

# AGENDA

*Port of Kennewick  
Regular Commission Business Meeting  
Port of Kennewick Commission Chambers  
350 Clover Island Drive, Suite 200, Kennewick, Washington*

Tuesday, March 14, 2017  
2:00 p.m.

- I. **CALL TO ORDER**
- II. **PLEDGE OF ALLEGIANCE**
- III. **PUBLIC COMMENT** *(Please state your name and address for the public record)*
- IV. **APPROVAL OF AGENDA**
- V. **CONSENT AGENDA**
  - A. Approval of Direct Deposit and ePayments Dated March 2, 2017
  - B. Approval of Warrant Register Dated March 14, 2017
  - C. Approval of Regular Commission Business Meeting Minutes February 14, 2017
  - D. Approval of Regular Commission Business Meeting Minutes February 28, 2017
- VI. **PRESENTATION**
  - A. Vista Field Draft Master Plan (**LARRY**)
- VII. **REPORTS, COMMENTS AND DISCUSSION ITEMS**
  - A. Clover Island Update (**LARRY**)
  - B. Columbia Drive Update (**LARRY**)
  - C. Commissioner Meetings (formal and informal meetings with groups or individuals)
  - D. Non-Scheduled Items
- VIII. **PUBLIC COMMENT** *(Please state your name and address for the public record)*
- IX. **EXECUTIVE SESSION** *(Ask public if they are staying, and if not, where they can be located if the Executive Session ends early.)*
  - A. Real Estate, per RCW 42.30.110(1)(b) – Site Selection
  - B. Real Estate, per RCW 42.30.110(1)(c) – Minimum Price
- X. **ADJOURNMENT**

***PLEASE SILENCE CELL PHONES***



# PORT OF KENNEWICK REGULAR COMMISSION MEETING

**DRAFT**

**FEBRUARY 14, 2017 MINUTES**

## **CALL TO ORDER**

Commission President Skip Novakovich called the Regular Commission Meeting to order at 2:01 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

### **The following were present:**

**Board Members:** Skip Novakovich, President  
Thomas Moak, Vice-President  
Don Barnes, Secretary

**Staff Members:** Tim Arntzen, Chief Executive Officer  
Tana Bader Inglima, Deputy Chief Executive Officer  
Amber Hanchette, Director of Real Estate and Operations  
Nick Kooiker, Chief Financial Officer/Auditor  
Larry Peterson, Director of Planning & Development  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## **PLEDGE OF ALLEGIANCE**

Brian Malley, executive director of Benton Franklin Council of Governments, led the Pledge of Allegiance.

## **APPROVAL OF THE AGENDA**

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

## **PUBLIC COMMENT**

No comments were made.

## **CONSENT AGENDA**

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated January 17, 2017**  
Direct Deposit and E-Payments totaling \$84,439.11
- B. Approval of Warrant Registers Dated January 24, 2017**  
Expense Fund Voucher Numbers 38746 through 38786 for a grand total of \$76,629.61
- C. Approval of Direct Deposit and E-Payments Dated February 2, 2017**  
Direct Deposit and E-Payments totaling \$75,875.31
- D. Approval of Warrant Registers Dated February 14, 2017**  
Expense Fund Voucher Numbers 38787 through 38843 for a grand total of \$203,087.59

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- E. Approval of Commission Business Meeting Minutes January 10, 2017*
- F. Approval of Emergency Public Works Project: Demolition and Removal of Collapsed Building at 211 East Columbia Drive; Resolution 2017-01*
- G. Approval of Emergency Bid: Inspection and Snow Removal (various Port buildings); Resolution 2017-02*

**MOTION:** *Commissioner Moak moved for approval of the Consent Agenda, as presented; Commissioner Barnes seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

## PRESENTATIONS

### A. *Benton Franklin Council of Governments*

Mr. Arntzen introduced Brian Malley, executive director of Benton Franklin Council of Governments (BFCOG), who will be updating the Commission about the role BFCOG plays in the community and what they can do for the Port.

Mr. Malley, executive director of BFCOG thanked the Commission and stated recently the BFCOG celebrated their fiftieth anniversary. Mr. Malley stated, since 2013, many BFCOG staff have retired, which has been a challenge, but provided a great opportunity for staff. Mr. Malley and staff have made an effort to raise the visibility of BFCOG and educate our partners on the rules and state mandates that are adhered to. The BFCOG members are the local ports, cities, counties, and BF Transit and Department of Transportation (17 regular members). Mr. Malley stated the agency focuses primarily on transportation, community and economic development, and at times have been asked to provide assistance in other areas. The BFCOG is defined by requests from the membership and if there is a topic or study that the membership believes should be pursued. BFCOG directs their work efforts based on that particular topic. Mr. Malley introduced Tanna Dole, Transportation Program Ganager.

Ms. Dole stated in the transportation section, there are core documents that BFCOG is mandated to put together, which include a long range transportation plan (twenty-year plan) for the region, a Metropolitan/Regional transportation improvement program and an annual Unified Planning Work Program. BFCOG assembles the Unified Planning Work Program for approval in spring by the Department of Transportation and the Federal Highway Review to ensure we have met the requirements. This year, the BFCOG would like to include and present a robust technology program with the Unified Planning Work Program. The Regional Active Transportation Plan was adopted in June 2016 and covers multiple aspects of bicycle and pedestrian travel and prioritizing bike system needs.

