



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JULY 23, 2013 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
Don Barnes, Vice-President
Gene Wagner, Secretary

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

PLEDGE OF ALLEGIANCE

Larry Peterson led the Pledge of Allegiance.

PUBLIC COMMENTS

Mark Blotz, 5727 W. Victoria, Kennewick. Mr. Blotz, General Manager of Clover Island Inn, reported that 1,200 people attended the Sawyer Brown concert. The newly expanded Willows parking lot was utilized. Sawyer Brown posted "Kennewick, Washington, Ya'll made every travel mile worth it. If anyone is looking for a great place to visit, check out Clover Island." on their Facebook page. Mr. Blotz thanked the Port for their support.

Cameron Shoemaker, 33004 S. Gerards Road, Kennewick. Mr. Shoemaker is a tenant at the Clover Island Marina. He inquired what the Port's issue is exactly with having an ice machine on the dock near his slip. Mr. Novakovich stated the Public Comments session is to receive public comments; the Commission does not encourage back and forth conversation with the public during this time. Mr. Novakovich suggested Mr. Shoemaker make an appointment with Mr. Arntzen as staff handles the day-to-day operations, whereas the Commissioners set policy.

No further comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

A. *Approval of Direct Deposit and Warrants Dated July 15, 2013*

Direct Deposit totaling \$23,356.44 and Expense Fund Voucher Numbers 34552 through 34555 totaling \$4,028.35; for a grand total of \$27,384.79.

B. *Approval of Warrant Registers Dated July 24, 2013*



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JULY 23, 2013 MINUTES

Expense Fund Voucher Numbers 34556 through 34619, totaling \$149,808.60.

Construction Fund Voucher Number 3442 through 3445 totaling \$42,919.53.

C. Approval of Commission Meeting Minutes Dated March 26, 2013

D. Approval of Special Commission Meeting Minutes Dated April 17, 2013

E. Approval of Commission Meeting Minutes Dated July 9, 2013

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

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Clover Island

Mr. Peterson commented the island has been very busy recently: weddings in the lighthouse plaza, photography sessions, and families using bike paths. Mr. Arntzen feels the public has adopted the island as their own and they are taking care of the island. Mr. Arntzen has heard from a number of people that the island is very busy, and he is impressed with how well things are going on the island. Businesses are making investments to advertise the island and sprucing up their businesses. The businesses are doing well and Ice Harbor has expanded their hours to serve breakfast during the weekend and Clover Island Inn is offering tandem bicycles for customers' use. As nice as the island is, he would like to project out three to five years and is hopeful to see the same type of activity on Columbia Drive.

B. Commissioner Meetings (formal and informal meetings with groups or individuals)

Commissioners reported on their respective committee meetings. Mr. Barnes stated the Tri-Cities Visitor and Convention Bureau Board recently adopted a Tourism Strategic Plan. He feels the Plan aligns with some Port goals and objectives. He suggests the Commission approve a resolution adopting and supporting the Plan. Mr. Novakovich would like the Commission and staff to review the Plan before a resolution is prepared.

C. Non-Scheduled Items

1. The final walk thru to generate a punch list for Oak Street Development Building #2 is scheduled for July 31, 2013. The Port has already received interest in the new space. Development Building #1 is expected to be complete early to mid-September. The buildings are approximately 17,000 square feet each and have three office spaces. After nearly 30 years, the buildings are needed to be improved and are now ADA compliant. The buildings will provide the space for a business to grow to the next step and graduate out of Port space. Mr. Novakovich commended Mr. Peterson and staff for an excellent job. The buildings will be attractive and professional and will be a benefit to tenants moving in.
2. Ms. Hanchette stated the new security software upgrade for the Port of Kennewick office and Clover Island Marina was scheduled for July 22, 2013. Staff mailed two notices to the tenants requesting their assistance in providing their card identification numbers, as Port staff must individually reactivate each card. About half of the tenants met the deadline, so it was extended to Monday, July 29, 2013.
3. Clover Island Marina. Mr. Arntzen stated a large number of people in the marina shared their appreciation of the Port enforcing the rules. Staff is looking for ways to improve the marina. It is very successful, has a low vacancy rate and generates a positive cash flow.
4. The Commission discussed possible projects for the 2014 Work Plan. Some projects may



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JULY 23, 2013 MINUTES

include: demolishing old Port building near the lighthouse; the wine village on Columbia Drive; the Village at Island Harbor, a bioreactor for wine related effluent in West Richland, and a joint meeting with West Richland.

