



PORT OF KENNEWICK REGULAR COMMISSION MEETING

SEPTEMBER 10, 2024 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.

ANNOUNCEMENTS AND ROLL CALL

The following were present:

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

Staff Members: Tim Arntzen, Chief Executive Officer
Tana Bader Inglima, Deputy Chief Executive (via telephone)
Nick Kooiker, CFO/ Deputy Chief Executive (via telephone)
Larry Peterson, Director of Planning and Building (via telephone)
Amber Hanchette, Director of Real Estate (via telephone)
Michael Boehnke, Director of Operations (via telephone)
Bridgette Scott, Executive Assistant (via telephone)
Lisa Schumacher, Special Projects Coordinator
David Phongsa, Marketing/Capital Projects Coordinator (via telephone)
Carolyn Lake, Port Counsel (via telephone)

PLEDGE OF ALLEGIANCE

Commissioner Hohenberg led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated August 31, 2024**
Direct Deposit and E-Payments totaling \$110,065.59
- B. Approval of Warrant Register Dated September 10, 2024**
Expense Fund Voucher Number 106214 through 106263 for a grand total of \$465,073.26
- C. Approval of Regular Commission Meeting Minutes August 27, 2024**

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

SEPTEMBER 10, 2024 MINUTES

PRESENTATION

A. *Supreme Court Opinions Update*

Ms. Lake gave a brief update on the recent Supreme Court opinions:

- Repeal of Chevron Doctrine: if federal legislation is ambiguous or leaves an administrative gap, the courts must defer to the regulatory agency's interpretation if the interpretation is reasonable.
- City of Grants Pass Homelessness Enforcement: local government can enforce laws that regulate camping on public property without violating the Eighth Amendment's protection (homelessness enforcement).

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *Kennewick Waterfront*

1. *Kittson Easement*

Mr. Arntzen stated Ms. Lake drafted a Purchase and Sale Agreement (PSA) for the Kittson land exchange in The Willows. Mr. Kittson previously requested access to the back side of the KIE building once the Port constructs the road. Mr. Arntzen met with the Kittsons and reassured them that even though it was not called out in the PSA, Ms. Lake will draft an easement to the property, as long as it is consistent with the PSA.

Ms. Lake stated once the City approves the Boundary Line Adjustment, the Port will issue an easement to the property.

Commissioner and staff discussed the easement, which would be effective once the Port constructs road access. Mr. Arntzen envisions the road to be similar to Vista Field, being slow moving and pedestrian friendly. Commissioner Moak appreciated the explanation.

It is the Consensus of the Commission to move forward with the Port/Kittson property easement once the BLA has been approved by the City and the road is constructed.

B. *2025-2026 Budget and Work Plan Memo*

Mr. Arntzen presented a memo regarding the 2025-2026 budget philosophy which captures Commission comments over the past year (*Exhibit A*) with the primary focus on Vista Field.

Mr. Kooiker stated the budget memo addresses the capital budget and focuses on Vista Field infrastructure. Additionally, the Port will need to maintain some flexibility based on the actual project status.

Commissioner Hohenberg thanked Mr. Kooiker for the briefing and stated none of this information is a surprise as the Commission has confirmed over the past few years that Vista Field is the number one priority.

Commissioner Moak inquired if the Kennewick Waterfront marketing efforts for land sales or leasing will be addressed in the 2025-2026 Budget/Workplan.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

SEPTEMBER 10, 2024 MINUTES

Mr. Arntzen stated that because of limited staff resources and because of the Commission's directive, we have made a concerted effort to focus on Vista Field. Even though we have not discussed the Blue Chart proposal in detail during each Commission meeting, it is being worked on daily—and because of the size and complexity of the project, it is taking the majority of staff time. Mr. Arntzen is optimistic that once the Blue Chart proposal moves forward, staff may be able to work on the Kennewick Waterfront properties. Mr. Arntzen stated he would like staff to have the opportunity to be a reliable partner to the people who purchase lots at Vista Field and be able to continue to assist them after the PSA is executed. Staff continues to market the properties at Columbia Gardens; however, the emphasis is still on Vista Field.

