



PORT OF KENNEWICK REGULAR COMMISSION MEETING

JANUARY 10, 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

Darci Mitcham led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Mr. Novakovich requested Item B under Presentations be removed from the published agenda. The presentation will be rescheduled for February 14, 2017.

It is the consensus of the Commission to remove Item B.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated December 19, 2016**
Direct Deposit and E-Payments totaling \$47,921.07
- B. Approval of Warrant Registers Dated December 30, 2016**
Expense Fund Voucher Numbers 38656 through 38703 for a grand total of \$162,642.03
- C. Approval of Direct Deposit and E-Payments Dated December 30, 2016**
Direct Deposit and E-Payments totaling \$61,918.50
- D. Approval of Warrant Registers Dated January 10, 2017**

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Expense Fund Voucher Numbers 38704 through 38745 for a grand total of \$243,626.79

E. Approval of Commission Business Meeting Minutes December 8, 2016

F. Approval of Interlocal Agreement with Washington State Health Care Authority, Public Employee Benefits Board (PEBB); and authorizing the Chief Executive Officer (CEO) to sign the Agreement

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. Friend of the Port

Mr. Arntzen stated in 2008 the Port implemented the Friend of the Port Award. The only prerequisite is that the recipient has made the Port a better place by giving of themselves. Today, the Port wants to recognize two individuals who have been instrumental in helping make Clover Island into a community destination. This couple has consistently invested their time and talents in creating a customer-focused, signature experience for their guests. And they set the bar on food and beverage service in this community. Long before others recognized the importance of the waterfront, Dave and Darci Mitcham were here on Clover Island, working to provide a dinner setting which blended an elegant experience with a casual atmosphere, to ensure boaters had a cold beverage and visitors had an incredible view. This past year the Mitcham's celebrated Cedars' 40th anniversary. Cedars is an impressive establishment and four decades in the business is no small accomplishment. As small business owners, they take all the risk and it is the community that receives the reward. The Port congratulates the Mitcham's on their tenacity and thanked them for their efforts to help transform Clover Island through personal investments, for their commitment to excellence and for their diligence in making Cedars a landmark waterfront destination.

It is an honor to present the 2016 Friend of the Port award to Dave and Darci Mitcham.

Mr. Mitcham thanked the Port and stated he has always been on board with what the Port is trying to accomplish on Clover Island and it is important to support each other.

Mr. Novakovich stated as a small business owner, the Mitcham's take a large risk and our community has benefited from that risk.

B. Wine Industry Update, Ken Robertson

Rescheduled for February 14, 2017 meeting.

C. Vista Field Update

Mr. Arntzen presented the Vista Field calendar which outlines a series of goals staff is striving to accomplish over the next ten months. Mr. Arntzen asked the Commission for comments or concerns regarding the calendar and stated the dates are subject to change.

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Mr. Peterson stated the calendar incorporates tasks that need to be completed for the Master Plan and what needs to happen once the Master Plan has been approved by the Port Commission and the Kennewick City Council. The Master Plan is consistent with the Commission discussion over the past two years and includes the traffic study, the design standards, zoning, and the street layout. Additionally the Master Plan will include a preamble containing the history of Vista Field beginning in 2012. Staff will present the Draft Master Plan to the Commission for final review and incorporate Commission comments into the final document for approval from the Commission. Mr. Peterson stated once the Master Plan is approved by the Port Commission, it will then move to the City. Mr. Peterson anticipates the document will take approximately two months to get routed through the City, first, starting with the Planning Commission and then to City Council. Staff would like to see the Vista Field Master Plan included in the City's Comprehensive Plan, which will be updated this spring. Mr. Peterson stated staff and consultants continue to work on the design and cost estimates for the roadway infrastructure; the water feature; and the landscaping for Phase 1-A.

Mr. Arntzen stated there are two separate documents; the Master Plan which is the governing document that the City will need to adopt for the Port to move forward and the Site Plan, which is an internal document that includes the road layout, the water feature, the hangars and landscaping. Staff, Mr. Mehaffy and Mr. Qamar have been working on the Site Plan over the past several months, including the trip to Skamania to sort out additional details. Mr. Arntzen and Mr. Peterson would like to travel to Miami to meet with Senen Antonio and Lizz Plater-Zyberk of DPZ to finalize the 60% Site Plan details. Mr. Arntzen would like Ms. Plater-Zyberk to present the 60% completed Site Plan to the Commission and is working out the fine details.

