



# REGULAR COMMISSION MEETING

PORT OF KENNEWICK

FEBRUARY 28, 2012 MINUTES

## CALL TO ORDER

Commission President Skip Novakovich called the 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  
David Hanson, Vice-President  
Gene Wagner, Secretary

**Staff Members:** Tim Arntzen, Executive Director  
Tana Bader Inglima, Director of Governmental Relations & Marketing  
Larry Peterson, Director of Planning & Development  
Tammy Fine, Director of Finance/Auditor  
Teresa Hancock, Real Estate Analyst & Project Specialist  
Bridgette Scott, Secretary/Special Projects  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Tammy Fine led the Pledge of Allegiance.

## PUBLIC COMMENT

No public comments were made.

## CONSENT AGENDA

The consent agenda consisted of the following:

- A. *Approval of Direct Deposit and Warrants Dated February 15, 2012***  
Direct Deposit totaling \$21,577.04 and Expense Fund Voucher Numbers 32845 through 32848 totaling \$4,115.52; for a grand total of \$25,692.56.
- B. *Approval of Warrant Registers Dated February 29, 2012***  
Expense Fund Voucher Numbers 32849 through 32892 totaling \$45,906.54. Construction Fund Voucher Numbers 3260 through 3264 totaling \$40,855.82.
- C. *Approval of Commission Meeting Minutes Dated February 14, 2012***
- D. *Approval of Interlocal Agreement with West Richland for Construction / Project Management Assistance; Resolution 2012-05***
- E. *Approval of Interlocal Agreement with West Richland for CERB Grant Match Funding; Resolution 2012-06***
- F. *Approval of Interlocal Agreement with West Richland for Van Giesen Redevelopment / Yakima Gateway Partnership Projects; Resolution 2012-07***

**MOTION:** Commissioner Hanson moved approval of the consent agenda; Commissioner Wagner seconded. With no further discussion motion carried unanimously. All in favor 3:0.



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## REPORTS COMMENTS AND DISCUSSION ITEMS

### A. *Annual Commissioner Responsibilities*

Ms. Scott stated the Port's Commission Rules of Policy and Procedure, adopted February 28, 2011, provides an in-depth description of the Commission's purpose, authority and responsibilities. Ms. Scott provided a brief summary of the Commissioner's annual responsibilities including the adoption of the work plan and budget; establishing and reviewing ad hoc committees; the performance evaluation of the Executive Director; filing Personal Financial Affairs Statements; and submitting a statement acknowledging and disclosing any conflicts of interest and any current or prospective economic relationships. Ms. Scott offered her assistance in locating the forms on the PDC's website.

Mr. Arntzen shared the Port's Commission Rules of Policy and Procedure requires more reporting requirements than State law mandates.

### B. *Clover Island / Columbia Drive*

#### 1. Duffy's Pond Update

Ms. Bader Inglima and Mr. Peterson met with City of Kennewick's staff and the Infrastructure Committee to request approval for City of Kennewick staff to work with the Port to explore options for improving Duffy's Pond and potentially sub-leasing the area to the Port.

The third step in the process is to attend the City of Kennewick's workshop tonight to present the conceptual plans with Steve Mallory and request formal approval from the City Council. Ms. Bader Inglima is hopeful the City will approve the request.

Ms. Bader Inglima reported a great Editorial Board article was published in the Tri-City Herald as a follow-up to the meeting with the Infrastructure Committee indicating those are good options for the Port and City to pursue. Ms. Bader Inglima feels the public is supportive of cleaning up the area and providing better recreational access. It is also a way of complimenting the commercial development planned for Columbia Drive.

Ms. Bader Inglima stated The ShareFest event to clean up Duffy's Pond is scheduled for March 24, 2012. Anyone interested in volunteering should register with ShareFest.

#### 2. Clover Island Shoreline Update

Mr. Peterson introduced John Fetterolf of JF Engineering. Mr. Fetterolf reviewed design concepts for shoreline improvements from the lighthouse plaza to the east end of the island. An overlook structure will be built near the lighthouse that resembles the bow of a ship and will project over the water about 10-15 feet. Vehicle and pedestrian approaches were considered in the design. Mr. Peterson commented a parcel large enough to attract public development remains on the west end of the island.

Additional design concepts include Adirondack Point, the North Plaza, the Diamond Plaza and Cedars intake structure.





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Adirondack Point will be on Northeast corner of notch and will include sufficient space for event planning. The plaza is large enough to accommodate an art piece. Chris Herath is working on a generic building design for conceptual purposes.

Diamond Plaza is on the north side of Clover Island Inn. It will be a formal space, and the design team is considering the use of recycled blue glass tile in the sidewalk.

