



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

FEBRUARY 9, 2016 MINUTES

CALL TO ORDER

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

The following were present:

Board Members: Skip Novakovich, President
Thomas Moak, Vice-President (excused absence)
Don Barnes, Secretary

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

PLEDGE OF ALLEGIANCE

City of West Richland Councilman, Don Engelman, led the Pledge of Allegiance.

Mr. Novakovich stated Mr. Moak is unable to attend the Commission meeting today due to travel issues and his absence is excused.

PUBLIC COMMENT

Jon Lindeman, 3205 West 46th Avenue, Kennewick. Mr. Lindeman, a member of the Latino Heritage Mural Committee, has been speaking with the public regarding the Latino Mural that will be displayed at Columbia Gardens and focus on the Latino contribution to the area. Mr. Lindeman stated the mural will be painted on di-bond panels and attached to the building, therefore the artist will not be held up by construction of the winery buildings. Mr. Lindeman feels the public is unaware of what the Latino Heritage Mural Committee is trying to accomplish and believes we need to get people excited about the project.

Mr. Arntzen appreciates Mr. Lindeman's excitement for the mural and stated he will follow up with Ms. Bader Inglima about opportunities to feature the mural. Mr. Arntzen is excited about the mural and stated he has enjoyed working with the Latino Heritage Mural Committee and Barb Carter, Port Art Liaison. Mr. Arntzen stated the Committee and staff have made a lot of progress and continue to move forward.

Mr. Novakovich added that the Hispanic Chamber of Commerce mentions the mural frequently.

Mr. Lindeman stated it is important that donors are recognized with a plaque near the mural.



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Mr. Peterson stated the Columbia Gardens bids will be opened on Thursday, February 11, 2016. Once the contract has been executed, Ms. Bader Inglima has a community outreach plan for the buildings and Mural.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated February 2, 2016**
Direct Deposit and E-Payments totaling \$64,776.57
- B. Approval of Warrant Registers Dated February 9, 2016**
Expense Fund Voucher Numbers 37631 through 37670 for a grand total of \$115,727.62
- C. Approval of Commission Meeting Minutes Dated January 26, 2016**

MOTION: *Commissioner Barnes moved for approval of the Consent Agenda, as presented; Commissioner Novakovich seconded. With no further discussion, motion carried unanimously. All in favor 2:0.*

NEW BUSINESS

- A. Acceptance of Boat Launch Facility Project by Banlin Construction: Resolution 2016-04**

Mr. Peterson reported Banlin Construction, LLC has completed the construction work for the Clover Island Boat Launch Facility. The project included construction of bathroom facilities, paved trailer parking areas, a handicap parking space, landscaping, artwork and lighting improvements to the existing Clover Island Boat Launch facility with very minimal change orders.

Mr. Peterson stated Big D's Construction is currently completing the in-water construction project, which was awarded on December 8, 2015.

It is appropriate for the Port to accept the construction as substantially complete so that we may issue a public notice and start the clock on potential lien filings by subcontractors and ultimately move toward final acceptance of the entire project.

Mr. Barnes clarified that this Resolution is accepting the work for the upland work that was performed by Banlin Construction, which includes included construction of bathroom facilities, paved trailer parking areas, a handicap parking space, landscaping, artwork and lighting improvements.

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Barnes moved for approval of Resolution 2016-04, accepting the Clover Island Boat Launch Facility project completed by Banlin Construction, LLC, and authorize the Chief Executive Officer to finalize the financial terms of the contract; Commissioner Novakovich seconded.*



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Discussion:

Mr. Barnes applauded staff for their attention to detail on the project.

Mr. Novakovich stated this is a great project for Clover Island and reiterated Chief Hohenberg's comments that the Eagles are an amazing piece of art.

With no further discussion, motion carried unanimously. All in favor 2:0.

