



# PORT OF KENNEWICK REGULAR COMMISSION MEETING

OCTOBER 11, 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

Commissioner Hohenberg led the Pledge of Allegiance.

## APPROVAL OF THE AGENDA

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

## PUBLIC COMMENT

No comments were made.

Mr. Arntzen requested approval to add the Tri-Cities Hispanic Chamber of Commerce Community Ally of the Year Award Presentation to the Agenda. Mr. Arntzen inquired if the item could be placed under New Business.

Commissioner Novakovich inquired if the Commission had any objections to adding Community Ally of the Year Award Presentation to the Agenda as Item 7A.

The Commission had no objections and the Agenda was modified as requested.

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## CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated October 4, 2022**  
Direct Deposit and E-Payments totaling \$88,935.45
- B. Approval of Warrant Register Dated October 11, 2022**  
Expense Fund Voucher Number 104185 through 104213 for a grand total of \$88,482.12
- C. Approval of Regular Commission Meeting Minutes September 27, 2022**
- D. Bartholomew Winery Lease Renewal; Resolution 2022-29**

**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.*

## NEW BUSINESS

### **A. Latino Community Ally of the Year Award**

Mr. Arntzen stated this item came to us last minute, and after reviewing, while it is an award for an individual, it reflects on the entire Port as an institution.

Ms. Bader Inglima stated the Tri-Cities Hispanic Chamber of Commerce held their annual awards dinner this past weekend and the Community Ally of the Year Award honors someone who has made a positive impact on the Latino community. Ms. Bader Inglima reported that Commissioner Novakovich was honored to receive the award for his ongoing support and contributions to the Latino community (Exhibit A).

Mr. Arntzen offered congratulations to Commissioner Novakovich from the Port team.

Commissioner Novakovich stated the award was completely unexpected and it is an award that belongs to the team at the Port of Kennewick, and all of the projects we have accomplished over the years to be inclusive of our community.

### **B. Oak Street Purchase and Sale Agreement; Resolution 2022-28**

Ms. Hanchette presented the purchase and sale agreement from Jr's Ironworks for the property located at 192705 East 3<sup>rd</sup> Avenue for \$150,000. Ms. Hanchette stated the property will be sold "as is" and without a buy back clause.

**MOTION:** *Commissioner Hohenberg moved to approve Resolution 2022-28, approving a purchase and sale agreement with Jr's Ironworks Inc. for surplus port property located at 192705 East 3rd Avenue for \$150,000 and further move that all action by Port officers and employees in furtherance hereof is ratified and approved; and further that the Port Chief Executive Officer is authorized to take all action and to execute necessary documents; Commissioner Moak seconded.*

## PUBLIC COMMENT

No comments were made.

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## ***Discussion:***

*Commissioner Hohenberg thanked staff for working with Jr's Ironworks and stated this blighted property has an opportunity to be repurposed and get onto the tax rolls. Commissioner Hohenberg is a big supporter of small business and small business owners, and he believes this is a win win for everyone involved, especially our constituents in the Port of Kennewick. This is great work by staff and Commissioner Hohenberg supports this sale.*

***With no further discussion, motion carried unanimously. All in favor 3:0.***

## **PRESENTATION**

### ***A. Vista Field Aviation History Report***

Ms. Bader Inglima stated one of the Port's upcoming capital projects involves a renovation of the hangars at Vista Field, and one aspect of that project is to incorporate the former World War II decking into the plaza area between the hangars. Ms. Bader Inglima asked Mark Showalter, who is both a pilot and aviation history enthusiast, to assist the Port with some research that the Port could use to incorporate into that space.

Mr. Showalter presented the history of aviation at Vista Field (*Exhibit B*).

### ***B. Port Team Longevity***

Ms. Bader Inglima stated in today's work climate, there are more jobs open than people to fill them, or people hop from job to job to job, or people are quietly quitting. Even in the Port industry, the average length for an executive or CEO is approximately five years. Ms. Bader Inglima reported that of the 13 people employed with the Port, nine have been with the Port more than 10 years; with four employees having been with the Port over 15 years. Ms. Bader Inglima outlined some of the tasks that the team performs on an on-going basis. Ms. Bader Inglima thinks it is a testament to Mr. Arntzen's leadership and management style and that he has assembled a team that works well together.

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

### ***A. Vista Field Update***

Ms. Hanchette briefed the Commission on the recent Vista Field site tour with Windemere One and the Vista Field presentation to the Home Builders Association. Ms. Hanchette stated each event was well attended.

### ***B. Seabrook Update***

Commissioner Hohenberg had the opportunity to visit Seabrook, Washington with Mr. Arntzen and presented photos from the New Urbanism development (*Exhibit C*).

### ***C. Commission Compensation***

Mr. Arntzen stated with inflation at 8-10%, he will be giving cost of living adjustments for Port employees and would like to true them up commensurate to what is happening in the open market. Mr. Arntzen stated the Port Commission receives a fixed 4% cost of living adjustment and believes

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this would be a good time to address the Commission's compensation as well. Mr. Arntzen will work with Mr. Kooiker and Ms. Lake and bring back something for Commission consideration.

Commissioner Moak believes it is important to work with Port Counsel because there is a concern about Commissioners raising their own pay during their term of office.

Commissioner Hohenberg is not opposed to this and stated if there was a cost-of-living adjustment it would not impact the current Commission, it would affect a newly elected or re-elected Commissioner.

Mr. Arntzen stated should this current Commission approve of a salary adjustment, it would not apply to the current Commission, as Commissioner Hohenberg stated, it would be for the next Commission.

## ***D. Commissioner Meetings (formal and informal meetings with groups or individuals)***

Commissioners reported on their respective committee meetings.

## ***E. Non-Scheduled Items***

Ms. Bader Inglima stated the Washington Public Ports Association sent out a call of nominations for Port of the Year. Ms. Bader Inglima will be submitting a nomination for the Port to be recognized as Port of the Year for the Vista Field redevelopment project.

