



# REGULAR COMMISSION MEETING

PORT OF KENNEWICK

FEBRUARY 25, 2014 MINUTES

## CALL TO ORDER

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

### The following were present:

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

**Staff Members:** Tim Arntzen, Executive Director  
Tana Bader Inglima, Director of Governmental Relations & Marketing  
Tammy Fine, Director of Finance/Auditor  
Amber Hanchette, Director of Real Estate & Operations  
Larry Peterson, Director of Planning & Development  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Corey Pearson led the Pledge of Allegiance.

**MOTION:** *Commissioner Novakovich moved for approval to add Executive Session item: Potential Litigation, per RCW 42.30.110(1)(i) to the Agenda; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

## PUBLIC COMMENT

No comments were made.

## COMMISSIONER COMMENTS

No comments were made.

## CONSENT AGENDA

The consent agenda consisted of the following:

- A. Approval of Direct Deposit, Epayment and Warrants Dated February 19, 2014**  
Direct Deposit totaling \$28,539.69 and Epayment in the amount of \$2,250.50 and Expense Fund Voucher Numbers 35318 through 35319 totaling \$1,546.85; for a grand total of \$30,086.54.
- B. Approval of Warrant Registers Dated February 26, 2014**  
Expense Fund Voucher Numbers 35320 through 35374 for a grand total of \$77,171.69.
- C. Approval of Special Commission Meeting Minutes dated November 12, 2013**
- D. Approval of Commission Meeting Minutes dated January 28, 2014**
- E. Approval of the HVAC Modification at the Oak Street Industrial Park, Development Building B; Resolution 2014-03**



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**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.*

## PRESENTATION

### **A. Three Rivers Convention Center Expansion Presentation, Corey Pearson Executive Director**

Mr. Moak believes the Convention Center plans dovetail nicely with the port's vision. As we move forward with the redevelopment of Vista Field, our success will be how we work together with our partners. If we can show we have a dynamic working relationship with our partners, we will be able to convince the private sector to invest.

Mr. Novakovich thanked Mr. Pearson for his presentation. It is critical that we work as partners as we move forward.

Mr. Barnes thanked Mr. Pearson for the presentation as well. Mr. Barnes relayed an important part of this project is to properly lay-out the streets. Our entities will need to work together and integrate plans from the port and the convention center, to get the best possible end result for our community.

Mr. Pearson believes that once this project begins, it will take off. This is a very exciting time for our community.

Mr. Arntzen wants to assure Mr. Pearson that the lines of communication will stay open and anticipates that Mr. Pearson and Mr. Peterson will be working together quite frequently.

## REPORTS COMMENTS AND DISCUSSION ITEMS

### **A. West Richland Master Plan Update**

Mr. Petersen suggested the joint meeting with the City of West Richland be postponed until more information is available on the West Richland Urban Growth Boundary (UGB) application and the Raceway property.

Mr. Arntzen stated the port has wine development projects with the City of Kennewick and the City of West Richland. Currently the port is working with both jurisdictions and may have overlapping activities. Mr. Arntzen is seeking guidance from the Commission regarding the direction for Oneza and Associates, and the financial commitments the Commission is prepared to make in the next two years for the raceway property. At this time, Oneza is currently at the 30% level and needs policy information to complete the project.

Ms. Stickney, Planning and Economic Development Manager for City of West Richland indicated she is meeting with Benton County planners this week to review the application for the UGB expansion. Ms. Stickney expects a determination and a public hearing in April, and a final decision in the fall of 2014. The City of West Richland currently has land for twenty years of growth, and the inclusion of the property has excellent development potential for the City. Ms. Stickney will keep staff posted on the meeting with Benton County.



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Mr. Peterson commented the Interlocal Agreement with the City of Kennewick, states the port will not fund or pursue projects that compete with the Columbia Gardens project. Mr. Peterson believes that the two projects create two different niches in the wine industry. The base of Red Mountain would provide large scale manufacturing and production facilities, whereas Columbia Gardens would introduce wineries as the catalyst for the redevelopment of Columbia Drive.

