

AGENDA

Regular Commission Business Meeting Port of Kennewick

Port of Kennewick Commission Chambers

Tuesday, April 12, 2011

2:00 p.m.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENT *(Please state your name and address for the public record)*

IV. CONSENT AGENDA

- A. Approval of Direct Deposit and Warrants Dated March 31, 2011
- B. Approval of Warrant Registers Dated April 13, 2011
- C. Approval of Commission Meeting Minutes Dated March 22, 2011
- D. Branding Initiative Resolution 2011-09
- E. Amendment of Local Revitalization Financing of the Southridge Revitalization Area; Resolution 2011-10

V. PRESENTATIONS

- A. Small Business Development Center, Bruce Davis
- B. ShareFest Tri-Cities
- C. Chile Report

VI. NEW BUSINESS

- A. Commission Protocol Follow Up
- B. Agreement with Clover Island Yacht Club

VII. BREAK, IF NEEDED

VIII. REPORTS, COMMENTS AND DISCUSSION ITEMS

- A. Clover Island Update
 - 1. West Causeway Improvements
 - 2. Milfoil Update
 - 3. Corner Parcel Deed Restriction
 - 4. Cedars Parking Lot Letter
- B. Vista Field
 - 1. Airport Rules
 - 2. FBO Operations Contract Update
 - 3. HAEFIC Report
- C. Real Estate Policy Update
- D. Columbia River Bridge Crossing Study
- E. Staff Retreat
- F. Lighthouse Upgrades
- G. 2012 Staffing, Work Plan, and Budget
- H. Staff Organization Analysis
- I. Branding Development Update
- J. Newsletter Contract (Public Disclosure)
- K. Joint Meeting with West Richland
- L. Commissioner Meetings (formal and informal meetings with groups or individuals)
- M. Non-Scheduled Items

AGENDA

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- IX. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- X. EXECUTIVE SESSION** *(Ask public if they are staying, and if not, where they can be located if the Executive Session ends early.)*
 - A. Potential Litigation, per RCW 42.30.110(1)(i)
 - B. Real Estate Matter, per RCW 42.30.110(1)(c)
- XI. ADJOURNMENT**

PLEASE SILENCE CELL PHONES

PORT OF KENNEWICK

Resolution No. 2011-09

A RESOLUTION OF THE PORT OF KENNEWICK SUPPORTING A COMPREHENSIVE BRAND INITIATIVE

WHEREAS, The Port of Kennewick was originally formed in 1915 as the prestigious Kennewick Commercial Club, representing a five-mile district in downtown Kennewick; and

WHEREAS, The Port of Kennewick's district has since expanded to include a 485-square mile area which encompasses the cities of Kennewick, Richland (south of the Yakima River), West Richland, Finley, Plymouth, a small portion of Benton City, and unincorporated areas of Benton County; and

WHEREAS, The Port of Kennewick is working to grow jobs, build infrastructure, and improve the economy throughout the Port District; and

WHEREAS, Community citizens, stakeholders, taxpayers, tenants, potential customers and developers have expressed confusion caused by the name "Port of Kennewick" when the port is involved with purchasing, selling, leasing, or holding property, or partnering on economic development projects outside of Kennewick; and

WHEREAS, The Port of Kennewick wishes to ensure its brand adequately and effectively represents its role, responsibilities, and investments throughout the entire District, and

WHEREAS, The Port of Kennewick has an interest in assessing its current brand and in exploring the need for, or opportunities associated with, rebranding the organization;

NOW THEREFORE BE IT HEREBY RESOLVED, *That the Port of Kennewick Board of Commissioners hereby adopts this resolution approving an additional \$25,000 for the Port of Kennewick Brand Initiative and further authorizing the Port's Executive Director to execute all documents necessary for implementation of the port branding initiative.*

ADOPTED by the Board of Commissioners on the 12th day of April, 2011.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By: _____

SKIP NOVAKOVICH, President

By: _____

DAVID HANSON, Vice President

By: _____

GENE WAGNER, Secretary

PORT OF KENNEWICK
Resolution 2011-10

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF PORT OF KENNEWICK AUTHORIZING AN INTERLOCAL COOPERATIVE AGREEMENT
WITH CITY OF KENNEWICK TO AMEND THE LOCAL REVITALIZATION FINANCING OF
THE SOUTHRIDGE REVITALIZATION AREA**

WHEREAS, City and the Port entered into an agreement on the 25th day of August 2009 to establish “revitalization areas” and to use “local revitalization financing” therein to finance “public improvements” that are reasonably likely to increase private investment and employment within such revitalization areas and generate increases in state and local property, sales, and use tax revenues;

