POLICY	Part 16.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 22.0 and Part 23

RECOGNITION, AWARDS, AND TEAM BUILDING POLICY

The CEO is authorized to develop a flower, gift basket, gift card, employee awards, and team building procedure for employees, commissioners, or others with a connection to the Port, such as tenants, provided that flowers, gift basket or gift card will be presented only under special circumstances (e.g. awards, team building events, funerals, birthdays, etc.).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	WORKING MEALS	Part 17.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 24.0

WORKING MEALS

On occasion it is necessary for the Port to provide working meals when staff or Commissioners are requested or required to work through meal periods. The CEO will develop procedures on how to carry out working meals for valid Port purposes on a reasonable and occasional basis.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PROMOTIONAL HOSTING	Part 18.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 25.0

1.0 PROMOTIONAL HOSTING

The Office of the Washington State Auditor, Division of Municipal Corporations, with the assistance of the Office of the Attorney General, produced “Bulletin No. 404” regarding promotional hosting guidelines for the expenditure of public funds under Article VIII, Section 8 of the Washington Constitution, RCW 53.36.120 through .150, and Account No. 8081 of the prescribed Uniform Systems of Accounts for Port Districts of the State of Washington.

Under these authorities, the Port Commission adopts this Policy to govern all Port-sponsored promotional hosting. In construing this Policy, reference must be made to Bulletin No. 404, attached and incorporated as terms of this Policy, and as may be amended.

The CEO is authorized to develop procedures for the Port’s promotional hosting expenditures. The promotional hosting procedures should include the minimum procedures:

- 2.1 “Promotional hosting” means furnishing customary meals, refreshments, lodging, and transportation, or any combination of these items, in connection with business meetings, social gatherings, and ceremonies honoring persons or events relating to the authorized business promotional activities of a Washington port district. Promotional hosting may also include, without limitation, reasonable, customary and incidental entertainment and souvenirs of nominal value incidental to such events.
- 2.2 The CEO must include within the approved budget an amount for promotional hosting, which is currently limited under RCW 53.36.130, as may be amended, to expenditures from the Port’s gross operating revenues and by other specific amounts. In instances where Port expenditure restrictions conflict with RCW 53.36.130, state law controls.
- 2.3 CEO may use promotional hosting funds to promote industrial development or trade within the Port. Expenditures of promotional hosting funds must be limited to supporting Port officials or employees in seeking opportunities to:
 - Market to individuals or organizations the use, continued use or increased use of Port services, facilities or properties.

- Persuade individuals or organizations to donate, supply or sell to the Port (on the best available terms) properties, facilities, services or information needed by the Port to achieve a betterment or improvement of the Port's existing operations, facilities or services.
- Persuade individuals or organizations to purchase, lease, or contract from or with the Port on terms most favorable to the Port in order that the Port may enter into transactions for the development, improvement or use of its properties and facilities in a manner most suitable to serve the Port's best interests.
- Persuade individuals or organizations to assist the Port in fostering the increased use of its services and facilities by improving transportation schedules, adding to existing transportation, services and facilities, adjusting rates, improving navigation or generally increasing and improving the scope and efficiency of Port operations so as to contribute to the growth of the Port's business.
- Beneficiaries of promotional hosting funds must be reasonably capable of influencing or controlling decisions with respect to the subject matters listed above, and each expenditure amount must be reasonable and appropriate in relation to the specific purpose of each incident of promotional hosting.

2.4 Reimbursements for promotional hosting expenditures must, to the extent feasible, be supported with appropriate receipts; detail the name and the business relationship of each person hosted; and, in general terms, identify the purpose of the expenditure. All payments and reimbursements must be identified and supported on vouchers supplied by the Port.

2.5 Reimbursement vouchers by Port Commissioners for promotional hosting expenditures will be paid only if specifically approved by the Port Commission as part of the Port budget and pursuant to processes approved by the Port Auditor pursuant to ~~See~~ RCW 53.36.12040.