The Cedars Intake Structure will be the only one of the three intake structures to remain. The existing top will be removed, creating a larger cantilevered structure that could incorporate local art work. This feature will also serve to transition the trail from a meandering sidewalk to more of a linear feature. The path will be lower at Cedars boat dock and will include ADA compliant pathways to the hotel and restaurant. Mr. Fetterolf has consulted with Dave Mitcham about the plans and will talk with the hotel owners in March. Ms. Bader Inglima stated the hotel requested ADA access to the dock in the past to accommodate the cruise ships. An overlook structure will be built on the east end of the island.

Mr. Peterson reminded the Commission that the Work Plan and previous discussions mandate the remaining improvements are tied to grant funding. The design dollars were allocated so it would be possible to have biddable construction documents to put the Port in a better position to obtain grant funding. Ms. Bader Inglima reiterated one of the only items many of the grant agencies will allow is recouping architectural and engineering expenditures.

The Commission approves the design concept. Mr. Peterson will provide updates throughout the project. Mr. Novakovich thanked Ms. Bader Inglima for her help in removing the deed restrictions on the corner parcel.

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

### **FBO Lease Update**

Mr. Arntzen stated he met with Dr. Shannon a couple weeks ago. Dr. Shannon will write his expectations on the draft agreement and return it for the Port's review. Mr. Arntzen reported financial statements and the FBO operator manual was forwarded to Dr. Shannon for his review. Mr. Arntzen feels the agreement is moving forward and will provide future updates.

## **D. *West Richland Joint Economic Development Committee***

Mr. Novakovich stated a joint Economic Development Committee (WREDC) was formed in 2011 with West Richland to review projects that would benefit economic development in West Richland, with the stipulation that investments made by the Port would provide a return on investment to the Port.

The WREDC met yesterday to discuss amending the Port's Comprehensive Scheme as the West Richland project specified in the Comp Scheme, considering the economic times, may not be the right plan for West Richland. The Port will re-evaluate and proceed with a



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project that will provide the best economic benefit to West Richland, while providing an immediate return on investment to the Port.

Mayor Donna Noski, City of West Richland, 3801 W. Van Giesen, read a letter into the record. The City of West Richland respectfully requested the Port consider a delay in plans to begin architectural and site plans for a new development building at Red Mountain Center in order to provide adequate time for further strategic planning. Ms. Noski extended an invitation for a joint meeting in early spring or summer.

The Commission is in consensus to delay the plans for Red Mountain Center for further strategic planning. City and Port staff will organize a joint meeting.

## **E. *Worldwide Wine Industry Update***

Mr. Arntzen stated a few years ago the Port made a commitment to support the wine industry. Since that time, the Port has completed a wine incubator study and sold property in West Richland that now is occupied by major wineries such as Pacific Rim. Currently, the Port is working with Professor Black of Integrated Structures Inc., on the Willows property located on Columbia Drive, and is contemplating a wine incubator or wine element could be included in the plans.

Mr. Arntzen stated that 90% of wineries are beautiful estates usually set among vineyards. However, he discovered that before prohibition, wineries were located in major cities like San Francisco, New York and Los Angeles; and the grapes were brought in for processing. After prohibition, the wineries moved away from the cities and into rural areas.

Mr. Arntzen commented in the 1980's micro-breweries moved into the cities and draw people back into the city. He believes the same situation is happening in the wine industry. There are a couple different types of urban wineries: purely commercial and wine centers. The wine centers not only create the wine, but feature a wine bar, restaurants and anything that provides an attraction for people. Mr. Arntzen feels a wine center may provide the Port another tool in the economic toolbox.

Many communities are embracing this concept as it brings people back to the downtown areas. Recently, the Kennewick City Council saw the wisdom in removing the restrictions for mid-size wineries and revised the ordinances to allow wineries within city limits. Portland is on the cutting edge of urban wineries and has 6-10 small wineries; and South Seattle by Boeing Field has 6-7 wineries.

Mr. Arntzen feels wine centers are an upcoming trend and that this is a good concept and could help redevelop downtown or waterfronts; unique items could bring people back to downtown.

Mr. Novakovich requested Mr. Arntzen provide pictures and a report after visiting an urban winery.





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## **F. Commissioner Hanson Resignation**

Mr. Novakovich commented that Mr. Hanson stated he would provide a resignation statement at this meeting. Mr. Hanson agreed and stated he would retire effective March 31, 2012. Mr. Hanson submitted a letter to formalize the decision. Mr. Novakovich read the letter into the record.

***MOTION:*** Commissioner Wagner moved approval to accept Commissioner Hanson's resignation from the Port Commission effective March 31, 2012; Commissioner Novakovich seconded. With no further discussion motion carried unanimously. All in favor 3:0.

Ms. Luke stated no further action is needed immediately; however, upon the effective date of the vacancy, the Port has a period of time to appoint someone to the vacant position. If the Commission fails within the designated time period to appoint someone, the County would be responsible for the appointment.

Ms. Luke is reviewing the process and will prepare a memo for the Commission's review.