Emily Weimer, Transportation Planning Specialist II presented the Regional Active Transportation Plan which was adopted in June 2016 and covers multiple aspects of bicycle and pedestrian travel and prioritizing bike system needs. The survey garnered over 600 responses and about one-third said the local transportation system does not work very well and two-thirds said it worked well or very well. The top two concerns dealt with walkability – 86% concerned with pedestrian safety, and 80% with the lack of sidewalks. Then there was urban sprawl and

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rapid growth. Also, 75%, people were concerned about the lack of bicycle lanes, and 71% were concerned about the lack of transit.

Mr. Novakovich asked Mr. Malley to speak on BFCOG's loan programs.

Mr. Malley stated BFCOG has three loan programs: the Regional Revolving Loan Fund, the Columbia Regional Economic Development Trust, and the Hanford Area Economic Development Trust.

Mr. Moak inquired if the Columbia River Crossing is part of the BFCOG's long term plan.

Mr. Malley stated BFCOG approached the membership in 2016 to see if there was interest in moving the project forward, however, the consensus of the group is to wait until there is funding available before moving forward.

Mr. Moak is a member of BFCOG Good Roads Board and appreciates Mr. Malley and Ms. Dole's work on partnerships.

## ***B. Wine Industry Update, Ken Robertson***

Ms. Bader Inglima introduced Ken Robertson, a Wine Consultant, for the Port, who has been promoting Port properties such as Columbia Gardens and Red Mountain at industry events. Mr. Robertson has been generating interest in the Columbia Gardens project and has been instrumental to the Port at the Washington Wine Grape Growers (WWGG) show and other wine industry events.

Mr. Robertson provided the Commission with an overview and update on the wine industry and the implications for the Port's Columbia Gardens and West Richland project, as well as a report on the Washington Wine Grape Growers show.

Ms. Bader Inglima stated a lot of the conversation at the WWGG show centered on the City of Kennewick's installation of the wine wastewater effluent, which is a tremendous capital investment for small wineries. The effluent is a critical piece for Columbia Gardens and will give the Port a competitive advantage.

Mr. Moak inquired if Washington wine makers will benefit from the California drought.

Mr. Robertson stated California is still growing, however, Washington's advantage is the price of land and the only issue Washington would face is providing the infrastructure and getting water to the grapes.

Mr. Moak stated the Port just completed the Master Plan for the former West Richland Raceway and it did not include amenities for the service industry. Mr. Moak inquired how serious were the comments about the need for hotels and restaurants in that area.

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Mr. Robertson believes that Vista Field will be able to accommodate the amenities that are needed.

Mr. Novakovich thanked Mr. Robertson for the update and stated the former West Richland Raceway could be used for barrel storage, production facilities, or whatever the demands from the grape growers may be. Furthermore, the partnership with the City of Kennewick for the wine waste water effluent treatment facility is the best example of a private/public partnership.

### **C. *Vista Field Calendar***

Mr. Arntzen stated at the January 10, 2017 Commission Meeting the Vista Field Calendar was discussed at length. The Commission asked Mr. Arntzen to bring back additional information on the developer's roundtable and whether the roundtable should be an open meeting. Mr. Arntzen and Mr. Peterson had a conference call with Michael Mehaffy and Laurence Qamar and it was determined that over the past three years, the Port has been gathering the information through other processes, such as the Charrette, and will not need to move forward with a developer roundtable meeting.

Mr. Arntzen stated his goal is to produce biddable documents to the Commission by October 2017 and to do that, it is imperative that staff keeps moving forward. Mr. Arntzen reported that Elizabeth Plater-Zyberk would like to present the completed Phase I Site Plan on May 15, 2017. This could service as the public event that the Commission is looking for, where the Port rolls out the Phase I Site Plan and garners comments from the public and partner agencies in a productive manner. Furthermore, Mr. Arntzen has had the opportunity to view the agenda for the Congress of New Urbanism Conference, which will be held on May 2-6, 2017, and believes it will be a fantastic conference for the Commission to attend. The DPZ will be attending the CNU Conference and have asked if the Port would like to co-op a booth. Mr. Arntzen believes this is a great opportunity for the Port.

Mr. Novakovich likes the idea of co-sponsoring a booth at CNU.

Mr. Barnes appreciates the follow-up regarding the developer roundtable and believes it is in the best interest of the Port to continue gathering information and sees this as an ongoing process. Mr. Barnes reiterated that when it is time to enter into an agreement or contract with a developer, the Port has an approved collaborative design process in place, which is a living document that can evolve.

Mr. Moak thanked staff for bringing an alternative to the developer's roundtable and agrees with Mr. Barnes comments. Mr. Moak likes Mr. Arntzen's ideas and stated that it is important to accommodate Mr. Duany's booth ideas, because the conference attendees are here to see him and he can promote Vista Field. Mr. Moak likes staffs' ideas and appreciates the dialogue.

Mr. Arntzen thanked the Commission and is appreciative of their comments. Mr. Arntzen stated that Emily Estes-Cross, the Economic Development Manager for the City of Kennewick has indicated that she would like to attend the CNU conference in partnership with the Port.