Ms. Hanchette updated the Commission the following maintenance projects:

- The Vista Field stream is down for maintenance, as the electrical vault flooded with water and the Port is in the process of getting estimates;
- Clover Island Inn posted a private parking sign in the road for that end of the Island. The Port is supportive and understands what they are trying to accomplish and will be adding additional lighting to the parking lot;
- A section of the Cedars Dock piling has failed, and the Port team has removed two sections of the dock. The Port is working with an environmental consultant on the permit process for the in-water work. Ms. Hanchette is hoping to get the work completed in that time frame but does not know if the permits will be issued in time.
- The Catch the Wind artwork is out for a refresh and will be getting a new powder coating.

Mr. Arntzen stated in the upcoming budget there is proposed funding to look at the possibility of putting up a stage at Clover Island Inn, which would be open to the public. Staff worked with Chris Ritter, who drew up stage concepts using shipping containers. Mr. Arntzen has a conference call with the architects and engineers who created the container village on Fremont Street in Las Vegas.

Commissioner Novakovich commended Mr. Arntzen for his perseverance on the stage. We have discussed this item for many years and if the Port can build a stage, it will give the hotel group the opportunity to use great stage for their concert series and bring more people to the Island. Commissioner Novakovich believes it is a worthwhile project.



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Commissioner Hohenberg thanked Mr. Showalter for his presentation and thanked staff for their continued great work, thanked his fellow Commissioners, and believes this is the best Commission Meeting he has attended.

## 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 3:18 p.m.

### ***APPROVED:***

### PORT of KENNEWICK BOARD of COMMISSIONERS

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*Skip Novakovich*

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*Skip Novakovich, President*

DocuSigned by:

*Kenneth Hohenberg*

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*Kenneth Hohenberg, Vice President*

DocuSigned by:

**Thomas Moak**

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*Thomas Moak, Secretary*

***PORT OF KENNEWICK***

**RESOLUTION No. 2022-28**

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF  
KENNEWICK AUTHORIZING A PURCHASE AND SALE AGREEMENT WITH  
JR'S IRONWORKS INC***

***WHEREAS***, Jr's Ironworks Inc (Purchaser), has offered to purchase approximately 1.54 acres graphically depicted on "Exhibit A" as 192705 E. 3<sup>rd</sup> Ave at the Port of Kennewick's Oak Street Industrial Park in Kennewick, Washington from the Port of Kennewick (Seller) for \$150,000.00; and

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

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

***NOW, THEREFORE; BE IT HEREBY RESOLVED*** that the Board of Commissioners of the Port of Kennewick hereby authorizes the Port's Chief Executive Officer to execute a Purchase and Sale Agreement with Jr's Ironworks Inc and hereby authorizes the Port's Chief Executive Officer to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

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

***ADOPTED*** by the Board of Commissioners of the Port of Kennewick on the 11th day of October, 2022.

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




By:  **SKIP NOVAKOVICH**, President  
By:  **KENNETH HOHENBERG**, Vice President  
By:  **THOMAS MOAK**, Secretary

EXHIBIT A

192705 E. 3<sup>rd</sup> Ave, Kennewick WA 99336



## COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is made and effective on this 30<sup>th</sup> day of September, 2022 (the "Effective Date"), by and between the Port of Kennewick, a Washington municipal corporation (as "Seller") and Jr's Ironworks Inc., a Washington Corporation (as "Purchaser"), who are hereinafter singularly referred to as a "Party" or collectively as the "Parties."

1. **PROPERTY.** The Seller agrees to sell, and the Purchaser agrees to purchase, upon the terms and conditions herein specified, that certain real property described as 192705 E. 3<sup>rd</sup> Ave, Kennewick, Benton County, Washington, as shown on **Exhibit "A"** attached hereto (the "Property").

**Tax Parcel No.: 1-0580-301-0158-001**

2. **PURCHASE PRICE and EARNEST MONEY.**

**2.1 Purchase Price.** The Purchase Price, inclusive of any applicable earnest money deposits, shall be paid in cash (U.S. Dollars) at Closing shall be \$150,000.00, plus or minus adjustments and credits as provided herein.

**2.2 Earnest Money.** Receipt is hereby acknowledged of \$7,500.00 delivered as earnest money. Earnest money shall be applied to the Purchase Price at Closing. Earnest money and this Agreement shall be promptly delivered by Seller to the Closing Agent (as defined in Section 7.1 below) hereinafter designated for the benefit of the Parties. Earnest money shall be non-refundable at the end of the feasibility period, as provided in Section 4.1.2 below, unless otherwise specifically provided herein.

3. **TITLE INSURANCE.** The Seller shall provide Purchaser with a standard form owner's policy of title insurance in the amount of the purchase price. The title policy to be issued shall contain no exceptions other than those provided in said standard form plus encumbrances or defects approved by Purchaser as provided below. As soon as reasonably possible after escrow is opened Purchaser shall be furnished with a preliminary commitment therefore issued by **Benton Franklin Title Company**. Said preliminary commitment shall include legible copies of all documents forming the basis for any special exception set forth.

4. **CONTINGENCIES.**

**4.1 Purchaser's Contingencies.** Purchaser's obligation to purchase the Property shall be contingent upon the following:

**4.1.2 Feasibility Determination and Environmental Due Diligence.** For a period of sixty (60) days from the Effective Date of this Agreement,

Purchaser may engage consultants or engineers of the Purchaser's choosing to conduct surveys, site studies and tests of the Property as the Purchaser deems necessary. The Purchaser or its agents shall have the right to enter the Property at reasonable times to make such tests, inspections, studies and other investigations as the Purchaser may require, at the Purchaser's expense and risk. During its investigation of the Property, Purchaser shall also have the right to determine if the Property is suitable for Purchaser's contemplated use, that it is properly zoned and that development is feasible. Purchaser and its agents shall have full access to the Property for the purpose of conducting Purchaser's inspections and evaluation. Purchaser's feasibility study shall include environmental due diligence. The Purchaser shall defend, indemnify and hold the Seller harmless from any loss, damage or claim arising out of the Purchaser's access to the Property for purposes of making tests, inspections, studies and other investigations. This contingency shall be deemed waived or satisfied unless Purchaser provides written notice to the contrary within said sixty (60) days, in which case this Agreement shall terminate, and earnest money shall be refunded. If this transaction fails to close due to a default by Purchaser, Purchaser shall immediately deliver to Seller copies of any studies or inspections, appraisals or surveys and any and all information which either the Purchaser or Purchaser's consultants have obtained in connection with the feasibility study.