## **G. Staff Activities, Current Projects and Anticipated Workload Issues**

Mr. Novakovich stated the Port is managing many projects; we are a small port with limited staff and financial resources, and have five jurisdictional partners to serve. Mr. Novakovich respectfully requests the public to not be surprised if some projects are delayed. Mr. Novakovich feels staff is doing a wonderful job to keep everything moving forward, and at the same time, meet all the demands of the public. We will continue do the best job we can.

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

Mr. Hanson attended the Tri-Cities Legislative Reception in Olympia.

Mr. Wagner attended the Tri-Cities Legislative Reception in Olympia, the Tri-Cities Rivershore Enhancement Council (TREC) meeting and George Jones' birthday party.

Mr. Novakovich attended regular meetings, George Jones' birthday party, several meetings with the Columbia Basin Veterans Coalition; the Benton Franklin Humane Society building committee; met with West Richland Council Members Gail Brown and Rich Buel; attended the West Richland City Council meeting; a meeting with Karen Baker and Art King; a meeting with Senator Patty Murray and gave a presentation to the Kennewick Kiwanis.

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

1. Mr. Hanson suggested the FBO agreement be expedited.
2. Mr. Hanson inquired about the Air Race Classic. Ms. Hancock will meet with Marjy Leggett and provide an update at the next meeting. Mr. Arntzen commented there is an opportunity for an optional grant filing. Ms. Bader Inglima and Mr. Arntzen will review what types of capital improvements are needed before the race and see if they would be covered through the grant. Ms. Bader Inglima requested Ms. Leggett provide a list of the needs of the Air Race Classic as the grant is due March 31, 2012. Ms. Bader Inglima will determine if the requested needs meet the grant and Vista Field Master Plan guidelines and will prepare a resolution.



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3. Mr. Peterson stated the Clover Island Yacht Club (CIYC) shared tentative plans to rebuild their covered moorage. The CIYC is mindful of the Port's improvements to the island and would like to consult with the Port regarding the design and roof color. This project will substantially improve the CIYC and the overall appearance when entering the island.
4. Mr. Arntzen attended the Tri-Cities Rivershore Enhancement Council (TREC) meeting; while there, Port of Benton Commissioner Bob Larson inquired if the Port of Kennewick has space available to set up a portion of the carousel. Ms. Hancock will work with the carousel committee to locate available space.

## PUBLIC COMMENTS

Mr. Don Derifield, 2008 W. Falls Avenue, Kennewick. Mr. Derifield shared that he utilizes the trails around Duffy's Pond and feels it should be handled properly, as it is a wild life and recreational resource. Mr. Derifield stated there is a lot of private property adjoining the pond and believes it would cost a substantial amount of money to purchase the property. Mr. Derifield would like to learn more about the Port's plans for Duffy's Pond.

Mr. Mike White, 1118 W. 22<sup>nd</sup> Avenue, Kennewick. Mr. White inquired what type of metals would be used at the newly proposed overlook and suggested the Port address the potential for metals galvanizing. Mr. White suggested a natural basalt column be used as the vertical element.

No further public comments were made.

Mr. Novakovich anticipates the Executive Session to last approximately 20 minutes for a real estate matter, minimum price, per RCW 42.30.110(1)(c) with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session. The public will not return.

Mr. Novakovich recessed the meeting at 3:17 p.m. for approximately 8 minutes.

Mr. Novakovich reconvened the meeting into Executive Session at 3:25 p.m.

## EXECUTIVE SESSION

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

Mr. Novakovich called for an Executive Session at 3:25 p.m. to last approximately 20 minutes, with no action expected.

Ms Hancock exited the Commission Chambers at 3:44 p.m. to extend the executive session 10 minutes.

Executive Session adjourned at 3:51 p.m. with no action taken: The regular meeting reconvened at 3:52 p.m.





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## ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:53 p.m.

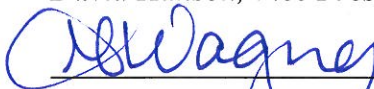
### ***APPROVED:***

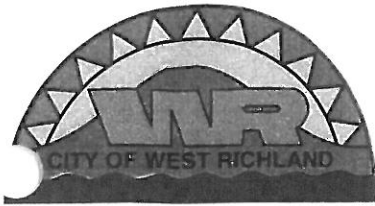
**PORT of KENNEWICK**

**BOARD of COMMISSIONERS**

  
Skip Novakovich, President

  
David Hanson, Vice President

  
Gene Wagner, Secretary



# CITY OF WEST RICHLAND

3801 W. Van Giesen ♦ West Richland, WA 99353 ♦ (509) 967-3431 ♦ FAX (509) 967-5706 ♦ [www.westrichland.org](http://www.westrichland.org)

February 28, 2012

Port of Kennewick  
350 Clover Island Drive, Suite 200  
Kennewick, WA 99336

RE: Red Mountain Center Development Building

Dear President Novakovich and Commissioners:

It is an exciting time in the City of West Richland as we continue efforts to develop a strong retail and commercial market that we sorely need in order to maintain and enhance city services. Our strong partnership has shown a return on investment that has benefited the city, the port, and the citizens we serve. Today we again take this opportunity to express our gratitude for your past investments and your 2012 support.