Mr. Arntzen stated the developer round table is an important facet of the Site Plan and will allow the Port to discuss the development with people who have built a New Urbanism development. The developer round table will include developers, bankers and real estate agents, who are experts in their fields and who can offer comments and opinions regarding the Site Plan for Vista Field. ECONorthwest is assembling a list of developers in the northwest who understand the New Urbanism concept.

Mr. Peterson stated the Port has met with the public and our consultants, and now it is time to hear from the developers who understand the concept and have already made a profit developing a New Urbanism community. Mr. Peterson proposed that the meeting be invitation only and held it in one afternoon. Furthermore, Mr. Peterson believes the meeting should be closed to the public, to allow developers an opportunity to express their opinions candidly. The developers that ECONorthwest is assembling are helping the Port out and will most likely not be investing in Vista Field. Mr. Peterson anticipates the Port will provide lunch and DPZ will cover the compensation fee for the developers.

Mr. Novakovich likes the idea and believes it is important to listen to the experts who have done this kind of development before.

Mr. Moak likes the idea of a developer round table, however, he would like the meeting to be open to the public, for transparency reasons.

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Mr. Arntzen appreciates Mr. Moak's comments and stated it is a valid concern. Mr. Arntzen stated the developer round table will be an information gathering forum, where Mr. Peterson and Mr. Mehaffy are asking questions to see what is possible, what works and what does not work for the development and there will not be any Commission action taken.

Several months ago, the Commission adopted the Collaborative Design Process which outlines the formal process the Port will take to notify the development community that Vista Field is ready to begin the process. Mr. Arntzen understands Mr. Moak's concerns, however, he believes the developer round table should not be an open public meeting.

Mr. Moak stated if the developers who will be at the round table are not interested in pursuing Vista Field he inquired if some public observation could be allowed at a certain part of the meeting.

Mr. Barnes appreciates Mr. Moak's point of view and he initially had the same reaction to the proposed round table; however, the Port established the Collaborative Design Process, which outlines the application process and specific requirements for awarding the development opportunities. Mr. Barnes likens the developer round table to a session with the Port consultants with developers who are willing to provide candid feedback. He feels this would be more useful and more details can be given when not in an open public session. Mr. Barnes stated a developer would not be treated any differently if they were to participate in the round table and Mr. Barnes would like to consider moving forward with a developer round table, but as a closed meeting.

Mr. Arntzen will work with Mr. Peterson and Mr. Mehaffy on alternatives.

Mr. Moak stated the developer round table is an important part of Vista Field, whether it is an open or closed meeting and believes the Port should hold the meeting.

Mr. Novakovich appreciates Mr. Barnes comments and also views the round table like a meeting with a consultant, for example, when Mr. Arntzen, Mr. Peterson and Mr. Kooiker met with Mr. Mehaffy and Mr. Qamar in Skamania to discuss further details of Phase I-A.

Mr. Barnes appreciates Mr. Moak's point and stated the Port has always been very transparent, however, he believes the Port is better served by doing something different this time and there will be the utmost transparency when the developers are awarded the project.

Mr. Arntzen places the public transparency over and above the developer workshops and appreciates the comments.

Mr. Moak stated if the team cannot find another alternative and reports that back to Commission he would respect that opinion and would agree to move the project forward and not delay it.

Mr. Barnes stated it has been over two years that the Port held the Vista Field Charrette and believes there should be a rekindling of public interest. If Ms. Plater-Zyberk is presenting the Site Plan, maybe this would be a good opportunity to rekindle the public's interest in Vista Field,

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provided it does not affect the Master Plan being approved by the City Council. Mr. Barnes believes it is an opportunity worth considering, but will defer to staff.

Mr. Arntzen stated it is difficult to predict the specific dates for the calendar and will continue to work with DPZ on scheduling. Mr. Arntzen informed the Commission that the 25th Anniversary of the Congress of New Urbanism (CNU) Conference will be held in Seattle this May and hopes to coordinate schedules with Ms. Plater-Zyberk, to present the Site Plan prior to her attending the conference.

Mr. Peterson stated the CNU Conference is an opportunity for the Port to expose Vista Field to those that understand New Urbanism. Mr. Peterson stated CNU would be a good conference for the Commission to attend and will be held on May 3-6, 2017 prior to the Washington Public Ports Association spring conference in Suncadia.

Mr. Novakovich reiterated that the calendar is an essential document and inquired if there are any additional topics the Commission would like to discuss.

Mr. Moak inquired if the Commission will approve the Master Plan in March or if staff will be presenting the Master Plan to the Commission in March.