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Mr. Arntzen reported that staff and consultants continue to work on the Phase I Site Plan and hope to present a draft to the Commission soon. Mr. Arntzen stated staff is working towards a \$5,000,000 budget for Vista Field and have been looking at ways to bring in additional revenue. Mr. Arntzen believes the Port can accomplish Phase I by creating two biddable contracts, as the Port did with Columbia Gardens. Mr. Arntzen indicated the first contract will be bid fall 2017 and will include: the streets, utilities, water feature and plaza. The second contract will include the hangar remodels. Mr. Arntzen reported that the Southridge property is ready to be marketed. By sequencing Phase I, this allows the Port to sell the property that is readily available, and bring in additional funding. Mr. Arntzen stated this is very complex, but the good news is we are getting closer and Mr. Arntzen feels very good about the project and the pay as you go process.

Mr. Moak inquired if there will be a delay by sequencing Phase I.

Mr. Arntzen does not believe there will be a delay and stated the Port will be able to cover costs if the Southridge property does not sell right away.

Mr. Peterson stated staff is working with several contingencies for Phase I, as it is tough to estimate the future cost of a yet to be designed item. Staff has cost estimates on the roadways and water feature, however, the hangar remodel costs have yet to be determined. As we refine the project, we are working to stay within the budget.

Mr. Novakovich feels sequencing the project makes sense.

Mr. Arntzen stated the budget includes: roads, utilities, water feature, landscaping, plaza area and an additional parking lot behind the current hangars, miscellaneous expenses, a contingency and the hangar remodel.

## ***D. Vista Field Draft Master Plan***

Mr. Peterson presented the Vista Field Draft Master Plan and stated the appendixes makes up over 3 ½ years of work completed by staff, consultants and the public. The Draft Master Plan is a 45 page document which summarizes all of the information in the appendixes. Mr. Peterson requested the Commission review the Draft Master Plan for any items or concepts that are missing and send comments to him by February 23, 2017.

Mr. Arntzen stated that he will be asking Marie Mosely and city staff to review the Draft Master Plan for additional feedback.

## ***E. Vista Field Developer Agreement Workshop***

Mr. Arntzen introduced Ben Floyd of Anchor QEA, who is working with David Robison of Strategic Construction Management, on the Vista Field Developers Agreement, which is a contract between the Port and City that defines the guidelines for future development of Vista Field for a defined period of time.

Mr. Floyd thanked Mr. Arntzen and the Commission and stated Mr. Robison was not feeling well and sends his apologies. Mr. Floyd stated a Development Agreement defines the relationship over a specific parcel of land (Vista Field) between two parties and sets guidelines

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for future development. Mr. Floyd stated the Development Agreement will be modeled after the Southridge Development Agreement which was set up by the City in 2004. The Agreement outlines the terms and conditions for the development and includes the Port Commission's previously supported items:

- Adopts Vista Field Master Plan;
- Applies City of Kennewick urban and mixed use zoning code;
- Sets traffic impacts mitigation obligations;
- Identifies fire and protection design standards;
- Limits future changes to City Code for Vista Field;
- No financial commitments; and
- Other general terms and conditions.

Mr. Floyd stated the Commission will have several opportunities to provide input on the full Development Agreement. Mr. Floyd asked for Commission input on the term of the agreement, and stated the Southridge Agreement has a term of ten years, with additional opportunities for five year extensions.

Mr. Barnes stated if the agreement cannot be amended without joint agreement, he believes the Port should ask for the longest term since Vista Field may not be fully built out in twenty years.

Mr. Peterson stated the Port has several term options to choose from, however, the City will need to agree on the time frame and may not want to commit for twenty years

Mr. Moak would like to see a term of ten years and if there needs to be a course correction, we have that opportunity, and we would have a chance to extend the agreement.

Mr. Novakovich likes the idea of a twenty year agreement, which would cover the development until build out and believes it is important to protect the development until full build out. There will also be an option to amend the agreement mutually.

Mr. Floyd stated Southridge is a ten year agreement with provisions for five year extensions, without having to renegotiate the base of the bargain.

Mr. Barnes stated if City and Port staff are comfortable with a ten year agreement with two, five year extensions, then he is comfortable as well.

Mr. Floyd confirmed that the Commission would like to see a ten year term with the option for two, five year extensions.

It is the consensus of the Commission for the Agreement to have a term of ten years, with additional opportunities for five year extensions.

Mr. Floyd stated, out of Master Planning process, there was a discussion regarding community policing where the Kennewick Police Department (KPD) could have a presence at Vista Field, which could include a small space where an officer could have a desk, locker, and equipment.

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Mr. Floyd inquired if the Commission would like to dedicate some space to the KPD, which is a commitment to public safety and our partnership.

Mr. Peterson stated this would be an opportunity for KPD to police Vista Field differently and believes 500 square feet would be ample for a mini station.

Mr. Novakovich believes it would be mutually beneficial and some space should be dedicated to KPD.

Mr. Moak inquired if this would be for the KPD alone, or does the City anticipate a presence at Vista Field for other City services. Mr. Moak is interested in the concept, but would like additional details.

