



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

AUGUST 26, 2014 MINUTES

CALL TO ORDER

Commission President Don Barnes 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: Don Barnes, President
Skip Novakovich, Vice-President
Thomas Moak, 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
Lisa Schumacher, Special Projects Coordinator
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Mr. Barnes led the Pledge of Allegiance.

Mr. Barnes asked if there were any changes or additions to the agenda.

MOTION: Commissioner Novakovich moved for approval to add an item to the agenda; consideration of adding the Kennewick Public Hospital District to the Vista Vision Task Force. Motion dies for lack of a second.

Mr. Novakovich asked staff to add the item to the agenda for the September 9th, 2014 Commission meeting.

PUBLIC COMMENT

No comments were made.

COMMISSIONER COMMENTS

No comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

A. Approval of Direct Deposit and Warrants Dated August 19, 2014

Electronic payments totaling \$38,417.25 and Expense Fund Voucher Numbers 36007 and 36008 totaling \$1,368.85; for a grand total of \$39,786.10

B. Approval of Warrant Register Dated August 27, 2014



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Expense Fund Voucher Numbers 36009 through 36065 for a grand total of **\$95,552.50**

C. Approval of Commission Meeting Minutes dated August 12, 2014

Mr. Barnes questioned if the Commission should consider removing the public comment section on the Consent Agenda. He would like the topic addressed during the September 9, 2014 Commission meeting.

Mr. Arntzen believes the Board has discussed this previously and the Commission was willing to consider eliminating the public comment section for the consent agenda items. Mr. Arntzen will prepare a document for the next Commission meeting.

PUBLIC COMMENT

No comments were made.

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

PRESENTATIONS

A. Columbia Drive Utilities Plan

Mr. Peterson addressed the 6.62 acres of port property located on Columbia Drive and indicated the port has had several meetings with Benton PUD and the city of Kennewick to discuss the utilities. Currently, utilities are located in the street or are overhead on a series of large, overhead poles. The port is working with the city's contracted design engineer to underground all local power, telephone, and charter communication lines that run through the area. Remaining, will be three 115 KVA wires that cross the Columbia River and connect to the Franklin County railroad substation. The port and Benton PUD have looked at the cost to remove the overhead power lines, which is estimated at \$1,000,000 per mile for the construction plus the additional cost for any easements the port may have to acquire. The port would incur a 100% of the cost to move the 115 KVA wires, as the PUD sees them as functioning lines that do not need repair or replacement. Mr. Peterson also stated the PUD does not have any 115 KVA lines underground, nor does it have the equipment required to bury the line. Mr. Peterson stated the PUD is receptive to moving the other lines, but indicated it would not move the 115 KVA line. The 115 KVA lines will blend in with the tree line and not be as noticeable as the other lines that will be moved.

Mr. Peterson stated the city will be installing the sidewalk and landscaping thirty-six feet from the curb and the port will be installing the water and sewer stubs forty feet back, so not to interfere with the landscaping and sidewalk. The system is being designed to be flexible, for future development. Mr. Peterson stated, rather than run sewer through the entire site, we will run short stubs that feed into the new interior buildings and to the North, under the street. The 421 site buildings will be served from street, which gives us the ability to install very short sewer runs. Although port ownership stops at Columbia fitness, we will add sewer lines, so if neighboring properties decide they would like to be a part of the wine village, the lines will be available. The city and port are planning for success and future expansion in this utility plan.

Mr. Moak inquired if the port would bear the cost for undergrounding the power lines and the



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installation of the sewer lines.

Mr. Peterson stated the PUD, the city and the port will be working together to identify what needs to be done and each entity will bear some of the cost regarding the power lines. Mr. Peterson further stated the city is building the facility and extending the main sewer line. The port will be extending off the main sewer line and will stub to the port properties. The port will bear the cost for the excavation of the property to add an adequate slope for the wine effluent line into the property, which is approximately 150 feet of new pipe and the cost of additional manholes.

Mr. Arntzen asked for a consensus from the Commission that staff is headed in the right direction regarding the utilities. He believes the utility plan Mr. Peterson has presented is reasonable, for what the port is trying to accomplish. Mr. Arntzen believes the plan with the PUD, to underground the non-essential lines, telephone, and charter is a prudent move and would like to keep project moving, and respond back to the PUD, the city, and engineers. Mr. Arntzen requests the authority to continue further with the presented utility plan.