Mr. Arntzen stated according to calendar, Mr. Peterson, Mr. Floyd and Mr. Robison will present the Draft Master Plan for final Commission comments. Staff will address the comments and bring the Master Plan back in March for Commission approval via resolution. Once the Commission has approved the Vista Field Master Plan, it will then go to the City for approval.

Mr. Peterson stated once the document is approved by the Port Commission, then it will need to be reviewed by the Kennewick Planning Commission, as part of the City's Comprehensive Plan and then before the Kennewick City Council for adoption. Mr. Peterson stated he has met with the Planning Commission and the Master Plan will not be a surprise. He anticipates that the process will take a few months to be approved. Mr. Peterson stated staff and consultants have been moving forward on several items for Vista Field while finalizing the Draft Master Plan.

Mr. Novakovich reiterated that staff will address some elements of the calendar and bring back at the February 14, 2017 meeting.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Clover Island Update

Mr. Peterson stated the asbestos has been removed from old Port building, however, demolition is on hold until the freezing weather breaks.

B. Cancellation of January 24, 2017 Commission Meeting

Ms. Scott reminded the Commission and public that the January 24, 2017 meeting is cancelled.

C. Columbia Drive Update

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Mr. Peterson stated December 8, 2016 was the last day of major activity at Columbia Gardens due to the inclement weather. Mr. Peterson stated additional time (16 days) has been added and believes the delivery date will be July 2017.

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

Commissioners reported on their respective committee meetings.

E. Non Scheduled Items

1. Ms. Scott reported that Mr. Peterson and Mr. Arntzen have been diligently working on the Kennewick Irrigation District (KID) inundation clause agreement and she is happy to report that the agreement has been signed and will be recorded with Benton County.
2. Ms. Bader Inglima stated staff has been working on the partnership and the Interlocal Agreement (ILA) with the City and Columbia Basin College (CBC) to move forward on the Rural Capital County Funds Application and the ILA has been fully executed with the City, Port, and CBC.

Ms. Bader Inglima reported that she is working with illustrator Chris Ritter on a marketing flyer to promote Columbia Gardens at the Unified Wine and Grape Symposium, which Mr. Arntzen, Mr. Barnes and Ms. Scott will be attending later this month. Ms. Bader Inglima stated the flyer will promote Red Mountain and the Port's two one-acre parcels that are available and emphasizing the City of West Richland's new industrial wine wastewater treatment plant. The back side will focus on Columbia Drive. For the Washington Wine Grape Growers Symposium, the document will focus on Columbia Gardens and Phase II of the Willows.

Mr. Arntzen stated this is an opportunity to promote the Port's partnership with the City of Kennewick and City of West Richland.

3. Mr. Arntzen applauded Ms. Hanchette, the maintenance team, and the Coyote Work Crew for their diligent work on maintaining the Island and other Port properties.

Mr. Arntzen believes the Commission should consider attending the CNU Conference.

Mr. Arntzen stated Mr. Peterson will make a presentation on the Tri-City Raceway Master Plan to the West Richland City Council.

Mr. Peterson sent the document to the City and staff indicated that the Draft Master Plan looks good. Furthermore, the document does not need to go before the Planning Commission because the zoning is already in place.

Mr. Arntzen recently received a message from Jolene Grimes, the new Commodore of the Clover Island Yacht Club, who asked if he and the President of the Port Commission could attend one of their membership meetings and give a short presentation on current Port projects. Mr. Arntzen stated the club membership is approximately 150 people and this would be a good

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opportunity to update them on the 1135 USACE project, the Gathering Place, and Columbia Drive. The Yacht Club does a great job maintaining the building and docks. Mr. Arntzen inquired if he should accept the invitation to speak at the Yacht Club.

Mr. Novakovich accepted the Clover Island Yacht Club's invitation to speak.

PUBLIC COMMENTS

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick stated the calendar is a great document and appreciates the detailed outline, even if dates are subject to change. Furthermore, Mr. Burdick wanted to assure Mr. Arntzen that there are number of people who are ready to move into Vista Field, including myself and that the demand is there. Mr. Burdick believes the Port should have tenants in place for the Hangars prior to any work being done.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.

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.

Mr. Novakovich recessed the Regular Commission Meeting at 3:19 p.m. for approximately six minutes.

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 3:25 p.m. for approximately twenty minutes.

Mr. Novakovich adjourned the Executive Session at 3:44 p.m.

Mr. Novakovich reconvened Regular Commission Meeting at 3:44 p.m.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 3:44 p.m.

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APPROVED:

**PORT of KENNEWICK
BOARD of COMMISSIONERS**



Skip Novakovich, President



Thomas Moak, Vice President



Don Barnes, Secretary