

AGENDA

*Port of Kennewick
Regular Commission Business Meeting
Port of Kennewick Commission Chambers
350 Clover Island Drive, Suite 200, Kennewick, Washington*

Tuesday, March 22, 2016
2:00 p.m.

- I. CALL TO ORDER**
- II. PLEDGE OF ALLEGIANCE**
- III. APPROVAL OF THE AGENDA**
- IV. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- V. CONSENT AGENDA**
 - A. Approval of Direct Deposit and ePayments Dated March 17, 2016
 - B. Approval of Warrant Registers Dated March 22, 2016
 - C. Approval of Regular Commission Business Meeting March 8, 2016
- VI. REPORTS, COMMENTS AND DISCUSSION ITEMS**
 - A. Vista Field Update (LARRY)
 - B. Columbia Drive Update (LARRY)
 - C. Commission Retreat Update (TIM)
 - D. Futurewise Annual Luncheon (LARRY / TANA)
 - E. Commissioner Meetings (formal and informal meetings with groups or individuals)
 - F. Non-Scheduled Items
- VII. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- VIII. EXECUTIVE SESSION, if necessary** *(Ask public if they are staying, and if not, where they can be located if the Executive Session ends early.)*
 - A. Real Estate, per RCW 42.30.110(1)(c) – Minimum Price
- IX. ADJOURNMENT**

Action may be taken on any item on the Agenda.

PLEASE SILENCE CELL PHONES



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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
Don Barnes, Secretary

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

PLEDGE OF ALLEGIANCE

Brian Malley, Benton Franklin Council of Governments Executive Director, led the Pledge of Allegiance.

PUBLIC COMMENT

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burden suggested when Commissioners or staff use an uncommon acronym, it would be helpful if a brief explanation of the acronym could be given. Mr. Burden stated at the previous Commission meeting, acronyms such as HAEIFC and TIGER Grants were used and not everyone knew what they were. Mr. Peterson explained the meanings following the meeting, which was very helpful.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated March 1, 2016**
Direct Deposit and E-Payments totaling \$99,356.46
- B. Approval of Warrant Registers Dated March 8, 2016**
Expense Fund Voucher Numbers 37714 through 37751 for a grand total of \$124,242.80
- C. Approval of Commission Meeting Minutes Dated February 23, 2016**
- D. Approval of Addendum to Purchase and Sale Agreement with Support, Advocacy and Resource Center (SARC); Resolution 2016-08**



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

RECESS

Mr. Novakovich recessed the meeting at 2:02 p.m. for a break and will reconvene at approximately 2:07 p.m.

Mr. Novakovich reconvened the meeting at 2:06 p.m.

PRESENTATION

A. *Vista Field Roadway Network and Mitigation (Transportation System Impact Evaluation (TSIE)) Laurence Qamar, DPZ, John Perlic, Parametrix, and Larry Peterson*

Mr. Peterson stated the Vista Field Roadway Network and Mitigation presentation will also be presented at the City of Kennewick City Council Workshop tonight. The Transportation System Impact Evaluation (TSIE) analysis illustrates the current road network around Vista Field and how the redevelopment would affect to the existing road network.

Parametrix collaborated with DPZ, Port staff, City Staff, Ben Franklin Transit and Benton Franklin Council of Governments to provide the technical analysis. Mr. Peterson reported many of the ideas vocalized by the public during the Charrette will be presented with additional layout details. Mr. Peterson stated Laurence Qamar of DPZ, John Perlic of Parametrix, Carey Roe, City of Kennewick Public Works Director and John Deskins, City Traffic Engineer will be presenting the Vista Field Network and Mitigation report to City Council.

Mr. Qamar stated the plan has been updated from the Charrette, but fundamentally utilizes the same street network and creates traffic circulation, to provide flow throughout the sub-district. The plan calls for a slow moving street that moves around Vista Field with parks as sub-centers of the community.