Mr. Barnes asked Mr. Arntzen if there was a consensus from the Commission, would the next step be a formal resolution.

Mr. Arntzen does not believe there would need to be a formal resolution, as this is a utility matter. The Commission had previously directed staff to look at the potential of moving the 115 KVA line and today was the culmination of our research. Mr. Arntzen asked if this is the correct path the Commission would like to take.

Mr. Barnes inquired if the port decides to sell parcels in future, is there potential for stand-alone utilities.

Mr. Peterson indicated the utility and street plat will be done in a way that maintenance costs will be shared by all properties. For example, Clover Island Drive is a private street, but the city owns the utilities underneath, but it serves multiple buildings. Our goal is to set up Columbia Gardens in the same manner. This would give the Commission the flexibility to either lease or sell properties.

Mr. Moak understands undergrounding the 115 KVA lines is too costly. Mr. Moak appreciates the work of port staff, Ms. Mosely and Mr. Bartram and given circumstances lined out today, this is the best route for taxpayers. Mr. Moak agrees with direction presented.

Mr. Novakovich stated staff has done an excellent job and this is an outstanding example of working with our jurisdictional partners to get the job done. Mr. Novakovich consents to move forward with the plan presented.

Mr. Barnes agrees as well and indicated there is a consensus of the Board and staff should proceed.

Mr. Arntzen thanked the Commission and will discuss with the PUD the potential of cost sharing. Mr. Arntzen is very happy to be able to partner with the PUD and it would be gracious to accept their offer. Mr. Arntzen believes our partnership sets precedence and there could be future



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collaboration for phase two of Columbia Drive or Vista Field.

B. *GBW Railcar Services*

Ms. Luke asked Mr. Peterson to provide a brief description to the Commission regarding the location of Gunderson rail.

Mr. Peterson indicated that Gunderson Rail currently employs between 80 and 90 people, and is located in the Finley (Twin Tracks) area on an eighty acre parcel. Gunderson railcar has been located on our property since 1994. The port received a \$500,000 CERB Grant to create the connection between the Burlington Northern and the Union Pacific main lines. This is a unique piece of property that services both railroads. Gunderson has been a good tenant to the port over the past twenty years and is a good employer and manufacturer for the region.

Ms. Luke thanked Mr. Peterson for his brief history of Gunderson. Ms. Luke further stated, the port was contacted by Gunderson Rail's council, with regards to their reorganization merger. Gunderson would be assigning its rights and responsibilities, under its port lease, to GBW Railcar Services, LLC. The lease is just one piece of the overall reorganization that Gunderson was engaging in that is being placed under GBW Railcar Services. The Gunderson Council has requested the port provide assignment documents and estoppel certificates for purposes of assigning the lease and responsibilities to GBW and also asked that the estoppel verify that Gunderson was in compliance at the time of the transaction. Ms. Luke is requesting a Commission consensus for Mr. Arntzen to sign the documents and move the transaction forward.

Ms. Luke indicated that GBW has prepared drafts which she has revised to be applicable to the port. The documents are ready to be executed, if the Commission is in consensus.

Mr. Novakovich believes we should we move forward.

Ms. Luke stated there have not been any changes to the terms of the lease.

Mr. Barnes confirmed it is Ms. Luke's recommendation to proceed. Gunderson is a good tenant who creates jobs and Mr. Barnes believes the port should move forward and accommodate Gunderson. Mr. Barnes asked if there needed to be a formal resolution or if this lies within Mr. Arntzen's delegations of duties.

Ms. Luke recommends the documents should be signed for finalization and this would fall under Mr. Arntzen duties. Ms. Luke requests Mr. Arntzen be authorized to sign on behalf of the Commission.

Mr. Moak inquired if the Gunderson name remain or will they be known as GBW Railcar LLC, doing business as (DBA) Gunderson Rail.

Ms. Luke indicated it was not listed on any of the documents provided, however, a DBA is possible. Ms. Luke will confirm with Gunderson Rail Council.

It is the Consensus of Board to allow Mr. Arntzen to sign on behalf of the Board.



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REPORTS COMMENTS AND DISCUSSION ITEMS

A. *Leasehold Matters / Incubator Policy*

Mr. Arntzen reported that the leasehold matter/incubator policy is on his current list of goals and objectives to undertake and the topic was discussed at the previous board meeting regarding the Ag Engineering building. At this time, the port does not have a formal incubator policy, buildings or tenancy policy.