B. WPPA Legislative Committee/Port District Worker Development & Training Programs (HB2618)

Mr. Novakovich reported he received a memo from the Washington Public Ports Association (WPPA) regarding House Bill 2618, which states the legislature is currently considering a measure that relates to port district powers to engage in job training and educational programs with non-profit organizations.

Mr. Novakovich will be attending the WPPA Legislative Committee later this week and ports have been asked to weigh in on bill. Mr. Novakovich believes the bill would burden smaller ports such as the Port of Kennewick and is not in favor of House Bill 2618. Mr. Novakovich asked the Commission and staff what their thoughts are regarding the bill.

Mr. Barnes reviewed the bill and does not believe the proposed legislation would affect the Port of Kennewick positively or negatively. Mr. Barnes does not believe there is any reason for the Port to take a position, until there is a clear reason to bring action.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Vista Field Update

Mr. Peterson met with the DPZ, Parametrix, and the City of Kennewick Public Works Director and Traffic Engineer, to discuss the Transportation System Impact Evaluation (TSIE). The group looked at existing intersections and the likely impact of Vista Field development and what it would look like at a 10 and 20 year build out. Furthermore, staff and consultants were able to hear the City's expectations, sequencing, and what improvements are likely necessary, based upon what the study indicated and the City is experiencing. There is a second meeting scheduled for Thursday, February 11, 2016 to go over on-site details.

Mr. Novakovich thanked Mr. Peterson for his diligence.

Mr. Peterson stated the Financial Plan for Vista Field Phase I development has been scaled down from \$5,000,000 to \$3,000,000. Mr. Peterson stated a major source of funding for Phase I development includes the sale of the Verizon property (10 acres). The 2011 Comprehensive Scheme approved the sale of the Verizon property, however, the 2015-2016 Work Plan indicated the Port hold the Verizon property until the Vista Field Master Plan is complete. The Vista Field Master Plan is approximately 95% complete and Mr. Peterson inquired if the Commission would like staff to begin marketing Verizon property.

Mr. Novakovich believes staff should begin marketing the Verizon property.



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Mr. Barnes stated it is understood by the Commission that the Verizon property is not part of the Master Plan and it was previously discussed that the sale would help fund Phase I infrastructure for Vista Field. Mr. Barnes stated the Port is on course to completing the Master Plan and it would behoove the Port to market the Verizon property to allow for Vista Field infrastructure funds.

Mr. Novakovich inquired what is needed from the Commission to begin marketing the Verizon property.

Mr. Arntzen stated staff will need a consensus from the Commission to begin the process. The Port has taken the time necessary to work in partnership with the City of Kennewick to create a historic Master Plan. Although the Master Planning process has taken longer than anticipated, it is important to be thorough and get it right. Mr. Arntzen believes it is in the best interest of the public to run a parallel path with the Master Plan and financing plan. The financing component for Vista Field is a major undertaking and Verizon is part of the component.

It is the consensus of the Commission for staff to market the Verizon property.

Mr. Novakovich stated the redevelopment of Vista Field is a long range project, and a lot has been happening behind the scenes to make it possible.

B. Columbia Drive Update

Mr. Peterson stated the Columbia Gardens Phase I bids will be opened on Thursday, February 11, 2016 at 10:00 a.m. There has been substantial interest in the project due to the unique nature of the wall mass system.

Mr. Peterson reported the Benton PUD Commission officially agreed to pay for \$48,000 to underground the utilities at the Columbia Gardens site; and Frontier will pay 100% of their costs to relocate and Benton Franklin Transit will pay a portion of the bus shelter costs.

C. Department of Ecology Clover Island Marina Report

Ms. Hanchette reported the Department of Ecology performed an annual inspection of the fuel transport station, which included: signage, spill response kit, pumps and hoses, and ground tank leaking. The Port received a letter (*Exhibit A*) from the Department of Ecology, praising the Port's effort to promote a strong commitment to the protection of the marine environment. Ms. Hanchette stated this is a team operations effort and Mr. Boehnke and Mr. Melia monitor the area closely and are trained in spill prevention, preparedness and response. Furthermore, it is a joint effort with our supplier, to keep the system up and running.