Goals that were established during the Charrette are still in place in the redevelopment:

- A town center for the Tri-Cities;
- A community where residents can walk from home to work, shop, recreate and learn within their neighborhood;
- A compact, walkable and bike-able network of streets, lanes and paths;
- Public places for parks, plazas, community gathering, festivals and markets; and
- A community for all ages: children, youths, young professionals, and seniors.

An economic analysis performed by ECONorthwest reports there is an unmet market for this product. Furthermore, Vista Field represents a small percentage of the total Kennewick and Tri-City real estate market. All real estate development carries risk, therefore it is essential to be market-facing, not market-following.



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A walkable community is not a new concept in the Northwest; communities such as Seabrook, Washington, and Orenco Station in Hillsboro, Oregon have created an environment where people interact with one another and is not auto based.

Mr. Perlic reported the TSIE has been a collaborative process with the City to identify the following:

- Project impacts on City network;
- Intersection improvements needed;
- Planning level costs estimates;
- Proportionate share of impacts; and
- Project timing estimates.

During the evaluation, several land use factors/assumptions were proposed:

- 1200 residential units (single and multi-family);
- 311,000 square feet for commercial space (retail and market);
- 500,000 square feet for office space;
- 200,000 square feet for miscellaneous market (flex industrial, performing arts center, civic, and educational); and
- 8.3 acres of parks/green space.

The priority intersections needing mitigation in the first ten years of development are as follows:

- Columbia Center Boulevard at Grandridge Boulevard
 - Planning level cost estimate: \$420,000
 - Port cost share: 40%
- Colorado Street at Grandridge Boulevard
 - Planning level cost estimate: \$35,000
 - Port cost share: 55%
- Columbia Center Boulevard at Deschutes Avenue
 - Planning level cost estimate: \$580,000
 - Port cost share: 25%
- Edison Street
 - Planning level cost estimate: \$735,000
 - Port cost share: 25%

Mr. Novakovich inquired how the Port's share was determined.

Mr. Perlic stated the cost share was negotiated, however, there is a technical basis for each percentage. In some cases it is the percentage of Vista Field traffic compared to future total traffic and in other cases it is the individual movement that is being altered, such as adding a left hand turn lane.

Mr. Peterson stated the Port has negotiated with the City for no off-site improvements for the first two to three years of development. Mr. Peterson reported, until there is sufficient activity around these four areas, the intersections will remain as is. The City would like to see the repairs done in



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the order presented, and it is estimated that the repairs will be completed in seven years, however, the time line may be accelerated if Vista Field exceeds beyond expectations.

Mr. Novakovich stated, based on the percentages, the Port's share is approximately \$500,000. He inquired if there are other projects the Port would be responsible for financially.

Mr. Barnes disclosed that he and Mrs. Barnes own property at the intersection of Canal and Edison and as a Real Estate Broker, he has represented property owners at Grandridge and Columbia Center Boulevard and Grandridge Boulevard and Colorado Street.

Mr. Perlic stated beyond the top four intersections that need to be fixed, there are necessary intersection improvements in future phases (10-20 years of build out) of Vista Field, which include the addition of traffic signals, turn lanes and a roundabout.

The major mitigation agreements/understanding with the City are as follows:

- Traffic Impact Fees (TIF) collected by the City;
- City will reimburse the Port for offsite improvements that are TIF eligible for amounts that are beyond Ports share;
- Local Revitalization Fund (LRF) (legislative approval pending) focused on Vista Field and Entertainment district area; and
- Balanced financial partnership: Vista Field has an opportunity to start development without undue "front-end loading."

Mr. Moak confirmed with Mr. Peterson, if the Port sells Vista Field property, the new owner/entity would pay the traffic impact fee.

Mr. Peterson stated the new owner/entity would either pay the City directly or factor in the cost in the land sale.

Mr. Arntzen reiterated that the Port is developing inside the fence and not in the adjacent entertainment district. The City has suggested applying for an LRF, however, it is not statutorily permitted at this time. Furthermore, the Kennewick Public Facilities District (KPF) plans to ask voters to approve a two-tenths of a percent increase in the sales tax to build The Link, an addition to the Three Rivers Convention Center that would house, among other things, a Broadway-style theater and a link to the Toyota Center.