The Ad Hoc Committee established as a result of our first-ever joint council/port meeting in 2011 has proven to be an effective method for the city and port to meet, discuss, and identify opportunities and projects that meet our jurisdictions' economic development goals. As early as yesterday, we met and discussed the momentum that is building with the Van Giesen Redevelopment plans at our Yakima River and the Red Mountain Gateways.

We discussed the information the city will be receiving in March and April from our consultant, Jason Robertson, which will provide us with a framework plan and schematic as well as streetscape enhancement concept and rendering. We believe this information will provide the city as well as the port with a clearer picture on where, why and how to invest for the optimal return on our investments. Because we believe this information is critical to the decision-making process, we respectfully request that you consider a delay in plans to begin architectural and site plans for a new development building at Red Mountain Center in order to provide adequate time for further strategic planning.

On behalf of the West Richland City Council, we again extend an invitation for a joint meeting this spring or early summer to discuss issues of mutual interest, share information, and celebrate our successes.

Warmest regards,

Donna Noski, Mayor  
City of West Richland

Cc Council  
File



David W. Hanson  
2326 S Kent St.  
Kennewick, WA. 99337

February 27, 2012

To: Skip Novakovich, President  
Port of Kennewick Commission  
350 Clover Island Dr.  
Kennewick, WA. 99336

Dear: Skip

Please consider this my notice of retirement from the Port of Kennewick commission, effective March 31, 2012.

I am grateful for having had the opportunity to serve on the commission of this organization for the past several years and I offer my best wishes for its continued success.

Sincerely,

A handwritten signature in black ink, appearing to read 'David W. Hanson', with a large, stylized initial 'D' and a long horizontal flourish extending to the right.

David W. Hanson  
Port of Kennewick Commissioner

**PORT OF KENNEWICK**

**Resolution No. 2012-05**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE PORT OF KENNEWICK APPROVING THE INTERLOCAL AGREEMENT WITH  
WEST RICHLAND FOR CONSTRUCTION / PROJECT MANAGEMENT ASSISTANCE**

**WHEREAS**, the Interlocal Agreement, as presented, is in a form that staff recommends for adoption by the Port Commission; and

**WHEREAS**, the Port Commission finds that the Interlocal Agreement will formalize a commitment to completing several projects in West Richland, Washington; and

**WHEREAS**, the Port Commission finds that approval of the Interlocal Agreement will enhance the economic development and quality of life in the community and Port-owned properties in and adjacent to West Richland; and

**WHEREAS**, the Port Commission finds the approval of the Interlocal agreement is in the best interest of the public.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Board of Commissioners of the Port of Kennewick approves the Construction / Project Management Assistance Interlocal Agreement as attached, and further authorizes the Port's Executive Director to take all action necessary to implement the agreement.

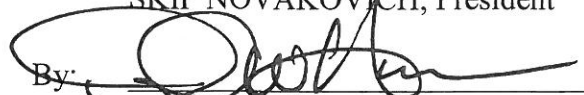
**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 28th day of February 2012.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

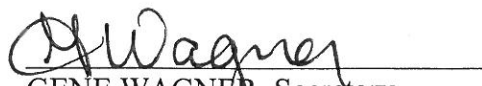
By:

  
SKIP NOVAKOVICH, President

By:

  
DAVID HANSON, Vice President

By:

  
GENE WAGNER, Secretary



**INTERLOCAL COOPERATIVE AGREEMENT**  
*between*  
**THE CITY OF WEST RICHLAND AND THE PORT OF KENNEWICK, WASHINGTON,**  
*for*  
**Construction / Project Management Assistance**

**THIS INTERLOCAL COOPERATIVE AGREEMENT** is entered into this 28 day of February, 2012 between the City of West Richland, Washington, a Washington Municipal Corporation and the Port of Kennewick, Washington, referred to as the "Jurisdictions".

**WHEREAS**, the Jurisdictions are; pursuant to Chapter 39.34 RCW (the Interlocal Cooperation Act), authorized to exercise their powers jointly, thereby maximizing their ability to provide services and facilities which will best fulfill common needs of the Jurisdictions, and;

**WHEREAS**, the Jurisdictions have determined that there are several projects that would mutually benefit both the Port of Kennewick and the City of West Richland that will provide significant safety improvements and enhanced aesthetic appeal, and is in the best interest of the Jurisdictions and the public and;

**WHEREAS**, said projects will improve vehicular access, improve wine industry development, industrial waste treatment and tourism, improve and enhance the appeal of the City to attract economic development within the Port District which serves Port-owned land held for sale and/or lease in the Red Mountain Center and other parts of the city improving access and/or infrastructure leading to Red Mountain Center and Port-owned property adjacent to City of West Richland;