Mr. Peterson stated during the meetings with emergency services, the Fire Department indicated they were not looking to construct a new facility, but are looking to rebuild the station on West Quinault Avenue. Mr. Peterson does not believe the City is not looking construct a new building. Mr. Peterson stated Chief Hohenberg had the idea was a small space where a police officer could refresh and perform administrative duties without having to drive back to headquarters and location was not an issue.

Mr. Floyd inquired if the Commission is open to putting in a placeholder in the Development Agreement for a community policing facility (500-1000 square feet) for discussion with the City.

It is the consensus of the Commission for the Agreement to include a placeholder for further discussion for a public safety space at Vista Field.

Mr. Floyd will bring back provisions about what will be included in the Agreement for Commission review and stated the next steps include:

- Port Attorney review;
- City traffic, planning and fire department review;
- City Attorney review;
- Revisions submitted to Port Commission and City Council for acceptance.

Mr. Floyd anticipates a draft will be ready for review by City and Port officials in spring of 2017. Once the review has been completed, Mr. Floyd will make any adjustments necessary, based on comments by the Port Commission and City officials and the Agreement will be ready for approval by both entities in summer of 2017.

## **RECESS**

*Mr. Novakovich recessed the meeting 4:38 p.m. for a break and will reconvene at approximately 4:47 p.m.*

## **NEW BUSINESS**

- A. Approval of Contract with Parametrix for Design Services for the Vista Field Roadway and Utility Infrastructure; Resolution 2017-03*

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Mr. Peterson introduced Resolution 2017-03, which authorizes Parametrix to perform the civil engineering work necessary to create biddable construction documents for Vista Field. The proposed contract includes the design and construction management of the roadways and utilities at Vista Field. Mr. Peterson stated Parametrix has provided civil engineering support to the DPZ team throughout the master planning process which started with the Vista Field EIS and Integrated Economic Analysis. Parametrix completed the detailed Transportation Impact Evaluation Study (TSIE) in 2015-2016. During the TSIE process Parametrix developed a positive working relationship with the City of Kennewick Public Works Department, which will be crucial for the successful design and construction of roadways deviating from the City's typical design.

Mr. Novakovich stated the Agenda Report Item IV, states the proposal represents approximately 15% of the anticipated construction cost and it was previously discussed that Vista Field Phase I will cost approximately \$5,000,000.

Mr. Peterson stated the infrastructure, which includes the water, sewer, and roadway portion is approximately 40% of the project. Mr. Peterson stated the 15% of anticipated construction cost is for the design and for construction management for this portion of the construction, not the entire project.

## **PUBLIC COMMENTS**

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick stated the minutes from the January 10, 2017 Commission Meeting listed his address incorrectly and it should be 414 Snyder Street. Mr. Burdick inquired if internet access will be included in the utilities.

Mr. Peterson stated "dry" utilities captures all communication utilities. It has been previously discussed that the Port may install additional conduit for a Port controlled fiber network.

No further comments were made.

***MOTION:*** Commissioner Moak moved for approval of Resolution 2017-03 authorizing the Port's Chief Executive Officer to execute the contract with Parametrix for civil engineering services for the design of roadways and utilities in the Port's Vista Field Phase #1 project, for a sum not to exceed \$326,400; Commissioner Barnes seconded.

*Discussion:*

*Mr. Barnes asked Mr. Peterson if he believes the 15% anticipated construction cost is reasonable and inquired what the time frame is.*

*Mr. Peterson believes the 15% is reasonable and stated the intended timeframe for the project is that the biddable construction documents will be generated by early September 2017, with the bid opening occurring in late September, and construction to begin in October of 2017 with a summer completion. The contract runs through December 2018 to take care of any necessary paperwork.*

*Mr. Barnes inquired if Parametrix will start designing Phase I almost immediately once the Commission approves the contract. Mr. Barnes reiterated that the Commission is approving the design documents for Vista Field Phase I design by authorizing the contract.*

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*Mr. Peterson stated, yes, Parametrix will begin designing Phase I of Vista Field once the contract is approved.*

*Mr. Moak inquired if Mr. Peterson believes \$326,400 is a fair number for this contract.*

*Mr. Peterson stated, when it comes to architectural and engineering services, the Port seeks qualifications first and then negotiates price. Mr. Peterson stated, perhaps the Port could find a firm that will perform the same work for less, however, without a proven track record, it could be a gamble. Parametrix has been working with DPZ on Vista Field throughout the Master Planning process and completed the detailed Transportation Impact Evaluation Study.*

*Mr. Barnes stated, on page 3 of the contract scope of work, under Task Understanding, it states, "The plan set will include all on-site improvements described above and will show construction as a single phase." Mr. Barnes inquired if the plan set includes the design for the water feature?*

*Mr. Peterson, stated the plan set will not include the water feature activities. The single phase means the plan set will not be broken into segments, and is one project for Parametrix.*

*Mr. Peterson stated the hangar remodel is an architectural contract, where Parametrix is working with the infrastructure. Furthermore, Parametrix is utilizing Gary Hall, a local engineer, as a sub-consultant for the water feature and the project will be presented as one bid package.*

*Mr. Barnes inquired if the development can utilize drywells for the storm water, as outlined in the contract.*

*Mr. Peterson stated dry wells are used throughout the Tri-Cities.*

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

Mr. Novakovich stated in the essence of time, the Commission will discuss Item XI A: Tri-Cities Regional Chamber Committee Assignment and table the remaining Reports, Comments and Discussion items.

