



PORT OF KENNEWICK REGULAR COMMISSION MEETING

AUGUST 22, 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)
Nick Kooiker, Deputy Chief Executive Officer/CFO (via telephone)
Larry Peterson, Director of Planning (via telephone)
Amber Hanchette, Director of Real Estate (via telephone)
Mike Bohnke, Director of Operations
Bridgette Scott, Executive Assistant (via telephone)
Lisa Schumacher, Special Projects Coordinator
Carolyn Lake, Port Counsel (via telephone)

PLEDGE OF ALLEGIANCE

Commissioner Novakovich led the Pledge of Allegiance.

Commissioner Novakovich stated there are two changes to the Consent Agenda: Item B, the date should read August 18, 2023 and the addition of Item F, warrant register dated August 22, 2023. If there are no objections, the motion should read as corrected and amended.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated August 16, 2023**
Direct Deposit and E-Payments totaling \$86,865.18
- B. Approval of Warrant Register Dated August 18, 2023**
Expense Fund Voucher Number 105151 through 105191 for a grand total of \$86,896.54
- C. Approval of Regular Commission Meeting Minutes August 8, 2023**
- D. Approval of Surplus Property; Resolution 2023-24**
- E. Adopting the Amendment of the Interlocal Cooperation Agreement and Bylaws of the Benton-Franklin Council of Governments; Resolution 2023-25**

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F. Approval of Warrant Register Dated August 22, 2023

Expense Fund Voucher Number 105192 for a grand total of \$5,862.57

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

PRESENTATIONS

A. Water Rights Update, Dan Haller of Aspect Consulting

Mr. Peterson introduced Dan Haller of Aspect Consulting, and stated Mr. Haller has been working on the water rights at Oak Street. Mr. Peterson stated Mr. Haller will discuss the process of potentially transferring water rights to Benton County for the Benton County Fairgrounds.

Mr. Haller outlined the process and next steps for the potential water rights transfer. Mr. Haller has reviewed the water rights history and aerial photos and prepared a hydro-geologic memo for the Department of Ecology process. Staff will request the Commission to sign an application for change, which goes through the Benton County Water Conservatory Board first and once it is filed, the Board will assist the Port with public notice for comment on the application. The process can take approximately 3-6 months and if it goes smoothly. The Board will make a recommendation to the Department of Ecology, where it is reviewed. After the review period, the Department of Ecology will decide to either approve the Water Conservatory Board's decision, modify the decision, or deny it. If the application is approved or modified, there is a 30-day appeal period and once that is over, the process is complete.

Mr. Peterson reiterated that Benton County is still very interested in the water rights for the Benton County Fairgrounds. Mr. Peterson stated for Commission consideration, staff will prepare an Agenda Report and Resolution approving the application for change, and a contract with Benton County for the transfer of water rights.

Additional discussion commenced regarding the water rights at Oak Street and the former Tri-City Raceway in West Richland.

B. 2023-2024 Budget Update

Mr. Kooiker presented the first quarterly budget report for the 2023-2024 Budget (*Exhibit A*).

ACTION ITEM

A. Washington State Recreation and Conservation Office (RCO) Local Parks Maintenance (LPM) Grant Application; Resolution 2023-26

Ms. Bader Inglima presented the RCO Local Parks Maintenance grant to the Commission and stated the grant is for up to \$100,000 and it does not require a cash match. Ms. Bader Inglima worked with Mr. Boehnke to identify several deferred maintenance items on Clover Island, such as repainting the boardwalk, covering areas of graffiti tagging, and re-staining the boardwalk/viewing platform at The Gathering Place. If the Port is awarded the grant, staff would oversee these projects that would be contracted out. The RCO requires all applicants pass a

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resolution authorizing submittal of any grant application. Ms. Bader Inglima stated the application closes on September 18, 2023, so time is of the essence.

MOTION: *Commissioner Moak moved to approve Resolution 2023-26, authorizing the Chief Executive Officer to make formal application to the Recreation and Conservation Office for Local Park Maintenance grant funding; and ratify and approve all actions by Port officers and employees in furtherance hereof; Commissioner Hohenberg seconded.*

PUBLIC COMMENT

No comments were made.

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

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Kennewick Waterfront

1. Clover Island Stage Update

Mr. Peterson stated the last outdoor event at the Clover Island Inn will be held on September 17, 2023. Following that, staff and a contracted engineer will investigate the foundation and soil conditions, to see what engineering will be needed to support the stage.