Commissioner Moak thanked Mr. Arntzen for his comments and stated that was what he needed to hear, and it is good for the Commission to understand that. Commissioner Moak stated people inquire about Port projects and staff are following the Commission directive to focus on Vista Field.

Commissioner Novakovich stated the Port has limited resources that we can apply to different projects and the community and Commission directed staff to allocate those resources towards Vista Field. Additionally, Commissioner Novakovich has seen a lot of advertising for the Kennewick Waterfront and believes staff are applying the resources that they have in the most appropriate way and the Commission should support them in that effort.

C. *CEO Report*

Mr. Arntzen gave a brief CEO report:

- Port of Kennewick and Port of Pasco Joint Meeting is scheduled for Wednesday, October 9, 2024 at 10:00 a.m. Staff will provide the Commission with a Draft Agenda for comments, which will include waterfront efforts, and Cable Bridge Lighting project update.

Commissioner Hohenberg agrees with Mr. Arntzen's comments and believes we should discuss Vista Field and Osprey Point because of the mixed-use development aspect.

Commissioner Moak is interested in the waterfront development and the Cable Bridge Lighting project and thinks it is important to discuss topics that benefit both Commissions.

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

Commissioners reported on their respective committee meetings.

E. *Non-Scheduled Items*

Commissioner Moak recently visited Seabrook, Washington for the first time and enjoyed the development, trees, and landscaping. The development is very exclusive, and they are building new condominiums, townhomes and live-work units in the town center, starting at \$1,995,000.00. Commissioner Moak hopes that Vista Field does not get priced out for most people and that the public uses the amenities. At this time, the Port controls the home and owner's association at Vista Field, but at some point, it will be mostly private and he hopes the public will always feel comfortable at Vista Field. Commissioner Moak stated the Port is starting to develop the housing

PORT OF KENNEWICK REGULAR COMMISSION MEETING

SEPTEMBER 10, 2024 MINUTES

portion and believes the Tri-Cities will love the designs of Blue Chart. Commissioner Moak hopes as we design Daybreak Commons, it will show that it is for everyone.

Commissioner Moak will remotely attend the September 24, 2024 Commission Meeting.

Commissioner Novakovich thanked Ms. Soctt for her assistance in connecting to today's meeting.

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 3:07 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, POK CEO; Nick Kooiker, POK CFO
Date: September 10, 2024
Re: Budget Notes

Most of the information on the budget document is self-explanatory, or we have discussed it previously. However, a couple items may need further explanation.

1. **General:** About 95% of the proposed capital budget will be for Vista Field projects, based upon decisions that the Commission has made in the past (e.g. Blue Chart, Dulo Foster, Kuki LLC).
2. **Vista Field Infrastructure:** As mentioned above, the capital budget will include various line items for infrastructure and parking projects at Vista Field. The Port team has gone through an arduous process over the last several months preparing an infrastructure plan that is sequenced based upon the development proposals received and approved by the Port Commission. Land sales are projected as part of the budget. However, all of the projects are sequenced with appropriate “triggers” to protect the Port in the case that a transaction doesn’t come to fruition.
3. **2025/26 Mid-Biennial.** Due to so many forecasted variables, the Port Commission may need to maintain some level of flexibility during the 2025/26 budget cycle. Typically, we have performed a mid-biennial budget review. During the process, the Commission may be asked to “shuffle” funding based upon actual project status.

Thank you for this opportunity to comment.

BUDGET CALENDAR

September 24, 2024: Work Plan Workshop

October 8, 2024: Work Plan Approval

October 22, 2024: 2025/26 Preliminary Budget Workshop

November 12, 2024: Final Budget Approval