2.6 Without limitation, promotional hosting funds may not be used, and reimbursements will not be authorized, for the following activities or purposes:

- To influence the passage or defeat of any legislation by the legislature of the State of Washington, or the adoption or rejection of any rule, standard, rate or other legislative enactment of any agency of the State of Washington.
- For purposes not reasonably related in nature and amount to acquiring additional business or otherwise increasing and improving the scope and efficiency of the Port operations
- For the promotion of transactions prohibited under the conflict of interest statute, Chapter 42.23 RCW.
- For promotion of a benefit for the Port from an individual or an organization

that is already legally, contractually or otherwise obligated to furnish that benefit to the Port.

- 2.7** Promotional hosting expenses will be approved by the Port auditor as required by RCW53.36.140.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	FRAUD PREVENTION AND ETHICS	Part 19.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 26.0

FRAUD PREVENTION AND ETHICS

The Port defines the term “Fraud” as any wrongful or criminal deception intended to result in financial or personal gain. The Port of Kennewick has zero tolerance for fraud or any illegal activity.

The Port is committed to having a work atmosphere of fraud awareness, where its employees, which includes interns and volunteers, understand the indications of potential fraudulent or illegal activity and are supported when carrying out their responsibility to immediately report such activity.

The Port CEO will develop a procedure and facilitate timely notification of and take immediate action on any known or reported suspected loss of Port funds or assets, fraud or any illegal activity.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PROGRAMS AND PROCEDURES	Part 20.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 27.0 and Part 28.0

PROGRAMS AND PROCEDURES

The CEO is authorized to adopt any administrative programs and procedures necessary for the efficient operation of the Port.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	MISCELLANEOUS	Part 21.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 13 and Part 29.0

1.0 ELECTIONS AND VOTING

The CEO is authorized to vote in all elections on behalf of the Port, where votes are tabulated based upon acreage owned.

2.0 TRADE DEVELOPMENT PROGRAMS

Consistent with the authorized budget and applicable law, the CEO may develop and carry out programs of trade development (which may include tourism and tourism promotion), advertising (including the use of advertising firms), and promotion of the Port, including its properties, facilities, and services. Trade development programs must be reviewed periodically by the Commission.

3.0 ISSUANCE OF TARIFFS

The CEO may issue tariff agreements, tariffs and tariff amendments as necessary.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT POLICY	Part 22.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 30.0

AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT

It is the policy of the Port to provide equal opportunity to the users of all Port services and facilities, all contracting entities, Port employees and applicants for employment, and to assure that there be absolutely no discrimination against any person based on any status protected by federal, state or local law including but not limited to race, creed, color, national origin, sex, sexual orientation, marital status, age, honorably discharged veteran or military status, or the presence of any sensory, mental or physical handicap or the use of a trained dog guide or service animal by a person with a disability unless, in the instance of employees and applicants for employment, based upon a bona fide occupational qualification. The CEO will develop and carry out procedures in accordance with applicable laws and regulations.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	FIXED ASSETS	Part 23.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 32.0

FIXED ASSETS

The CEO has authority to set the Port's fixed asset capitalization and inventory requirements pursuant to generally accepted accounting principles.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	RECORDS OFFICER	Part 24.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 33.0

1.0 RECORDS OFFICER

In accordance with RCW [42.56.580\(3\)](#) ~~40.14.040-070~~ the Port Commission appoints a Records Officer. The CEO will make a recommendation to the Port Commission for the person to be appointed to act in the capacity of Records Manager. The Records Manager will be selected during a public meeting and the Port's website will reflect the current Records Manager appointment by the Commission.

2.0 RECORDS COMMITTEE

The CEO will develop a records committee.

3.0 PROCEDURES

The CEO has authority to establish records procedures in accordance with applicable laws and regulations, including but not limited to RCW 42.56.040, and the Public Records Act—Model Rules at Chapter 44-14, Washington Administrative Code (“WAC”).