**4.1.3 Survey.** A survey has been conducted on the Property and a copy has been provided to the Purchaser. This contingency shall be deemed waived or satisfied unless Purchaser provides written notice to the contrary within ten (10) business days from the Effective Date of this Agreement.

**4.1.4 Environmental Site Assessment.** If an environmental assessment is performed by Seller, then Seller will provide copies of the assessment to Purchaser within five (5) business days of receipt of the assessment. If no environmental assessment is performed by Seller, Purchaser, at its sole expense, may incur cost and services to have said assessment performed on the property. A copy of the report obtained by the Purchaser shall be provided to Seller within (5) days of receipt.

**5. CONDITION OF PROPERTY/"AS IS" SALE.** Except as otherwise expressly set forth in this Agreement, Seller makes no representations or warranties and shall not in any way be liable for any representations or warranties, including, without limitation, representations and warranties concerning (a) the physical condition of the Property (including, without limitation, the environmental condition, condition of the soils and groundwater conditions); (b) the Property's suitability for Purchaser's intended use; (c) any applicable building, zoning or fire laws or regulations or compliance therewith or any required permits of any governmental entities or agencies or compliance therewith; (d) the availability or existence of any water, sewer or other utilities (public or private). Purchaser acknowledges that Purchaser is relying on its own examination and inspection of the physical condition of the Property and all matters relating thereto. Seller shall have

no obligation to make any repairs to the Property, and Purchaser shall accept the Property in its "as is" condition at closing. Purchaser shall assume, as of closing, the responsibility for and risk of all defects and conditions of the Property, including any defects and conditions that cannot be observed by casual inspection. The Parties specifically agree that at closing the Purchaser assumes all environmental liability relating to the Property including without limitation the Washington Model Toxics Control Act ("MTCA"), the Toxic Substances Control Act, the Comprehensive Environmental Response, compensation and Liability Act ("CERCLA"), and the Resource Conservation and Recovery Act ("RCRA"), including without limitation, personal injury to or death of persons whosoever including employees, agents or contractors of the Seller, the Purchaser, or any third party, and damage to property of the Seller, the Purchaser, or any third party.

6. **RISK OF LOSS.** Risk of loss or damage to the Property or any part thereof prior to closing shall be assumed by the Seller. If such loss or damage occurs prior to closing this Agreement shall terminate and the earnest money shall be returned to the Purchaser.

7. **CLOSING.**

7.1 **Closing Agent.** This transaction shall be closed by Benton Franklin Title Company ("Closing Agent").

7.2 **Closing Costs.** Closing costs shall be allocated as follows:

<b>Seller</b>	<b>Purchaser</b>
Excise Tax	Recording Fees
Title Insurance Premium	One-Half Closing Fee Costs
One-Half Closing Fee Costs	

Other incidental closing costs shall be paid and/or allocated in accordance with local practice.

7.3 **Items to be Prorated.** Taxes and assessments for the current year. If applicable, water and other utilities constituting liens, shall be prorated as of date of closing.

7.4 **Closing Date - Possession.** This transaction shall be closed when all contingencies have been satisfied and waived but in any event no later than **ninety (90) days** from Effective Date of this Agreement. "Closing" shall be the date on which all documents are recorded and funds are available for disbursement.

7.5 **Conveyance.** At Closing Seller shall deliver to Purchaser a Statutory Warranty Deed and free of any other encumbrance or defect except those set forth in the preliminary commitment as set forth above.

7.6 **Assignment.** Neither this Agreement nor the rights hereunder shall be assigned without the prior written consent of Seller, which consent shall not be unreasonably withheld.

7.7 **Additional Instruments and Documentation.** Seller and Purchaser shall each deposit any other instruments and documents that are reasonably required by the

Closing Agent or required to close and consummate the purchase and sale of the Property in accordance with this Agreement.

- 7.8 **Foreign Investment in Real Property Tax Act.** To the extent applicable, the Parties agree to comply in all respects with Section 1445 of the Internal Revenue Code and the regulations issued thereunder.
8. **No Assignment or Encumbrances.** Purchaser shall not assign, encumber or transfer any right or interest in the Property during the first twenty-four (24) months after the commencement of construction, as defined in Section 8.1.2 above, without the Seller's written approval, which approval shall not be unreasonably withheld.
9. **Hold Harmless.** Further and in consideration of the terms hereof, in the event the Seller repurchases the Property, Purchaser shall release and hold Seller harmless and shall indemnify and defend Seller from any and all claims, demands, liens, or encumbrances arising out of or connected with this Agreement and the Property.
10. **Notices.** All notices required by this Agreement shall be considered properly delivered when (1) personally delivered, (2) transmitted by email showing date and time of transmittal, (3) delivered by regular overnight courier, or (4) delivered or mailed by U.S. registered or certified mail, return receipt requested, and if mailed, shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a Party shall from time to time direct:

**Purchaser:**                      Jr's Ironworks Inc  
  **A Washington Limited Liability Company**  
  **c/o Adan Landin De La Mora, Angel Landin De La Mora &**  
  **Jr Landin De La Mora**  
  **27205 S. 1942 PR SE**  
  **Kennewick, WA 99337**  
  Phone No.: (509) 412-0762 (Angel)  
  Email:            lizabella1182@gmail.com

**Seller:**                              **Port of Kennewick**  
  **350 Clover Island Drive, Suite 200**  
  **Kennewick, Washington 99336**  
  Attn: Tim Arntzen, Chief Executive Officer  
  Phone No.: (509) 586-1186  
  Email: amber@portofkennewick.org