Mr. Novakovich applauded the operations team and stated Ms. Hanchette runs a well-organized department.

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

Commissioners reported on their respective committee meetings.



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E. Non Scheduled Items

1. Ms. Scott reminded the Commission that their Statement of Personal Financial Affairs is due April 15, 2016. Furthermore, the Port Commission Policy requires, on an annual basis and in a public forum, each Commissioner acknowledge the obligation to disclose any conflicts of interest under RCW 42.23.

Ms. Scott stated Futurewise invited the Port to attend their 2016 Annual Spring luncheon on March 16, 2016. If you are interested in attending the luncheon, please let Ms. Scott know.

Mr. Novakovich would like to attend the Futurewise luncheon.

2. Mr. Arntzen met with the Executive Director and Planner of Futurewise last week and stated the objective is to work with Futurewise on behalf of Vista Field, by creating a cohesive package to present to the Governor and State agencies regarding potential state funding for Vista Field. Several State agencies have shown interest in Vista Field and the Governor has prioritized Vista Field as his number one project of interest.

Mr. Arntzen stated he also attended a conference on communication skills and networking.

While in Seattle, Mr. Arntzen visited several public spaces and will be meeting with staff to discuss a "hook" for Vista Field.

Mr. Arntzen welcomed Councilmember Lemley and reported he spoke with Jon Amundson, City of Richland Assistant City Manager to discuss potential joint projects now that Spaulding Business Park is near completion. Mr. Arntzen will reach out to Kerwin Jensen, Community Development Director as well.

Mr. Barnes stated recently on the local newscast, Badger Mountain Trailhead was featured and he was pleased the Port was involved in a project that benefits the entire community. Mr. Barnes thanked Mr. Lemley and the City of Richland for partnering with the Port on a much needed project.

Mr. Arntzen welcomed Mayor Pro Tem, Don Engelman and stated staff has been working on the entitlement issues and the Racetrack Master Plan is approximately 95% complete.

Mr. Peterson stated Port and City staff continue to work through issues that impact the development site with Kennewick Irrigation District, Bonneville Power Administration and Washington State Department of Transportation.

Mr. Novakovich stated the Port has six jurisdictional partners that we serve and staff does an amazing job finding projects that benefit all our partners and the community.

Mr. Arntzen met with Ms. Fine and Mr. Kooiker, who presented the Port's future financial condition over next decade. Mr. Arntzen is very proud of his finance team and stated they presented a conservative forecast of the Port's sound fiscal condition, based on a number of



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assumptions. Mr. Arntzen would like to schedule a time during a public session to go over the finance models and the future of the Port.

Mr. Arntzen stated at the previous Commission meeting he discussed a Commission retreat, however, at this time, he would like to focus on Vista Field and anticipates scheduling the Commission retreat for May or June. Mr. Arntzen asked the Commission to send any potential ideas that they would like to see discussed at the retreat to him.

3. Ms. Luke congratulated Ms. Hanchette and the operations staff for the positive review from the Department of Ecology.
4. Mr. Peterson stated the Village at Island Harbor, Phase I bids are due on February 24, 2016.
5. Mr. Kooiker reiterated the financial plan from our perspective is solid and would like the opportunity to present it to the Commission and public.
6. Ms. Hanchette stated the Port will bid the Ag Engineering small works project soon.

PUBLIC COMMENTS

No further comments were made.

Mr. Arntzen stated there are several travel opportunities for the Commission to consider this year, such as:

- International Council of Shopping Centers (ICSC), May 2016, Las Vegas, Nevada;
- International Economic Development Annual Conference (IDEC), Cleveland, Ohio;
- IDEC Economic Forum, Tulsa, Oklahoma; and
- Congress for New Urbanism (CNU), June 2016, Detroit, Michigan.