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

### ***A. Tri-Cities Regional Chamber Committee Assignment***

Mr. Arntzen stated that he was asked by Lori Mattson, the Tri-City Regional Chamber of Commerce president to meet with Gregg McConnell, publisher of the *Tri-City Herald*, who chairs the regional affairs committee at the Chamber. Mr. McConnell requested a meeting with Steve Young, City of Kennewick Mayor, Marie Mosely, City Manager and Mr. Arntzen to discuss a project that the Chamber will be proposing. Mr. Arntzen stated Mr. McConnell asked the City and Port to serve on a jurisdictional committee that provides input to Pam Henderson of New Edge. The committee input will focus on what our community needs over the next twenty years. Mr. Arntzen stated there have been a number of attempts over the last several years to gather information, and believes it is something the Chamber sees as very meaningful and other

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entities have committed to participate. Mr. Arntzen stated what it will entail is the Port appointing a representative to serve on a committee, for approximately two sessions in May. Mr. McConnell referenced the Vista Vision Task Force several times and stated it was the best committee he had ever seen in operation and would like the committee to capture that kind of community spirit and would like to duplicate the Charrette and discuss what types of projects our community envisions over the next twenty years. Mr. Arntzen relayed to Mr. McConnell that he believed the Port Commission would participate, however, further direction from the Commission is needed prior to committing.

Mr. Novakovich believes the Port should participate.

Mr. Moak inquired if the Chamber is looking for staff or elected to sit on the committee.

Mr. Arntzen is unsure of the specifics and has reached out to Mr. McConnell for more information. Mr. Arntzen asked Mr. McConnell if he had reached out to the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) for their assistance and Mr. McConnell relayed he had yet to. Mr. McConnell, recognizing the Port's partnership with the CTUIR asked for the Port's assistance and believes it would be an advantage for the group.

Mr. Barnes attends the Chamber Board meetings in an ex-officio capacity and believes this is an effort on the Chamber's part to form a committee that has a greater role in the community projects than in the past.

Mr. Moak stated with projects like Vista Field and the Kennewick Waterfront, the Port is already looking out over the next twenty years. Mr. Moak believes it is important to have a representative on the committee, given the Port's long term projects.

Mr. Arntzen will update the Commission as more details become available.

## **PUBLIC COMMENTS**

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick inquired if the Congress of New Urbanism (CNU) Conference is open to the public.

Mr. Peterson stated it is open to the public and staff will provide Mr. Burdick with information on CNU.

No further comments were made.

## **COMMISSIONER COMMENTS**

No comments were made.

Mr. Novakovich anticipates the Executive Session will last approximately 40 minutes, Site Selection per RCW 42.30.110(1)(b) and Real Estate Minimum Price per RCW 42.30.110(1)(c) with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

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Mr. Novakovich recessed the Regular Commission Meeting at 5:15 p.m.

**EXECUTIVE SESSION**

- A. Real Estate, per RCW 42.30.110(1)(b) – Site Selection*
- B. Real Estate, per RCW 42.30.110(1)(c) – Minimum Price*

Mr. Novakovich convened the meeting into Executive Session at 5:15 p.m. for approximately forty minutes.

Mr. Novakovich adjourned the Executive Session at 5:47 p.m.

Mr. Novakovich reconvened Regular Commission Meeting at 5:47 p.m.

**ADJOURNMENT**

With no further business to bring before the Board; the meeting was adjourned 5:47 p.m.

**APPROVED:**

**PORT of KENNEWICK  
BOARD of COMMISSIONERS**

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*Skip Novakovich, President*

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*Thomas Moak, Vice President*

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*Don Barnes, Secretary*



# PORT OF KENNEWICK REGULAR COMMISSION MEETING

**DRAFT**

**FEBRUARY 28, 2017 MINUTES**

## **CALL TO ORDER**

Commission President Skip Novakovich called the Regular Commission Meeting to order at 2:00 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

### **The following were present:**

**Board Members:** Skip Novakovich, President  
Thomas Moak, Vice-President  
Don Barnes, Secretary

**Staff Members:** Tim Arntzen, Chief Executive Officer  
Tana Bader Inghima, Deputy Chief Executive Officer  
Amber Hanchette, Director of Real Estate and Operations  
Nick Kooiker, Chief Financial Officer/Auditor  
Larry Peterson, Director of Planning & Development  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## **PLEDGE OF ALLEGIANCE**

Phillip Lemley, City of Richland Councilmember, led the Pledge of Allegiance.

## **PUBLIC COMMENT**

No comments were made.

