



# PORT OF KENNEWICK SPECIAL COMMISSION MEETING

JANUARY 28, 2020 MINUTES

Commission President Don Barnes called the Special Commission Meeting to order at 2:00 p.m. at the Bechtel Board Room located at 7130 West Grandridge Boulevard, Kennewick, Washington 99336.

## The following were present:

**Board Members:** Don Barnes, President  
Skip Novakovich, Vice-President  
Thomas Moak, 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 Finance Officer  
Larry Peterson, Director of Planning and Development  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Ms. Scott led the Pledge of Allegiance.

## APPROVAL OF THE AGENDA

**MOTION:** *Commissioner Moak moved to approve the Agenda; Commissioner Barnes seconded.*

### *Discussion:*

*Commissioner Novakovich stated the Presentation on the Census has been cancelled for today. Additionally, the Clover Island Master Plan will be for discussion only.*

*Commissioner Barnes noted the suggested changes to Agenda.*

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

## PUBLIC COMMENT

No were comments were made.

## CONSENT AGENDA

- A. *Approval of Direct Deposit and E-Payments Dated January 17, 2020***  
Direct Deposit and E-Payments totaling \$130,460.17
- B. *Approval of Warrant Register Dated January 28, 2020***  
Expense Fund Voucher Number 101802 through 101835 for a grand total of \$68,972.61
- C. *Approval of Regular Commission Business Meeting Minutes January 14, 2020***

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### *D. Approval of 2020-2021 Commission Organization Representation*

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

Commissioner Barnes stated the presentation on the 2020 U.S. Census will be rescheduled for a later date.

### **NEW BUSINESS**

#### *A. Clover Island Master Plan Update*

Mr. Arntzen stated in the Commission Agenda Packet for the Meeting today was an Agenda Report and resolution related to the Clover Island Master Plan. Mr. Arntzen is not sure if the Commission should take action on the resolution because there has been a slight change in plans. The resolution approves the CEO entering into a contract with Makers Architecture; however, staff was out of the office Thursday and Friday with the carpet remodel project and Julie Bassuk has been traveling. The information in front of the Commission is accurate except we are missing the contract and the potential scope of work. Mr. Arntzen suggested that it might be prudent for the Commission to wait for the contract and if the Port should engage in the Master Plan process. Mr. Arntzen wanted the Commission to be aware that we do not have a contract in the agenda packet and feels it would be prudent to not authorize the CEO to execute the contract with Makers, if that is the direction the Commission would like to take.

Commissioner Barnes received an email from Mr. Arntzen with this information and thanked him for the information.

Mr. Arntzen stated the Commission and staff have discussed the Clover Island Master Plan for some time and it was the intention for the Commission to have a Master Plan presented; however, we have been on other endeavors in the past number of months. Mr. Arntzen believes now is a good time to dust off the Master Plan and get it in front of the Commission. Ms. Bassuk and Makers Architecture is ready, willing and able to immediately start in on this project if that is the direction that the Commission would like to move. Mr. Arntzen wanted to raise some of the issues that could arise during the process, such as the breaching of causeway, which would not be included the scope of work, but stated a precedence has been set in our community. Mr. Arntzen asked the Commission for direction on the general concept and pros and cons, and if the Commission would like to pursue. The Commission has directed staff to pursue, but one of the other items that came up was discussion about what is happening with the causeway at Bateman Island. Should the Commission say they have few or no concerns, staff can move this forward, or come back at the next meeting with a proposed scope of work and contract.

Commissioner Moak asked if the causeway is anything the Port has control over.

Mr. Arntzen stated that is a good question, because he thinks the ownership of the causeway on Clover Island is questionable, at least portions of it. Mr. Arntzen believes the US Corps of Engineers (USACE) and obviously our viewpoint would be that our scope of work would not

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discuss the causeway. Mr. Arntzen is not sure how the process might morph as the public is involved. Mr. Arntzen asked Mr. Peterson to add details on the causeway ownership.

Mr. Peterson stated Mr. Arntzen is correct, the ownership of the causeway is questionable at best. The Port owns a portion of it with a clouded title. It goes back to 1913 with the shoreline maps that were hand drawn and do not reflect the current situation. Mr. Peterson does not believe the maps have been updated since the McNary pool was put in place. There is a question of whether it is state, Port, or federal ownership of the causeway. The question in the process would be, the Port may be discussing the upland areas, but in the ability to obtain a Master Plan with all the environmental agencies approval, there may be some mitigation requirements that will be discussed.

Commissioner Moak stated that wouldn't be anything Makers would be proposing and he does not believe the Commission is proposing that we do anything. When Commissioner Moak looks at the whole issue, it is the waterfront Master Planning and sorts of things that we have discussed, either official as a Commission or unofficially or as individuals, that need to be answered. We have discussed a culinary arts school, and what to do at The Willows and Cable Greens properties and Duffy's Pond, and traffic mitigation issues on Columbia Drive and traffic calming, we have talked about performance possibilities on Clover Island and the notch. The Commission and staff have talked about a whole lot of different things, ad hoc, over the last several years, and yet, we do not have a real plan directionally. The Commission has talked about parking, and Commissioner Moak thinks that is one of the key items on Clover Island and this whole area, and connectivity between this area and downtown and this area and the Port of Pasco. Commissioner Moak thinks there are a bunch of items that we have talked around for several years and because we don't have a Master Plan, we don't have clear direction from the Commission or clear direction from the public as to what we want to do in this whole waterfront area. Commissioner Moak stated this is a great area and as we start to develop Vista Field, it would be great if we were talking to developers and had two different projects that they were able to look at. Commissioner Moak thinks the area really calls out for clearer direction in terms of what we are going to do in the waterfront area and he has been an advocate for some time and dealing with these issues on an ad hoc basis is probably not the best way.

Commissioner Novakovich has three points: first of all, if the Port opens this up to public participation in this Master Plan, there is a good possibility that the causeway will come to light and people will discuss it. Second, in reviewing the minutes from the January 14, 2020 Meeting, Ms. Bader Inglima said "upland development cannot take place until the shoreline is completed," and if that is the case, why would we want to put the cart before the horse and do a Master Plan that may have to change once the 1135 project is done. Third, the Port of Kennewick has a lot of projects on our plate and Commissioner Novakovich would hate to put something else on there that may or may not be a benefit in the future, since it is an iffy thing to partake in this plan at this time.

Commissioner Barnes agrees with Commissioner Moak's comments and stated we have been talking about a lot of elements of the Master Plan for some period of time. Commissioner Barnes believes the Port has had this Master Plan in the queue as work to do at some point in the future. At

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the same time, Commissioner Barnes appreciates Commissioner Novakovich's point that if the funding for the 1135 project, as we learned at the last meeting, if the funding is now questionable, because the funds that were there for the 1135 project, as Commissioner Barnes understands it, were swept. Now the Port is in line again to queue up. Commissioner Barnes stated Commissioner Novakovich's point is well taken and it doesn't look like 1135 project will move forward right away. At the same time, the Port needs some long range planning and direction about what the upland development on Clover Island will be. And if there are some concerns or changes with respect to the causeway, perhaps it would be in the best interest of the Port to know about those sooner rather than later. Commissioner Barnes stated the scope of work for the 1135 project is well defined and the work is close to the water level in the river. He does not think this is an emergency endeavor to get the Master Plan done as soon as possible, but at the same time, he would like to see the Port pursue it and work it into our schedule of work. Commissioner Barnes would like to see the Port pursue the Master Plan, so that when the 1135 work does come about, we will be ready with a Master Plan.