**With copy to:**                      **Witherspoon Brajcich McPhee**  
  **601 W. Main Ave, Suite 1400**  
  **Spokane, WA 99201**  
  Attn: Taud Hume, Port Counsel  
  Phone No.: (509) 455-9077  
  Email: thume@workwith.com



## 11. MISCELLANEOUS.

- 11.1 Confidentiality.** Both Parties agree that this transaction shall remain completely confidential and shall not be disclosed to any other third party without the express written consent of the Purchaser and/or Seller, except as may be required by law. Purchaser acknowledges that Seller is subject to Washington State's Public Records Act.
- 11.2 Default and Remedies.** If either Party defaults under this Agreement, the non-defaulting Party may seek (i) specific performance of this Agreement, or (ii) the termination of this Agreement and retention of the deposited Earnest Money, if any.
- 11.3 Dispute Resolution and Attorney's Fees.** In the event of any claim or dispute arising under this Agreement, the Parties agree to submit the same to binding arbitration at a location to be mutually agreed upon in Benton County, Washington. In the event the Parties are unable to promptly agree upon an arbitrator, the same shall be selected by the presiding judge for the Benton County Superior Court at the request of, and upon seven (7) days' notice from, any Party. The arbitrator so appointed shall be a retired superior-court judge or an attorney having at least ten years' experience in matters similar to the subject of the claim or dispute. The court may establish the ground rules by which the initial arbitrator fees are to be paid. The mandatory arbitration rules, as implemented in Benton County Superior Court, shall be binding as to procedure. The arbitrator shall determine an award of reasonable attorney's fees and costs and expenses to the substantially prevailing Party. If any suit or other proceeding is instituted by either Party that is alleged not to come within the foregoing agreement for arbitration, the substantially prevailing Party as determined by the court or in the proceeding shall be entitled to recover its reasonable attorney's fees and all costs and expenses incurred.
- 11.4 Time is of the Essence.** Time is of the essence of this Agreement.
- 11.5 Calculation of Time Periods.** Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., Pacific [Daylight] Time.
- 11.6 Governing Law and Venue.** This Agreement shall be governed by and construed according to the laws of the State of Washington. Venue for any dispute arising out of or related to this Agreement shall be exclusively in Benton County, Washington.
- 11.7 Authority to Execute Agreement.** Each of the undersigned represents and warrants that, if not signing on his own behalf, he has the authority to bind the entity for which he/she is executing this Agreement.



- 11.8 Entire Agreement.** There are no verbal or other agreements which modify or affect this Agreement, and Purchaser and Seller acknowledge that this Agreement constitutes the full and complete understanding between Purchaser and Seller.
- 11.9 Amendments.** This Real Estate Purchase and Sale Agreement may be amended or modified only by a written instrument executed by Seller and Purchaser.
- 11.10 Broker Compensation.** Except as specifically disclosed herein, neither Party has had any contact or dealings regarding said property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cause of the purchase and sale contemplating this Agreement. If any broker or finder perfects a claim for a commission or finder's fee based upon any other contract, dealings or communication, the Party through whom the broker or finder makes his or her claim will be responsible for that commission or fee and shall indemnify, defend and hold harmless the other Party from and against any liability, cost or damages, including attorney's fees and costs, arising out of that claim.
- 11.11 Obligations to Survive Closing.** The obligations contained herein shall survive closing.
- 11.12 Termination.** Unless otherwise agreed between the Parties, this Agreement shall terminate unless signed by Purchaser and returned to Seller before 5:00 p.m. the 3<sup>rd</sup> business day following the Port of Kennewick's next scheduled Commission meeting.
- 11.13 Force Majeure.** Except as otherwise specifically provided in this Agreement, in the event either Party is delayed or prevented from performing any of its respective obligations under this Agreement by reason of acts of God, governmental order or requirement, epidemic, pandemic, fire, floods, strikes, cyber attack, or due to any other cause beyond the reasonable control of such Party, then the time period for performance such obligations shall be extended for the period of such delay.
- 11.14 Exhibits.** The following exhibits are attached hereto and made a part of this Agreement by reference:
- Exhibit A      Legal Description and Survey (Purchase Parcel)

*[Remainder of page left intentionally blank. Signature and notary pages follow.]*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first written above.

**SELLER:**

**Port of Kennewick**  
A Washington Municipal Corporation  
By Authority of its Board of Commissioners

By: \_\_\_\_\_  
Tim Arntzen, Chief Executive  
Officer

Approved:

Approved as to form:

\_\_\_\_\_  
Nick Kooiker, Port Auditor/CFO

\_\_\_\_\_  
Taud Hume, Port Counsel

**PURCHASER:**

**Jr's Ironworks Inc.**

By: Adan Landin De La Mora  
Adan Landin De La Mora

Its: President

## ACKNOWLEDGEMENTS

State of Washington   )  
  )ss  
County of Benton       )

On this day personally appeared before me Tim Arntzen to me known to be the **Chief Executive Officer** of the **Port of Kennewick**, the municipal corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated he is authorized to execute the said instrument.

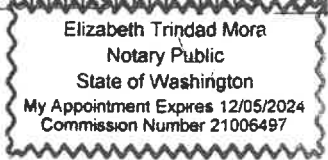
GIVEN under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Washington  
Residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

State of Washington   )  
  )ss  
County of Benton       )

On this day personally appeared before me Adan Landin De La Mora to me known to be the **President** of **Jr's Ironworks Inc.** who executed the foregoing instrument, and acknowledged said instrument, and acknowledged the said instrument to be the free and voluntary act and deed of Jr.'s Ironworks Inc for the uses and purposes therein mentioned, and on oath stated he is authorized to execute said instrument.