WHEREAS, the County has created a supplement to the Interlocal Agreement to establish the distribution periods for the applicable property taxes from the Port to the City at the maximum amount of \$14,000 for a period of 25 years as outlined in the Interlocal Cooperative Agreement between the City and Port;

WHEREAS, the County has created a obligation for the Port to report to the County the termination period of the Interlocal Cooperative Agreement between the City and Port;

WHEREAS, the County’s proposed supplement to the Interlocal has no other direct impacts to the Port other than the items stated above;

NOW, THEREFORE;

BE IT HEREBY RESOLVED that the Board of Commissioners of Port of Kennewick hereby approve Resolution 2011-10 authorizing the Port’s Executive Director to execute all necessary documentation associated with the amendment to the Interlocal Cooperative Agreement (also known as a Supplemental Interlocal Agreement Regarding Southridge Revitalization Area) with Benton County, City of Kennewick, and Kennewick Public Hospital District No 1.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 12th day of April 2011.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By: _____
SKIP NOVAKOVICH, *President*

By: _____
GENE WAGNER, *Vice President*

By: _____
DAVID HANSON, *Secretary*

-SUPPLEMENTAL INTERLOCAL AGREEMENT REGARDING SOUTHRIDGE REVITALIZATION AREA

This Supplemental Interlocal Cooperative Agreement among the Benton County Treasurer's Office ("Treasurer"), Benton County, a political subdivision of the State of Washington ("County"), the City of Kennewick, a municipal corporation and code city of the State of Washington ("City"), the Port of Kennewick, a municipal corporation of the State of Washington ("Port"), and the Kennewick Public Hospital District No. 1 ("Hospital") is effective April 1, 2011.

RECITALS

WHEREAS, within the City an area was designated as the "Southridge Revitalization Area" pursuant to Chapter 39.104 RCW. To facilitate this endeavor, the City entered into Interlocal Cooperative Agreements with the County (dated July 28, 2009), the Hospital (dated August 25, 2009), and the Port (dated July 28, 2009) (collectively, "the Underlying Interlocal Agreements");

WHEREAS, the Underlying Interlocal Agreements contain provisions relating to the transfer of "local property tax allocation revenues" derived from property taxes imposed by the County, the Port and the Hospital on property within the Southridge Revitalization Area of the City as defined in City Ordinance 5265, and the Interlocal Agreement between the City and the County expressly requires that a billing and payment process be agreed to in writing by the Treasurer and the City regarding the distribution of County property taxes to the City;

WHEREAS, the Treasurer desires to develop common practices and uniformity regarding how and when the various property taxes imposed by the other parties will be transferred to the City by the Treasurer's Office, and the parties agree that the billing and payment process for property taxes transferred from the Port and the Hospital to the City should also be set forth in writing;

WHEREAS, the Underlying Interlocal Agreements do not clearly identify the property tax levies that are applicable to the revenue sharing and transfers agreed to by the County, the Port and the Hospital;

WHEREAS, the County, the Port and the Hospital routinely assess earmarked levies in addition to their regular property tax levies, otherwise known as their current expense levies, and the intent of all parties hereto is that the transfer of property taxes under the Underlying Interlocal Agreements only applies to "local property tax allocation revenues" generated by the current expense levies of the County, the Port and the Hospital in the Southridge Revitalization Area and not to the entities' earmarked levies such as administrative refund levies, indigent soldier levies, mental health levies or construction fund levies.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and the benefits to be realized by each party and by the general public from the implementation of the Southridge Revitalization Area, the County, the City, the Port and the Hospital agree as follows:

1. Timing and Manner of Payment of Property Tax Distributions.

- A. The Treasurer agrees to distribute the applicable property taxes due from the County, Hospital and Port under the Underlying Interlocal Agreements to the City

twice per year, once on or before May 15th and once on or before November 15th. The May 15th distribution in 2011 will consist of transferable property taxes collected on 2011 regular property tax levies paid by taxpayers on or before April 30, 2011. The May 15th distribution thereafter will consist of transferable taxes collected between the preceding November 1 and April 30. The distribution due by November 15th of each year will consist of transferable property taxes collected between May 1st and October 31st. The parties acknowledge and agree that in order to implement this subsection, only with respect to property taxes collected in the first fifteen days of May and November of each year the Treasurer may exercise his discretion to distribute property taxes to the Hospital and the Port according to RCW 84.56.230 and that no interest on such amounts shall be owed to them so long as those funds are distributed by the deadlines set forth in that statute.

- B. The transferable property taxes will be distributed by the Treasurer to the City by the same means that the Treasurer distributes the City levied property taxes to the City. The Treasurer agrees to promptly send individual written notices of transmittal to each of the parties to this agreement to the persons set forth below, and the City shall independently acknowledge to the Treasurer, in writing, receipt of the funds from the Treasurer on behalf of each jurisdiction.