**WHEREAS**, the Jurisdictions, by their respective governing bodies, have determined this effort may be best implemented on a shared basis in a manner deemed most efficient and effective for the Jurisdictions;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Jurisdictions agree as follows:

**Section 1. Purpose.** The purpose of this Agreement is to formalize a commitment to completing several projects in West Richland, Washington (the

Projects), which would enhance the economic development and quality of life in the community and Port-owned properties in and adjacent to West Richland

**Section 2. Administration.** This Agreement shall be administered by the West Richland Economic Development Director. Such person shall be responsible for:

- (a) Establishing policies for implementing this Agreement;
- (b) Providing periodic progress reports;
- (c) Monitoring progress of the Jurisdictions and other agencies in the fulfillment of their respective responsibilities.
- (d) Follow proper Port bid law policies and procedures when awarding the bid for project management assistance.

**Section 3. Funding.** The Port of Kennewick commits to providing project funding as follows:

**Construction / Project Management Assistance      \$50,000**

Such Port of Kennewick funding shall be used for construction / project management assistance, contracted support, and other expenses associated with facilitating 2012 projects in the City of West Richland.

**Section 4.** The City of West Richland commits to matching support including assignment of city staff to Port/City special projects where Port funds are invested within the City; planning and administration of Van Giesen redevelopment; construction & façade programs; project administration; and coordination, engineering support, marketing communications, and regular reporting of Port / City partnership projects.

**Section 5. Modification.** This Agreement may be modified by written consent of both parties.

**Section 6. Term of Agreement and Termination.**

- (a) The Term of this Agreement shall be from date of signature to completion of projects, and/or shall terminate on 12/31/2012.

**Section 7. Inspection of Records.** The records and documents with respect to all matters covered by this Agreement shall be subject to inspection by any Jurisdiction during the term of this Agreement and for three years after its termination.


**Section 8. No Separate Legal Entity.** It is not the intention that a separate legal entity be established to conduct the cooperative undertaking nor is the acquiring, holding or disposing of real or personal property anticipated.



**Section 9. Severability.** In the event any term or condition of this Agreement or application thereof to any person, entity or circumstance is held invalid, such invalidity shall not effect any other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end, the terms and conditions of this Agreement are declared severable.

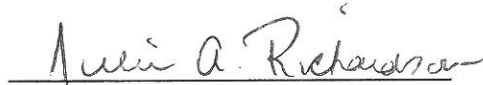
**IN WITNESS WHEREOF,** the parties have signed this Agreement as of the day and year written below.

**CITY OF WEST RICHLAND**


  
Donna Noski, Mayor

Date: 2/22 2012

**ATTEST:**

  
City Clerk

**APPROVED AS TO FORM:**

  
Bronson Brown, City Attorney

Date: 2/21/12 2012

**STATE OF WASHINGTON** )  
 )  
**COUNTY OF BENTON** )

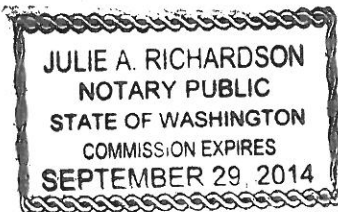
**ss.**

I certify that I know or have satisfactory evidence that Donna Noski is the person who appeared before me, and said person acknowledged that he signed this

instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 22 day of February, 2012

Julie A. Richardson  
Signature of Notary



Print or stamp name of Notary  
Notary Public for the State of  
Washington, residing at

West Richland  
My appointment expires 9.29.2014

**PORT OF KENNEWICK**

Tim Arntzen  
Tim Arntzen, Executive Director

Date: February 28, 2012

**STATE OF WASHINGTON**

**COUNTY OF BENTON**

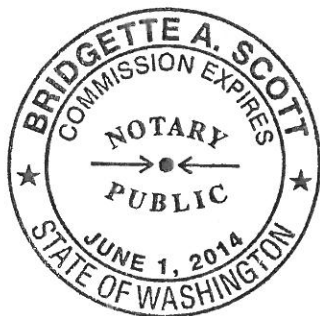
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ss.

I certify that I know or have satisfactory evidence that Tim Arntzen is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 28<sup>th</sup> day of February, 2012.

Bridgette A. Scott  
Signature of Notary



Bridgette A. Scott  
Print or stamp name of Notary  
Notary Public for the State of  
Washington, residing at

Kennewick WA  
My appointment expires 6/1/2014



**PORT OF KENNEWICK**

**Resolution No. 2012-06**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE PORT OF KENNEWICK APPROVING THE INTERLOCAL AGREEMENT  
WITH WEST RICHLAND FOR COMMUNITY ECONOMIC REVITALIZATION BOARD  
(CERB) GRANT MATCH FUNDING**

**WHEREAS**, the Interlocal Agreement, as presented, is in a form that staff recommends for adoption by the Port Commission; and

**WHEREAS**, the Port Commission finds that the Interlocal Agreement will formalize a commitment to provide funding for costs associated with installation of infrastructure, irrigation, and other improvements at the City-owned Belmont Job Center, associated with a CERB matching loan and other matching investments; and

**WHEREAS**, the Port Commission finds that approval of the Interlocal Agreement will enhance the economic development and quality of life in the community and Port-owned properties in and adjacent to West Richland; and

**WHEREAS**, the Port Commission finds the approval of the Interlocal agreement is in the best interest of the public.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Board of Commissioners of the Port of Kennewick approves the Community Economic Revitalization Board (CERB) grant match funding interlocal agreement as attached, and further authorizes the port's executive director to take all action necessary to implement the agreement.