Mr. Arntzen stated we have discussed a budget of approximately \$175,000 and it is his understanding through discussions with Mr. Peterson, that this is a fairly modest sum for Master Planning. Mr. Arntzen anticipates, when he speaks with Ms. Bassuk, she will let us know how frugal we need to be with budget, both with the time and the dollar amount. Mr. Arntzen's expectation is that the majority of the focus of the Master Plan will be on Clover Island and limiting it to the upland portion, which should help. However, there are other aspects that Mr. Arntzen does not think will be included, such as the Wine Village and the planning on Columbia Drive; he sees those as separate projects and does not believe the timing does not dovetail. Mr. Arntzen would like to pause at this point and get the Commission's feedback and reiterated that at \$175,000, this is a fairly lean project as far as Makers is concerned. Mr. Arntzen wanted to ensure that we are on the same page with the understanding of the work.

Commissioner Moak stated that is why it is important to see what the contract is and to see what it is we are buying for \$175,000. Does it do what we want it to do, because to Commissioner Moak, it has all been about the connectivity between our two properties. Commissioner Moak does not know exactly what it is that \$175,000 will get us or what Ms. Bassuk sees what the product will be. Commissioner Moak reiterated the connectivity and how to make them work better together rather than separately is an important element. Commissioner Moak stated we have a budget and we ought to see the contract.

Mr. Arntzen wanted to ensure that he is not quarreling, but he has spoken with Ms. Bassuk enough, that if we asked her to progress further out, she may stop the conversation and explain her focus is primarily Clover Island. Mr. Arntzen will clarify with Ms. Bassuk about what she sees for the scope of work. Mr. Arntzen stated one thought of his is that the island is a bite size chunk for the Port and we could take now, together with our Vista Field project. Mr. Arntzen thinks if we added The Willows, the Wine Village and the traffic calming, the project becomes very large and above the \$175,000 significantly. And from a staffing point of view, this project is a bit larger than anticipated on top of the Vista Field work, which is very significant. Mr. Arntzen posed that question and perhaps a thought, we take a bit size chunk with the Clover Island Master Plan while

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Mr. Peterson looks at some items independently on the Columbia Drive project; however, it is up to the Port Commission's discretion.

Commissioner Moak appreciates that, but he thinks of all the questions that have happened over last several years that staff has brought to the Commission, they have dealt with things off the island more than on the island, in terms of direction and where we are going. Part of it is, if we don't deal with off the island, and we deal with the rest of the waterfront, are we going to continue to deal with that ad hoc or how do we mesh. Commissioner Moak understands Mr. Arntzen's point and is not necessarily quarreling with that, but we do still have these questions. Commissioner Moak stated part of it would be, that does not need to be answered today, how are we going to deal with those other pieces that are outside the scope.

Mr. Arntzen will visit with Ms. Bassuk about this and stated the Port does have documents (pattern language) for the hinterlands prepared by Professor Gary Black. Mr. Arntzen will bring Ms. Bassuk up to speed with some of the thoughts with the City of Kennewick regarding Columbia Drive and ask her to provide feedback on that and perhaps we can look at those as an add on or an option to the contract. Mr. Arntzen will pose those questions to her and come back at the next meeting. Mr. Arntzen would like to have the scope of work and contract for Clover Island and if there are other add-ons, he would like to bring that as well. Mr. Arntzen stated if it is more than crystal clear to him what is presented, we can continue to discuss until we get to a point where the Commission is fine with him signing a contract. Mr. Arntzen will look at the core work on island and will look at some of the potential add-ons and will have more information for the Commission at the next meeting, if that is appropriate.

Commissioner Barnes recalls some of the discussions on the scope when Ms. Bassuk was in attendance and he thought we had a very nice conversation about this possibility. One of the things Commissioner Barnes recalls, he is not sure how effective master planning is in small bites. Commissioner Barnes is concerned, if we undertake to Master Plan Clover Island, he is not sure he would favor a Master Plan focusing exclusively on Clover Island when the Port has so many other projects, that are right there, virtually continuous to Clover Island, all along Columbia Drive and the Wine Village, The Willows and the Cable Greens property. Commissioner Barnes is in favor, but Mr. Arntzen's point is well taken about the work load, the commitment that the staff has, what are the available resources, the budget, but he not sure he would favor a Master Plan just exclusively on Clover Island, that ignored the continuous Columbia Gardens properties. Commissioner Barnes thinks it should be one Master Plan and it should incorporate all the Port's properties that are in that area.

Commissioner Novakovich has to agree with Commissioner Barnes and stated this amount of money for a master plan is relatively small and he does not see how we can do much more than just the small focus on the island. Commissioner Novakovich can go back to 1992 to the Downtown and the Port discussing connectivity and as Commissioner Moak stated, it is important, but he does not think we can get it for this amount of money in the master plan. And, the fact that we do the Master Plan on the island only and Commissioner Novakovich is still looking at the fact that perhaps it could change when the 1135 project does come to pass. Commissioner Novakovich mulled if the Port is throwing away money that could be used elsewhere. Commissioner

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Novakovich agrees with both of Commissioners Moak and Barnes points and believes connectivity is important, but he would like to see when we have the time and resources to do a Master Plan to do the whole thing.

Mr. Arntzen stated that he works for the Commission and staff wants to get as much accomplished as we possibly can, but he has been presented with a detailed calendar for the activities at Vista Field and it is very overwhelming. Mr. Arntzen stated it would be remiss if he did not tell you that he believes we are biting off more than we can chew, to put it bluntly, if we expand this Master Plan at this point. If the Commission really wants to do that, then he can bring you back a proposal to move forward; however, he believes the dollar amount will go up substantially and so will the staff time involved for this master plan. The Clover Island Master Plan will become a major project and the Port has a major product in front of us at Vista Field and Mr. Arntzen is struggling with getting all the pieces in Vista Field that we want. Mr. Arntzen stated staff is going at 110% on Vista Field and his view, as a manager for the past 17 years, a Master Plan of that magnitude will overwhelm the process and he thinks the results at Vista Field and the Clover Island Master Plan will be less than satisfactory. Mr. Arntzen stated that is his un-galvanized opinion.

Commissioner Moak stated until the Commission sees the contract and after Mr. Arntzen has a discussion with Ms. Bassuk and bring things back, he cannot respond to that. Commissioner Moak appreciates that, and he knows we are busy and we are only going to get busier too. Commissioner Moak stated if we don't do this, what is the future of our properties along the waterfront, because he thinks we are only going to get busier at Vista Field as the years go along.

Mr. Arntzen agrees and asked what is the direction the Commission would like to provide?

Commissioner Barnes would like to see the proposed contract and scope that Mr. Arntzen referred to, that Ms. Bassuk was not able to get to you. Commissioner Barnes would like to see what Ms. Bassuk can do and then go from there.

Commissioner Moak stated when Ms. Bassuk was here, she talked with the Commission, she talked to others, and she viewed the properties. The Commission did not get a debriefing from her as to what she saw and what she wants to do, and Commissioner Moak is curious as to what she saw as the scope and what she sees the needs are. Commissioner Moak stated we may find that is exactly where we want to go at this time.

Mr. Arntzen will work with Ms. Bassuk on the documents and inquired if the Commission would like her to present or to just to submit the paperwork that he could share.

Commissioner Novakovich wondered, rather than wasting Ms. Bassuk's time and staff time, would a conversation with Mr. Arntzen with her as to what she sees this encompassing, rather than having her spend time and money and resources developing a contract that we may or may not use.

Commissioner Moak stated to him, if it is not in a written contract that is what you would go by, what is in writing. Commissioner Moak assumes that Ms. Bassuk has been working on the contract, correct?

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Mr. Arntzen believes Ms. Bassuk may have hit pause, like the Port has. Mr. Arntzen spoke with Ms. Bassuk prior to the meeting and is requesting a call after the meeting to head her in the direction that the Port would advise her on. Mr. Arntzen believes Ms. Bassuk could prepare a scope of work rather quickly and the contract is a standard contract that the Port uses. Mr. Arntzen believes the Commission would rather focus on the scope of work. Mr. Arntzen will speak with Ms. Bassuk about the add-ons and he would like to share his concerns with her, about getting to many irons in the fire to see what she could do. And having worked with Ms. Bassuk previously, she is a self-starter, and the more that she could manage on this project, whatever scope it might be, is better for us. Mr. Arntzen will have those conversations with Ms. Bassuk and bring it back to the Commission for discussion for next time.