## **CONSENT AGENDA**

Consent agenda consisted of the following:

- A. *Approval of Direct Deposit and E-Payments Dated February 17, 2017***  
Direct Deposit and E-Payments totaling \$50,384.64
- B. *Approval of Warrant Registers Dated February 28, 2017***  
Expense Fund Voucher Numbers 38844 through 38879 for a grand total of \$221,350.89

**MOTION:** *Commissioner Barnes moved for approval of the Consent Agenda, as presented; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

## **NEW BUSINESS**

- A. *Approval of Purchase and Sale Agreement with Red Mountain Estates; Resolution 2017-04***  
Ms. Hanchette stated in February 2007 the Port entered into a lease purchase option with Red Mountain Wine Estates (RMWE) for approximately 12 acres in the Port's West Richland

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Industrial Park at Keene Road and Highway 224. RMWE subsequently constructed 30,000 square feet of building improvements for Pacific Rim Winery, which continues to successfully operate on the property. In early February 2017, RMWE submitted a letter to the Port exercising their option to purchase the property per the terms of the lease at year ten. The purchase price is \$216,588 and 50% of their lease payments were applied to the purchase price, for a net purchase price of \$149,364.60.

The Port's economic development efforts in the West Richland Industrial Park have been followed by additional investment from the City of West Richland in a nearby industrial waste water treatment plant intended to serve the growing wine industry and private development of another 40,000 square feet of wine production space directly across the street from Pacific Rim.

Mr. Moak inquired if the purchase and sale was anticipated this year.

Ms. Hanchette stated RMWE was able to exercise the option to purchase on February 1, 2017 and the Port received the letter February 2, 2017. Ms. Hanchette believes that RMWE had anticipated the purchase of the property all along and it is a favorable price. The area around them is growing and becoming a good investment. Furthermore, Pacific Rim winery is a good tenant and great business on the property.

Mr. Moak inquired if RMWE owns Pacific Rim.

Ms. Hanchette stated Andy Den Hoed owns RMWE, however the Den Hoeds are investors in Pacific Rim, who is a tenant on the property.

## **PUBLIC COMMENTS**

No comments were made.

***MOTION:*** *Commissioner Barnes moved for approval of Resolution 2017-04 authorizing the Port's Chief Executive Officer to execute all necessary documentation associated with the land sale to Red Mountain Wine Estates and to take all other action necessary to close this transaction; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

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

### ***A. Clover Island Update***

Mr. Peterson stated recently Big D's Construction demolished the old Port building and raney collector as part of the Gathering Place bid that was awarded in November 2016. Mr. Peterson anticipates the remaining rubble will be removed next week. Mr. Peterson stated activity on the Gathering Place project, which includes; the pedestrian sidewalk, the Tule pond, and the placement for the Heritage artwork will begin in March.

### ***B. Columbia Drive Update***

Mr. Peterson stated in January, the building at 211 Columbia Drive collapsed due to snow on the roof. The 211 site is cleared with only a concrete slab remaining. Ms. Hanchette is working on the contract to remove the slab for future redevelopment.

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FEBRUARY 28, 2017 MINUTES

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Mr. Peterson reported the inclement weather from December to February deterred construction at Columbia Gardens. Recently, the walls on the first building have been completed and the wall screen is currently under construction. Mr. Peterson stated the trusses are currently under construction off site and when the second building has been constructed (approximately March 23, 2017) the trusses will be placed on both buildings. Also, the City has installed the new light fixtures, sidewalk, and pullout for the bus shelter is completed.

Mr. Novakovich inquired what Columbia Fitness has decided to do with their building.

Mr. Peterson stated, previously, Mr. Fiander discussed constructing a new building in the middle of their site, thus bisecting the property, however, after further discussion, Mr. Fiander decided to move the building closer to the street. This will allow the quiet street to continue through site, on to Mr. Fiander's property, and potentially to Cable Greens. Mr. Fiander saw the benefit of the redevelopment of the neighborhood, and made minor enhancements to the façade of the current building.

Ms. Hanchette reported in 2016 the Port, with the City of Kennewick Parks and Recreation Department, the US Army Corps of Engineers, and the Department of Fish and Wildlife and Department of Ecology began working on the Phase I vegetation management plan, which included the Willows and Duffy's Pond. Ms. Hanchette stated Phase II will begin today, and the work crew has approximately three weeks to clear the brush, overgrowth and noxious weeds from the edge of Columbia Gardens to the trailer park, which will open up the view to Duffy's Pond. Due to the harsh winter, we were unable to start in December as previously planned and have a short period of time to complete as much as we can due to the migratory birds arriving in March.

Ms. Hanchette envisions that vegetation management will be part of ongoing maintenance and stated in partnership with the City, the noxious weeds will be taken care of by certified sprayers.

Ms. Bader Inglima stated the vegetation management is not a small undertaking in which the Port and partners coordinate. Ms. Bader Inglima believes Phase I was the first undertaking of clearing the brush and overgrowth in fifty years and it was a lot of work to open the view and remove the invasive trees and shrubs to enhance the landscape.

Mr. Novakovich inquired if there were any more signs of transients.

Ms. Hanchette confirmed there were still transients, however, by thinning the brush, the trail will be more open and safer to walk. The Corps has been very supportive of project and the City installed a beautiful trail that should be utilized.

Mr. Moak asked if there was any new information on easements which would extend the trail.

Mr. Peterson stated Mr. Fiander has asked for a fifteen foot easement on the north end of his property as part of his building permit package. Mr. Peterson is unaware of Mr. Fiander's

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negotiations with the City, but it is identified as trail easement, which is the last missing segment of the trail.