Mr. Arntzen further stated the Performing Arts Center that will be located at Vista Field is a privately funded project that is not dependent on a ballot measure.

Mr. Qamar reported the proposed street standard details include three types of streets will be used at Vista Field:

- Main Street (public): Two- way traffic with street parking and foot sidewalk/planter zone;
- Shared Residential Street (private): Irregular street with a minimum 24 foot clearance;
- Alleys (private): Two, ten foot lanes;



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- Other features will include raised intersections, traffic circles, irregular street patterns, effective curb radius and slow speeds (20 miles per hour).

Mr. Arntzen commented the proposed road plan has opened up the opportunity to keep the three existing hangers. Previously, the initial thought was that one hanger would need to be demolished due to a road extension, however, because of the creativity and collaboration between the City and Port staff, we were able to relocate the road between the hangars. Thus creating an additional Return on Investment (ROI) opportunity for the Port, estimated at \$150,000 a year.

Mr. Peterson stated this effort has been collaborative and efficient and our hope is to present a Development Agreement to the City Council in April.

Mr. Novakovich thanked staff, DPZ and Parametrix for their impressive, thorough work.

Mr. Novakovich called from public comment.

PUBLIC COMMENT

Ed Frost, 609 West Albany Street, Kennewick. Mr. Frost commented that he did not see any bike lanes on the plan and asked if they were going to be added.

Mr. Qamar stated bike lanes would widen the streets and potentially speed up traffic. Bicyclists can safely mingle with slow-moving vehicles.

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick asked staff to define a private street or alley.

Mr. Peterson stated the City will not maintain the alley ways or narrow streets, and believes a neighborhood association would eventually maintain the street area.

Mr. Arntzen elaborated further and stated the Port would install the narrow street and alley ways and maintain until another organization is contracted or set up. Mr. Arntzen stated staff has researched improvement districts and believes this would be a way to consistently maintain the narrow streets, alley ways, and common areas. It is the Port's intent to construct the narrow streets and alley ways and have a maintenance plan in place so it is not left up to the homeowner.

NEW BUSINESS

A. *Bid Results: Village at Island Harbor, Phase I; Resolution 2016-09*

Mr. Peterson stated a request for bids was advertised in the *Tri-City Herald* for the construction of the Village at Island Harbor: Phase I, which includes the partial development of an approximately 48,600 square foot site on the Port of Kennewick's Clover Island; a 324 foot long shoreline boardwalk and sidewalk infill between existing sections of shoreline sidewalk with associated guardrails and a 211 foot long concrete retaining wall. A Confederated Tribes of the Umatilla Indian Reservation (CTUIR) interpretive display structure, a small water feature and landscaping, related utilities and lighting are also included. The Village at Island Harbor: Phase I was properly advertised with the approved plans and specifications being made available to prospective bidders and two (2) construction bids were received. Staff and the project engineer certified both bids



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received are in compliance and certified that the low responsive bidder for the project is Banlin Construction, Inc. in the amount of \$1,096,763, excluding applicable sales tax. The low responsive bid in the amount of \$1,096,763, excluding applicable sales tax exceeds the architect's estimate of \$765,000 by forty-three percent (43%) and exceeds the funds available for the project by \$331,763. Mr. Peterson presented Resolution 2016-09 for consideration, rejecting all bids received for the Village at Island Harbor: Phase I, and directing the Chief Executive Officer (CEO) to coordinate revision of the project, to reduce the estimated construction cost, while still retaining crucial core elements of the project.

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Moak moved for approval of Resolution 2016-09, rejecting all bids received on February 24, 2016, for Village at Island Harbor and to allow the Chief Executive Officer to coordinate revisions of the project to reduce the estimated cost while still retaining crucial core elements of the project; Commissioner Barnes seconded.*

Discussion:

Mr. Barnes stated the bid result is disappointing, however, this will not deter the Port from doing great things on the island. We have a very busy construction community right now, with construction on schools, the airport, and the college, which may be why the bids have been higher than anticipated. Mr. Barnes believes we can redesign the Village at Island Harbor and construct on budget.