Benton County
Attn: Benton County Administrator
P.O. Box 190
Prosser, WA 99350

City of Kennewick
Attn: City Manager
P.O. Box 6108
Kennewick, WA 99336

Port of Kennewick
Attn: Executive Director
350 Clover Island Dr., Ste. 200
Kennewick, WA 99336

Kennewick Public Hospital
Attn: Chair, Board of Commissioners
900 S. Auburn Street
Kennewick, WA 99336

Any party desiring to change the person or address designated above shall notify the Treasurer in writing of such change, with such change being effective fourteen (14) days from the date of delivery.

2. Objection Period. Any disagreement by the County, the City, the Port or the Hospital as to the Treasurer's compliance with its obligations under this agreement or with respect to his or her calculations as to the amount of property taxes transferred to the City pursuant to the Underlying Interlocal Agreements shall be promptly raised by the County, the City, the Port and/or the Hospital by sending written notice to the Treasurer. Such notice shall specify the basis for the County, the City, the Port and/or the Hospital's position that the Treasurer has not complied with his or her obligations under this agreement or has erred in computing the amount of property taxes to be transferred to the City under the Underlying Interlocal Agreement(s). The County, the City, the Port and the Hospital agree that if no such notice is provided by them to the Treasurer within ninety (90) days of the date of the Treasurer's written notice of the applicable transfer, then the entity failing to so object shall be deemed to have waived all right to assert any non-compliance with this agreement with respect to such transfer or to assert non-compliance with the Underlying Interlocal Agreement mandating the transfer in question, notwithstanding any longer applicable statute of limitations or other Washington law.

3. Termination of Property Tax Distributions. It is the responsibility of the Port and the Hospital to notify the Treasurer in writing if either of their obligations to transfer property tax revenues to the City pursuant to one of the Underlying Interlocal Agreements terminates prior to December 31, 2035, and they agree to hold the Treasurer and the County harmless to the extent that they fail to do so and transfers are made to the City of property taxes that otherwise would be distributed to them, except that this hold harmless shall not apply with respect to any transfers to which the Port or the Hospital timely object to under section 2 above.
4. Calculation of "Local Property Tax Allocation Revenues" Under RCW 39.104.020. The County, the City, the Port and the Hospital each agree that for the purposes of the Underlying Interlocal Agreements, only their current expense levies constitute regular property tax levies with respect to the definition of "local property tax allocation revenues" as that term is used in the Underlying Interlocal Agreements and that tax revenues derived from earmarked levies imposed by them for specific purposes, including but not limited to refund levies, indigent soldier levies, mental health levies and construction fund levies are not subject to distribution to the City.
5. Effect on Underlying Interlocal Agreements. The parties agree that this agreement supplements the Underlying Interlocal Agreements and except as terms of the Underlying Interlocal Agreements are expressly clarified or supplemented herein, the Underlying Interlocal Agreements shall not be affected by this agreement.
6. Severability/Counterparts/Binding Effect. If any provision of this agreement shall be held to be invalid, illegal or unenforceable, such shall not affect any other provisions of this agreement. This agreement shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

The parties may sign this agreement in one or more counterparts and each counterpart shall be treated as an original.

All parties hereto have full power and authority to execute and deliver this agreement and to perform their respective obligations under this agreement. This agreement constitutes a valid and binding obligation of the Treasurer, the County, the City, the Port and the Hospital and is enforceable according with its provisions.
7. Governing Law. This agreement shall be construed in accordance with and is governed by the laws of the State of Washington.
8. Entire Agreement. The parties agree that this agreement and the Underlying Interlocal Agreements are the complete expression of the parties on the subject of the transfer of property taxes levied within the Southridge Revitalization Area. Any oral or written representations or understandings on that subject not incorporated into this agreement or the Underlying Interlocal Agreements are specifically excluded. This agreement may only be amended in writing and if signed by all parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized, execute this agreement on behalf of the parties effective as of April 1, 2011.

BENTON COUNTY TREASURER'S OFFICE

Duane Davidson, Treasurer
CITY OF KENNEWICK

Date _____

Marie Mosley, City Manager

Date _____

PORT OF KENNEWICK

Port of Kennewick Executive Director

Date _____

KENNEWICK PUBLIC HOSPITAL

Chair, Board of Commissioners

Date _____

**BOARD OF BENTON COUNTY
COMMISSIONERS**

Chairman
Date: _____

Member

Member

Attest:

Constituting the Board of
Benton County Commissioners

Clerk to the Board

Approved as to form:

Ryan K. Brown, Deputy
Prosecuting Attorney