Mr. Arntzen stated we have a contractual obligation with the City of Kennewick in our Interlocal Agreement. Section 6.2, is a non-compete clause that was negotiated, discussed and was a critical element for the City Council to get behind the Columbia Garden project.

Mr. Barnes verified that staff was asking for guidance for Oneza and Associates, regarding the planning process for the raceway property, under the assumption that the raceway property will be annexed into the UGB.

Mr. Arntzen believes Oneza has been consistent with our directive and if our application for the UGB is denied, we can save about 70-80% of the planning. Mr. Arntzen suggests boutique wineries be excluded from the planning.

Mr. Novakovich stated Mr. Peterson did an excellent job differentiating the two properties. He would like to see an interlocal agreement with the City of West Richland that defines the specific details for the raceway property.

Mr. Barnes believes it is important that we honor every term and agreement we have with the City of Kennewick regarding Columbia Gardens. At the same time, the port should work with West Richland and find common ground within the limits the port has available.

Mr. Arntzen will work with Oneza and give her direction based on the Commissioners directives, and will be very cognizant as to not violate the Interlocal Agreement with the City of Kennewick.

Mr. Novakovich believes an interlocal agreement with West Richland should be established so both partners know our intentions moving forward.

Mr. Arntzen suggested meeting with Ms. Mosley and Mr. Gerry to discuss the logistics of the two projects, which will determine where vendors will ultimately be placed. He believes the three managers will be able to mutually agree on a number that will work within section 6.2 and solve any other indirect concerns.

Mr. Peterson conveyed that timing may solve the issue, with the evolution of development of each project.

Ms. Mosley of the City of Kennewick stated that the port and city has made tremendous progress on the Columbia Gardens project. Since the Interlocal Agreement was signed, port and city staff continue to establish Memorandum of Understandings (MOU) in more detail. Timing is critical and the city is ready to move forward with Columbia Gardens. Ms. Walsh and Ms. Bader Inglima have been working very hard to bring in the wineries, and we have had positive feedback and are



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excited to move forward. Section 6.2 is important because the City Council has prioritized the project and committed the funds. It is important to bring Columbia Gardens to fruition and continue to encourage private investment into the area. Ms. Mosley agrees with Mr. Arntzen, there is room for the City of Kennewick, Port of Kennewick and City of West Richland to work together, so we are complementing each other and not competing.

Mr. Barnes believes this project is the highest priority for the port and was encouraged by the feedback from the from Washington Association of Wine Grape Growers (WAGG) conference. The demand from the private sector and our partnership will move this project forward.

Ms. Stickney of the City of West Richland is committed to the raceway project and appreciates the support of the port. West Richland is anxious and excited for the opportunity to create the wine effluent facility and are committed to the project.

## **B. Vista Field Historical Objects Update**

Ms. Bader Inglima shared as part of evaluating alternatives for Vista Field, the public believes that there were a number of objects and materials that are historically significant or could be utilized or repurposed in artwork or other forms. Barb Carter will assist the port in identifying and cataloging items of significance and provide recommendations for potential for reuse. Ms. Carter will also serve as the liaison to the State Historical Preservation Office.

Mr. Moak requested that the work at the former Vista Field be documented in some way, to tell the story of the history and development.

## **C. Realtor FAM Tour**

Ms. Bader Inglima relayed that the port has been approached by Tri-City Research District, to assist in setting up a Realtor FAM tour, to visit potential areas of development in the Red Mountain area.

Ms. Bader Inglima informed Tri-City Research District that the Oak Street properties in Kennewick are available; however, the West Richland raceway, Vista Field and Columbia Drive properties are not ready to lease.

Mr. Arntzen believes we are unable to respond to their request, as the property is not marketable at this time.

The Commission does not feel the port should participate in the tour at this time.