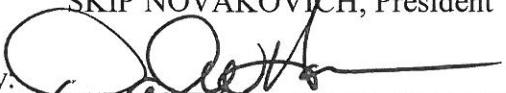
**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 28th day of February 2012.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**


By:

  
SKIP NOVAKOVICH, President

By:

  
DAVID HANSON, Vice President

By:

  
GENE WAGNER, Secretary

**INTERLOCAL COOPERATIVE AGREEMENT**  
*between*  
**THE CITY OF WEST RICHLAND AND THE PORT OF KENNEWICK, WASHINGTON,**  
*for*  
**The Washington State Department of Commerce**  
**COMMUNITY ECONOMIC REVITALIZATION BOARD (CERB)**  
**LIGHT INDUSTRIAL MANUFACTURING/EXPORTING PROJECT**

**THIS INTERLOCAL COOPERATIVE AGREEMENT** is entered into this 28 day of February, 2012 between the City of West Richland, Washington, a Washington Municipal Corporation and the Port of Kennewick, Washington, referred to as the "Jurisdictions".

**WHEREAS**, the Jurisdictions are, pursuant to Chapter 39.34 RCW (the Interlocal Cooperation Act), authorized to exercise their powers jointly, thereby maximizing their ability to provide services and facilities which will best fulfill common needs of the Jurisdictions, and;

**WHEREAS**, the Jurisdictions have determined that there are several projects that would mutually benefit both the Port of Kennewick and the City of West Richland that will provide significant safety improvements and enhanced aesthetic appeal, and is in the best interest of the Jurisdictions and the public and;

**WHEREAS**, said projects will improve vehicular access, improve industrial waste treatment, improve and enhance the appeal of the City to attract economic development within the Port District which serves Port-owned land held for sale and/or lease in the Red Mountain Center and other parts of the city improving access and/or infrastructure adjacent to Red Mountain Center and Port-owned property adjacent to City of West Richland;

**WHEREAS**, the Jurisdictions, by their respective governing bodies, have determined this effort may be best implemented on a shared basis in a manner deemed most efficient and effective for the Jurisdictions;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Jurisdictions agree as follows:

**Section 1. Purpose.** The purpose of this Agreement is to formalize a commitment to completing several projects in West Richland, Washington (the Projects), which would enhance the economic development and quality of life in the community and Port-owned properties in and adjacent to West Richland

**Section 2. Administration.** This Agreement shall be administered by the West Richland Economic Development Director. Said person shall be responsible for:

- (a) Establishing policies for implementing this Agreement;
- (b) Providing periodic progress reports;
- (c) Monitoring progress of the Jurisdictions and other agencies in the fulfillment of their respective responsibilities.
- (d) Follow proper Port bid law policies and procedures when awarding the bid for project.

**Section 3. Funding.** The Port of Kennewick commits to providing project funding as follows:

**Community Economic Revitalization Board (CERB) Match Funding \$25,000**

Such Port of Kennewick funding shall be used for costs associated with installation of infrastructure, irrigation, and other improvements at the City-owned Belmont Job Center, associated with a CERB matching loan and other matching investments. These improvements include site improvement design, surveying, geotechnical services, and purchase of CID irrigation water.

**Section 4.** The City of West Richland has/will make the following investments in this project:

- \$820,000 CERB Loan. The City has committed to a CERB loan, with full repayment required to CERB over a 20-year period (This includes acquisition of approximately 4 acres at the Belmont Job Center).
- \$1.3 Million additional land acquisition. In addition to the CERB-associated land/infrastructure commitment, the City of West Richland is acquiring an additional 34 acres for further economic development and industrial growth in the vicinity of the CERB project.
- Additional historic City investments include decommissioning of a previous water process facility, restoration and cleanup of the property, construction of Keene Road and other investments.
- The City has also secured additional match funding and grants in order to leverage the City's and Port's investments in this project.

**Section 5. Modification.** This Agreement may be modified by written consent of both parties.

**Section 6. Term of Agreement and Termination.**



(a) The Term of this Agreement shall be from date of signature to completion of projects, and/or shall terminate on 12/31/2012.

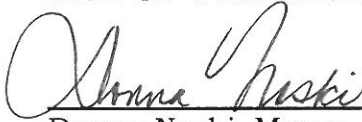
**Section 7. Inspection of Records.** The records and documents with respect to all matters covered by this Agreement shall be subject to inspection by any Jurisdiction during the term of this Agreement and for three years after its termination.