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	PORT AUDITOR AND ATTORNEY	Part 25.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	

1.0 PORT AUDITOR

Cross reference Port Commission Rules of Policy and Procedure.

2.0 PORT ATTORNEY

Cross reference Port Commission Rules of Policy and Procedure.

	PORT OF KENNEWICK	
	Chief Executive Officer Delegation of Authority	
	BUDGET, FINANCIAL, & OPERATIONAL PHILOSOPHY	Part 26.0
	Adopted by the Commission on December 8, 2015 Resolution 2015-29	Cross Reference CEO's Procedures for Staff Part 36.0

BUDGET, FINANCIAL & OPERATIONAL PHILOSOPHY

Cross reference Port Commission Rules of Policy and Procedure.



AGENDA REPORT

TO: Port Commission

FROM: Amber Hanchette; Director Real Estate & Operations

MEETING DATE: December 13, 2022

AGENDA ITEM: Resolution 2022-45; Contract Award Columbia Gardens Signage

I. REFERENCE(S):
Resolution #2022-45

II. DISCUSSION:

On November 10, 2022, five contractors from the port's small works roster were invited to bid on construction of a monument sign and interior wayfinding signs for the Columbia Gardens Wine and Artisan Village and the Willows. Site plan – Exhibit A.

Of the five contractors invited, two bids were received with the low bid award to Poland and Sons at \$307,875.00 plus WSST.

This project has a projected completion date of spring 2023.

III. ACTION REQUESTED OF COMMISSION:

Motion: I move approval of Resolution 2022-45 approving a contract with Ray Poland and Sons Inc. for construction of signage in Columbia Gardens and the Willows and further authorize the Chief Executive Officer to execute all documents and agreements; and that all action by port officers and employees in furtherance hereof is ratified and approved.

PORT OF KENNEWICK
Resolution No. 2022-45

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF
KENNEWICK ACCEPTING AND AWARDING A CONSTRUCTION CONTRACT FOR A
MONUMENT AND WAYFINDING SIGNAGE IN THE COLUMBIA GARDENS WINE &
ARTISAN VILLAGE AND WILLOWS**

WHEREAS, a request for bids to construct a monument sign and interior wayfinding signs in the Columbia Gardens Wine & Artisan Village on Columbia Drive and along the trail in the Willows was properly advertised with approved plans and specifications being made available to five (5) contractors on the Port's small works roster; and

WHEREAS, the staff and the project architect have certified that the low bidder for the project is Ray Poland and Sons Inc. in the amount of \$307,875.00, plus applicable tax;

NOW THEREFORE, BE IT RESOLVED that the Port of Kennewick Commission does hereby accept the bid from Ray Poland and Sons Inc. for the construction and installation of a monument sign and interior wayfinding signs in the Columbia Gardens Wine & Artisan Village and the Willows as the low bidder in the amount of \$307,875.00, plus applicable tax, and hereby awards the construction contract to said low bidder.

BE IT HEREBY FURTHER RESOLVED that the Chief Executive Officer (CEO) is authorized to enter into a contract between the Port of Kennewick and Ray Poland and Sons Inc. for \$307,875.00 plus applicable tax for the construction and installation of a monument sign and interior wayfinding signs in the Columbia Gardens Wine & Artisan Village and the Willows and that the CEO is further authorized to proceed with all necessary procedures required to complete construction of the project.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 13th day of December, 2022.

