



PORT OF KENNEWICK SPECIAL COMMISSION MEETING

JANUARY 31, 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 Special Commission Meeting to order at 8:30 a.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: Tana Bader Inglima, Deputy Chief Executive Officer (via telephone)
Larry Peterson, Director of Planning (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)

PLEDGE OF ALLEGIANCE

Commissioner Hohenberg led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

BENTON COUNTY RURAL COUNTY CAPITAL FUNDING

A. Interlocal (Disbursement) Agreement with Benton County

Mr. Kooiker stated Port staff has been working on the hangar rehabilitation project for a few years and the Port received notice that the Benton County Rural County Capital Funds (RCCF) grant committee is recommending that Benton County fully fund that request. The Disbursement Agreement before the Commission is considered an Interlocal Agreement, which must be brought to Commissioners.

Ms. Bader Inglima gave a brief history of the hangar project RCCF application and stated the Commission asked staff to pursue the RCCF application to create vibrancy at the southern gateway entrance of Vista Field. Legal counsel for both organizations have reviewed and approved the document as to form and this is the next step in the process. The RCCF grant committee is recommending to the County Commissioners to fully fund that project; and Mr. Arntzen and Mr. Peterson will present the hangar rehabilitation project to the Benton County Commission on February 7, 2023.

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Commission and staff discussion ensued regarding the RCCF application and the hangar rehabilitation project. Mr. Peterson stated if the County Commission approves the RCCF application, the Port will enter into contracts with CKJT and Parametrix for design and permitting process.

Commissioner Novakovich inquired if the Port will have enough cash flow.

Mr. Kooiker stated the Port budgeted \$3,300,000 and the disbursement agreement is for \$3,400,000. Mr. Kooiker stated the County is very quick in their reimbursements and the Port has enough cash flow.

MOTION: Commissioner Hohenberg moved to approve Resolution 2023-01, adopting the Interlocal (Disbursement) Agreement with Benton County related to the Vista Field Southern Gateway Transformation Project; and authorize the Port's Chief Executive Officer to execute this Interlocal Agreement; and all documents as necessary to implement the project for the benefit of the port district; Commissioner Moak seconded.

PUBLIC COMMENT

No comments were made.

Discussion:

Commissioner Moak thanked staff and the contractors who have worked on this project over the past several years and believes it will make a great addition to southern gateway.

Commissioner Hohenberg echoes Commissioner Moak's comments and is looking forward to getting the project going.

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

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 8:46 a.m.

PORT OF KENNEWICK SPECIAL COMMISSION MEETING

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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

DocuSigned by:

Thomas Moak

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Thomas Moak, Secretary

PORT OF KENNEWICK

RESOLUTION 2023-01

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE
PORT OF KENNEWICK APPROVING AN INTER-LOCAL (DISBURSEMENT)
AGREEMENT WITH BENTON COUNTY RELATED TO RURAL COUNTY CAPITAL
FUNDS FOR THE VISTA FIELD SOUTHERN GATEWAY TRANSFORMATION PROJECT**

WHEREAS, the Commission directed staff to seek Rural County Capital Funding to help make additional Vista Field improvements specifically to renovate/reuse two former Vista Field Hangars; and

WHEREAS, on August 9, 2022, the Port Commission authorized port staff to submit an application for such project; and

WHEREAS, the Benton County Rural County Capital Funds grant committee is recommending that the County fully fund the request; and

WHEREAS, this collaboration serves the public interest by leveraging funds for significant economic benefit; and

WHEREAS, the attached disbursement agreement has been reviewed by Port legal counsel.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick hereby adopts the attached Disbursement Agreement between the Port of Kennewick and Benton County related to Rural County Capital Funds for the Vista Field Southern Gateway Transformation Project; authorizes the Port's Chief Executive Officer to execute the agreement and instructs the CEO to take all action necessary to implement such agreement.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 31st day of January, 2023.

***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*

DISBURSEMENT AGREEMENT FOR USE OF RURAL COUNTY CAPITAL FUNDS

This Agreement, between Benton County (hereinafter "County") and the Port of Kennewick (hereinafter "Port") shall be effective upon execution by both parties.

WHEREAS, the County has previously agreed to distribute certain funds received from the State of Washington that it has deposited in its Rural County Capital Fund (hereinafter "Fund") after April 1, 2016 for the financing of certain "public facilities [projects] serving economic development purposes" as contemplated by State statute (RCW 82.14.370) and in conformance with County policy (Resolution 2017-103, adopted January 31, 2017); and,

WHEREAS, the County and the Port are authorized, including under Chapter 39.34 of the Revised Code of Washington, to contract with each other and other public agencies in order to effectively and efficiently operate, administer, and carry out their programs and public projects; and,

WHEREAS, the Port wishes to enhance the southern entry into the Vista Field redevelopment site with the intention of generating more commercial and social activity in and around the area of the two derelict former airplane hangars; and,

