



PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 10, 2023 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)
Larry Peterson, Director of Planning
Amber Hanchette, Director of Real Estate and Operations (via telephone)
Nick Kooiker, Chief Finance Officer (via telephone)
Mike Boehnke, Director of Operations (via telephone)
Lisa Schumacher, Special Projects Coordinator
Carolyn Lake, Port Counsel (via telephone)

PLEDGE OF ALLEGIANCE

Larry Peterson led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated December 16, 2022**
Direct Deposit and E-Payments totaling \$71,220.44
- B. Approval of Direct Deposit and E-Payments Dated December 30, 2022**
Direct Deposit and E-Payments totaling \$98,592.23
- C. Approval of Warrant Register Dated December 30, 2022**
Expense Fund Voucher Number 104365 through 104398 for a grand total of \$162,113.93
- D. Approval of Warrant Register Dated January 10, 2023**
Expense Fund Voucher Number 104399 through 104418 for a grand total of \$124,852.63
- E. Approval of Regular Commission Meeting Minutes December 13, 2022**

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

JANUARY 10, 2023 MINUTES

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *Personnel Update*

Mr. Arntzen reported that he has split the Real Estate and Operations department into two separate departments. Ms. Hanchette will continue to be the Director of Real Estate and Mr. Boehnke will take on the Director of Operations department. This will allow Ms. Hanchette to focus on real estate projects and Vista Field.

Mr. Boehnke is excited about the opportunity and reported that the Port hired Ryan Bailey as a new maintenance technician.

Mr. Arntzen would like to organize some walking tours with the Maintenance team and each Commissioner.

Commissioner Moak would like to do it as an Open Public Meeting with all three Commissioners present. He believes it would enhance the walking tour for everyone to see the same vision and receive the same information.

Commissioner Novakovich asked Mr. Arntzen to confer with Ms. Scott on scheduling and the logistics of a Meeting.

Mr. Arntzen will discuss scheduling a Meeting and report back to the Commission.

B. *Clover Island*

1. *Yacht Club Marina Update*

Ms. Hanchette updated the Commission on the Yacht Club fire in December 2022. The Department of Ecology has taken a lead role and the Port has taken on a support role. The Department of Ecology would like to continue to boom the boathouse area until the remaining boat can be removed from the water. They have given the Port the green light to open the harbor up, which was boomed from A Dock to the Levy. Additionally, they have given instruction to Clean Harbors to work with Port staff to remove the booms. Once that has been completed, the Port will be able to open the boat launch.

The Commission thanked the Operations team for their quick response and support to the assisting agencies.

2. *Stage Concepts*

Mr. Arntzen stated the stage project at Clover Island is addressed in the 2023-2024 Work Plan and Budget and the 2023-2024 CEO Goals and Objectives. The Clover Island Inn has hosted a summer concert series for over a decade, which brings 100's of people to the island weekly and has been quite successful. Mr. Arntzen has been working with Clover Island Inn and on January 17, 2023, staff will be meeting with Bill Lampson and members of the Clover Island Inn team and a local architecture firm to discuss possible stage location and elements. This will give staff a better direction of where we are going. Mr. Arntzen hopes to have a conceptual drawing, possible cost and funding scenarios by late spring for Commission review.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 10, 2023 MINUTES

Commissioner Hohenberg shared his excitement at the time frame and stated the amenities on the island make it a first-class destination.

Commissioner Novakovich stated the Port has discussed a stage at the east end of the island and would like to see it come to fruition.

C. Vista Field Amenities

Ms. Bader Inglima stated over the last few decades the Commission has made catalyst investments to Port properties, such as the Clover Island Lighthouse. At Vista Field, we have created a unique linear water feature and promenade, but nothing visual from a distance. Ms. Bader Inglima shared several project ideas from the community master planning process:

- The late Doug Gast's family shared a the concept of a "Quaking Aspen trees" art installation with glass and engraved metal leaves in tribute to the late WSU professor and local artist;
- The Silas Project, whereby a series of art installations would be placed in complement to the solar system with a Mars artwork possibly located at Vista Field—because Mars pathway travels very close to what we have identified as the Daybreak Commons area;
- The City of Kennewick is interested in having the Port help them locate a series of metal salmon that were removed during Canal Drive improvements and perhaps place them in the stream at Vista Field;
- Creating a mural on the side of the Hangar at Deschutes and Crosswind Boulevard showcasing a tie to the aviation history of Vista Field;
- Covering the utility boxes with artistic wraps;
- Mark Showalter presented the aviation history of Vista Field to Commission, there was interest expressed in perhaps installing a warbird type plane on a pole or other structure to showcase Vista Field's use as a former airfield and its ties to WWII aviation training.