**Section 8. No Separate Legal Entity.** It is not the intention that a separate legal entity be established to conduct the cooperative undertaking nor is the acquiring, holding or disposing of real or personal property anticipated.

**Section 9. Severability.** In the event any term or condition of this Agreement or application thereof to any person, entity or circumstance is held invalid, such invalidity shall not effect any other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end, the terms and conditions of this Agreement are declared severable.

**IN WITNESS WHEREOF,** the parties have signed this Agreement as of the day and year written below.

**CITY OF WEST RICHLAND**


  
Donna Noski, Mayor

Date: 2/22 2012

**ATTEST:**

  
City Clerk

**APPROVED AS TO FORM:**

  
Bronson Brown, City Attorney

Date: February 22 2012

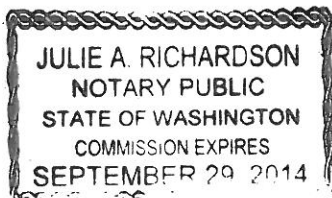
STATE OF WASHINGTON )

) ss.

COUNTY OF BENTON )

I certify that I know or have satisfactory evidence that Donna Noski is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 22 day of February, 2012

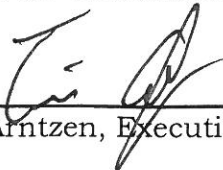


Julie A. Richardson  
Signature of Notary

Print or stamp name of Notary  
Notary Public for the State of  
Washington, residing at

West Richland  
My appointment expires 9.29.2014

**PORT OF KENNEWICK**

  
\_\_\_\_\_  
Tim Arntzen, Executive Director

Date: 2/28, 2012

**STATE OF WASHINGTON**

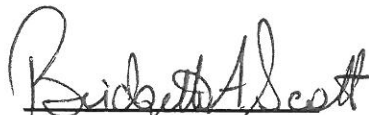
**COUNTY OF BENTON**

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**ss.**

I certify that I know or have satisfactory evidence that Tim Arntzen is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 28<sup>th</sup> day of February, 2012.



  
\_\_\_\_\_  
Signature of Notary

Bridgette A Scott  
Print or stamp name of Notary  
Notary Public for the State of  
Washington, residing at

Kennewick WA  
My appointment expires 6/1/2014



**PORT OF KENNEWICK**

**Resolution No. 2012-07**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE PORT OF KENNEWICK APPROVING THE INTERLOCAL AGREEMENT  
WITH WEST RICHLAND FOR VAN GIESEN REDEVELOPMENT / YAKIMA GATEWAY  
PARTNERSHIP PROJECTS**

**WHEREAS**, the Interlocal Agreement, as presented, is in a form that staff recommends for adoption by the Port Commission; and

**WHEREAS**, the Port Commission finds that the Interlocal Agreement will formalize a commitment to provide funding for the Van Giesen Redevelopment / Yakima Gateway Partnership Projects for master planning, façade improvements, public benefit incentives, signage, recruitment programs, economic development marketing and other costs associated with Van Giesen Redevelopment / Yakima Gateway; and

**WHEREAS**, the Port Commission finds that approval of the Interlocal Agreement will enhance the economic development and quality of life in the community and Port-owned properties in and adjacent to West Richland; and

**WHEREAS**, the Port Commission finds the approval of the Interlocal agreement is in the best interest of the public.

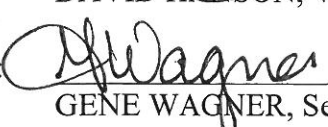
**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Board of Commissioners of the Port of Kennewick approves the Van Giesen Redevelopment / Yakima Gateway Partnership Projects interlocal agreement as attached, and further authorizes the port's executive director to take all action necessary to implement the agreement.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 28th day of February 2012.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

By:   
SKIP NOVAKOVICH, President

By:   
DAVID HANSON, Vice President

By:   
GENE WAGNER, Secretary

**INTERLOCAL COOPERATIVE AGREEMENT**  
*between*  
**THE CITY OF WEST RICHLAND AND THE PORT OF KENNEWICK, WASHINGTON,**  
*for*  
**Van Giesen Redevelopment / Yakima Gateway Partnership Projects**

**THIS INTERLOCAL COOPERATIVE AGREEMENT** is entered into this 28 day of February, 2012 between the City of West Richland, Washington, a Washington Municipal Corporation and the Port of Kennewick, Washington, referred to as the "Jurisdictions".