Mr. Kooiker reported that the Port made the deposit to Progressive Products for the stage with an expected delivery in February 2024. Mr. Kooiker has been working on the shipping details and insurance specifications.

Ms. Hanchette has been working with Mr. Hume on a usage agreement for the stage, and currently the CI Inn Management group is reviewing the draft agreement.

2. Clover Island Marina Handbook

Ms. Hanchette presented the updated Clover Island Marina Handbook, which is located on the Port website. Ms. Yates spent many hours putting the handbook together and it includes state and federal rules and regulations, and it will serve as a guide for marina tenants.

3. Columbia Gardens Container Bathroom Art Wrap Update

Ms. Bader Inglima presented the art wrap art for the container restroom located at Columbia Gardens (*Exhibit B*).

B. Vista Field Development

Mr. Arntzen stated the staff is working on a project for Vista Field to produce materials that will be helpful to the Commission as we negotiate with builders and developers. Staff envisions two maps that will include phase 1 of Vista Field parcels and amenities. Mr. Arntzen stated the base map will include the proposed revenue from the projected sales of parcels and he believes it is important to have a starting point with an averaging of numbers and potential revenue. The second map will include the amount Port will need to expend for additional parcels and future infrastructure.

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C. Port Facilities Update

Mr. Arntzen stated the Port has public restroom facilities on Clover Island and Columbia Gardens and in the past few years, the restrooms have been repeatedly vandalized and damaged, which cost the Port time and money to repair. It is a balancing act to keep the facilities open for the public, and yet safeguard the public investment. Port staff is doing their best to keep the restrooms open and clean; however, when vandalism happens, the restrooms are closed. Staff have received public comments regarding closure of the restrooms.

Commissioner Novakovich inquired if there is anything the Commission can do to help staff with this issue.

Mr. Arntzen stated understanding from the Commission will be very helpful and he believes this issue will take some time to resolve.

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

Commissioners reported on their respective committee meetings.

E. Non-Scheduled Items

Mr. Kooiker stated the CEO Evaluation Committee met last Thursday.

Mr. Arntzen and Mr. Peterson had lunch recently with Adam Fyall, Benton County Sustainable Development Manager. Mr. Fyall has been a champion of Port projects and has assisted staff with several Rural County Capital Funds (RCCF) project applications. Mr. Fyall will be holding a partner summit on the RCCF and a Port representative will attend and report back to the Commission at a later date.

Commissioner Hohenberg walked Vista Field yesterday with Mr. Arntzen and complimented Mr. Boehnke and the maintenance team on how wonderful and clear the stream looked. Commissioner Hohenberg understands a lot of staff time, energy, and coordination goes into it, to make it work, but in the long run, it will help Ms. Hanchette and everyone else to continue to move forward with selling property and ultimately seeing things built.

Commissioner Hohenberg complimented Ms. Yates and Ms. Scott for their coordination of the Benton Franklin County Parade and Fair; he appreciates that and the regular work that goes on every day.

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 3:31 p.m.

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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 2023-24

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING THE PORT CHIEF EXECUTIVE OFFICER TO SELL AND CONVEY SURPLUS PROPERTY

WHEREAS, the Board of Commissioners of the Port of Kennewick met this 22nd day of August, 2023, a quorum of the Commissioners being present; and

WHEREAS, from time to time it is necessary to surplus items no longer needed for Port District purposes; and

WHEREAS, RCW 53.08.090 provides that the Port Commissioners may authorize the Port Chief Executive Officer to sell and convey surplus property; and

WHEREAS, prior to each such disposition of Port property, the Port Chief Executive Officer is directed to present to the Commission an itemized list of the property and to make written certification that the listed property is no longer needed for Port District purposes.

NOW, THEREFORE, BE IT RESOLVED the Port of Kennewick Commissioners authorize the Chief Executive Officer to surplus Port property no longer needed for Port purposes as attached in "Exhibit A".

ADOPTED by the Board of Commissioners of Port of Kennewick this 22nd day of August 2023.