Several of the workshops relate to current Port projects at Vista Field and Columbia Drive and are good opportunities for the Commission and staff to learn about the principals of economic development. Mr. Arntzen asked the Commission to consider what conferences they would like to attend. Ms. Scott will send the Commission a list of upcoming conferences.

COMMISSIONER COMMENTS

No comments were made.



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ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:12 p.m.

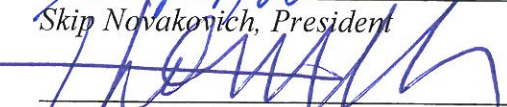
APPROVED:

PORT of KENNEWICK


BOARD of COMMISSIONERS



Skip Novakovich, President



Thomas Moak, Vice President



Don Barnes, Secretary



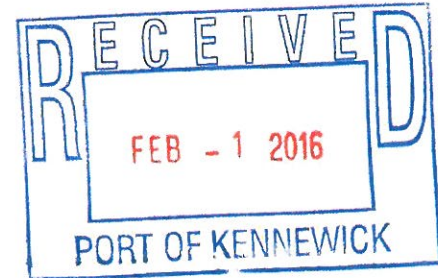
Exhibit A

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47600 • Olympia, WA 98504-7600 • 360-407-6000
711 for Washington Relay Service • Persons with a speech disability can call 877-833-6341

January 26, 2016

Amber Hanchette
Clover Island Marina
Port of Kennewick
350 Clover Island Drive
Kennewick, Wa, 99336



Subject: Class 4 Facility – Clover Island Marina (Port of Kennewick)

Dear Ms. Hanchette:

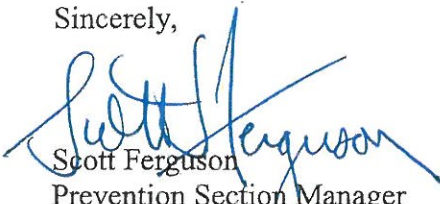
On January 8, 2016, Ken Esplin conducted an inspection at the Clover Island Marina facility located at the Port of Kennewick. Enclosed is a copy of the Inspection Checklist containing the results of the inspection.

At this time, we have found the oil transfer procedures at this facility to be well-organized and executed. The operation of your facility demonstrates a strong commitment to the protection of the marine environment.

Your efforts to promote safe oil transfers have not gone unnoticed. We appreciate the cooperation of your facility's personnel as well as your continued commitment to safe oil transfer procedures and environmental protection. We applaud your efforts and encourage you to continue this course.

Should you have questions concerning the evaluation, Ken Esplin, Facility Engineer, is your primary contact. He can be reached at (360) 690-4462, or by e-mail at Kenneth.Esplin@ecy.wa.gov. You may also contact me at (360) 407-7465, or by e-mail at Scott.Ferguson@ecy.wa.gov.

Sincerely,


Scott Ferguson
Prevention Section Manager
Spill Prevention, Preparedness, and Response Program

Enclosure: ECY 070-313, Marinas and Small Fueling Facilities – Class 4 Inspection Checklist

cc: Jason Reichert, Class 4 Lead
HQ Spills Central Files, Prevention Section, Facility





Spill Prevention, Preparedness, and Response Program

WASHINGTON STATE
Department of Ecology
Spill Prevention, Preparedness, and Response Program
Prevention Section
P.O. Box 47600, Olympia, WA 98504-7600
Office Phone: (360) 407-7455, Fax: (360) 407-7288 or toll free 1-800-664-9184

Marinas and Small Fueling Facilities Class 4 Inspection Checklist

Facility Name: Clower Island Marina Facility Phone Number: (509) 586-1186
Location: 350 Clower Island dr Kennewick Facility Email: _____
Inspector(s): Ken Esplin Date/ Time of Inspection: _____

OIL TRANSFER EQUIPMENT

- ☒ Hoses and piping free of defects which would permit the discharge of oil.
- ☒ All oil transfer equipment (pumps, valves, hoses, piping, etc.) tested annually by required method.