Mr. Barnes commended the Port on the fast action when the building collapsed.

Mr. Moak inquired who is responsible for improvements on Catfish Island.

Mr. Peterson stated the Corps lease the land to the City. The City is currently negotiating with the Corps to make additional improvements.

Ms. Bader Inglima stated the Corps pump house will remain, however, the Corps budgeted for an upgrade to make the pump less accessible, however, even though the Corps removed the lay down yard the large chain link fence remains. Staff will meet with the Corps in March to discuss the security parameters for the pump house and potential ideas for the area.

Mr. Peterson noted, Tri-City Glass is working to beautify the neighborhood and added two trees and sidewalk grates recently, a significant small step towards the redevelopment of the neighborhood.

## **C. *Vista Field Update***

Mr. Peterson stated at the February 14, 2017 meeting, he provided the Commission with the Draft Master Plan and requested the Commission review for content, prior to circulating the document to the public and City. Staff will be submitting the Draft Master Plan to the City by March 15, to start the Planning Commission process and internal routing. Mr. Peterson inquired if the Commission saw anything of concern that needs to be addressed.

Mr. Novakovich confirmed that the Commission submitted their comments to staff and verified that staff can make minor changes to prepare the draft for City review.

Mr. Moak asked for some additional time to review the Draft Master Plan. Furthermore, Mr. Moak recently met with Mr. Arntzen and would like to read the draft again, in context with said meeting. Mr. Moak stated what he has reviewed corresponds with comments from the Commission.

Mr. Arntzen asked if the Commission is comfortable with the Draft, by consensus, if Mr. Peterson can insert Commission comments and/or corrections, to forward the Draft to the City.

Mr. Peterson stated the intent is to forward the Draft to the City to receive their input and make any necessary modifications. This allows the Port to address any concerns the City may have prior to approval.

Mr. Barnes stated the Draft overall is excellent and consistent with Commission comments. Mr. Barnes focused on Phase I of the redevelopment, which includes: location of the performing arts center, the scissors off Grandridge Boulevard, the green space, plaza and location of the water feature, and the residential area. It has been tentatively agreed to by the Commission that this

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will be a living document and may evolve as time goes on. Mr. Barnes confirmed that a professional editor will review the Draft and stated there are some sentences which need to be reworded.

Mr. Arntzen welcomes comments and will work with Mr. Peterson on content details. Mr. Arntzen stated Ms. Bader Inglima has made some edits and he intends for DPZ to review the Draft for content, and Rochelle Olsen, the Port's newsletter contractor, will perform an independent review.

Mr. Novakovich confirmed that Mr. Mehaffy and Mr. Qamar will not be making any big changes, but just reviewing the Draft for content.

Mr. Arntzen stated DPZ will review the Draft to see if any relevant items were missed.

Mr. Novakovich asked when staff would like Commission comments.

Mr. Peterson asked for Commission comments by 12:00 p.m., Thursday, March 9, 2017.

Ms. Hanchette reported in conjunction with the Master Planning process, staff has been working on the decommission phase, which includes: painted X's on the runway, removing the fuel tanks at the Fixed Base Operations (FBO) building, and removing the runway lights. Currently, maintenance staff is working on decommission of the FBO building which includes asbestos abatement. A survey of the FBO building was conducted and it was found that 195 square feet of asbestos would need to be removed from the building. Ms. Hanchette stated the asbestos abatement bid is due today at 5:00 p.m. Ms. Hanchette stated, as part of abatement, the flooring under furnace will need to be removed, therefore maintenance will need to decommission the furnace and remove it. Ms. Hanchette reported last month, a water pipe froze in the FBO building and burst and flooded the first floor causing floor and ceiling damage. Ms. Hanchette reiterated that the FBO building will have no water or HVAC service, however, the power will stay on to operate the gates.

Mr. Novakovich inquired if this is a prelude to demolishing the building.

Ms. Hanchette stated yes, the work could be a prelude to demolishing the building.

Mr. Barnes stated the work being done is not irreversible and asked if the Port could use the building again once the asbestos has been removed.

Ms. Hanchette stated the pipe bursting caused significant damage to the inside of the building.

Mr. Arntzen stated the FBO building was identified as an issue by DPZ and stated the building's location will be an issue for future access.

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## ***D. Wine Symposium Travel Update***

Mr. Barnes presented slides of the Barlow in Sebastopol, the Shed, in Healdsburg, Oxbow Market and the Napa Waterfront, in California during a recent trip for the Unified Wine Symposium. Mr. Barnes stated The Barlow is approximately 12.5 acres and was an industrial apple cannery. The Barlow is an eclectic mix of wineries, a distilleries, microbreweries and small boutique shops. The developer of The Barlow emphasized small gathering places, and used repurposed materials throughout the development.

The Shed, located in Healdsburg is a gardening store, cafe, market and community gathering place, which boasts a modern industrial design and focuses on farm to table items.

The Oxbow Market is a local gathering place for food and wine in downtown Napa. The market features a diverse tenant mixture of local food vendors, artisan cafes and an organic produce outlet from local farms. The Oxbow Market features a unique open public market along the Napa River and part of the market includes the rehabilitation of a 1930's tire store and garage and is similar to the Pybus Market in Wenatchee.