Commissioner Barnes stated that is acceptable.

### ***B. City of Richland Columbia Park Trail Project Update***

Mr. Arntzen stated Public Works Director Pete Rogalsky from the City of Richland is here today if the Commission would like to hear from him after he has completed his remarks. Last week Mr. Arntzen and Mr. Kooiker met with Mr. Rogalsky and discussed where we believe we are in this process, staff to staff, recognizing that the elected officials are the final arbiters of where this goes. Mr. Arntzen shared with Mr. Rogalsky, his perception that the ability for the Port to leverage Rural County Capital Funds (RCCF) on this project was limited at best. Mr. Arntzen spoke with Mr. Rogalsky about the potential of the Port to use some of our own funds, non-RCCF funds. The City requested \$800,000 and that number has not changed. Mr. Arntzen would like to find out if the Commission still wants to participate with the City in assisting and funding of the Columbia Park Trail project and whether the Commission would agree to substituting Port funds for RCCF funds in the amount of \$800,000 for this project.

Commissioner Novakovich stated the Commission has discussed this for two years and thinks it's a wonderful partnership. Partnering with jurisdiction where we put some money up front and partner with them on it and Commissioner Novakovich thinks there is very little, if any staff time involved. Commissioner Novakovich asked if this is correct.

Mr. Arntzen believes there is limited staff time and followed up with Commissioner Novakovich's question. This project is a shift in our thinking, previously, we would look at projects, such as Spaulding Business Park, where the Port would go in and purchase property. Then, over a period of ten to twenty years, take the property down and install the utilities, much like a mini-Vista Field project, where we would subdivide the property and sell it. Those projects are expensive and time consuming and if there is any profit, it is towards the tail-end of the project. And with ports, rather than developers putting that into our business, we tend to circulate the profit back into the community. Those projects are labor intensive and because we have a big, labor intensive project in front of us with Vista Field. We believe this project is helpful to the Port, with our limited funding and limited staff time, because this is a project that primarily Richland would perform, with some monitoring. Mr. Arntzen believes Commissioner Novakovich is correct, in that it has very limited staff involvement, but it does have a significant financial component to it. This is a project, at least from a staff level, we like, because we can

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ask the City for monthly updates while working on Vista Field, and from that perspective, this appears to be a good project.

Commissioner Moak stated this has not been a high priority of his and he does not think this is a terribly good use of Port funds, and still believes that; but that has been a minority position on this Board for years and he expects it still is.

Commissioner Barnes stated the City of Richland has been an excellent partner of the Port of Kennewick over the years and Mr. Arntzen's point is well taken. The Spaulding Business Park was a great success and added to the County tax rolls within the City and Port boundaries. Those were excellent additions, with jobs created and significant private investments made that had a positive outcome. To find raw land or undeveloped property of that type within the Port and City limits now would be pretty difficult and probably involve a much greater investment than what we are talking about here. If the Commission decides to use Port funds, then we would still have RCCF funds available, so it's not like there is a penalty to Port of Kennewick for using our own funds. It is not a situation, by use of these funds, we are foregoing forfeiting our expectations to receive RCCF funds in future. Commissioner Barnes confirmed that the RCCF funds would still be available.

Mr. Arntzen stated staff has a high level of expectation that they would be there. Mr. Arntzen stated the only concern he has is should the RCCF program abruptly and unexpectedly halt and we had not "cashed in our chips" so to speak, there would be a chance that the funding would not be available. At this point, Mr. Arntzen does not believe it is a significant risk, so yes in a sense you are moving money from one pocket to the other and the funds would be there for other identified projects that might be important.

Commissioner Moak stated that the County has to agree to our project.

Mr. Arntzen added, the Port has a potential source of the funds, there was \$700,000 in the budget for an unidentified Return on Investment (ROI) project. Staff would also propose using \$100,000 from the West Richland fund to make that balance of \$800,000. The rationale from staff is, previously, we budgeted \$100,000 to provide assistance to the City of West Richland, which was prior to the land sale of the racetrack property. When Mr. Arntzen asked Mr. Kooiker to find the funds, Mr. Kooiker suggested that the Port may no longer need the \$100,000 contribution to the City of West Richland. To answer Commissioner Moak's questions, yes, we always have to comply with state law, which defines what projects should or should not be approved. Also, we need to be cognizant of what Benton County has told us as far as the projects they like. The County likes projects where they can see something being built and where they can see small businesses take advantage of that. For example, the Vista Field hangar project, Mr. Arntzen has an expectation that that project would go way up the food chain at the County, should the Port make a proposal. But Commissioner Moak is entirely correct, the Port cannot just ask the County for funds, it has to be put in through an application and it has to be within the statutory criteria.

Commissioner Moak stated the Port does have a number of projects that could potentially meet that threshold.

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Mr. Arntzen stated the short answer is yes, but again, one of the things he believes we need to do, and when he brings back the work plan memo back to the Commission, he would like to suggest the Commission to consider authorizing staff to do an RCCF analysis. Because then we can tell you the money the Port has now and the money we have coming soon and a number of projects that might be good candidates for the RCCF program. One of those projects might be the connectivity between Clover Island Drive and the Downtown by Washington Street. Mr. Arntzen thinks one of the items the Commission may want to look at is having staff do a formal, in depth RCCF analysis.

Commissioner Barnes stated the Commission has a prepared resolution before them.

Mr. Arntzen stated that is correct and stated the source of funds would be internal Port funds in the amount of \$800,000 in lieu of RCCF. Mr. Arntzen is asking for authorization to enter into an agreement with the City of Richland on this and Mr. Rogalsky has provided the original Interlocal Agreement (ILA) with some edits. Mr. Arntzen believes we can sign the agreement which states that the Port is not using RCCF, but Port funds. Mr. Arntzen is requesting authorization to sign contractual documents to complete this transaction.

Commissioner Novakovich asked Commissioner Barnes if Mr. Rogalsky can give the Commission a brief on what the project is.

Mr. Rogalsky thanked the Commission for the invitation and stated the project is a character change project for Columbia Drive, from the transit center/highway off ramp to The Reach Museum. Mr. Rogalsky stated the character of the road now is a fifty year old rural highway that the City was built around and the road has no urban character. In Richland, urban character means places for bicycles, and includes sidewalks, urban lighting, and may include some landscaping features. The City has designed a scope of work that adds in all those features and converts the old highway into an urban road, with particular focus on the waterfront location. There is a direct connection to Columbia Park as a regional recreational facility and on the other end is Spaulding Business Park, more commercial, and a multi-family development. There is an obvious or desirable linkage of a lot of those features to make those connections easy for people, regardless of how they choose to travel. The City has assembled Benton Franklin Council of Governments Federal Funds awards, with City funds, and a Washington State Ecology grant to improve the storm water handling features in that area on both the road and the City park. This helps with the water quality entering into the river and is more environmentally friendly. The City is in the final design stages and permitting with USACE to launch construction this year. Mr. Rogalsky stated the City is keeping within the terms of the original ILA.

Commissioner Novakovich asked what the entire project budget is.

Mr. Rogalsky stated just under \$5,000,000 and stated there is also a substantial overhead powerline along the frontage of Spaulding Business Park and as a facelift to the area, the City is proposing to move the cable underground to open up the view scape.

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Commissioner Novakovich stated it is a nice benefit to the Port's project as well.

Mr. Rogalsky stated it compliments Spaulding Business Park quite well.

## PUBLIC COMMENT

No Comments were made.

***MOTION:*** Commissioner Novakovich moved to approve Resolution 2020-02 directing the Port CEO to enter into an agreement with the City of Richland for Columbia Park Trail Improvements funding from non-RCCF Port funding sources; and that all action by Port officers and employees in furtherance hereof is ratified and approved; Commissioner Barnes seconded.