GIVEN under my hand and official seal this 30 day of September, 2022

Elizabeth D. Mora  
Notary Public in and for the State of Washington  
Residing at: 5005 West Margaret St. Pasco, WA 99301  
My Commission Expires: 12/05/2024  


**EXHIBIT A**  
***(Legal Description of the Property)***

***PORT OF KENNEWICK***

**RESOLUTION No. 2022-29**

***A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE PORT OF KENNEWICK TO  
APPROVE A FIVE-YEAR LEASE RENEWAL FOR  
BARTHOLOMEW WINERY***

**WHEREAS**, the Port of Kennewick entered into five year lease with Bartholomew Winery November 1, 2017 to lease building space in the Columbia Gardens Wine and Artisan Village at 421 E. Columbia Drive Building B, Kennewick and an addendum dated January 6, 2020 to add bullpen space in the Oak Street Industrial Park; and

**WHEREAS**, the tenant desires to exercise their option to renew for another five years and has agreed to a 3% annual rent escalation; and

**WHEREAS**, the tenant has requested an additional five year lease option at the expiration of this term.

**NOW, THEREFORE, BE IT RESOLVED** that the Port of Kennewick Board of Commissioners hereby approves a five-year lease renewal with an additional five-year option for Bartholomew Winery.

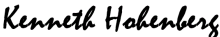
**BE IT FURTHER RESOLVED** that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.

**ADOPTED** by the Board of Commissioners of Port of Kennewick on the 11<sup>th</sup> day of October 2022.


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

By:   
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SKIP NOVAKOVICH, President

By:   
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KENNETH HOHENBERG, Vice President

By:   
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THOMAS MOAK, Secretary

## SECOND AMENDMENT OF COMMERCIAL PROPERTY LEASE AGREEMENT

This SECOND AMENDMENT OF COMMERCIAL PROPERTY LEASE AGREEMENT (this “Second Amendment”) is entered into this \_\_\_\_\_ day of September, 2022 (the “Effective Date”) by and between the PORT OF KENNEWICK, a Washington municipal corporation (as “Landlord”) and BARTHOLOMEW WINERY, INC., a Washington corporation (as “Tenant”), who are hereinafter referred to individually as a “Party” and collectively as the “Parties.”

### RECITALS

WHEREAS, the Parties previously entered into a Commercial Property Lease Agreement, dated November 1, 2017, and subsequently entered into an Amendment to Commercial Lease Agreement dated January 6, 2020, related to real property commonly known as 421 E. Columbia Drive Buidling B in Kennewick, Benton County, Washington (collectively, the “Agreement”); and

WHEREAS, Tenant desires to exercise the Lease Option under Article 3 of the Agreement to extend the Term for another five (5) years (the “First Option Period”), and further requests the ability to enter into another five (5) year term at the end of this First Option Period; and

WHEREAS, the Parties desire to amend the Agreement by memorializing a rent increase for the First Option Period, and to authorizing an additional five (5) year option (the “Second Option Period”) to be potentially available to Tenant, based upon the terms and conditions of the Agreement and this Second Amendment, at the conclusion the First Option Period; and

NOW, THEREFORE, based on the foregoing Recitals, the Parties agree as follows:

### AGREEMENT

1. Recitals. The Recitals set forth above are hereby incorporated into this Second Amendment by this reference.
2. Commercial Property Lease Agreement. The Agreement described in the Recitals above is incorporated by reference into this Second Amendment as though written in full and shall, except as otherwise specifically modified herein, remains in full force and effect.
3. Amendments. The Agreement is amended as follows.
  - 3.1 Basic Lease Provisions. The following sections of the Basic Lease Provisions are hereby deleted and replaced in their entirety as follows:

G. Lease Commencement Date: The First Lease Option period begins on November 1, 2022.

I. Lease Options: Tenant shall have one (1) additional five (5) year option to extend the lease beyond this First Option Period authorized by this Second Amendment.

## K. Base Monthly Rent Calculation for Building B:

Year 1: \$0.65 psfYear 2: \$0.66 psfYear 3: \$0.67 psfYear 4: \$0.68 psfYear 5: \$0.69 psf**OPTION EXERCISED**Year 6: \$0.71 psfYear 7: \$0.73 psfYear 8: \$0.75 psfYear 9: \$0.77 psfYear 10: \$0.79 psf

## Base Monthly Rent Calculation for Bullpen Space:

January 2020 through End of Term: \$.05 psf/month

1,000 sq. ft.

\$50.00 per month

before LET

**OPTION EXERCISED (not including LET)**Year 6: \$51.50 per monthYear 7: \$53.05 per monthYear 8: \$54.64 per monthYear 9: \$56.28 per monthYear 10: \$57.97 per month

## N. Total Monthly Rent (including LET) Building B:

Year 1:

November 2017 \$335.18

December 2017 \$335.18

January 2018 \$335.18

February 2018 \$335.18

March – Nov 2018 \$2,945.58

Year 2: \$2,990.92Year 3: \$3,3036.21Year 4: \$3,081.52Year 5: \$3,126.84**OPTION EXERCISED**Year 6: \$3,217.47Year 7: \$3,308.11Year 8: \$3,398.74Year 9: \$3,489.37

Year 10: \$3,580.01

Total Monthly Rent (includes LET) Bullpen Space:

**OPTION EXERCISED**

Year 6: \$58.11

Year 7: \$59.86

Year 8: \$61.66

Year 9: \$63.51

Year 10: \$65.41

Total Monthly Rent (includes LET) for both buildings

The Parties acknowledge that the years below do not accurately reflect the time Tenant has spent in Building A, but for purposes of ease of reference, the years reflect Lease Option years.

**OPTION EXERCISED**

Year 6: \$3,275.59 per month

Year 7: \$3,367.97 per month

Year 8: \$3,460.40 per month

Year 9: \$3,552.88 per month

Year 10: \$3,645.42 per month

- P. Rent Due Date: Rent shall commence on March 1, 2018 and be due thereafter on the first day of each month. From November 1, 2017 through February 28, 2018, Tenant shall be responsible for payment of Utilities as set forth in Article 7, and Leasehold Tax, if any, as set forth in Paragraph M, above. This section shall also apply to any Lease Options exercised.

3.2 Term. Article 3 is hereby amended as follows:

The Term hereof shall commence on the Lease Commencement Date defined in the Basic Lease Provision and shall terminate on the Expiration Date defined in the Basic Lease Provisions, unless earlier terminated.