PORT of KENNEWICK BOARD of COMMISSIONERS

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

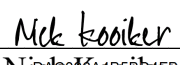
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By: *Kenneth Hohenberg*
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KENNETH HOHENBERG, *Vice President*

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

RESOLUTION 2023-24**“Exhibit A”**

Asset	Property Description	Date in Service	Cost	Book Value	Disposal Reason
240	Sit-Stand Desktop Workstation	8/16/18	428.97	\$ -	Broken
244	Dual Monitor Arms	8/31/18	318.14	\$ -	Broken
245	Dual Monitor Arms	8/31/18	318.14	\$ -	Broken
246	Drone	6/14/19	883.00	\$ -	Broken & Replaced
247	Sit-Stand Desktop Workstation	8/16/18	428.97	\$ -	Broken
1159	5 HP Compressor	6/30/13	3,519.75	\$ -	Obsolete
1183	C25 Printer/Copy/Fax	2/28/14	1,353.75	\$ -	Replaced
1191	Dell OptiPlex 9020 Mini Tower	6/25/14	1,395.02	\$ -	Replaced
1192	Dell OptiPlex 9020 Mini Tower	6/25/14	1,395.03	\$ -	Replaced
1201	Phone System - Telco	10/01/14	12,169.93	\$ -	Replaced
1218	Server - Hyperv03	8/01/15	15,283.06	\$ -	Replaced
1226	Dell Computer (OptiPlex 9020) Tower	11/01/15	1,260.73	\$ -	Replaced
1231	Back up Server - Hyperv01	2/01/16	6,312.53	\$ -	Replaced
1243	Dell Inspiron Laptop	4/26/17	487.61	\$ -	Broken
1245	Dell OptiPlex 7050 Computer w/ drive	8/01/17	1,861.31	\$ -	Replaced
1263	OptiPlex 5050 Computer	6/30/18	964.92	\$ -	Replaced
1264	OptiPlex 5050 Computer	6/30/18	964.92	\$ -	Replaced
1276	Dell Computer	5/09/19	1,420.98	\$ 94.73	Replaced
1294	Dell Precision 3431 BTX	1/01/20	1,126.10	\$ 225.22	Replaced
1296	Dell Precision 3431 SFF BTX	2/01/20	1,126.10	\$ 225.22	Replaced

CFO/Auditor Certification:

DocuSigned by:

 Nick Kooiker

8/22/2023

Date

PORT OF KENNEWICK

Resolution No. 2023-25

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING THE
AMENDMENT OF THE INTERLOCAL COOPERATION AGREEMENT
AND BYLAWS OF THE
BENTON-FRANKLIN COUNCIL OF GOVERNMENTS***

WHEREAS, Pursuant to Revised Code of Washington (RCW) Chapter 36, Laws of 1959, as amended (RCW 36.70.060) and Chapter 84, Laws of 1965, Extraordinary Session, (RCW 36.64.080), Port of Kennewick is by Interlocal Agreement, a member of the regional agency known as the Benton-Franklin Council of Governments (BFCOG); and


WHEREAS, the Board of the Benton-Franklin Council of Governments (BFCOG) determined that amendments made to the Interlocal Cooperative Agreement and Bylaws documents amended September 18, 2020, required review and revision to rectify inconsistencies prudent to ensure organizational effectiveness; and

WHEREAS, on May 19, 2023, the BFCOG Board adopted the amended documents Interlocal Cooperation Agreement of the Benton-Franklin Council of Government, and Bylaws of the Benton-Franklin Council of Governments, as a total and complete replacement for all previous Interlocal Agreements and Bylaws of BFCOG, by the process outlined in the previously adopted Bylaws.


NOW THEREFORE, BE IT RESOLVED, that the Port of Kennewick Board of Commissioners hereby approves the attached Interlocal Agreement between Port of Kennewick and BFGOG; and 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 Port of Kennewick on the 22nd day of August 2023.


***PORT OF KENNEWICK
BOARD OF COMMISSIONERS***

By: 0E53A30E1C8E442...

SKIP NOVAKOVICH, *President*

By: 89F77EAC8921416...

KENNETH HOHENBERG, *Vice President*

By: A35176A2D2CD413...

THOMAS MOAK, *Secretary*



INTERLOCAL COOPERATION AGREEMENT OF THE BENTON-FRANKLIN COUNCIL OF GOVERNMENTS

*Amended May 19, 2023, BFCOG Resolution 04-23
(As a total and complete replacement for all previous Interlocal Agreements)*

PARTICIPANTS

Participants in this agreement shall be whichever of the parties ratify this agreement. If any party fails to ratify this agreement, such action shall not affect this agreement as it pertains to the remaining parties.