Mr. Arntzen stated Mr. Mehaffy and Mr. Qamar are looking at including a covered arcade area for the hangars, similar to the design seen at The Barlow.

Mr. Moak inquired if the Port is considering roll-up doors on the hangars.

Mr. Peterson stated Mr. Mehaffy and Mr. Qamar are beginning the process to determine the removal of the bi-fold doors, however, the Washington indoor energy code is very strict and there may be a challenge with the glass roll-up doors. By utilizing roll-up doors, the hangars will tie into the public space that will lead out to the plaza and water feature.

Mr. Barnes stated the Barlow was a ten year project that began in 2007 and is currently for sale.

Mr. Peterson asked if Mr. Barnes noticed parking lots at the Barlow.

Mr. Barnes stated there was on street parking, in between buildings, and in larger lots.

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

Commissioners reported on their respective committee meetings.

## ***F. Non Scheduled Items***

1. Mr. Moak recently returned from vacation, where he visited several DPZ projects: Seaside, Rosemary Beach, and Alys Beach. Mr. Moak stated Seaside was the first big project for DPZ and stated after 30 years, the development is well maintained and clean. This emphasizes how important Business Improvement Districts and Homeowners Associations are. The well maintained landscaping and open spaces made Seaside shine. Mr. Moak likened Seaside to that of Prospect New Town, in Longmont, Colorado, that features the look and appearance of early 20<sup>th</sup> century dwellings. Mr. Moak stated Alys Beach had a more European feel, with stone pavement sidewalks and a variety of architectural styles. Rosemary Beach, is the lushest of the three developments, in terms of foliage and shows the importance of landscaping to

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create character within the development. Mr. Moak stated the three developments are great examples of what the Port can achieve at Vista Field.

2. Ms. Scott reminded the Commission to submit their Personal Finance Affairs Statements to the Public Disclosure Commission (PDC) with a copy to the Port, no later than April 15, 2017.
3. Ms. Bader Inglima shared the new Kennewick Arts Commission brochure for public arts in Kennewick, for art installations throughout the City, which features several pieces installed by the Port.
4. Mr. Arntzen stated the City and Port are currently working with the Historic Downtown Partnership, and have been researching previous master plans, such as the Bridge to Bridge Plan and the Port's Clover Island Pattern Language, and identified as a proposed goal, to work on the linkage from the Clover Island lighthouse and Washington Street to Downtown Kennewick. The Port's pattern language suggested creating interesting objects along Washington Street and ending with a terminated vista, at the intersection of Washington and Kennewick Avenue. The committee would also like to address safety issues on the path due to traffic.

Mr. Arntzen reported that he and Mr. Peterson will be traveling to Miami to work on the Vista Field Phase I Site Plan and have two scheduled opportunities to work with Ms. Plater-Zyberk and team. Ms. Plater-Zyberk will present the Vista Field Phase I Site Plan to the Commission and public.

Mr. Arntzen reminded the Commission that the Congress for the New Urbanism Conference (CNU) will be held in Seattle from May 2-6, 2017 and the Washington Public Ports Association Spring Conference will be in Suncadia from May 17-19, 2017. Mr. Arntzen asked the Commission to let Ms. Scott know of their intended travel plans.

5. Ms. Hanchette reported that the Oak Street Development Buildings are 100% occupied and include: Tri-Cities Mattress and More, Gable Drywall, Solar Mobility, Granite Pus, and Jr's Ironworks, Carbitex, and several ecommerce businesses.

Mr. Barnes stated at the last TRIDEC meeting, Gary Peterson, Doc Hastings, and Brad Fisher presented a short video on the shoreline reconveyance, which featured Clover Island prominently. The video focused on the enhanced shoreline on the west causeway of Clover Island and other areas of Clover Island that are in need of shoreline restoration. Mr. Barnes stated, those areas in need of rehabilitation will be restored with the 1135 United States Army Corps of Engineers project.

## **PUBLIC COMMENTS**

No comments were made.

## **COMMISSIONER COMMENTS**

No comments were made.

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Mr. Novakovich anticipates the Executive Session will last approximately 20 minutes, Site Selection per RCW 42.30.110(1)(b) and Real Estate Minimum Price per RCW 42.30.110(1)(c) with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

3Mr. Novakovich recessed the Regular Commission Meeting at 3:43 p.m. for seven minutes until 3:50 p.m.

**EXECUTIVE SESSION**

- A. Real Estate, per RCW 42.30.110(1)(b) – Site Selection*
- B. Real Estate, per RCW 42.30.110(1)(c) – Minimum Price*

Mr. Novakovich convened the meeting into Executive Session at 3:50 p.m. for approximately twenty minutes.

Mr. Novakovich adjourned the Executive Session at 4:04 p.m.

Mr. Novakovich reconvened Regular Commission Meeting at 4:04 p.m.

**ADJOURNMENT**

With no further business to bring before the Board; the meeting was adjourned 4:05 p.m.

**APPROVED:**

**PORT of KENNEWICK  
BOARD of COMMISSIONERS**

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*Skip Novakovich, President*

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*Thomas Moak, Vice President*

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*Don Barnes, Secretary*