RESPONSE AND RECOVERY EQUIPMENT

- ☒ Minimum 200' of sufficient and appropriate boom in standby position.
- ☒ Spill sorbents, containers suitable for holding recovered oil, non-sparking scoops/shovels and buckets to cleanup 25 gallon spill (50 count standard 18" square sorbents capacity is about 33-38 gals per bundle) available.
- ☒ Personal protective gear necessary to safely respond to spill (clothing or splash protection, gloves, glasses) available.

OIL TRANSFER TRAINING

- N/A Records of Oil Transfer Training kept at facility and available to Ecology inspectors.
- N/A Training includes: Dangers and safe practices of oil transfers, safe and effective use of response equipment, and spill notification procedures.

NOTIFICATION INFORMATION

- ☒ Employees know notification procedures and have ready access to notification phone numbers.
- ☒ Notification procedures posted at the fuel dock for customers to see. Notification phone numbers include State, USCG, Spill Response Contractor, and Facility's 24-hour response contacts.
- ☒ Semi-annual report submitted to Ecology in January/ July.

COMMENTS / RECOMMENDATIONS

Consultant tests the line @ sopsi Annually

- ☒ Facility in **compliance** with State Oil Transfer Regulations
- ☐ Facility in **violation** of State Oil Transfer Regulations as identified, corrective measures required

Signature of Marina Manager/Operator: [Signature]

Signature of Inspector: [Signature]

Date: 1/8/2016

* Check Mark "✓" = compliance, "X" = violation, "N/A" = Not Applicable

WASHINGTON ADMINISTRATIVE CODE (WAC) REQUIREMENTS

WAC 173-180-025 Definitions.

(11) "Class 4 facility" means a structure that

- (a) Is a marina, boatyard, marine fuelling outlet, and other fuelling installations that transfer to a non-recreational vessel with a capacity to hold less than ten thousand five hundred gallons of oil whether the vessel's oil capacity is used for fuel, lubrication oil, bilge waste, or slops or other waste oil;
- (b) Does not transfer oil in bulk to or from a tank vessel or pipeline; and
- (c) Does not include any: Railroad car, motor vehicle, or other rolling stock while transporting oil over the highways or rail lines of this state; underground storage tank regulated by ecology or a local government under chapter 90.76 RCW; or a motor vehicle motor fuel outlet; or a facility that is operated as part of an exempt agricultural activity as provided in RCW 82.04.330.

WAC 173-180-205 Oil transfer equipment at Class 1, 2, 3, and 4 facilities.

- (1) All hoses or piping used in an oil transfer operation must meet the following criteria:
 - (a) Hoses or piping must be supported so as to avoid crushing or excessive strain. Flanges, joints, hoses, and piping must be visually checked prior to the transfer for cracks and signs of leakage.
 - (b) All hoses and loading arms are long enough to allow the vessel to move to the limits of its moorings without placing strain on any component of the oil transfer equipment.
 - (c) Each hose must have no unrepaired loose covers, kinks, bulges, soft spots, or any other defect which would permit the discharge of oil or hazardous material through the hose material and no gouges, cuts, or slashes that penetrate the first layer of hose reinforcement ("reinforcement" means the strength members of the hose, consisting of fabric, cord and/or metal).
 - (d) Hoses or piping must not be permitted to chafe on the dock or vessel or be in contact with any source that might affect the integrity of the hoses.
 - (e) Hose ends must be blanked tightly when hoses are moved into position for connection, also immediately after they are disconnected, and residue drained either into the vessel tanks or into suitable shore receptacles before they are moved away from their connections.
- (2) Testing of all oil transfer equipment, including, but not limited to, pumps, valves, piping, manifolds, connections, and hoses, must be done annually, and must be conducted by using one of the following methods:
 - (a) In accordance with manufacturers' recommendations and industrial standards; or
 - (b) Procedures identified in 33 CFR 156.170.

