



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MAY 24, 2016 MINUTES

CALL TO ORDER

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

The following were present:

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

Staff Members: Tim Arntzen, Chief Executive Officer
Larry Peterson, Director of Planning and Development
Lisa Schumacher, Special Projects Coordinator
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Terence Thornhill led the Pledge of Allegiance.

Mr. Novakovich inquired if Item VII A. c. (Vista Field Redevelopment Project Name) could be moved up to VII A. a. on the Official Agenda.

APPROVAL OF THE AGENDA

MOTION: Commissioner Barnes moved to approve the Agenda, as published, with the change noted, moving item VII A. c. (Vista Field Redevelopment Project Name) to VII A. a.; Commissioner Novakovich seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

PUBLIC COMMENT

Chuck Eaton, 2309 Davison Avenue, Richland. Mr. Eaton reported TriConf 2016 is a self-organized event that is aimed at bringing together people in the Tri-Cities. TriConf is an annual celebration for independent minds to share and learn from one another on topics such as: technology, design, entrepreneurship, creativity, art, culture and community. TriConf is now in its sixth year and will take place on July 18-24 in Pasco. This year, there will be an urban design tract with sessions on new urbanism, viticulture and wine making. This may appeal to people who are interested in the Port's Wine Village and Vista Field.

Mark Blotz, 5727 West Victoria, Kennewick. Mr. Blotz, General Manager of Clover Island Inn, thanked the Port for their advertising support for Clover Island Inn's Annual Summer Concert Series. On May 13, Clover Island Inn began the Summer Concert Series with the kickoff to the Untapped Blues Festival which brought approximately 800 people to the Island. On May 29, Hells Belles will perform and the Inn is expecting approximately 1,000 people at this event. The Thunder on the Island series begins Wednesday June 15 through August 17 and features local live bands. The Summer Series wraps up on September 3, with Sawyer Brown Band performing.



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Mr. Novakovich thanked Mr. Blotz for Clover Island Inn's contribution to the Island.

No further comments were made.

Mr. Novakovich stated Consent Agenda items are a number of items taken collectively in one motion to be approved or disapproved. He further stated the Commission has the option to remove items from the Consent Agenda and inquired if any items need to be removed.

Mr. Novakovich would like to remove Item C and have the item approved separately because on April 12, 2011, he disclosed that Esprit, the company he and his wife owns, has a contract with PS Media to print the Port's newsletter. Esprit does not get paid directly from the Port; they get paid from PS Media. Item C is the payment to PS Media and in the interest of any kind of perception that there could be a conflict, he would like to recuse himself from any action on this item.

CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated May 17, 2016**
Direct Deposit and E-Payments totaling \$46,476.87
- B. Approval of Warrant Registers Dated May 24, 2016**
Expense Fund Voucher Numbers 37915 through 37959 for a grand total of \$83,911.30
- C. Approval of Warrant Registers Dated May 24, 2016 (PS Media)**
Expense Fund Voucher Numbers 37945 for a grand total of \$15,229.67
- D. Approval of Commission Meeting Minutes Dated May 10, 2016**

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

MOTION: *Commissioner Moak moved for approval of Item C, payment to PS Media; Commissioner Barnes seconded. With no further discussion, motion carried. All in favor 2:0, (Commissioners Moak and Barnes) 1 abstained (Commissioner Novakovich).*

PRESENTATIONS

A. Columbia Drive, Terence Thornhill and David Robison

Mr. Peterson stated Big D's Construction is scheduled to start construction the first week of June for the undergrounding of the utilities, with a completion date of August 26, 2016. The presentation will focus on the redesign of the three winery buildings and David Robison, from Strategic Construction Management and Terence Thornhill, Project Architect are here to present the modified design elements. Mr. Peterson stated staff is working with a budget of \$2,750,000 before tax, for the construction of the buildings, which does not include the ground site work and undergrounding of utilities.

Mr. Robison stated as part of the implementation team, we had to value engineer the project in an effort to reduce the project by \$750,000. Mr. Robison is proud of Mr. Thornhill's ability to address the changes without changing the aesthetics of the buildings. The team worked through the plans to identify items and discern if the changes were applicable to the Port's long term plans.



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Mr. Robison stated the team worked very hard to retain the long term vision and quality the Port has maintained on every project.