WHEREAS, to accomplish this objective, the Port intends to renovate two empty and unused former hangar buildings by removing the existing metal walls; building a pergola, stage, sound wall, and relocating and reusing metal decking material onsite to create a courtyard between the two former hangar buildings; installing industrial fans and lighting on the hangar ceilings, pergola, and support beams; constructing restrooms that will fit partially (75%) within the former hangar areas and partially (25%) within the courtyard; creating storage areas within the courtyard; installing a wayfinding monument sign near the Deschutes Avenue/Crosswind Boulevard intersection; installing a pedestrian crossing on Crosswind Boulevard; as well as installing connections and fixtures necessary for water, sewer, storm water, and electrical utilities to serve the restrooms, lights, fans, stage, sign, and outlets within the event spaces; completing earthwork and installing plantings and materials to landscape between the hangar buildings and Deschutes Avenue sidewalks and at the base of the monument sign; repair/amend sidewalks as necessary for Americans with Disabilities Act compliance; and including cost of design, bidding, contracting for construction, legal services, and all taxes, fees, insurance, and permits (hereafter the "Project"); and,

WHEREAS, the Port has requested \$3,410,000.00 for the Project, and the requested funding amount is currently available within the Port's Fund allocation; and,

WHEREAS, the County's evaluation of the Project confirms funding eligibility.

NOW THEREFORE, in consideration of the mutual covenants, conditions, and terms contained herein, the County and the Port mutually agree to the following:

1. Based on the Port's request for reimbursement from the Fund, the County agrees to reimburse the Port for up to \$3,410,000.00 of qualified direct costs incurred by the Port for the Project between the date of the execution of this Agreement and December 31, 2025; contingent upon:

(i) such funds being less than the amount of the Fund allocated to the Port, and (ii) that each reimbursement is consistent with the County's Rural County Capital Fund Disbursement Policy.

2. The Port represents that the use of revenues from the Fund for the Project is consistent with RCW 82.14.370.
3. The Port agrees to use all funds allocated by this Agreement solely for the purpose of financing the Project and warrants that all expenditures by the Port for which it seeks reimbursement will comply with RCW 82.14.370.
4. The parties agree that funds will be disbursed only as reimbursement for actual, direct costs incurred by the Port in connection with the Project.
5. The Port shall invoice the County every ninety (90) days after the effective date of this Agreement, identifying all Project costs incurred by the Port during the prior quarter that are eligible for and for which reimbursement is sought. All invoices shall be mailed to the County at the following address:

Benton County Commissioners Office
ATTN: Sustainable Development Manager
7122 West Okanogan Place – Suite E333
Kennewick, Washington 99336

6. All approved reimbursement payments will be made via check mailed directly to the Port at:

Port of Kennewick
350 Clover Island Drive – Suite 200
Kennewick, Washington 99336
7. The Port shall not hold the County liable for any delay in disbursements, but the County agrees to use its best efforts to make appropriate disbursement payments to the Port in a reasonably timely fashion.
8. The Port shall be responsible for establishing policies for implementing this Agreement, monitoring progress of the Project, and monitoring the fulfillment of the Parties' responsibilities under the Agreement. In addition to other responsibilities set forth in this Agreement, the Port is responsible for following applicable bid and prevailing wage law policies and procedures when awarding bids for the Project contemplated by this Agreement.
9. The Port agrees to provide the County with a quarterly report along with each invoice outlining the status of the Project, including a spreadsheet detailing all costs being reimbursed by the County.
10. If Rural County Capital Funds are applied by the Port toward non-eligible expenditures, the County may cease all disbursements and the Port shall repay to the County all monies inappropriately expended.
11. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection by the parties during the term of this Agreement and for three years after its termination. This Agreement shall be filed by the Port with the Benton County Auditor.

12. It is not the intention that a separate legal entity be established with respect to the Project, nor is the joint acquisition, holding, or disposing of real or personal property anticipated.
13. The Port agrees to indemnify the County from and against any claims, actions, losses, costs, penalties, damages, attorneys' fees, and all other liabilities and costs of defense of any nature arising out of the County's agreement to disburse funds under this Agreement.
14. The Port shall not have the right to assign the rights under this Agreement nor to terminate its obligations hereunder without first securing the written consent of the County.
15. The County's obligation to disburse funds under this Agreement only extends to direct Project costs incurred prior to December 31, 2025 and correlating invoices that are received prior to March 30, 2026. After March 30, 2026, while the County's rights under this Agreement shall continue, the County may use the funds previously allocated under this Agreement for any purpose allowable under state law.
16. This Agreement contains the entire, complete, and integrated statement of each and every term agreed-to by and between the Port and the County, and this Agreement supersedes any and all prior written and unwritten agreements and understandings pertaining to the Project.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date signed below.

BENTON COUNTY

Will McKay, Commission Chairman

Date: _____

ATTEST:

Clerk to the Board

APPROVED AS TO FORM:

Ryan F. Brown
Chief Deputy Prosecuting Attorney

PORT OF KENNEWICK

DocuSigned by:

Tim Amutzen, Chief Executive Officer

Date: 1/31/2023

ATTEST:

DocuSigned by:

Mick Koosker
Chief Financial Officer & Auditor

APPROVED AS TO FORM:

Carolyn Lake
Port Counsel
Carolyn Lake