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

Mr. Novakovich recessed the meeting at 3:46 p.m. for a break and will reconvene at approximately 3:56 p.m.

Mr. Novakovich reconvened the meeting at 3:55 p.m.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Clover Island RCO Grants: Resolutions 2016-10: 2016-11: 2016-12

Ms. Bader Inglima stated as previously discussed, staff anticipated applying for additional grant funding to complete the NW Overlook Pier and public trail extension, in conjunction with the US Army Corps of Engineers (USACE) 1135 shoreline restoration project. However, the preliminary engineering cost estimate of the pier came in much higher than anticipated. Ms. Bader Inglima reported the Commission formally voted for the NW Overlook Pier foundation on August 25, 2015 and if the Commission no longer wishes staff to pursue the Pier, action will need to be taken. Furthermore, the USACE can only utilize 10% of the 1135 project for recreation and may not be able to complete the trail, due to the bidding environment. Ms. Bader Inglima believes the Port could apply for state grants to complete the trail extension, which leverages federal, state and Port dollars.



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Ms. Bader Inglima reported Resolutions 2016-10, 2016-11, and 2016-12, authorizes the Port to apply to the state for grant funding under three different categories:

- Land and Water Conservation Fund (LWCF): trail and recreation developments;
- Washington Wildlife Recreation Program (WWRP): public trail extension and enhancements (10' and 5' sidewalks, electrical, bollards, lighting, benches, signage);
- Aquatic Lands Enhancement Account (ALEA): to assist with habitat restoration, erosion control, riparian plantings, and shore land and recreational improvements on Clover Island's North Shoreline.

It is the intent of staff to apply to the Recreation and Conservation Office (RCO) for the ALEA grant, LWCF grant and the WWRP grant for assistance, however, RCO first requires all applicants to pass a resolution authorizing an RCO application. The resolution would fulfill the RCO requirement and allow staff to apply for grant funding through the RCO for public trail improvements to the Clover Island shoreline.

PUBLIC COMMENT

No comments were made.

Mr. Novakovich inquired if the Commission needs a formal resolution to rescind action on the NW Overlook Pier.

Ms. Bader Inglima indicated it was a formal vote, not a Resolution.

Ms. Luke stated for purposes of tracking, the Commission needs to make a motion to rescind the previous motion.

MOTION: *Commissioner Moak moved to rescind the vote to construct the NW Overlook Pier Foundation on Clover Island; Commissioner Barnes seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

MOTION: *Commissioner Barnes moved for approval of Resolution 2016-10, Resolution 2016-11, and Resolution 2016-12 approving submittal of applications to the Recreation and Conservation Office (RCO) for Clover Island Improvements and further authorizing the Port's Chief Executive to execute all documents necessary to submit the grant applications; Commissioner Moak seconded.*

Discussion:

Mr. Moak stated staff has done very good at aligning Port projects with state grant programs, and have been very successful. Mr. Moak hopes the Port can maximize state and federal funding and create a better Clover Island.

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

B. Duffy's Pond Update

Ms. Hanchette followed up on the spring cleanup around the island and Duffy's Pond and reported the clean-up took about a week, utilizing an 8-10 man work crew. The work crew cleared the



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underbrush and removed the invasive species Tree of Heaven. Furthermore, the City will come through the area and grind down the remaining stumps when they start their herbicidal treatments. The removal created a large amount of wood chips which will be used as trail bedding on other Port projects. The clearing made a big impact and now walkers can see the water and wildlife from the trail.

Ms. Bader Inglima stated the cleanup demonstrates our partnership with the City and multiple agencies. The cleanup allowed the Port to visually improve the site, as well as, create a safer area.

Mr. Novakovich inquired about the new fence for the trailhead parking.

Ms. Hanchette stated the operations team repurposed lumber for the new trailhead fence from a number of different Port projects, including the 211 Building and the boat ramp project.