### *Discussion:*

Commissioner Novakovich stated this is a great project and the Commission heard how the Port will be contributing funds that will benefit the Spaulding Business Park and it is very limited staff time. Commissioner Novakovich thinks it fits perfectly into what we need to do.

Commissioner Barnes thinks it is an excellent project and he appreciates Commissioner Moak's comments here as well. It is one of these projects that won't have an ROI investment measured in terms of dollars, it appears to be a project more in line with enhancing the quality of life for our citizens in that area, to make it more user friendly for bicyclists and motorists as well and to improve the drainage. Commissioner Barnes believes that was an old highway, if he is not mistaken, that went to all the way to Benton City. If we can improve that for the residents in our area, that is a positive.

***With no further discussion, motion carried. All in favor 2 (Commissioners Barnes and Novakovich Aye):1 (Commissioner Moak Nay).***

## REPORTS, COMMENTS AND DISCUSSION ITEMS

### ***A. Vista Field Update***

Mr. Peterson updated the Commission on the construction at Vista Field, which started on April 23, 2019. Mr. Peterson noted that a small portion of street at Vista Field is open to the public through Grandridge Boulevard. Total Site Services, the contractor on Vista Field, lost some days due to weather conditions and the contract completion date will be extended to March. Mr. Peterson stated the contractor could not pour concrete in certain temperatures and the City would accept the work. Mr. Peterson stated the substantial completion date will coincide with turning on the water feature and testing the system.

Commissioner Novakovich thanked Mr. Peterson for the update and stated he could not believe how much has been completed in nine months.

Commissioner Moak stated it is good to be able to look back at and see where we were versus where we are today and the photos from the aerial view really show the transformation of the area. When you see the changes you realize we are making a difference there and you can see the road

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network and the sidewalks. Commissioner Moak appreciates the work that goes into documenting these changes and improvements and what we are doing.

Commissioner Barnes thinks this is excellent and we are making great progress and he is hoping for no more bad weather.

### ***B. Columbia Gardens Update***

Ms. Hanchette stated the Columbia Gardens Wine building is nearly complete. The 2,500 square foot building was constructed at Columbia Gardens and will anchor the development along with the other buildings. Ms. Hanchette stated in 2017, the 211 building collapsed due to extreme snow and the Commission approved using the insurance proceeds and some general funds for the construction of the new building. Ms. Hanchette stated the City of Kennewick also contributed to the project by allocating \$200,000 for the additional parking lot. Ms. Hanchette received confirmation from Banlin Construction that we received conditional certificate of occupancy. There are a few minor items to take care of to receive our final occupancy: the City had questions on some of the civil drawings which Meier Architecture will address and then we will resubmit. Ms. Hanchette was very appreciative that the City turned in their comments in a few days rather than a few weeks. Thomas Kastner of Meier Architecture designed the building and was inspired by the cabin and boathouse feel. Ms. Hanchette explained the individual spaces for Gordon Estates and Cave B Winery and stated the tenants have already begun discussing collaborating on joint events. Ms. Hanchette indicated that there is a punch list of items that need to be addressed, but we are getting closer to final completion. Additionally, Ms. Hanchette will be meeting with tenants to finalize the leases and walk through the spaces. The tenants are responsible for any interior upgrades and they are both ready to go and have been promoting their spaces on Facebook.

Commissioner Novakovich stated this is great and just another feather in the cap of the Port of Kennewick.

Commissioner Moak was walking the trail last weekend and was pleased to see that the chain link fence was removed and he could look in the windows. Commissioner Moak stated the spaces are very inviting and he believes it will be a signature for the Port and the region. Commissioner Moak is looking forward to seeing the spaces occupied soon. Commissioner Moak noticed that Ben Franklin Transit installed their signage at the new bus shelter and inquired if they are accepting passengers.

Ms. Hanchette stated yes and thanked Ms. Bader Inglima for getting that moving by reminding Transit and the Kennewick School District (KSD) that the stop is ready to go. Ben Franklin Transit worked with our operations team on the sign installation. Ms. Hanchette believes they are using both stops until people become more familiar and move down. Ms. Hanchette is not aware if KSD is using the stop at this time.

Commissioner Moak stated it is a cool bus stop.

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Commissioner Barnes thanked Ms. Hanchette and offered congratulations and stated it is an excellent project. Commissioner Barnes visited with members of the Gordon family at an event and they were very enthusiastic and were looking forward to making things happen and creating vibrancy in the area.

### ***C. Future Agenda Items***

Mr. Arntzen stated items one through four were addressed in email from Commissioner Barnes that he and Ms. Scott received last Thursday. Mr. Arntzen thinks Commissioner Barnes wanted to have these items discussed so one through four are a package. Mr. Arntzen would like to address the inquiry and the process that staff would undertake to address the items and potentially implement them. Mr. Arntzen stated when staff receives an email, we are always responsive to it, whether by email or some other method, and we try to address it in an expedited manner. Some of the items on here, such as the audio recording, land valuation, and buy-back, Mr. Arntzen believes at the last meeting stated that they are still on the list and probably in all fairness, staff hasn't had the chance to implement and we would get to them as we go. Mr. Arntzen hopes this is adequate, because as he said earlier, his concern as a manager, he believes the Commission would want him to focus on the bigger ticket items, such as completing the construction at Vista Field, the Owners Association and getting property ready to sale. Mr. Arntzen is hoping where we can keep our eye on that North Star if you will. With that as a backdrop, when staff is asked if there are new things we can undertake, staff wants to answer yes we can. Mr. Arntzen would like to let the Commission know, that if we are given direction to do some new projects, we will certainly do that. But again, against the back drop, with the lean staff that we have, we are trying to balance the bigger priorities versus the things that maybe can be fit in over time.

#### ***1. Commission Meeting Audio Recordings added to Port of Kennewick website***

Mr. Arntzen stated the audio recordings were brought up earlier, the question of could we do audio recordings of the Commission Meetings and then post on Port of Kennewick website. Mr. Arntzen believes that he said we would look into it, and he or Ms. Scott did not know much about it because we have not had a chance to work it. Mr. Arntzen would have to say that is probably where we are at now. We understand it is on the list, and if that is a Commission objective, we would certainly continue to look into and bring back information when we have it. At this time, we have no new information on the audio recordings and asked if the Commission had comments.

Commissioner Barnes recalls that we have discussed a couple times, and he thinks, what he recalls is that Mr. Arntzen or staff would look into it or research it. Personally, Commissioner Barnes would like to elevate it more to a please do this and he believes in the interest of transparency. In the interest of getting an audio recording out to our constituents. Commissioner Barnes thinks that whomever is assisting the Port maintain our website and add new features to the website, which he noticed almost immediately the changes to the Commission officers were made to the website. Commissioner Barnes would like to commend the staff for all the work that goes in the maintenance of website and understands that it is no small task or issue. But this is one item that we have discussed a couple of times in the past and maybe as much as a year ago, and personally, Commissioner Barnes would like to see this elevated from not let's look into it, let's

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research it, but personally he would like to see it elevated to please do this. Commissioner Barnes suggested asking the contractor or the person who helps the Port with the website, to please elevate this, not to research, but please do this. That is Commissioner Barnes' position.

Commissioner Moak is more interested in the scope of work and asked if it was really a complex issue, because we already tape the meetings and have a digital platform. Is it as easy as attaching the recording to the website or is there more to it than that and that is what Commissioner Moak does not know. Commissioner Moak agrees with Commissioner Barnes and stated that it would be important to have, but does it take extra software or an extra technician, or is something where staff can attach the digital recording to the website. Commissioner Moak stated it does not sound like a big project; however, he is not technical, so he does not know if it is.

Mr. Arntzen stated maybe by the February 25, 2020 Commission Meeting, staff could research and report back on what it may entail, the staffing time, and cost and implementation. Mr. Arntzen stated at that point, we would have a better idea of when it could be accomplished and inquired if that would be acceptable.