Mr. Arntzen referenced Mr. Showalter's report and PowerPoint from last year on the history of Vista Field during World War II. Mr. Arntzen located two Avengers in the Midwest and believes we could work with the owner to create a static display, should the Commission pursue the idea of adding a warplane to Vista Field.

Commissioner Novakovich is in full support of adding an iconic element such as the Avenger and stated we need to preserve the history of Vista Field.

Commissioner Moak thinks is a great idea at some point but believes there are variety of items that need to be completed before considering this project, such as: the hangar remodel, selling properties, creating vibrancy, and the parking structure/lots. This project is not in the 2023-2024 Work Plan and Budget or the CEO Goals, and Commissioner Moak believes it could take a lot of time and effort away from the priorities established as a Commission. Commissioner Moak likes the ideas that Ms. Bader Inglima presented, which are not big items that could disrupt the things we need to complete and he is not in favor of moving forward today.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 10, 2023 MINUTES

Commissioner Hohenberg believes Vista Field represents the servicemen in training who helped defend this country; and the Port has a responsibility to capture the history and enhance Vista Field. Mr. Arntzen is only requesting to explore the idea at this point and Commissioner Hohenberg is fully supportive of this.

Commissioner Novakovich stated we need to take advantage of opportunities and believes it would be a setback if we let this go. The majority is to move forward and explore further without sacrificing items in Work Plan.

D. CEO Update

1. Port Related Travel

Mr. Arntzen stated Port staff have not traveled the past few years due to COVID and only allowed to travel on a case-by-case basis. Mr. Arntzen is considering modifying the travel procedures to allow for travel by car for Port related business. In the past Port staff and a Commissioner have traveled to view projects that offer valuable insight into Port operations and Mr. Arntzen is considering authorizing some regional trips.

The Commission supports this and believes it is important to see communities that are doing similar things or use as springboard for ideas.

Ms. Lake suggested Mr. Arntzen add the Port of Camas-Washougal to the list of communities to visit.

2. 2023 Forecast

Mr. Arntzen presented a memo (*Exhibit A*) that looks back at what the Port has accomplished and a look ahead at what future projects lie ahead.

3. Succession Planning

Mr. Arntzen presented a memo (*Exhibit B*) and stated it is important to address succession planning early for retiring CEO and directors. The Commission has the sole discretion to decide whom to hire to replace the retiring CEO; and that can either be done from within the organization, or through a consultant. Mr. Arntzen would like to provide the opportunity for directors to learn the CEO role with the goal of future executive leadership.

Commissioner Moak supports succession planning for directors, as they are key players in a small organization and possibly cross training. Commissioner Moak believes working with a consultant would be good.

Commissioner Hohenberg agrees with Commissioner Moak's comments; however, he would like to work from within the organization.

Commissioner Novakovich approves of the plan and believes Mr. Arntzen would be a great mentor.

PORT OF KENNEWICK

REGULAR COMMISSION MEETING

JANUARY 10, 2023 MINUTES

4. Local Delegated Authority Under Resolution 2020-06

Mr. Arntzen reported that a Port employee may have been exposed to a person with COVID, therefore he modified the procedure for employee protocol and the auto policy to permit the employee to park a Port owned vehicle at his house and work remotely until this issue is resolved.

E. Water Rights Update

Mr. Peterson reported when the Port sold the West Richland Racetrack property and Oak Street property, we retained the water rights. In 2019 the Port discussed possibly transferring some of the water rights to Benton County for the fairgrounds and Vista Field. The Port has been working with a water rights specialist and found that the West Richland water rights are very complex. The Port found the Oak Street water rights, which are geographically closer to the fairgrounds and Vista Field, are far less complex. Staff will continue to work with the specialist to assess the water rights we actually have, and Mr. Peterson anticipates presenting a report for direction related to water rights to the Commission at a later date. Mr. Peterson stated the former agreement with Benton County expired, therefore, the Commission may consider entering into a new transfer agreement outlining all the specific terms related to the fairground water transfer. Once the Oak Street water rights are completed, the specialist will go back and review the West Richland Racetrack property to assess what the Port has and what can be done with those water rights.

Commission discussion commenced regarding water rights.