## **D. WPPA Legislative Committee Update**

Mr. Arntzen attended the Legislative Update as Mr. Novakovich's alternate. There was discussion on CERB reforms; however, high paying Hanford jobs make it impossible for the port to receive a CERB grant. Also discussed was the recalculation of prevailing wages, which typically follow union wages. It has been numerous years since there has been a recalculation and they could possibly increase.



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## **E. Tri-Cities Legislative Trip to Olympia**

Ms. Bader Inglima and Mr. Barnes traveled to Olympia as part of the Tri-City delegation. They were able to attend numerous question and answer sessions with Speaker of the House Frank Chop, Governor Jay Inslee, Director of Commerce Brian Bonlender, and the Director of Ecology. The group advocated for community priorities: regional transportation priorities, economic development and infrastructure financing, education, tourism and water policies.

## **F. Mueller Field, Texas Trip**

Mr. Arntzen stated as part of EIS project, there were a few examples of closed and revitalized airports: Stapleton Field in Denver and Mueller Field in Austin. Ms. Carter visited Stapleton Field in Denver and reported that it was too big, whereas, Mueller Field has more parallels to Vista Field. Mr. Peterson, Mr. Barnes, Mr. Arntzen and DPZ plan to tour Mueller Field and will visit the San Antonio River Walk as well.

Mr. Moak supports the trip to Mueller Field and believes looking at specific areas of redevelopment is an invaluable opportunity.

Mr. Barnes conveyed it is important for the Commission to see examples of sites that have worked, that are shining examples of urban revitalization and development in other communities.

**MOTION:** *Commissioner Moak moved to approve the proposed travel plans for Commissioner Barnes, Mr. Peterson and Mr. Arntzen, to Austin and San Antonio Texas. Commissioner Novakovich seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

## **G. Confederated Tribes of the Umatilla Indian Reservation (CTUIR) Update**

Mr. Arntzen stated the CTUIR executive director would like to dispense with the spring meeting, as outlined in the MOU and instead, have a joint meeting in the fall.

Mr. Moak would like the meeting scheduled in advance. Ms. Scott will work on the schedule.

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

Commissioners reported on their respective committee meetings.

## **I. Non-Scheduled Items**

1. Mr. Moak spoke with Ed Frost, interim general manager at Benton Franklin Transit. Mr. Frost commented that he had previously requested the Commission to extend opportunities for the public to speak during Commission Meetings.
2. Ms. Hanchette relayed that the tank removal at Vista Field is tentatively scheduled for March 3, 2014.
3. Mr. Arntzen informed the Commission that the Historic Downtown Kennewick Partnership (HDKP) has approximately \$13,000.00 set aside for a farmer's market. The HDKP would like



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to hold the funds for the port's use, should the port decide to construct a farmer's market within the next three years.

Mr. Arntzen requested approval to work with Mr. Dalton of the HKDP, to draft a letter accepting the use of the funds for the construction of a farmer's market, as long as it does not commit the port to construct such a farmer's market.

Mr. Moak expressed that he would not want to tie the port into a farmer's market. Although Mr. Moak has no objections to the farmer's market, there may be other projects equally beneficial to the HKDP and the port. Mr. Moak requested Mr. Arntzen contact the HKDP to request a letter verifying if the funds could be used for another project, or if they have to be used specifically for a farmer's market.

Mr. Novakovich confirmed that the funds for the farmers market were set aside ten years ago and it is his understanding the funds are specifically designated for a farmer's market.

Mr. Barnes and Mr. Novakovich directed Mr. Arntzen work with Mr. Dalton to create a letter accepting the funds; as long as it does not obligate the port to build a farmer's market.