Commissioner Barnes stated the timeline is acceptable, but his position is, this is something he feels very strongly that the Port of Kennewick should do, and he thinks the sooner we do this, the better. Commissioner Barnes thinks our citizens want to listen to what goes on at a Commission meeting at their Port, they should be able to click a button on a website. Commissioner Barnes stated other websites do this and it is readily available, so it seems to him that it is established technology. Commissioner Barnes stated again, other government entities are doing this and he has gone online before and listened to other meetings. Again, Commissioner Barnes reiterated that he would like to see this done and he believes this is something the Port of Kennewick can do for its residents and its constituents.

Commissioner Novakovich agrees with Mr. Arntzen's comments and he would like to see what resources need to be allocated to this because we have a plate full of things to do. Commissioner Novakovich would hate to take away time and expense from Vista Field or Columbia Gardens or anything else that we are doing. If it not a big deal, then no problem, transparency is a good thing, but if we are going to start taking away staff time from what they could be doing on the projects we already have, he thinks we are doing a disservice to the public. Commissioner Novakovich agrees and wants to see what kind of resources need to be allocated to do this.

Ms. Scott stated our website has been upgraded and it does look great. We have checked with our consultant and it is not as simple as adding the recording to the website and there is more to it. Ms. Scott stated there is software that we are looking at and what other agencies have posted, but she has not had the time to invest in it so far.

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Commissioner Barnes stated we will look forward to hearing about audio recordings at the second meeting in February.

Mr. Arntzen stated we will have a detailed report back as to what this might entail; staffing, cost, and a time frame for implementation.

### 2. *Financial Presentations*

Mr. Arntzen had a chance to talk with Mr. Kooiker, Chief Financial Officer (CFO) regarding Commissioner Barnes' request for monthly financial reports and Mr. Arntzen would like Mr. Kooiker to give his input on this. Again, Mr. Arntzen wanted to make it clear to the Commission and public that when the Commission gives staff instruction, we will complete it. But he also needs to make it crystal clear that staff has been given a very substantial list of major projects that he thinks the public is really looking forward to the Port completing. A lot of them revolve around Vista Field and Columbia Gardens. We are human beings here and we have a staff of 12, so in the audience, they might say, we just want recordings on line, this is a lazy staff, why don't they just do it. Staff has been going at full throttle and Mr. Arntzen stated people are working overtime to just get the jobs in front of us completed and we have a very detailed lists of accomplishments that the Commission has directed him to do with respect to Vista Field. When we add another series of other projects, Mr. Arntzen stated in all honestly, we need time to do them and he may even ask what items should we take off the list to accomplish these. Mr. Arntzen does not want to sound like he is complaining, but we are human beings and we have been given a substantial work list from the Commission and he is questioning how they want him to run the Port. Does the Commission want monthly budget reports or do they want to complete Vista Field? That is the backdrop that he is looking at with this. Mr. Arntzen would like the CFO to give you a report as to what the budget reporting might entail.

Mr. Kooiker stated, as the Port financial department, we certainly we want to provide Commissioners with what they need to make decisions, foremost. Secondly, last July, Mr. Kooiker gave a detailed presentation to the Commission and the consensus from the Commission was that a budget presentation every six months was a good time frame. Mr. Kooiker was working on the next budget presentation when he received a directive from Commissioner Barnes on Thursday. Mr. Kooiker would like a consistent path forward, if the Commission would like a budget report ever six months, every quarter or every month. Additionally, Mr. Kooiker does not know what information the Commission would like to see and asked Commissioner Barnes what is it you would like to see or are you trying to solve a problem or what problem exists that we are trying to fix or what is wrong with what we are doing.

Commissioner Barnes does not have a problem, he sits on other boards such as TRIDEC, Visit Tri-Cities and every other meeting he attends there are monthly budget updates. The Port is in the last half of a biennium budget, and we will be working, towards the end of this calendar year, to finish that two year cycle, and to then embark on a new budget process for 2021-2022. Commissioner Barnes knows, that according to our rules of policy and procedure, anyone of the Commissioners can come to Mr. Kooiker and ask for a budget

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update. Commissioner Barnes has done that before with Mr. Kooiker and Ms. Story and what he received was a two page summary that would show, for example, the budget numbers through a specific date. The report would give a percentage of the biennium and it would show the revenues and expenditures from operations and the percentage of those items. It is not Commissioner Barnes' intent to create additional work, because he has every confidence in the world that Mr. Kooiker has this information and is reviewing it all the time and is looking at it. Commissioner Barnes believes that is what Mr. Kooiker is doing and he is asking, if Mr. Kooiker would please consider sharing the information on a more frequent basis, especially as we are embarking on the last half of biennium budget process. And then we will be entering into the new budget process and where we construct a new budget for the next two years. Commissioner Barnes thinks it would be good for Port of Kennewick and the Commissioners to have that information. But again, Mr. Kooiker's point is well taken about the amount of work. Commissioner Barnes would hope that Mr. Kooiker has this information already and he are already looking at it, and it is readily available, instead of printing one or three copies, print six copies so that the Port Commission could get a copy of what he sees. Commissioner Barnes is not looking to create a special presentation with all the bells and whistles, he is looking for information only, this is where we are, so that the Commission is a little more informed. Commissioner Barnes thinks every six months, and he has no reason to question the accuracy, the Port has a history of clean audits, it is nothing about that. Commissioner Barnes is asking that the information is shared more periodically, so the Commission has a better idea on a higher frequency base about what's going on. There have been a lot that has changed in last five months, what with the sale of the former raceway and the Southridge property, which are extraordinary items, not operations items. Commissioner Barnes stated there are a lot of moving pieces and that is the basis and background for the request.

Mr. Kooiker appreciates the detail of Commissioner Barnes' request and stated he is glad Commissioner Barnes mentioned the Southridge sale and the raceway sale. If Mr. Kooiker were to give monthly financial reports, there would be many qualifiers that come with it, for example, the Port uses a modified accrual accounting method. What that means is the Port received the money on December 31, 2019 and \$1,800,000 went into our bank account and it is still in there today. The bank account balance is going to be up there, but the finance department is not going to necessarily recognize the revenue or expense yet because we are still accruing expenses related to the land sales. Then Mr. Kooiker can take the accumulated depreciation off the balance sheet at that point, which could take several months. Mr. Kooiker stated there will be a lot contingencies that would not include certain items. Mr. Kooiker's only concern is that he is not sure how accurate it would be, in that respect, every single month.

Commissioner Barnes stated that is an extraordinary item as he understands it and is not routine. The Port has revenues and expenses from operations and then we have land sales, construction projects and other items.

Mr. Kooiker stated even with expenses, the Port will be paying December expenses until March 15, 2020. If Mr. Kooiker were to provide the Commission a report today, the

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December 31, 2019 numbers will be different in three weeks because we are still accruing back. Mr. Kooiker wanted it to be known that the numbers will change because of the accounting method.

Commissioner Barnes wants to work with Mr. Kooiker and knows he is busy and staff has a lot going on. If Mr. Kooiker were to say our preference it to not give a brief financial monthly report to the Commission, then Commissioner Barnes would like Mr. Kooiker to know that he would like to come in monthly and get it directly, if that were Mr. Kooiker's preference, he would be happy to do that. Commissioner Barnes was just thinking that if he is coming in and getting that information, then perhaps Commissioners Moak or Novakovich isn't getting the same information and then there we are, with one Commissioners with information, that perhaps one or the other two is not receiving.

Mr. Kooiker stated staff can produce whatever report they want, and he has an open door policy, and can set up an appointment where Mr. Arntzen could sit in if he would like to. Mr. Kooiker would prefer, the problem with the monthly presentations at a Commission Meeting is that it is not media friendly, but more an accountant form. Mr. Kooiker means no disrespect, but it takes a certain person to read through it and pick the numbers and understand what they mean. Mr. Kooiker suggested sticking with the six months possibly and then provide a shorter update every quarter. Mr. Kooiker feels monthly, at a Commission Meeting, a thirty minute presentation every other meeting on the budget would be a waste of everyone's time, in his opinion; however, it is up to the Commission and he is more than willing to do that.