F. State of the Ports Luncheon

Ms. Bader Inglima reported the Tri City Chamber of Commerce State of the Port Luncheon will not be held this February. The Chamber would like to hold the Luncheon at the Three Rivers Convention Center and is searching for a date.

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

Commissioners reported on their respective committee meetings.

H. Non-Scheduled Items

Ms. Bader Inglima reported that a peregrine falcon has been spotted on Clover Island. The falcon is the world's fastest animal and has created quite a stir in our community because it is typically not seen in this area.

Mr. Arntzen shared that Port staff has been working diligently with the Yacht Club and other agencies regarding the boathouse fire. This was a significant event that will have long lasting impacts and Mr. Arntzen tried to emphasize to the Yacht club members that the Port will be as helpful as humanly possible. Mr. Arntzen stated in the past, the Commission has been helpful allowing new boathouses to be constructed on the shoreline and indicated that two boathouses will need to be rebuilt.

Commissioner Novakovich reported that Summer Yates, Kandy Yates' daughter, is one of the top draft picks for the National Women's Soccer League that will occur this Thursday. Ms. Yates was

PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 10, 2023 MINUTES

featured on National Women's Soccer League website, stating “the forward earned her fourth-straight honor as she was selected to the All-Pac-12 First Team and led the team in scoring. En route to pursuing a professional career, Yates also set a Huskies all-time record in the appearances category as her 93 games played also saw her reach third all-time in points.” Please congratulate Summer on her accomplishments and the draft will be airing on CBS Sports Network, Paramount+ and CBS Sports HQ, beginning at 3:00 p.m. on Thursday, January 12, 2023.

PUBLIC COMMENTS

Cal Coie, Kennewick. Mr. Coie thanked Mr. Arntzen for his comments regarding the Yacht Club and thanked those that are looking forward to possibly placing an airplane at Vista Field. Mr. Coie thinks it is an excellent idea and stated he has been to the Pima Air and Space Museum in Tucson twice, and it is fantastic. Plus, those of us that are old enough to remember and be part of World War II, need to educate the younger generation of the great circumstances that happened during the War.

Mark Showalter, Richland. Mr. Showalter congratulated Mr. Arntzen on locating two Avengers and stated only 9,839 were manufactured during the War by Grumman and General Motors. It is a rare plane and Mr. Showalter estimated there are only 75-100 remaining. If the Commission were to bring an Avenger to Vista Field, it would be a rarity. If the Avenger is on the ground at Vista Field one day, it has a wingspan of 54 feet and is 41 feet long and would be an impressive sight if the Port can make it happen.

COMMISSION COMMENTS

No comments were made.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 3:53 p.m.

APPROVED:

PORT of KENNEWICK BOARD of COMMISSIONERS

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Skip Novakovich

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Skip Novakovich, President

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Kenneth Hohenberg

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Kenneth Hohenberg, Vice President

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Thomas Moak

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Thomas Moak, Secretary

Memorandum

To: Commission
From: Tim Arntzen
Date: January 10, 2023
Re: A Look Back; A Look Ahead

The primary purpose of this memo is to share my personal work-related vision for the new year. While the intent of this memo is to function as a guide for future actions, it is also helpful to briefly look back—to look at significant accomplishments from last year. *Remembering what we have accomplished as a unified team will help push us forward.*

The Past. First and foremost, we *onboarded a new commissioner*. This has made a huge difference. Below is a concise list of some of the port’s accomplishments from 2022:

- A Vista Field “grand opening,” featuring six hundred attendees with rave reviews by the media, the public, and investment partners.
- Completion of the Vista Field Hangar Analysis for the hangars and the southern gateway, with a grant application forwarded to the Benton County commission.
- Collaborated with USACE to implement the Clover Island shoreline restoration project.
- Successfully brought resolution to the challenging “Governance Audit.”
- Managed successful resolution to the Kiwanis playground project proposed for Columbia Gardens.
- Oversaw design and bidding of the Columbia Gardens Wayfinding Signage project.
- Produced a report investigating options for a new maintenance facility.
- Completed the first private sector land sale at Columbia Gardens.
- Researched the implications of and evaluated community feedback related to Clover Island Inn “micro” housing proposal.
- Managed overall operations, ensuring smooth and efficient operations, a continuation of meeting customer needs and completing projects during COVID remote work restrictions.
- Managed the port as a highly productive, successful, fiscally-sound organization—ensuring transparent public engagement via virtual meetings.
- Adopted the biennial work plan and budget which met statutory deadlines for annual levy certification and tax capacity.
- Coordinated a *redistricting process* using an independent consultant to evaluate and propose revised commission district boundaries, with no complaints filed.