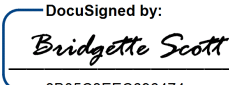
WHEREAS, the *Port of Kennewick* authorized the execution of this

Agreement by Resolution No. 2023-25,

Adopted on August 22, 2023

IN WITNESS WHEREOF, the parties hereto have set their hands.

By: 
DocuSigned by:
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Tim Arntzen

Attest: 
DocuSigned by:
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Bridgette Scott

Title: Chief Executive Officer

Title: Executive Assistant/Clerk

Date: 8/22/2023

Date: 8/23/2023

PORT OF KENNEWICK

Resolution No. 2023-26

RCO LPM Grant Request for Deferred Maintenance

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK
AUTHORIZING APPLICATION FOR FUNDING ASSISTANCE FOR A LOCAL PARKS
MAINTENANCE (LPM) GRANT TO THE WA ST RECREATION AND CONSERVATION
OFFICE (RCO)***

WHEREAS, our organization understands there is an opportunity to receive up to \$100,000 in funding and there is no match required for the Local Parks Maintenance (LPM) grant;

WHEREAS, we belief there are significant public benefits to undertaking actions to re-paint, re-stain, and repair areas of deferred maintenance at Clover Island; and

WHEREAS, we acknowledge the LPM grant, if approved, will be paid on a reimbursement basis; and

WHEREAS, we understand that the attached LPM authorization document and this resolution becomes part of a formal application to the Recreation and Conservation Office.

NOW, THEREFORE, BE IT RESOLVED that Tim Arntzen, Chief Executive Officer of the Port of Kennewick is hereby authorized to make formal application to the Recreation and Conservation Office for Local Park Maintenance grant funding; and

BE IT FURTHER RESOLVED that the Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof;


This resolution shall be effective immediately upon passage and signature by the Port of Kennewick Commissioners.

ADOPTED by the Board of Commissioners of Port of Kennewick this 22nd day of August 2023, located at Clover Island in Kennewick.


**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By: 0E53A30E1C8E442...

SKIP NOVAKOVICH, President

By: 89F77EAC8921416...

KEN HOHENBERG, Vice President

By: A35176A2D2CD413...

THOMAS MOAK, Secretary

Port of Kennewick

2023 Mid-Year Budget Review 2023-2024 Budget

Managing Resources & Accountability

by Nick Kooiker, Deputy CEO/CFO/Auditor



- Because the Port uses accrual accounting final figures will change; we are still accruing expenses back to the beginning of 2023.
- These numbers are in draft form; they will be finalized in the Port's annual financial report and audited by the State Auditor's Office.
- Port team has already started planning for 2025/26 budget.



Budget Disclosures



Operating Division

Revenue & Expenses



Revenues:
\$699,028

- 25% Benchmark
- Operating revenues at 29%

EXHIBIT A



Expenses:
\$2,053,654

- 25% Benchmark
- Operating expenses at 23%
- Vista Field Maintenance Costs
- Shoreline Maintenance Costs
- Temporary Labor



Revenues:
\$5,144,993

- 25% Benchmark
- Non-Operating Revenues at 34%
- 2023 property taxes already booked; ~ \$200k higher due to new construction
- Interest Income \$20k/month
- RCCF 1135 Project

Expenses:
\$984,766

- 25% Benchmark
- Non-Operating Expenses at 24%
- Vista Field Loan Expense

Non-Operating Division

Revenue & Expenses

Capital Projects 2023/2024

EXHIBIT A

Item	Budget	Expended	Remaining
1. Vista Field Pavilions	\$3,300,000	\$137,222	\$3,162,778
2. Vista Field Infrastructure	\$1,325,000	\$0	\$1,325,000
3. Vista Field Misc	\$350,000	\$31,796	\$318,204
4. Vista Field Parking	\$500,000	\$28,247	\$471,753
5. Vista Field Satellite Shop	\$500,000	\$0	\$500,000
6. 1135 Shoreline	\$500,000	\$1,314	\$498,686
7. Clover Island	\$500,000	\$0	\$500,000
8. Columbia Drive	\$450,000	\$350,074	\$99,926
9. VFDF A Rehab	\$500,000	\$0	\$500,000
10. Art Project	\$100,000	\$0	\$100,000
11. City of Richland	\$300,000	\$0	\$300,000
12. Asset Replacement	\$500,000	\$0	\$500,000
13. Opportunity Fund	\$125,000	\$125,000 Encumbered	\$0
14. Misc. Capital	\$100,000	\$0	\$100,000