PORT of KENNEWICK
BOARD of COMMISSIONERS

By: _____

SKIP NOVAKOVICH, President

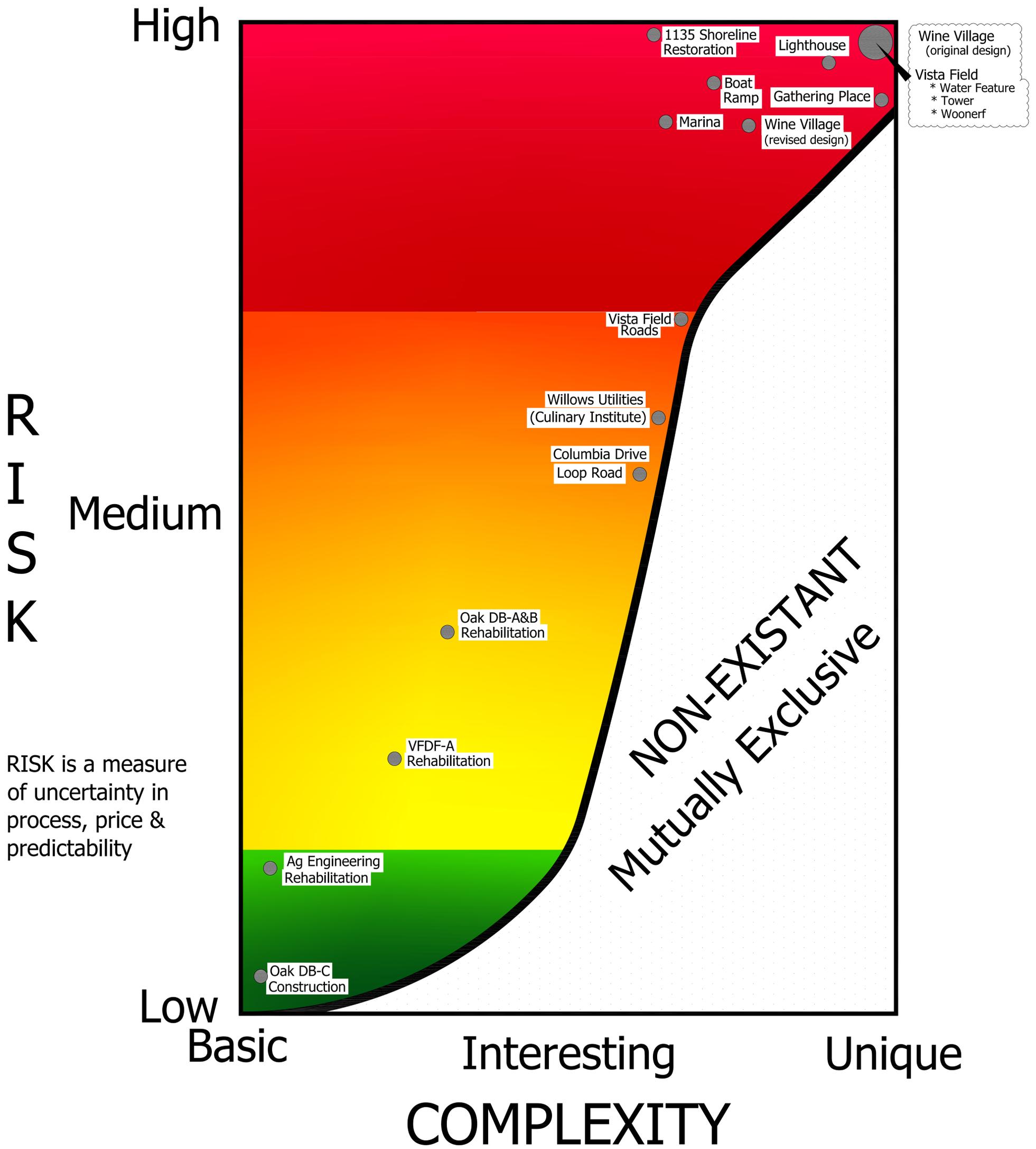
By: _____

KENNETH HOHENBERG, Vice President

By: _____

THOMAS MOAK, Secretary

PORT of KENNEWICK Risk Tolerance



RISK is a measure of uncertainty in process, price & predictability

BASIC = Standard Design & Material; Numerous similar/identical projects recently completed in the Tri-Cities

UNIQUE = 1 of 1 ; Design and/or Construction methods infrequently/never seen/used in the Tri-Cities.