- Held successful “vine cutting” event to celebrate investment partners and highlight parcels for sale at Columbia Gardens.
- Managed expanded contract with vibrancy consultant for Columbia Gardens to work with food trucks and wineries and coordination of four “Summer Saturday Markets,” generating substantial exposure for the wine & artisan village.
- Adopted amended delegation of authority documents.

The Future. We will be busy in 2023. While preparing and working on items on my list, I will remain focused on the adopted work plan and the Goals and Objectives established by the commission. And while some items I identify below are, in fact, included in those documents, some are not. Here is what I think I will need to focus on in 2023:

1. Assist team members with follow up on letters of intent for land purchases at Vista Field.

2. Assist with the separation of the operations department from the real estate department. This will include playing a supporting role for each director as they learn and administer the nuances of their respective (new) departments.

3. Continue to interface with the commission:

This includes establishing and maintaining a regular dialog with me sharing my observations with the commissioners and the commission as a whole. This also includes me listening to the commissioners, which enables me to get a sense of what things each individual commissioner feels are important. Interfacing with the commission also includes me acting as the conduit between the employees and the commission, and the sharing of ideas in both directions.

This also includes acting as a liaison with our many economic development partners including the Cities, County, CTUIR, federal, state and local regulators, TRIDEC, membership associations, and grant agencies. This includes regular communications, relationship-building, and visioning as necessary to “scan the horizon” and bring information to Commission related to how these many organizations and port interests might align.

4. Working with employees and the commission to welcome and onboard new staff (whether that is one or more). As well as researching and transitioning staff in the “return to office” including strengthening camaraderie, sustaining employee morale, and ensuring the port’s ethical, transparent, productive, public-service culture remains strong.

5. Keeping the commission’s Goals and Objectives at the top of my list at all times, guiding the institution toward goal attainment, yet not allowing “other” matters to fade from view.

6. Avoid “potholes”. There are some matters that needlessly soak up a lot of port time and resources. Some matters simply do not need to be addressed, either by the commission or staff. Some matters need addressing, but only minimally so. Other matters look small at the outset but can blossom into something big and ugly if not addressed early. I hope to have the wisdom to differentiate amongst these situations and avoid allocating resources where they could be better used elsewhere.

7. Assist in providing leadership opportunities to deputy director(s). This will help in formulating a succession plan, which is something I will be working on this summer. It is my goal to evaluate and provide the commission with at least one internal candidate for Commission consideration as potential successor CEO when that time comes.

8. Assist employees with the myriad logistical details related to the remodel of the Vista Hangars (if funded by RCCF); and potentially the Vista Field satellite maintenance shop.

9. Assist in moving forward the concept of a Clover Island stage.

Thank you for this opportunity to share my thoughts.

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Memorandum

To: Port Commission
From: Tim Arntzen, POK CEO
Date: January 10, 2023
Re: Succession Planning

At the WPPA Small Ports Conference, there was a presentation related to CEO succession planning that captured the interest of commissioners. Building upon this topic, I would like to share with the commission that I have been informally working on this type of employment planning as we have been expanding our staff and adjusting internal roles and responsibilities.

However, since the Commission has expressed an interest in CEO succession planning, I am considering a more formal approach and working to understand how that process might relate to our port in all positions. If the Commission concurs, I will likely associate with a professional to assist our port in taking a deeper look into this topic. In the meantime, I would like to share with the Commission a few thoughts:

1. Succession planning should be discussed early. A good plan can be in place well in advance of, and to help mitigate for, any transition in employment whether that be from a staff person leaving the company, internal promotion, death, or retirement.
2. A succession plan needs to be more than about the CEO. It should address other positions that may experience retirement or transition in the near future (3-5 years).
3. It is within the sole discretion of the Commission as to whom it hires to replace a retiring CEO. And it is up to the CEO to hire staff to fill positions when they become vacant including anticipating future retirements.
4. Recognizing the above, the Commission has two choices when hiring a successor CEO. It could undertake a search for a candidate outside of the organization; or it could look within the organization for a candidate.
5. A successful CEO, operating in a successful organization, should be working to mentor, mature, coach, and cultivate employee skills so as to be able to recommend at least one internal candidate for the Commission to consider as a successor CEO.
6. For several years now, I have discussed this concept with the directors. I have provided a number of employees with opportunities to learn my role. And I have discussed my approach to interfacing with the Commission and have shared my rationale for decision making.