WAC 173-180-210 Requirements for Class 4 facilities

- (1) **Response and recovery equipment:** The owner or operator of each Class 4 facility must ensure that cleanup of at least a twenty-five gallon spill can occur by having all of the following: Response and recovery equipment maintained in a standby condition and available to the receiving vessel:
 - (a) Sufficient and appropriate boom of no less than two hundred feet available in the standby position;
 - (b) Oil spill sorbent materials appropriate for use in water and on land;
 - (c) Non-sparking hand scoops, shovels, and buckets;
 - (d) Containers suitable for holding the recovered oil and oily water; and
 - (e) Protective clothing and other appropriate personal protective gear necessary to safely respond to oil spills.
- (2) **Trained personnel:** The owner or operator of each Class 4 facility must:
 - (a) Provide annual training for employees involved in an oil transfer operation, that at a minimum includes:
 - i. Dangers and safe practices regarding the petroleum products transferred at that location;
 - ii. Safe and effective use and handling of response and recovery equipment; and
 - iii. Spill notification procedures;
 - (a) Train all employees with oil transfer duties within ninety calendar days of the date of hire. No employee may be in charge of an oil transfer operation at the Class 4 facility without proper training;
 - (b) Keep a record of oil transfer training at the facility and make the record available to ecology upon request.
- (3) **Spill notification information:** The owner or operator of each Class 4 facility must provide spill notification information on a wallet-sized card for each employee and posted at the dock for fuelling customers. The notification information must include:
 - (a) Required notifications in RCW 90.56.280;
 - (b) A phone number for a spill response contractor; and
 - (c) If the Class 4 facility is not always staffed, a twenty-four-hour phone number where someone designated by the owner or operator of the facility can be reached to start the spill response. The contact phone number must be posted on the dock or transfer location in a location that is easy to see.
- (4) The owner or operator of each Class 4 facility must ensure all oil transfer equipment is properly inspected and maintained in accordance with WAC 173-180-205.
- (5) Class 4 facilities, also known as marine fuelling outlets, that are transferring less than three thousand gallons of oil in a single transaction, are exempt from advance notice requirements for oil transfer operations as described in RCW 88.46.165.
- (6) **Semi-annual reporting:** Class 4 facilities must report all bulk oil transfers conducted at the facility.
 - (a) The report must include types of oil transferred and total volume of transfers by oil type.
 - (b) The facility must submit the report to ecology by January 15 and July 15 of each year.

The Semi-annual Report Form is available at: http://www.ecy.wa.gov/programs/spills/Class_4_Facilities/Marinas.html

You can submit the report

Online at: www.ecy.wa.gov/biblio/ecy070242.html
 By E-mail: oiltransfernotifications@ecy.wa.gov
 By U.S. mail: Department of Ecology
 Spill Prevention, Preparedness, and Response Program
 P.O. Box 47600
 Olympia, WA 98504-7600

PORT OF KENNEWICK

Resolution No. 2016-04

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ACCEPTING THE
CLOVER ISLAND BOAT LAUNCH FACILITY PROJECT***

WHEREAS, Banlin Construction, LLC provided notification that the improvements to the Clover Island Boat Ramp Launch Facility project has been substantially completed in accordance with the plans and specifications; and

WHEREAS, JF Engineering, PLLC and the Port of Kennewick staff have inspected the work and certified that it has been completed in accordance with the plans and specifications.

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick hereby accepts the work of Banlin Construction, LLC as being substantially completed in accordance with the contract documents.

BE IT FURTHER RESOLVED that upon completion of all required documentation for the project, the Chief Executive Officer is authorized to proceed with the necessary requirements to finalize the project account.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 9th day of February 2016.

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

By: 
SKIP NOVAKOVICH, *President*

By: Excused absence
THOMAS MOAK, *Vice President*

By: 
DON BARNES, *Secretary*