Mr. Thornhill stated by removing the utility work from the original bid several efficiencies and considerable savings were created. Mr. Thornhill stated the team looked very carefully at the wall system, which uses ICF blocks filled with insulation and a double wythe wall and recommended utilizing concrete masonry unit (CMU) instead. In addition to the wall structure, Mr. Thornhill recommended the following:

1. Replace trusses with tube steel and plate material;
2. Modifying the roofing material to a prefinished metal roof.

Mr. Robison stated the ICF wall system is not widely used in California and in this region, and the process introduced uncertainty and risk with local contractors. Furthermore, Mr. Robison stated there is not a significant difference between the ICF and the CMU walls and the wall thickness remains the same.

Mr. Thornhill stated the original design had several concrete roof trusses in each structure, which drove the cost up exponentially. By utilizing steel trusses that emulate wood and fabricating the trusses locally, there is a significant cost reduction. The standing metal roof has been used on other Port projects such as the West Marina Professional Building and the Port Administration Office.

Mr. Robison stated a great deal of time was spent looking for ways to value engineer the buildings. Mr. Robison stated if the Commission approves of the revised design elements, the design team will move forward and ready plans for bid by August, with bids due back in September. This is a busy construction community presently and there is not much margin of error or opportunity to extend the time line.

Mr. Peterson stated the design team focused on retaining the quality of the project and feel and inquired if the Commission had any concerns regarding the value engineering options that were presented today.

Mr. Moak inquired if the team believes the bids will be within target budget.

Mr. Robison stated the team enlisted Roen Estimating to help estimate costs and spoke with numerous contractors and subcontractors. Projects are at the mercy of the market, however, the buildings are simplistic in nature and the risks were removed from the first bid.

Mr. Novakovich stated the team did an amazing job value engineering the design while maintaining the essence of the buildings. Mr. Novakovich stated staff was able to reduce the amount significantly and believes the Port can move forward with the project.

Mr. Barnes asked what the total square feet of the buildings are.



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Mr. Peterson stated the three buildings are approximately 10,000 square feet; the two winery buildings are approximately 3,500 to 3,600 square feet and the barrel storage building is slightly larger at 4,200 square feet.

Mr. Moak inquired if the Port is able to maintain the proposed schedule, what is the earliest a tenant can take occupancy.

Mr. Arntzen stated staff would like to run a parallel path with the construction time line and hopes a tenant will be able to move in within sixty days of completion of the buildings.

Mr. Peterson stated there are specific guidelines imposed by the State Liquor Board and a tenant can move equipment in, however there is a sixty day waiting period to obtain a liquor license.

Mr. Arntzen appreciates the continued efforts of the Bridge to Bridge plan and the revitalization of Columbia Drive, however, redevelopment is costly, time consuming and frustrating, but when it is done right, it is the most rewarding.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *Vista Field*

a. *Redevelopment Project Name*

Mr. Arntzen reiterated at the last Commission meeting, the Commission discussed whether to retain the name Vista Field or change the name of the development and directed staff to converse with Duany Plater-Zyberk (DPZ) to get their thoughts and expertise regarding the name. Mr. Arntzen reported that staff held a recorded conference call with Elizabeth Plater-Zyberk, where we offered some background and submitted a question (*Exhibit A*) regarding the name, without prejudice. Ms. Plater-Zyberk offered her thoughts surrounding the name and codified her comments via email (*Exhibit B*). Mr. Arntzen stated if the Commission desires, there is audio and transcript available of the conference call.

Mr. Barnes commented that he read Ms. Plater-Zyberk's correspondence and is pleased with the process and is satisfied with what appears to be a straightforward recommendation from DPZ.

Mr. Moak supported Mr. Barnes request to have DPZ weigh in on the name and stated it was important to garner the expertise of the professionals. Mr. Moak stated there are important decisions the Commission will need to weigh in on regarding the redevelopment of Vista Field and it is imperative to listen to the experts. Mr. Moak stated that although he does not personally agree with Ms. Plater-Zyberk's recommendation, but as a representative of the community, he accepts her recommendation. Mr. Moak believes the Commission should accept her recommendation and continue to move forward and do what is best for the community.

It is the consensus of the Commission that the name of Vista Field remain as is.



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Mr. Arntzen stated as the Commission reaches consensus on various elements, staff will bring the items back in resolution form for Commission codification.

b. *Guidelines for Development Proposals*

Mr. Arntzen presented a rough draft of processes by which the Port could provide notice of development with respect to Vista Field. The document would outline the following processes for Vista Field development:

- Parameters regarding staff communication with the development community and private individuals;
- Criteria for receiving development proposals;
- Process by which the development proposal is evaluated.