**MOTION:** *Commissioner Novakovich moved approval to allow the Executive Director to send a letter to Mr. Dalton accepting the \$13,000 for a three-year period, if and when the port was to build a farmer's market, but the port is under no obligation to do so. Commissioner Barnes seconded. With no further discussion, motion carried. All in favor 2:0, 1, no vote.*

4. Mr. Arntzen commented on Mr. Frost's request for additional public comments in Commission Meetings. The Commission President has the discretion to allow comments at various parts of the agenda. Mr. Arntzen will present a resolution regarding public comments for the Commission's consideration at the next Commission Meeting.

## PUBLIC COMMENTS

Jim Wade, 1813 S. Rainier Place, Kennewick, Washington. Mr. Wade inquired if a presentation including the RiverWalk in San Antonio has been presented previously. Mr. Wade also inquired where the money for the highway between Pasco and Walla Walla transportation project was spent; and what the prevailing wage is in Kennewick. He stated that a truck driver in Seattle is paid \$43.00 per hour.

No further public comments were made.

## COMMISSIONER COMMENTS

Mr. Moak inquired if the port uses Seattle's prevailing wage rates. Ms. Fine stated the port follows the county's prevailing wage.



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Mr. Barnes anticipates the Executive Session to last approximately 40 minutes for Potential Litigation, per RCW 42.30.110(1)(i), with no action anticipated. Mr. Barnes asked the public to notify Port staff if they will return after the executive session. Mr. Barnes recessed the meeting at 4:02 p.m. until 4:07 p.m.

Mr. Barnes reconvened the meeting into Executive Session at 4:07 p.m. for 40 minutes.

## EXECUTIVE SESSION,

*A. Real Estate (minimum price), per RCW 42.30.110(1)(c)*

The regular meeting reconvened at 4:47 p.m. with no action taken.

## ADJOURNMENT


With no further business to bring before the Board; the meeting was adjourned at 4:48 p.m.

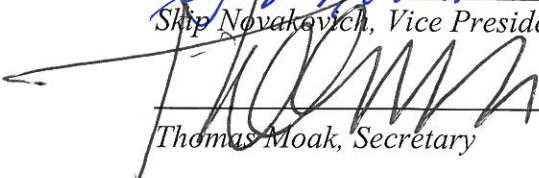
**APPROVED:**

**PORT of KENNEWICK**

**BOARD of COMMISSIONERS**

  
Don Barnes, President

  
Skip Novakovich, Vice President

  
Thomas Moak, Secretary

**PORT OF KENNEWICK**

**Resolution No. 2014-03**

**A RESOLUTION OF THE PORT OF KENNEWICK BOARD OF  
COMMISSIONERS DESIGNATING A SOLE SOURCE CONTRACT FOR  
MODIFICATION TO THE HVAC SYSTEM IN DEVELOPMENT BUILDING B,  
WAREHOUSE B120, AS EXEMPT FROM PUBLIC WORKS COMPETITIVE  
BIDDING REQUIREMENTS**

**WHEREAS**, in accordance with RCW 39.04.280, the Port of Kennewick (Port) is authorized to designate certain public works contracts as sole source procurement and, therefore, exempt from competitive bidding requirements; and

**WHEREAS**, the Port of Kennewick's Oak Street Industrial Park, Development Building B, Warehouse B120 exhaust system shall be modified to meet tenant (Carbitex) needs for manual control of system. In order to not jeopardize existing warranty on unit, modifications shall be performed by original contractor; and

**WHEREAS**, under his delegation of authority, the Executive Director authorized a sole source procurement with Bruce, Inc. and so notified each commissioner individually.

**NOW, THEREFORE, BE IT RESOLVED** that the Port of Kennewick Board of Commissioners authorizes the modification to Oak Street Industrial Park, Development Building B, Warehouse B120 exhaust system and designates the modification shall be performed by Bruce Inc. as a sole source procurement within the guidelines of RCW 39.04.280, and therefore exempt from competitive bidding requirements.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 25<sup>th</sup> day of February, 2014.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

  
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DON BARNES, *President*

  
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SKIP NOVAKOVICH, *Vice President*

  
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THOMAS MOAK, *Secretary*