Commissioner Novakovich agrees with Mr. Kooiker and if people do not understand the way that the numbers are prepared and the way the accounting is done, they could take it the wrong way and it could get out into the community and be a detriment to Port. Commissioner Novakovich believes doing those types of presentations are a complete waste of time and the Port has trust in Mr. Kooiker and we have clean audits. Commissioner Novakovich does not see any reason for this, and he thinks the way we are doing things and the way it's been done for a number of years, why do we want to change it now and why do Commissioners want to get down into the weeds and start looking at things. If the Commission has questions, Mr. Kooiker's door is open and they can ask questions on things and Commissioner Novakovich believes that is the way it should be handled. Furthermore, if there is an email out there requesting this, Commissioner Novakovich would like to see it and believes it should be available to all Commissioners to see this request.

Commissioner Barnes stated any Commissioner can submit a request for Agenda item, which is what he did.

Commissioner Novakovich stated that is fine, however he would like to see the email.

Commissioner Barnes stated that he is not going to email it to Commissioner Novakovich, as that would be an illegal meeting.

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Commissioner Novakovich is requesting it from staff.

Mr. Kooiker is requesting accurate direction from the Commission as to what they want to see.

Commissioner Barnes is hoping for something brief, similar to what he would receive if he asked for a one on one update. Commissioner Barnes will just fall back to that and will call, if Mr. Kooiker does not mind, or email, and make an appointment for an update on the budget. Commissioner Barnes just thought if he was doing that, then maybe the others might want the same information. Commissioner Barnes is doing this in the interest, the Port is in the second half of a two year budget cycle, and we will be embarking on a new budget coming up this fall and he would like to ramp up his understanding of where we are in preparation for construction of the budget for the next two years. That is the only motivation that Commissioner Barnes has for this and is not interested in making more work and he would hope that Mr. Kooiker has these reports readily available, that he is looking at them, and if Commissioner Barnes could please look over Mr. Kooiker's shoulder to see what he are seeing. Commissioner Barnes does not want anything specially created for him.

Mr. Arntzen stated if the Commission would like additional information or would like staff to pursue additional tasks, we will do that, we take direction from the Commission. What Mr. Arntzen would like to do is get the level of information that they are comfortable with, but he has spoken to Mr. Kooiker about this, and we are not trying to be evasive, Mr. Arntzen does not know what information Commissioner Barnes is looking for. Mr. Arntzen thinks Mr. Kooiker may still have a question of what it is specifically that Commissioner Barnes is looking for. Once we find that out, staff can determine how much time it will take to prepare it. Having spoken to Mr. Kooiker about Commissioner Barnes' request, because we wanted to be thorough, it will take some of his time, it isn't just pushing a button and printing out several copies, it will probably be one to two hours or more of his time on a regular basis. Again, if that is an investment that the Commission would like staff to make, we will make it. Mr. Arntzen would rather avoid having Mr. Kooiker produce information to share that doesn't get shared with the Commission. In fairness, if Mr. Arntzen is going to ask Mr. Kooiker to spend additional time, he would like to give him the opportunity to share the information that he has prepared with the other two Commissioners. And if it is important, Mr. Arntzen would like Mr. Kooiker to have time at a Commission Meeting to walk through it. Mr. Arntzen does not want Mr. Kooiker to produce a report that only one Commissioner will read, he would like a report, and would like the other two Commissioners to invest the time in that, as Commissioner Barnes will and give Mr. Kooiker the opportunity at a Commission meeting to walk through it. The Port has nothing to hide, but an error can be, to put information out there, that needs explanation, and we haven't been given the opportunity to offer the full information. Mr. Arntzen's request would be, first, what information would make you comfortable, second, he would like to evaluate how much time it will take and if it is a few hours, then it is a few hours that he cannot have his highly compensated CFO doing something else. If that is the direction the Commission is going to take, he would like to be authorized by the

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Commission, because he thinks that is what the policy requires of us. If the Commission authorizes this, Mr. Arntzen would be happy to have Mr. Kooiker produce the information, once we know what it is Commissioner Barnes would like produced, but because there will be some effort involved, he would like Mr. Kooiker to have the time to share the information on regular basis at a Commission Meeting.

Commissioner Moak stated, personally he does not have a need for a monthly report and is more interested in the bigger picture issues. Commissioner Moak stated a report every six months, for him, gives the bigger picture of where we stand with the budget is important. Commissioner Moak does not have a great desire for detail on a budget; however, he does have a great desire to see a longer picture. As we start preparing the budget it is typical that the Commission has not been terribly involved in preparing the budget, it has been a staff job and the Commission has approved the budget. Commissioner Moak has always felt, in any organization, that you need one person, from a policy standpoint, one that pays attention to the financials and Commissioner Barnes is that person. Commissioner Moak does not have a problem with Commissioner Barnes seeing whatever is important to him, but at same time, Commissioner Moak does not feel the personal need to have a close a detail on the financials. Commissioner Moak stated as we present or staff presents something that has financial impact, the Commission will learn what we need for that purpose, but from a Commission standpoint, he does not see the need for regular and frequent financial presentations. Commissioner Moak does think some longer term projections and what the budget is and for example, where are the funds for Southridge or the raceway are allocated or if staff is waiting for Commission direction. Those are more of Commissioner Moak's concerns and he thinks each Commission needs to look at what their own needs are and it is possible that the budget work Mr. Kooiker is already presenting meets Commissioner Barnes' needs. Commissioner Moak does not think Commissioner Barnes is asking, from what he can tell, is to create additional reports, but Commissioner Barnes believes there are these reports already being created and he just wants to see it. Commissioner Moak does not know that to be the case and does not know what physical reports Mr. Kooiker creates.

Commissioner Novakovich agrees with Commissioner Moak on his first comments and stated as Commissioners, we are supposed to look at a higher level of things and not get in weeds and not micromanage the staff. Commissioner Novakovich stated there is expertise on our staff that he could not hold a candle to and the reason they are there is because of the success the Port of Kennewick has had. Commissioner Novakovich thinks it is the Commission's job to direct staff if they go in the wrong direction, but to get down in the weeds with things that they are more capable of handling than we are, is a huge mistake. Commissioner Novakovich believes it is a waste of staff and Commission time. With that said, Commissioner Novakovich would agree with Commissioner Moak that the plan we had regarding the six month report is probably just fine, and if a Commissioner wants more information, then they should make an appointment with the CFO and be very specific as to what they want to accomplish.

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Commissioner Barnes thanked everyone and stated maybe the best path forward is to make an appointment with Mr. Kooiker and sit down and talk about it. Again, it is not Commissioner Barnes' intent to not create extra work or headaches, that is the farthest from his goal. Commissioner Barnes would simply like to feel that he has a better understanding of the finances of Port of Kennewick.

Mr. Kooiker stated he will not be at next meeting, staff will be traveling on Port business, but is planning to present a six month financial presentation on February 25, 2020.

**3. *Land Valuation Procedure: is an appraisal needed for every property?***

Mr. Arntzen stated he had planned on bringing back the land valuation procedure regarding appraisals for every property at due course. Mr. Arntzen believes there is some timeliness to getting an answer on this, but would hope for some flexibility. Mr. Arntzen stated the first item from this meeting is to get in touch with Ms. Bassuk regarding the Clover Island Master Plan. Mr. Arntzen asked for a chance to think about the land valuation policy and what we might propose to the Commission, maybe down the road, staff could add to the Agenda, if appropriate.

Commissioner Barnes stated his email regarding the Agenda Items, he did not have, as he recalls, he did not have the draft minutes from the January 10, 2020 Commission Meeting. Commissioner Barnes recalls that Mr. Arntzen had mentioned three items future Agendas, and all he was trying to do was to get a bounce back that said these are the items that are out there in the future and he did not expect those three items to be on the Agenda. Commissioner Barnes did want the media audio recordings on this Agenda that is the only item he requested, the email was simply his attempt to bounce back to Mr. Arntzen, what he thought he said at the last meeting. Now that Commissioner Barnes has minutes from the January 10, 2020 Commission Meeting, he can see that.