Tenant shall have one (1) additional five (5) year extension option at the end of the First Option Period. ~~Tenant shall have the option to renew this Lease for one (1) five (5) year extension term,~~ but only if Tenant gives landlord written notice thereof not less than ninety (90) days prior to the Expiration Date of the First Option Period. If tenant timely exercises this option, then the Lease shall continue in effect on the same terms and conditions, provided, however that a new rental rate will be negotiated for the renewal period based on the then current market rental rates for



comparable facilities and there shall be no further renewal options. Tenant's right to the renewal term shall be contingent upon Tenant not being in default hereunder at the time of notice of intent is given or at any time thereafter prior to the beginning of the renewal term.

4. Further Acts and Documents. The Parties shall execute any and all further documents, instruments, and other conveyances and agreements, and shall do all acts, which may be necessary or appropriate to fully implement the provisions of this Second Amendment.
5. Construction.
  - (a) In the event of any conflict, inconsistency or ambiguity between the terms of the Agreement and this Second Amendment; the terms of this Second Amendment shall govern and control.
  - (b) Any terms that are capitalized in this Second Amendment but not defined in this Second Amendment and that are capitalized and defined in the Agreement shall have the same meaning for purposes of this Second Amendment as they have for purposes of the Agreement.
  - (c) The descriptive headings in this Second Amendment are for convenience only and will not control or affect the meaning or construction of any provision of this Second Amendment.
6. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and shall constitute one and the same instrument.

*[Remainder of page left intentionally blank. Signature and notary pages follow.]*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date set forth above.

**LANDLORD:**

**PORT OF KENNEWICK, a Washington  
Municipal corporation, by authority of its Commissioners**

By: \_\_\_\_\_  
Tim Arntzen, Chief Executive Officer

Reviewed:

Approved as to Form:

\_\_\_\_\_  
Nick Kooiker, Chief Financial Officer

\_\_\_\_\_  
Taud Hume, Port Counsel

**TENANT:**

**Bartholomew Winery, Inc.,  
a Washington corporation**

DocuSigned by:  
By: Chona Fawbush  
Chona Fawbush, Vice President

DocuSigned by:  
By: Bart Fawbush  
Bart Fawbush, Owner

STATE OF WASHINGTON )

: ss.

County of \_\_\_\_\_ )

WAIVED DUE TO COVID OFFICE CLOSURE

I hereby certify that I know or have satisfactory evidence that, on this \_\_\_\_ day of September, 2022, **Tim Arntzen** signed this instrument, on oath stated that (she/he) is authorized to execute the instrument as the **Chief Executive Officer** of the **PORT OF KENNEWICK**, and acknowledged it to be (her/his) free and voluntary act of such party for uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

Washington, residing at \_\_\_\_\_

My commission expires: \_\_\_\_\_

STATE OF WASHINGTON )

: ss.

County of \_\_\_\_\_ )

I hereby certify that I know or have satisfactory evidence that, on this \_\_\_\_ day of September, 2022, **Chona Fawbush** signed this instrument, on oath stated that (she/he) is authorized to execute the instrument as the \_\_\_\_\_ of **BARTHOLMEW WINERY, INC.**, and acknowledged it to be (her/his) free and voluntary act of such party for uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

Washington, residing at \_\_\_\_\_

My commission expires: \_\_\_\_\_

STATE OF WASHINGTON )

: ss.

County of \_\_\_\_\_ )

WAIVED DUE TO COVID OFFICE CLOSURE

I hereby certify that I know or have satisfactory evidence that, on this \_\_\_\_ day of September, 2022, **Bart Fawbush** signed this instrument, on oath stated that (she/he) is authorized to execute the instrument as the \_\_\_\_\_ of **BARTHOLMEW WINERY, INC.**, and acknowledged it to be (her/his) free and voluntary act of such party for uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Notary Public in and for the State of \_\_\_\_\_

Washington, residing at \_\_\_\_\_

My commission expires: \_\_\_\_\_



# Community Ally of the Year Award



# Awarded to: Skip Novakovich

“Presented this year to a non-Latino individual who has made a positive impact on the Latino community.”

In recognition of his work with the **Latino Mural Advisory Committee** helped install a **mural at Columbia Gardens** to celebrate the Hispanic community’s contributions to both agriculture and the fabric of the Tri-Cities region. He was also a supporter for the **sale of land that led to the development of the Yakima Valley Farm Workers new clinic in Kennewick** which is an indispensable health resource for members of the Latino community in the Tri-Cities. His work on the **Columbia Gardens has also helped provide space for Latino-owned business**—such as Palencia Winery, among others. This individual is currently collaborating with Hispanic Chamber staff on identifying new sources of **loan funds for small businesses** and he is a **loyal attendee at our luncheons and other events**.

For his many contributions to the Hispanic and Tri-Cities community, we want to recognize Port of Kennewick Commissioner **Skip Novakovich** as our **Latino Community Ally of the Year Award**.