Vista Field Debt

- The current balance is approximately \$3.8 Million
- The interest rate will increase from 2.85% to 3.45% in December 2023
- Total interest expense will be ~\$123k in 2024
- Interest rate will increase substantially in December 2028



Benton County Rural County Capital Funds

Accumulated as of 7/31/23	Funds Reimbursed to Port	Available Balance
\$4,357,815	\$ 497,001	\$3,860,814*

RCCF Balance

- \$3,410,000 appropriated to Hangar Remodel*
- \$450,814 unappropriated fund balance
- County will only let you encumber amount of fund balance at the time of project application
- Accrues at approximately \$50k/month



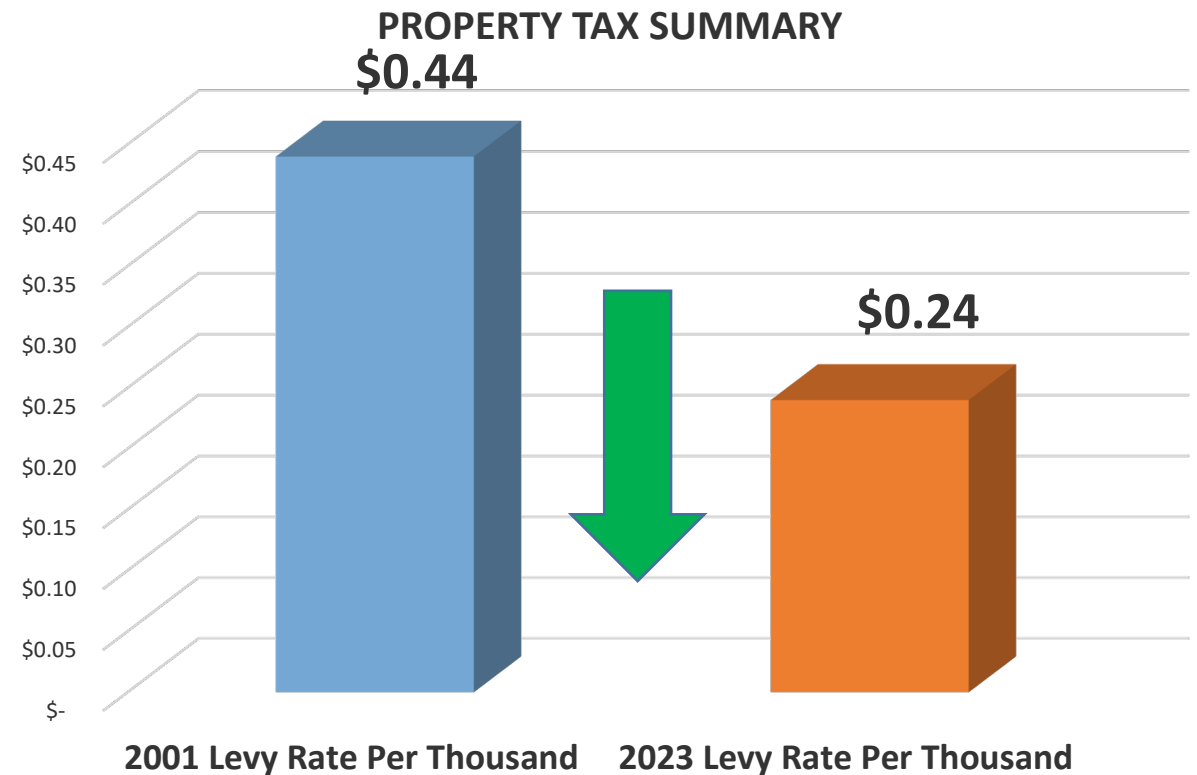
Opportunity Fund

2023/2024 Budget: \$125,000		
Project	Encumbrance	Approved
Benton City Economic Development	\$40,000	6/13/2023
CTUIR Advertising Partnership	\$15,000	6/13/2023
Cable Bridge Lighting	\$25,000	6/13/2023
CI East Shoreline A&E	\$45,000	7/25/2023
	TOTAL	\$ 125,000
	Remaining Budget	\$ 0



Property Tax *Levy Rate* per thousand has fallen to *only* \$0.24 in 2023!

Property Tax Summary 2001 vs 2023





Thank You

Nick Kooiker
Deputy CEO/CFO/Auditor
509-586-1186
nick@portofkennewick.org

Container Restroom Art Wrap

