Mr. Arntzen stated he was out of office when he received the email, due to the remodel.

Commissioner Barnes had forgotten about the office being closed.

Mr. Arntzen had asked Ms. Scott to refresh his recollection.

Commissioner Barnes recalls at the last meeting there was excellent discussion about whether we needed appraisals at Vista Field. Commissioner Barnes knew that we had discussions about buy back clauses and Mr. Arntzen did mention it at the last meeting. Commissioner Barnes did not request, it was not his intent to request, that the appraisals or the buy-back clauses be on this Agenda.

Mr. Arntzen wanted to get the items on the Agenda for discussion and he understands that staff will give independent review of the audio recording, which we will fast track. Mr. Arntzen stated with the other two items, we agree that they are still on the list and perhaps not assign a time frame, but he believes they will get done within the next six months. Mr. Arntzen believes that there is a universal recognition that the Port has a lot on our plates as

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a team, Commission, CEO and staff. Mr. Arntzen is trying to see where the pieces fit in and he reiterated that he does not want the Commission to think that staff is reluctant to take on any new projects, he stated that is not the case. Mr. Arntzen has been losing sleep over the major lifting that we have, primarily at Vista Field. Mr. Arntzen does not want it to sound like staff is unwilling to do some of these things, he is just very nervous because at the finish line, the reward for the larger project is when we have neat activities at Vista Field.

Regarding the financial reports, Mr. Arntzen appreciates the discussion, and stated we have had some very frank discussions, which actually gets the information out a lot better. As a manager, Mr. Arntzen would like to find common ground, where Commissioner Barnes gets the information he needs and the other two Commissioners get what they need, which may be at a different level. Mr. Arntzen also wanted to ensure with Mr. Kooiker that the agreement reached on the financial information is not a major burden that he is already working on. Mr. Arntzen is an optimist and believes we can get there and stated that he hopes we did not give Commissioner Barnes the impression that we simply did not want to do this. Mr. Arntzen stated our view was to find what it is Commissioner Barnes was looking for and then provide that level of information, because as Commissioner Moak pointed out, he is happy with the six month report. Mr. Arntzen stated we need to strike a balance with the Commission and they are receiving the level of information that they want.

Commissioner Barnes appreciates Commissioner Moak's other comment, where we have diversity on this board and there may be one of us that is more interested in the financial projections than the other two. Commissioner Barnes stated there may be items that Commissioner Moak is more interested in and Commissioner Barnes would take a back seat to him and trust him to closely monitor more than he is inclined to do.

Mr. Arntzen stated on these four issues, the financial issue in particular, he would like to hear from Commissioner Barnes directly, as to his satisfaction of the level of information that we have been able to provide.

Commissioner Barnes would welcome the opportunity to communicate with Mr. Arntzen and Mr. Kooiker about this. Commissioner Barnes believes our intent and our objectives are very closely aligned and he would like just a little more information.

Commissioner Moak stated the land valuation and appraisals only matter if you are buying or selling and he asked if the Port is either buying or selling in the short term, where this is an issue that we need to address sooner rather than later.

Mr. Arntzen stated in the short term, no, but what we are doing, is embarking on a larger project with the pricing component for Vista Field. That is a more detailed process and Mr. Arntzen will share with the Commission at a later date. Mr. Arntzen suggested dovetailing the pricing component and the land valuation policy together. Mr. Arntzen asked the Commission for patience on the land valuation policy, because staff may be able to solve that through the valuation process related to Vista Field. Mr. Arntzen stated in the

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short term, the Port is not buying or selling anything, but the big exception is Vista Field and staff is working on a procedure process to value the Vista Field properties.

Commissioner Moak stated it is the same with the buy-back clause, which only matters if you are going to exercise that option. Commissioner Moak is not sure that there is anything the Port is looking at exercising and we have discussed whether to include it or not with other properties. Commissioner Moak stated the urgency is there or isn't there, based upon what is out on the horizon.

Mr. Arntzen believes the buy-back clause dovetails with the question and answer related to the valuation. Staff is working on a list of where buy-back clauses exist and what the specific language states addressed to the buy-back clause. The questions the Commission will eventually need to address are, does the Port really need buy-back clauses and if so, what would be the attributes of them, such as duration, were they successful and did the provisions pose any issues. Mr. Arntzen stated staff is preparing a list of where buy-back clauses exist and then we can move on to the policy portion of were the Port to use them again and what might they look like. Mr. Arntzen believes the Commission would want to include buy-back clauses on all the property in Vista Field. Obviously, the Port is not selling land at Vista Field for speculation or for the right amount of money, but to someone who understands New Urbanism; however, the Port will still want to ensure there is a specified time frame for development. Mr. Arntzen believes the buy-back clause discussion is similar, where we need to solve the bigger issue for Vista Field and in the meantime, bring back a list of where they still exist.

Commissioner Barnes is interested in properties where the Port has existing buy-back clauses and inquired if staff has a way to track those. Commissioner Barnes is interested in that and believes we need to develop a system for tracking them, because we are going to have a lot of transactions in Vista Field going forward.

Mr. Arntzen stated there are many variations of the buy-back clauses and those variations make it difficult to track. Mr. Arntzen thinks if the Port were to use one for Vista Field, we might want to make it simple and clear so that they are easier to track. Mr. Arntzen appreciates the opportunity to discuss these items together and that the Commission did not put a due date on each item, because he believes we will be able to feather them into some of the bigger projects in front of us.

#### **4. *Buy-Back Clauses: Which properties have them and the Commission's philosophy***

Ms. Luke stated, in her experience with the Port since 2011, the standard Purchase and Sale Agreement includes the buy-back clause and the exception has been where it was removed.

Commissioner Barnes repeated the standard form Purchase and Sale Agreement Port of Kennewick.

Ms. Luke stated yes, as a point of clarification, it has been part of the form used.

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Commissioner Barnes thanked staff for indulging him in this discussion and he appreciates it.

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

Commissioners reported on their respective committee meetings.

***E. Non-Scheduled Items***

1. Mr. Kooiker stated the Port received \$200,000 from the City of Kennewick for the parking lot in Columbia Gardens, as part of the 2017 Interlocal Agreement. Mr. Kooiker stated the Port and City have a great working partnership.
2. Mr. Arntzen wanted to mention that Ms. Bader Inglima and Ms. Hanchette had a good walk through Duffy's Pond with the USACE yesterday. As you may recall we recently discussed removing Duffy's Pond from the Work Plan; however, the Commission instructed staff to keep it in the Work Plan as a long range item. Staff has some potentially new information to share about Duffy's Pond as a viable project in a limited form.

Mr. Arntzen stated Commissioner Barnes raised a question from a comment made by Pete Rogalsky earlier. Mr. Arntzen has worked a lot with Mr. Rogalsky and he is a good person. Mr. Arntzen is surprised it would be mentioned in public setting, and we did hear it last week, when he and Mr. Kooiker were meeting with him about the Columbia Park Trail project. Mr. Arntzen stated there was a level of discussion about a path forward for Columbia Park Trail and then Mr. Rogalsky mentioned a few other projects on horizon for the City; however, staff does not make commitments about projects. This is good for us to discuss because the Commission has directed Mr. Arntzen to produce a next decade plan with the City of Richland. We wanted to avoid the City coming to the Port with only one project instead of several options to choose from. Mr. Arntzen is hoping to avoid that scenario in the future, and with the Commission authorizing Mr. Arntzen to come up with a next decade plan with the City, will allow staff to sit down together and come up with a list of items for potential projects. Then the City and Port can go through a public process and coming back to elected officials on both sides with a list. The Port hired Ben Floyd of White Bluffs Consulting to assist us with the next decade plan. Mr. Floyd has met with Mr. Rogalsky and City Manager, Cindy Reents on several occasions, but Mr. Rogalsky has a few projects that he would like to see completed. Mr. Arntzen has asked Mr. Rogalsky to wait for Mr. Floyd to write up a report on these projects. His projects might ultimately be on the list of exciting projects for the Port and the City that staff presents to the Commission. Mr. Arntzen does not see any harm in what Mr. Rogalsky said, but he is hoping to come back to the Commission with several ideas for discussion. The Port, Mr. Floyd, and the City staff are making good progress on the next decade plan and as Commissioner Moak expressed several months ago, he would like options, not just one idea.