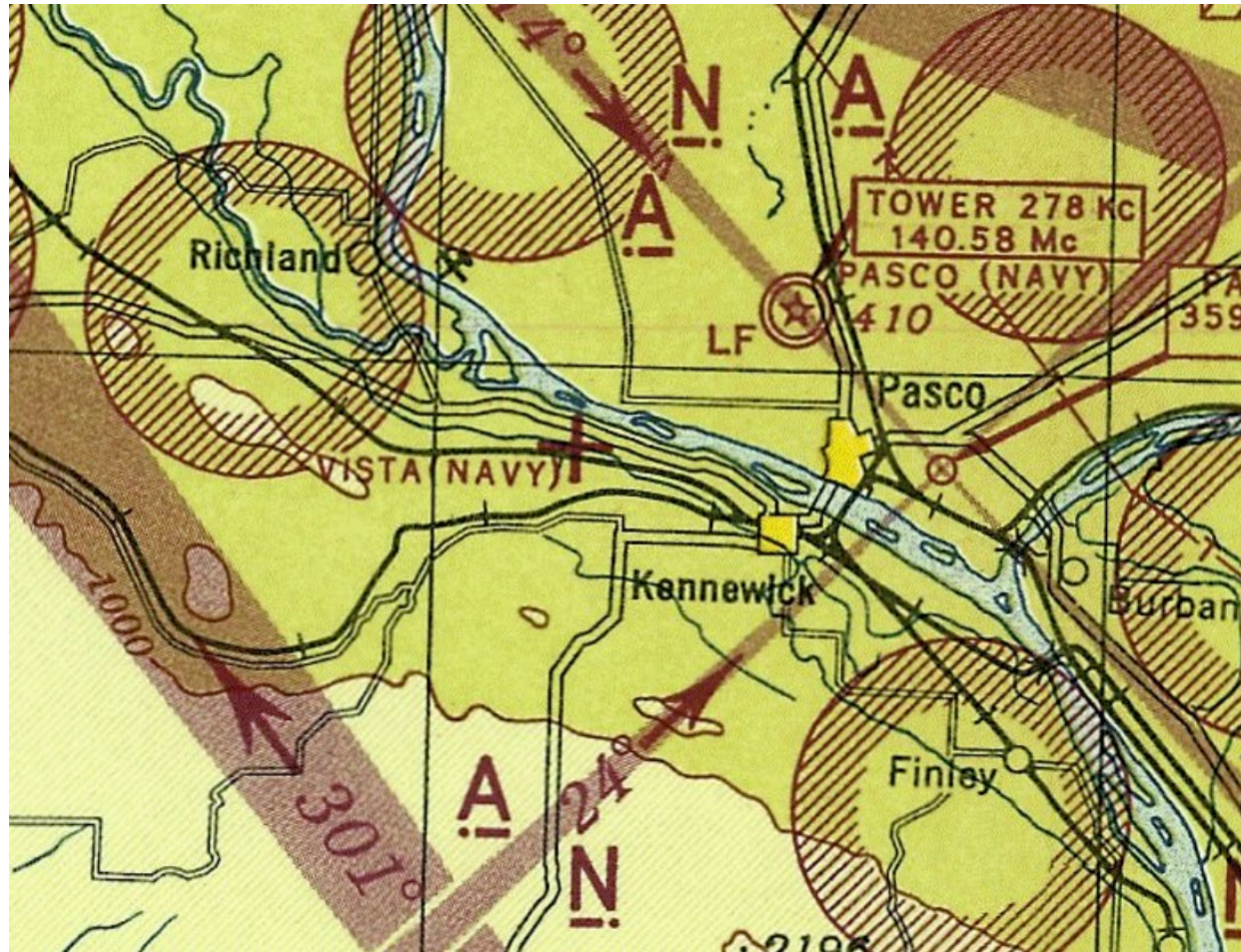


# VISTAFIELD

## A Historical Perspective



# Vista Field, as depicted on the November 1944 Spokane Sectional Chart.

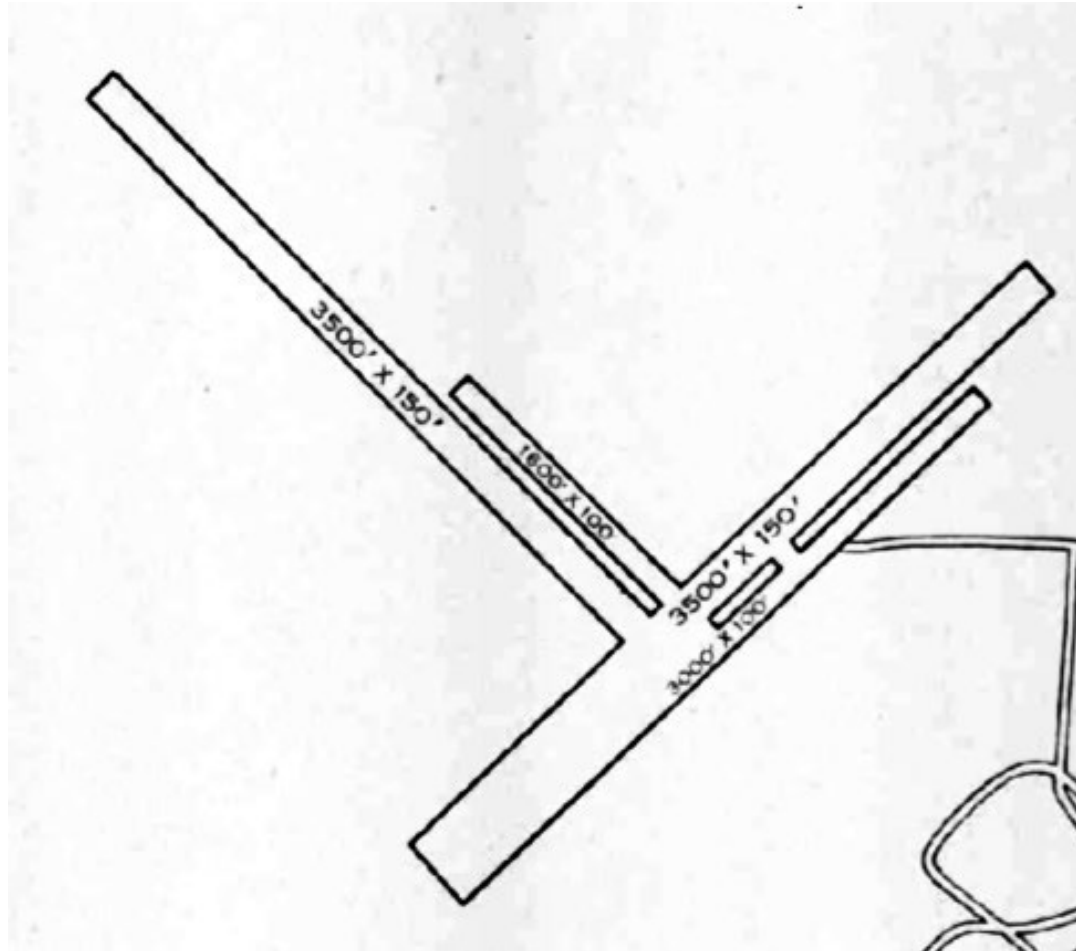




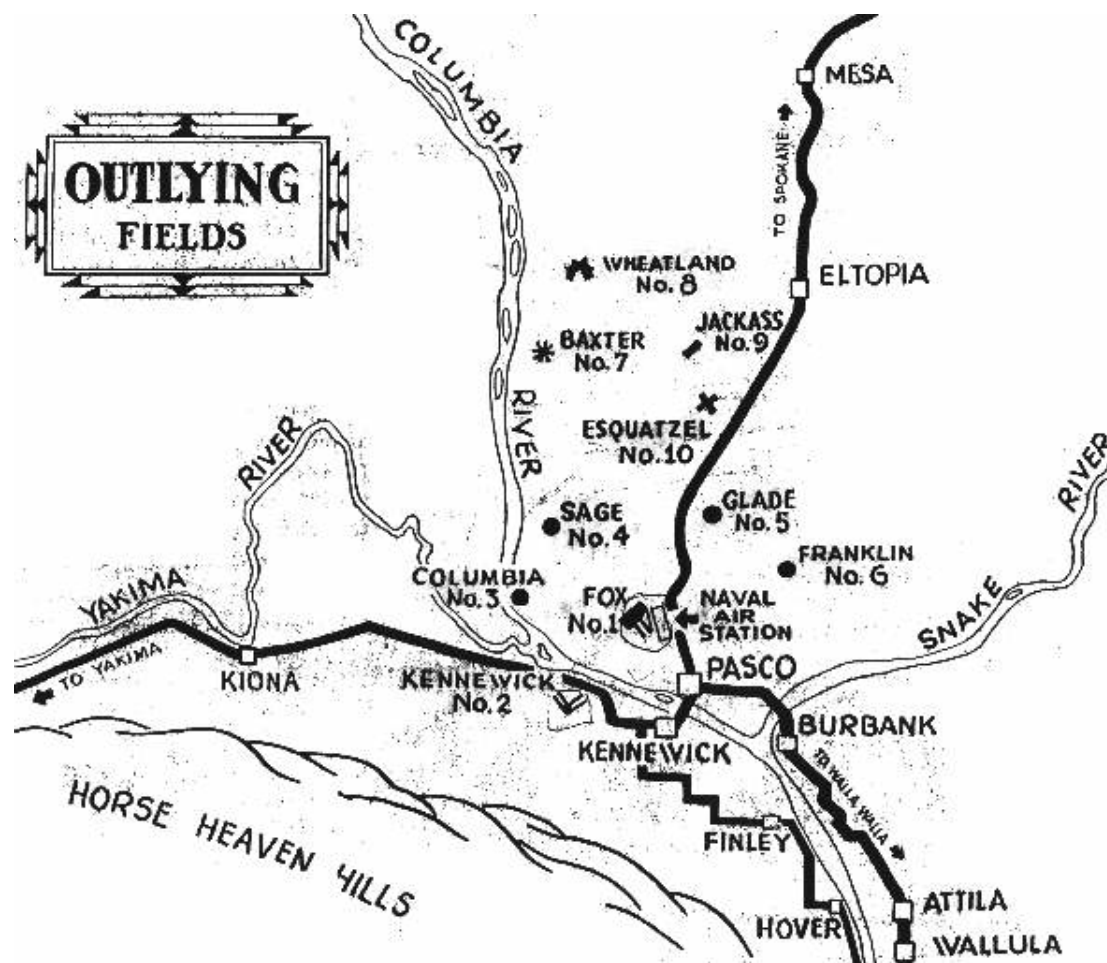
This United States Geological Survey aerial photo is believed to be the earliest photo of Vista Field and was taken on June 8<sup>th</sup>, 1948. EXHIBIT B



# Pasco Naval Air Station Auxiliary (Vista Outlying Field) as depicted in the 1945 AAF Airfield Directory



# World War II era map showing the Pasco Naval Air Station. Vista Field is referred to as "No. 2"





# Naval aviators began their training with bi-planes.



# The Boeing Stearman trainer at the Pasco Naval Air Station.

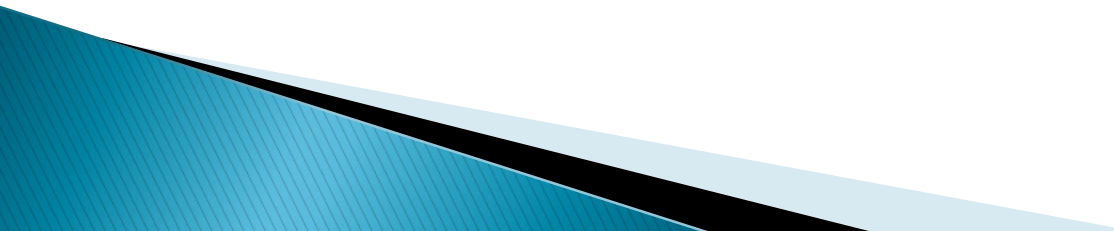




# Dress inspection held on the flight line at Pasco Naval Air Station.



# Naval Cadet training stages

- ▶ Stage “A” was primary
  - ▶ Stage “B” was solo practice
  - ▶ Stage “C” was acrobatics
  - ▶ Stage “D” was a review of all preceding stages
  - ▶ Stage “E” was formation flying
  - ▶ Stage “F” was night flying
- 

# Grumman F6F Hellcat





# Gordon "Red" Pryce and his Grumman F6F Hellcat



# The TBF (Grumman) and TBM (General Motors) Avenger.





# Avengers with folded wings at Pasco Naval Air Station.



# TBF Avenger







# VISTA FIELD

## A Historical Perspective

# Seabrook Washington's Beach Town





Smaller Cottage Homes  
with common areas





Common Area / Pathways





Access Dwelling Unit (ADU) above Garage





Amenities





Multi Family Buildings  
with Alley Accessible Garages





County Sheriff's Mini-Station





Rearview of Mixed-Use Buildings



Use of Vinyl Framed Windows





Seabrook Town Hall Building