**WHEREAS**, the Jurisdictions are, pursuant to Chapter 39.34 RCW (the Interlocal Cooperation Act), authorized to exercise their powers jointly, thereby maximizing their ability to provide services and facilities which will best fulfill common needs of the Jurisdictions, and;

**WHEREAS**, the Jurisdictions have determined that there are several projects that would mutually benefit both the Port of Kennewick and the City of West Richland that will provide significant safety improvements and enhanced aesthetic appeal, and is in the best interest of the Jurisdictions and the public and;

**WHEREAS**, said projects will improve vehicular access, improve wine industry development, industrial waste treatment and tourism, improve and enhance the appeal of the City to attract economic development within the Port District which serves Port-owned land held for sale and/or lease in the Red Mountain Center and other parts of the city improving access and/or infrastructure leading to Red Mountain Center and Port-owned property adjacent to City of West Richland;

**WHEREAS**, the Jurisdictions, by their respective governing bodies, have determined this effort may be best implemented on a shared basis in a manner deemed most efficient and effective for the Jurisdictions;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Jurisdictions agree as follows:

**Section 1. Purpose.** The purpose of this Agreement is to formalize a commitment to completing several projects in West Richland, Washington (the

Projects), which would enhance the economic development and quality of life in the community and Port-owned properties in and adjacent to West Richland

**Section 2. Administration.** This Agreement shall be administered by the West Richland Economic Development Director. Said person shall be responsible for:

- (a) Establishing policies for implementing this Agreement;
- (b) Providing periodic progress reports;
- (c) Monitoring progress of the Jurisdictions and other agencies in the fulfillment of their respective responsibilities.
- (d) Follow proper Port bid law policies and procedures when awarding the bid for project.

**Section 3. Funding.** The Port of Kennewick commits to providing project funding as follows:

**Van Giesen Redevelopment / Yakima Gateway Projects \$100,000**

Such Port of Kennewick funding shall be used for

- Master Planning;
- Façade Improvement/Public benefit Incentives;
- Signage and way-finding;
- Recruitment Programs / Marketing for Economic Development
- Legal, technical, contract services, matching grant research, transportation and other costs associated with Van Giesen Redevelopment / Yakima Gateway

**Section 4.** The City of West Richland has recently invested/will invest the following in this project:

- \$1 Million estimated infrastructure improvements at the Yakima Gateway to extend/modernize utilities, roadway, safety and access improvements;
- \$50,000 in "matching" 2012 external grant funding for implementing Yakima Gateway Projects, further leveraging Port/City investments;
- \$254,000 funds committed for Yakima Gateway construction and riverfront enhancements;
- Staff and consultant support for coordination of projects, Ad Hoc Port/City and community meetings, public-involvement, inter-agency communications, and identifying, leveraging additional potential grant funding;
- \$30,000 Shoreline Plan Update.
- \$50,000 Park Plan Update including review of riverfront and Van Giesen park/public amenities and properties.

**Section 5. Modification.** This Agreement may be modified by written consent of both parties.



**Section 6. Term of Agreement and Termination.**

(a) The Term of this Agreement shall be from date of signature to completion of projects, and/or shall terminate on 12/31/2012.

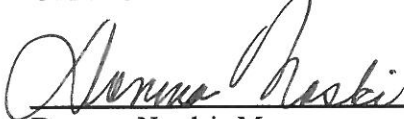
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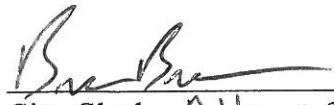
**IN WITNESS WHEREOF,** the parties have signed this Agreement as of the day and year written below.

**CITY OF WEST RICHLAND**

  
Donna Noski, Mayor

Date: 8-22 2012

**ATTEST:** Approved As To Form

  
City Clerk Attorney

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Bronson Brown, City Attorney

Date: \_\_\_\_\_ 2012

**STATE OF WASHINGTON**

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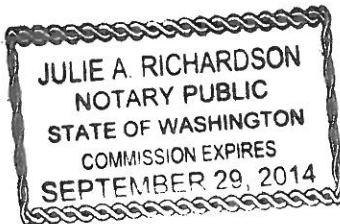
**COUNTY OF BENTON**

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I certify that I know or have satisfactory evidence that Donna Noski is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 22 day of February, 2012

Julie A. Richardson  
Signature of Notary



\_\_\_\_\_  
Print or stamp name of Notary  
Notary Public for the State of  
Washington, residing at  
West Richland  
My appointment expires 9.29.2014

**PORT OF KENNEWICK**

Tim Arntzen  
Tim Arntzen, Executive Director

Date: 2/28, 2012

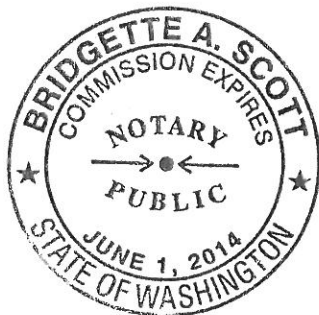
**STATE OF WASHINGTON**

**COUNTY OF BENTON**

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Dated this 28<sup>th</sup> day of February, 2012.



Bridgette A. Scott  
Signature of Notary

Bridgette A. Scott  
Print of stamp name of Notary  
Notary Public for the State of  
Washington, residing at

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My appointment expires 6/1/2014