Mr. Arntzen stated staff will review the development proposal for the established criteria and if the developer or private individual meets the conditions, the proposal will move on to the initial collaborative design process. Currently, the Port is testing the collaborative design process with the Arts Center Task Force, who has been meeting with Mr. Mehaffy, Mr. Qamar and Mr. Peterson. After the collaborative design process meetings, the developer will submit a more detailed proposal that includes the quality of the project and consistency with the Port Master Plan and the price and terms. This will allow the Commission to conditionally approve the developer for a 90 day exclusive with the full plan design.

Mr. Arntzen stated Ms. Luke has been very helpful in creating a legally enforceable and valid document that is fair and equitable. Mr. Mehaffy worked to refine the collaborative design process and the artistic process.

Ms. Luke added the document is very cutting edge which does not create a liability potential for the Port and will stand up as a process and work for the Port. Ms. Luke appreciates working with Mr. Arntzen and Mr. Mehaffy and is proud of the document.

Mr. Mehaffy reiterated the importance of having the process in place and stated the document allows balance with the local and out of state developers and clearly defines the Port's processes to achieve the desired results for Vista Field.

Mr. Barnes is very pleased with the document and stated the Port has a tremendous opportunity and responsibility about fairly distributing opportunities for development. Mr. Barnes offered suggestions regarding the document:

1. Notice of Development Opportunities: to list property via the Multiple Listing Service (MLS) the Port may need to enter into a listing agreement with a broker and asked staff to follow up;
2. Letter of Credit: suggested Port should maintain a degree of flexibility, subject to the Port's approval;
3. Price and Terms Offered: inquired if the properties will have asking prices attached;
4. Capability of Developer: suggested adding what civic contributions the developer has made to their community;



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5. \$2,500 Administrative Fee Required: if the developer objects to the administrative fee, receptive to eliminating the fee;
6. Allow for greater flexibility with developer/owner/tenant occupancy.

Mr. Novakovich commented on page one, item II c, regarding the letter of credit, it states, other acceptable means.

Mr. Arntzen will address Mr. Barnes comments and research and comment appropriately. Mr. Arntzen stated one of the things staff has learned with the Arts Center Task Force is the process requires a lot of time and the requested \$2,500 administrative fee will not cover half of the cost of the collaborative design process.

Mr. Peterson stated transactions under \$1,500,000 require a \$500 an administrative fee and over \$1,500,000 the Port requires a \$1,000 fee.

Mr. Barnes retracted his comment regarding the administrative fee.

Mr. Novakovich likes Mr. Barnes suggestion of adding the potential developer's community contributions.

Mr. Moak likes the process and appreciates that the proposals have been fully vetted by the committee prior to coming to the Commission. Mr. Moak inquired how the proposal compares to other development guidelines.

Mr. Mehaffy believes it is an important document to have and stated the most successful projects have development guidelines in place.

Mr. Moak inquired when Mr. Arntzen would like Commission comments and when the document would be finalized.

Mr. Arntzen believes the document will not be utilized until next year. Mr. Arntzen inquired if the Commission could review the document and send comments regarding the proposal to him within the next 30 days. Then he will present a proposed draft with the Commission comments and address any changes that were made.

Mr. Moak stated the document seems geared toward the bigger developers and inquired how smaller builders or single lot purchasers fit in.

Mr. Arntzen stated it was written for the bigger developer, however, he believes it can apply to the smaller developer or builder and staff can use discretion and work on an individual basis.

Mr. Moak does not believe the language is clear enough for the smaller business or individual.

Mr. Arntzen stated Ms. Luke could add language commiserate to the scale of the project. Mr. Mehaffy stated the document will also include the following in-house documents:



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- The Pattern Language;
- The Master Plan;
- The Design Guidelines.

This will allow the developer to understand the Port's expectations for the development.

Mr. Arntzen believes the document needs to remain flexible and may need to be altered after the first transaction and language stating the document is subject to change should be added.

Mr. Novakovich agrees with Mr. Arntzen and stated the document will be similar to bylaws and can be amended at any time.

Mr. Arntzen appreciates the Commission comments and believes this will be a keystone document with respect to Vista Field.

Mr. Novakovich believes the additional language suggested should be added and is delighted with the document and believes it is a simple and stringent process. Mr. Novakovich appreciates the complete vetting process prior to presenting to the Commission. Mr. Novakovich stated on page three, the document states "the Port will not accept any other proposal for the site," during the exclusive negotiating period and inquired if the language could read "consider" instead of accept, in case the plan falls through.