3. Ms. Bader Inglima wanted to clarify some of her comments regarding the USACE 1135 project. Ms. Bader Inglima stated that while the USACE swept the construction fund, the Architecture and Engineering (A&E) design portion is moving forward on the Clover Island 1135 project. Ms. Bader Inglima met with the entire USACE team on Friday and walked around Clover Island. The team is working on the A&E design, which should be completed

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this year, and it is just a matter of securing the construction funding with the timing of the in-water work window. Ms. Bader Inglima stated the 1135 project is not gone, just delayed.

4. Commissioner Moak appreciated Mr. Arntzen's comments related to the City of Richland and he certainly hopes the past actions by the City have gnawed at him for several years in that we weren't given options for projects. Commissioner Moak stated Public Works is not the only place where he would like to spend money, in any given community, in terms of making a community better. Commissioner Moak wished that the Commission were on the same page on this last issue, but he hopes they will be on the same page for the next issue. Commissioner Moak appreciates Mr. Arntzen's work with Mr. Floyd and with Mr. Rogalsky and others at the City, to come up with some ideas that are good as we move forward. Commissioner Moak appreciates that and hopes it bears fruit in the future.

Commissioner Moak appreciate staffs concern about the amount of work we have and the small staff we have. The Port has a big project at Vista Field and it is the greatest project Commissioner Moak has been associated with in his public life. Commissioner Moak is still trying to figure out how do we deal with things that aren't Vista Field, whether it is Clover Island or Columbia Gardens or anything else the Port is trying to do. The Port has great projects, great tenants, whether it's at the Yacht Club or the wineries, the Port wants to do well for all of them and how do we allocate staff and staff time and Commission time. Commissioner Moak does not have a good answer either and he appreciates that we have to look at that and at the same time, we have other great things out there that we made commitments too. Commissioner Moak knows it probably causes Mr. Arntzen sleepless nights and maybe it causes the Commission sleepless nights too, trying to work on how do we do it all. And all these people that have confidence that the Port of Kennewick can do everything we think we can do, because of our past practice. The community thinks we can do everything and sometimes we think we can do everything too, and yet, we are human beings and not automatons and Commissioner Moak understands that and he has to wrestle with that too, because we still have great ideas and we still have great visions for this Port and this community. Commissioner Moak appreciates the push back and that's okay, it is also a dose of realism for us and the public, that we can't do everything all the time, but how do we march together towards a lot of good things.

5. Commissioner Barnes share a lot of concerns that he just heard Commissioner Moak voice about our limited resources and our very ambitious projects. Even though we just made the decision to sell the Tri-City Raceway to the City of West Richland, which was excellent recognition on the part of the Port of Kennewick, even though Commissioner Barnes voted against the sale for price reasons. Commissioner Barnes thinks it was excellent recognition on the park of the Port of Kennewick to say, we don't have enough resources to do this in the foreseeable future, let's sell this to the City of West Richland. We are humans and we are people and there is a lot of work going on at the Port of Kennewick and looking into the future, Commissioner Barnes does not see the workload diminishing, if anything he sees it going the opposite direction. Commissioner Barnes wrote a note and thought is it time to look at additions or an addition to staff. The Commission discussed at the last meeting about the Vista Field development, the collaborative design process, the team approach versus a

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project manager approach and maybe we need to take a look at our workload versus the number of people we have to do that work and maybe we need to add one or two to the number of people we have at the Port.

Commissioner Barnes appreciates the periodic updates that we receive on Vista Field and he inquired what the status of the contract with the Arts Center Task Force and the Port is. Commissioner Barnes has not heard much about the Arts Center Task Force in a while in the community lately or today and mulled what are their prospects and their fundraising process and what they have been doing.

### **PUBLIC COMMENTS**

Jet Richardson, Habitat for Humanity, Richland. Mr. Richardson is the new Executive Director for the Habitat for Humanity (HFH) and thanked the Port for pursuing some of these projects. Mr. Richardson thinks they are great additions to what is really needed in the Tri-Cities. Mr. Richardson is very excited for the Vista Field project, for two reasons, as executive director for HFH and thinking about affordability and issues of affordability in the community, there is a lot of opportunity related to the Vista Field project. Mr. Richardson encouraged the Commission to continue to pursue a diverse community in this area, based also on affordability and income. Mr. Richardson stated with regards to the buy-back clause discussion, he believes it is important and he uses them at HFH as a way of maintaining affordability and he is happy to have further conversations of how that works. As the Commission considers the affordable aspect of Vista Field and keeping it affordable after people want to sell and move on is something that should be considered. As a return citizen to the community, this is the type of place he would want to live in, in the Tri-Cities.

Cal Coie, 705 South Oklahoma Street, Kennewick. Mr. Coie is very interested in seeing what the Makers Architecture scope will entail and if it will go over the \$175,000. Mr. Coie stated contractors, planners, architects and engineers have a way of increasing the price and he believes that is a given and will happen. Regarding the Causeway, Mr. Coie, likened the Causeway to the Snake River dams, if breaching the Causeway comes up, the Port will have a million different opinions just like we are seeing with the dams. Mr. Coie stated the Tribes, the environmentalists, and the USACE will want to be involved. The most interesting question is the one Commissioner Moak asked about who owns the Causeway and it might be beneficial to find out. Mr. Coie stated it will be just like the dams discussions.

### **COMMISSION COMMENTS**

No comments were made.

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## ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 4:08 p.m.

### ***APPROVED:***

### **PORT of KENNEWICK BOARD of COMMISSIONERS**



*Don Barnes, President*

  
*Skip Novakovich, Vice President*  
*Thomas Moak, Secretary*  


***PORT OF KENNEWICK***

**Resolution No. 2020-002**

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
PORT OF KENNEWICK AUTHORIZING THE PORT CHIEF EXECUTIVE OFFICER TO  
EXECUTE AN AGREEMENT WITH THE CITY OF RICHLAND  
FOR COLUMBIA PARK TRAIL IMPROVEMENT FUNDING***

**WHEREAS**, the City of Richland has proposed the construction of street and utility improvements on Columbia Park Trail in the Island View area of Richland, which is in the Port of Kennewick District; and

**WHEREAS**, Richland is an important development partner with the port; and

**WHEREAS**, the city asked the port to contribute \$800,000 to its Columbia Park Trail Improvement project; and

**WHEREAS**, initially the port sought to fund its contribution via its allocated share of Benton County Rural County Capital Funds (RCCF); and

**WHEREAS**, the port commission desires to participate in the project; however the commission desires to utilize port funds other than its allocated share of RCCF for the project; and

**WHEREAS**, staff has advised the commission that the port has appropriate funding to participate in this project.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Port of Kennewick directs the Chief Executive Officer to formalize an agreement with the City of Richland for Columbia Park Trail Improvement funding in the amount of \$800,000 with said funding provided from non-RCCF port funding sources.

**BE IT FURTHER RESOLVED** that all action by port officers and employees in furtherance hereof is ratified and approved; and further that the Port Chief Executive Officer is authorized to take all action and to pay all expenses necessary in furtherance hereof.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 28<sup>th</sup> day of January, 2020.

***PORT of KENNEWICK  
BOARD of COMMISSIONERS***

By:




DON BARNES, President

By:



SKIP NOVAKOVICH, Vice President

By:



THOMAS MOAK, Secretary