Mr. Barnes stated the Port needs to find a tenant for the second floor at the Clover Island Yacht Club and feels the public is looking for more visible progress on Columbia Drive.

Mr. Novakovich feels the Port should attend International Economic Development Council (IEDC) conventions, as they offer much beneficial training. Ms. Fine will investigate the membership fee.

The Port of Kennewick's 100th anniversary will be in 2015. Planning for the event should begin in 2014. This may also be a good time for the Port to re-brand.

Vista Field will also need to be addressed without excluding other projects. Mr. Barnes would like to continue advancing the project, but we need to make sure it is done properly and with public support. The Commission is in consensus to hire a firm to help with planning and advancing the Vista Field property.

A Community Advisory Committee (CAC) could be formed to assist in advancing the Vista Field project. Mr. Arntzen believes the Port is contractually responsible for the repayment of \$240,000 of grant funds to WSDOT, Aviation. In addition, an appraisal is necessary for Mike Shannon's hangar.

Red Mountain and/or Red Mountain Interchange.

Asset Replacement Program. Port properties, such as the Ag Engineering building and Vista Field Development Building #2 are aging. The Port should maintain what we have that is revenue generating and incubator space.

Mr. Barnes would like to see the Port continue to pursue selling properties commensurate with the Comp Scheme.

Plymouth. Mr. Peterson stated the CTUIR had expressed interest in having the Corps of Engineers the Port's island property at Plymouth. One third of that island is already owned by the Corps.

Mr. Arntzen suggested the Port identify opportunities within the City of Richland. Staff has been working with the City of Richland on possible land purchases.

5. Ms. Bader Inglima stated the Commission requested she speak with the Corps of Engineers to determine if they are interested in partnering with the Port on shoreline renovations. We have heard that they have received some funding from the federal government to pursue a possible 1135 project for Clover Island. Ms. Bader Inglima will work with them to develop a scope of work and investigate if the Port wants to pursue the 1135 program. An environmental assessment is a first requirement; we will not know what the cost will be until the scope is developed. The Corps will perform an initial environmental assessment and if investing Corps funds will significantly



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JULY 23, 2013 MINUTES

improve the endangered species habitat by making improvements to Clover Island, then implementation is a 75/25 split. The Port would match 25%; and the Port is hoping to get credit for the funds already spent on shoreline improvements.

5. Mr. Arntzen commented one of the items in the Local Revitalization Financing (LRF) Interlocal Cooperative Agreement relates to Southridge revitalization area. The document states the City will work with the Port to fund public infrastructure and public amenities on Clover Island and the Columbia Drive Cable to Causeway areas as appropriate over the next seven years. The Agreement was signed July 28, 2009 by Bob Hammond and Mr. Arntzen along with the elected bodies of each entity. The Agreement could be helpful with the planning Columbia Drive and Clover Island areas.

PUBLIC COMMENTS

Leo Bowman, 230 Silverwood Court, Richland. Mr. Bowman stated he was the lead Commissioner for Benton County on the SR397 intertie road and Piert Road project. The Port of Kennewick was very active and supportive of those activities. The main reason that he was supportive of the project was safety and to open up industrial economic development, family wage jobs. He believes it is a great opportunity to create jobs in Finley. He feels the Port's Finley properties should be used for industrial use and factories.

No further public comments were made.

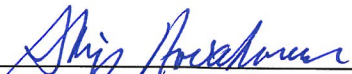
ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:31 p.m.


APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS


Skip Novakovich, President


Don Barnes, Vice President


Gene Wagner, Secretary