Mr. Moak does not agree with that specific change.

Mr. Arntzen appreciates the Commission comments and believes the comments can be incorporated into document and asked for additional comments within next month.

RECESS

Mr. Novakovich recessed the meeting at 3:47 p.m. for a break and will reconvene at approximately 3:55 p.m.

Mr. Novakovich reconvened the meeting at 3:57 p.m.

c. Transportation Study Impact Evaluation (TSIE)

Mr. Peterson presented the Transportation Study Impact Evaluation mitigation and cost associated with each intersection, as agreed on by the Port and City. The intersections that need to be improved prior to redevelopment at Vista Field are as follows:

- Columbia Center Boulevard at Grandridge Boulevard
 - Planning level 2016 cost estimate: \$207,500
 - Port cost share: 40%
- Colorado Street at Grandridge Boulevard
 - Planning level 2016 cost estimate: \$17,875
 - Port cost share: 55%
- Columbia Center Boulevard at Deschutes Avenue



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- Planning level 2016 cost estimate: \$169,400
- Port cost share: 25%
- Edison Street and Canal Street
 - Planning level 2016 cost estimate: \$216,200
 - Port cost share: 25%
- Deschutes entry way into Vista Field
 - Planning level 2016 cost estimate: \$325,000
 - Port cost share: 100%

The Port share of the intersections that the City would like to see corrected for the full build out of Vista Field is \$2,700,000. However, the three intersections that exist because of Vista Field: Kellogg and Quinault, Deschutes and Young Street and Deschutes and the new road into Vista Field will cost approximately \$1,500,000 (2016 estimate). Mr. Peterson indicated off-site mitigation is approximately \$1,500,000.

Mr. Mehaffy indicated Phase I will take approximately five years for property sales and buildout, which gives staff a good framework. Mr. Arntzen believes the Port should fund the entry way of Deschutes (\$325,000) first for Phase I.

Mr. Peterson stated the biggest variable will be the Performing Arts Center (PAC) and there will be a direct correlation to the off-site mitigation once the PAC opens.

The Commission is in consensus that the percentages are fair and the City has given the Port every consideration and the professionals performed the work and accepts their conclusions and it is time to move forward.

Mr. Arntzen reiterated any Vista Field related issues that receives Commission consensus, staff will bring back in a resolution for codification.

Mr. Mehaffy believes the mitigation costs are satisfactory and recommends moving forward.

Mr. Mehaffy presented the Commission with a project update for Vista Field and stated the goal is to give the Commission a sense of where the team is and asked the Commission for feedback and if the team is moving in the right direction.

Mr. Mehaffy presented the next steps for Vista Field:

- City entitlement documents (zoning code, standards, master plan);
- Develop internal design documents (precedent library);
- Develop Phase I Detailed Development Plan;
- Prepare construction documents, bidding and construction.

Mr. Mehaffy presented the option for Phase I-A and Plaza which includes:

- Creating a main street connecting north and south;
- Creating an Espanola Way thoroughfare;
- Reorienting the existing hangars;



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- Creating a gateway entrance and plaza.

Mr. Arntzen stated the financial plan is important to dovetail with Mr. Mehaffy's presentation and the budget is \$3,000,000 for bare infrastructure and adding an additional sum of \$500,000 for embellishments such as a water feature or additional elements to the plaza. Mr. Arntzen proposes utilizing funds from the tentative Verizon sale for the hangars rehabilitation. If the funds all materialize, they can be used for other embellishments, however, \$3,000,000 will create a very basic project.

The pavers and landscaping in the public plaza will cost approximately \$100,000 and does not include any grand features. Mr. Peterson asked the Commission for their thoughts regarding additional features for the plaza.

Mr. Barnes stated he would like to see a water feature, however, he is concerned with the water fowl.

Mr. Mehaffy inquired if the Commission would like the team to research additional elements and look at feasibility issues with water fowl and bring back a more detailed plan to make a better decision.

Mr. Barnes would like to go above the bare minimum and believes the plaza needs to have more embellishment.

Mr. Arntzen stated another possibility is Phase I being smaller than initially proposed, which allows the Port to intensify its efforts in a smaller area to narrow the focus.

Mr. Novakovich stated whatever the Port does, it cannot be plain or basic or we run the risk of losing interest in Vista Field. If staff can condense Phase I for same amount or find other funding for these features, we need explore those options.