Ms. Hanchette and Ms. Bader Inglima did an excellent job pulling together all the agencies to get this project moving. Several years ago, the Port had a cleanup day for Duffy's Pond and items such as car bodies and refrigerators were pulled from the Pond. When the Port first embarked on purchasing property, the public was perplexed, however, the area has slowly become a beautiful space and may one day rival the lighthouse with the inclusion of the Wine Village. Mr. Arntzen stated the cleanup at Duffy's Pond is at the top of his list as far as community benefits.

Mr. Novakovich asked if it was appropriate to recognize the work crew for their contribution.

Mr. Arntzen stated the State has very strict rules, but staff has let the supervisors know how much the Port appreciates the work crew. It has been reported by the supervisors that the work crew has a sense of pride and accomplishment for their work on Port property.

Ms. Bader Inglima stated the work crew maintains all Port property's and work with Mr. Melia and Mr. Boehnke on a weekly basis.

Ms. Hanchette stated the work crew supervisors, John Thompson and Ralph Tanguma are an extension of our operations department and are extremely important and valued by our operations team. The supervisors have worked in conjunction with the Port for several years and are very familiar with our properties and can be sent to any property if needed.

C. Colombia Drive Update

Mr. Peterson stated following Commission direction for the Winery Village Phase I, staff is working on a bid package for undergrounding all utilities and site utility work, which will be advertised next week. Mr. Peterson stated bidding out the excavation work and stubbing the utilities in advance allows for work to continue on site.

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. Mr. Barnes attends the Kiwanis Club meetings and stated, last Monday, long time Kiwanian member, Hank Sauer offered these comments, “every time I come on the island, I get a big smile on my face and a very high level of appreciation for what the Port has done on the island.”
2. Mr. Arntzen reminded the Commission of several travel opportunities for seminars and conferences.
 - International Council of Shopping Centers (ICSC), May 2016, Las Vegas, Nevada;
 - Congress of New Urbanism (CNU), June 2016, Detroit, Michigan;
 - IEDC Economic Forum, Tulsa, Oklahoma, June 2106; and
 - International Economic Development Annual Conference (IEDC), Cleveland, Ohio.

The CNU Conference in Detroit is a great opportunity for a Commissioner to see the revitalization of Detroit.

Mr. Arntzen relayed that the IEDC conference in Cleveland focuses on the revitalization of the City and there is an opportunity to either attend the class sessions or conference tours. Mr. Arntzen stated having attended the IEDC conference in Anchorage previously, the classroom work is beneficial, however, he believes there is a better learning opportunity for the Commission to take the organized tours, which include: the Cleveland Theater District and the Cuyhoga River including the Flats East Bank Waterfront.

Mr. Arntzen explained Mr. Moak will be traveling to Denver in April and staff would be able to facilitate a tour of Longmont (Prospect), a new urbanism community planned by DPZ.

Mr. Arntzen asked the Commission to consider what conferences they would like to attend.

3. Mr. Peterson reported the boat ramp and in water work project is near complete. The last item to complete is repaving and striping the parking lot. The project is likely to be finished prior to March 31, 2016 completion date.

PUBLIC COMMENTS

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.

Mr. Novakovich anticipates the Executive Session will last approximately 20 minutes, Real Estate (Minimum Price) per RCW 42.30.110(1)(c) with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

Mr. Novakovich recessed the Regular Commission Meeting at 4:24 p.m. for approximately five minutes.



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EXECUTIVE SESSION

A. *Real Estate (Minimum Price), per RCW 42.30.110(1)(c)*

Mr. Novakovich convened the meeting into Executive Session at 4:28 p.m. for approximately 20 minutes.

Mr. Novakovich adjourned the Executive Session at 4:46 p.m.

Mr. Novakovich reconvened Regular Commission Meeting at 4:47 p.m.

Commission and staff briefly discussed the Vista Field Roadway Network and Mitigation presentation that will be presented at the City of Kennewick City Council Workshop tonight.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 4:50 p.m.

APPROVED:

**PORT of KENNEWICK
BOARD of COMMISSIONERS**

Skip Novakovich, President

Thomas Moak, Vice President

Don Barnes, Secretary