Mr. Moak stated if the Port is going to look at attracting bigger developers, we need to invest more funds in the plaza and he would like to see more than plain or basic to bring in the A class developers.

Mr. Peterson thanked the Commission for their direction.

Mr. Mehaffy presented several options for a market building and tower, which would be a landmark building for Vista Field.

Mr. Barnes stated the tower would be the first vertical point of reference created for Vista Field and believes it needs to be well conceived and well executed. Mr. Barnes likes the concept of the market and tower and believes it is crucial to get the vertical element right.

Mr. Novakovich stated the design team needs to pay a lot of attention to this vertical feature and believes the market could have ROI potential.



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Mr. Arntzen reiterated the concepts the Commission would like to see:

- The Market and Tower Concept;
- The Water Feature in the Plaza;
- The Residential/Woonerf Section;
- Port “laying” down housing types;

Mr. Arntzen stated staff will continue to work on concepts and work with Ms. Carter and the Kennewick Arts Commission for additional ideas. Staff will work on another draft and bring back as soon as feasible, and attempt to cost out.

The consensus of the Commission is to find ways to make the plaza more interesting and less basic and boring.

Mr. Novakovich stated due to the time he would like to table the remaining items for the next meeting.

B. Columbia Drive Update

Mr. Peterson stated there is no new information at this time.

PUBLIC COMMENTS

Barb Carter, 3121 West 30th Avenue, Kennewick. Ms. Carter is very delighted to see the drawings and proposals for Vista Field. Ms. Carter stated the Arts Commission would be pleased to work with the design team or provide assistance on any proposals. Ms. Carter stated the Arts Commission has pamphlets available for developers once they receive their building permits, to help utilize creative design in their development. Ms. Carter likes the drawing of the proposed tower and finds it quirky, interesting, and fun. Ms. Carter agrees with Mr. Barnes regarding the water fowl and stated the City has had nothing but issues trying to keep areas clean. Ms. Carter stated Balboa Park in San Diego, California has an elevated water trough that runs the length of the park, where kids can play with sailboats or other water toys. The trough maintains the concept of water, but does not have the water fowl issues.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.



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ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:16 p.m.

APPROVED:

**PORT of KENNEWICK
BOARD of COMMISSIONERS**



Skip Novakovich, President



Thomas Moak, Vice President



Don Barnes, Secretary

EXHIBIT A

Mr. Peterson:

“The purpose for our call today, the topic of the Vista Field name. Recently the Port Commission raised the issue of whether the name Vista Field should be changed. They directed staff to ask you for your comments related to this issue. The question staff is presenting, is should the name Vista Field be changed.”

Tim Arntzen

From: Elizabeth Plater-Zyberk <epz@dpz.com>
Sent: Saturday, May 21, 2016 12:22 PM
To: Michael Mehaffy; Laurence Qamar
Cc: Larry Peterson; Tana Bader-Inglima; Tim Arntzen; Senen Antonio; Andres Duany; Matthew J. Lambert
Subject: Vista Field naming and progress

Dear Michael and Lawrence,

Tim, Larry and Tana called yesterday as arranged to confer about the naming of the redevelopment of Vista Field. Larry explained that there has been some informal suggestions of a new name and asked for my opinion.

I responded that the distinguishing identity of a place depends on its reflection of its history and geography, especially in a time of universal development patterns and building materials. Vista Field reflects a significant component of the region's history. Keeping its name will not reflect a sad loss (e.g. Whispering Pines, or Walnut Hill that no longer exist) but rather a recognition of its important past role.

While speaking to a longer term cultural enrichment, carrying on the name Vista Field more immediately offers a clear and appealing branding identity. Further, the two words are separable for use in other combinations throughout the project. They are both optimistic words and truthful in reflecting the new place, including its long views and topography. The landing strips, the field, are physically embedded in its urban plan.

Following the name discussion, Larry, gave me a brief report on the progress of entitlement process, including the growing public support. The first phase of twenty acres with a focus on the performing arts to compliment adjacent facilities, and supporting uses arranged along pedestrian oriented streets seems appropriate.

I reviewed the above with Andres, and your update and drawings of May 13, and he asked me to tell you he is delighted to see the progress - as am I!

Lizz

Elizabeth Plater-Zyberk FAIA CNU LEED
DPZ Partners LLC
1023 SW 25 Avenue, Miami FL 33135
lizz@dpz.com | C. 305 798 7393 | T. 305 644 1023 ext. 1045