Mr. Arntzen stated a business incubator is usually a facility run by a municipality and is typically a new business or start-up, which has limited opportunities within the private sector. Many of these small businesses will seek out an incubator facility, where rent is low at the beginning and will gradually increase over time. It is typical of an incubator policy to have a non-negotiable term limit, for example, the Port of Walla Walla has a six year term limit for their wineries.

Mr. Arntzen further stated the port has been able to lease to businesses, who either succeed and maintain their space, or move to a bigger facility or go out of business. Ag Engineering has been a great example, who has been in business with the port since 1985. Another example is Esteem Technologies, who has been leasing from the port for twenty-four years, and just recently, Ms. Hanchette received a letter to exercise another three year term lease. Esteem Technologies employees 17 people and builds commercial modems that are exported around the world. Through Esteem Technologies, the port is able to help our community bring in foreign dollars, however, if the port had an incubator policy in place, these tenants would have been released long ago. Mr. Arntzen questioned whether these successful businesses would have remained in business, shut down, or moved out of the region.

Mr. Arntzen stated, a typical, cookie cutter incubation policy may not work for port, however, he has drafted an alternative policy for the Commission to consider, which sets up basic parameters for good tenants. Once the parameters have been met, the small business would have the ability to negotiate a desired lease with staff. The Commission would have the ability to approve any lease that is over the five years, however, the small business would also have the ability to request three extensions of three years each. Once the seven year lease limit had been reached, the business would need to come before the Commission, then the Board would review the parameters and allow the lease extension.

Mr. Arntzen reported there are three ways to look at the discussion today:

1. Apply the policy for new tenants only
2. Designate a certain property as an incubator, such as the Wine Village
3. Or, conduct business as usual

Mr. Arntzen reported this was part of his goals for 2014 and there has been discussion from time to time, but the port has not established a firm policy. By not having a firm policy, the port has been able to maintain some flexibility with their tenants, however, some question why the port does not have an incubation policy.



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Mr. Novakovich explained he is against an incubation policy, as the port does not have any incubator buildings; however, he did like the tenancy policy and going forward, believes we could identify certain properties as an incubation space and implement a policy once a tenant moves out.

Mr. Moak stated an incubation policy is very formal, expensive process that takes a lot of hand holding, and the question is, should that be the role of the port. Mr. Moak believes one policy does not cover everybody, you need the right tenants, who may have different needs. There are a variety of reasons why the port would have different tenancy policies and some may need a longer term. Mr. Moak wondered whether the Commission should justify a twenty-four year tenant at Vista Field, or should the port be divesting ourselves of property to support top priority projects. Mr. Moak believes the draft policy needs more discussion and direction.

Mr. Barnes does not believe the port should enact a policy and apply it across the board and tie the hands of future Commissioners. Mr. Barnes is not in favor of a broad range incubation policy that would be applied retro-active, across the board, nor apply term limits across the board. Mr. Barnes stated he is in favor of a policy that allows for flexibility and discretion at the Commission level or no change at all in how the port conducts business.

Mr. Novakovich stated, as the port moves forward with new developments, he would be in favor of a true incubator facility, with an established tenancy policy. He believes this is a good start, but a lot of questions and details still remain.

Mr. Moak inquired why the Commission assigned this goal to Mr. Arntzen.

Mr. Novakovich is not 100% sure, but believes it came from the public inquiring as to why the port does not have a policy.

Mr. Arntzen recalls the incubator question came up once from a member and believes only a few people have ever inquired about an incubator policy. Mr. Arntzen does not believe there is an outcry to solve this policy, however, based on today's comments, Mr. Arntzen believes this is an important topic and would like additional feedback from the individual Commissioners and staff. Mr. Arntzen indicated the Commission may want to consider applying an incubator policy to the three small wineries, as a pilot program.

Mr. Novakovich inquired if Mr. Arntzen was referring to the tenancy or incubator policy.

Mr. Arntzen suggested the Board apply a formal incubator policy, but only for the three small wineries with the potential to expand at a later date.

Mr. Moak stated the term incubator implies the lease being terminated.

Mr. Novakovich likes the tenancy term versus incubator.

Mr. Arntzen reiterated that the Commission would like to see the three small wineries be considered as a test case and the word incubator be replaced with tenancy. Mr. Arntzen



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appreciates the Board comments and would like to bring back a revised draft for additional discussion at the next board meeting.

B. Washington D.C. / IEDC Baltimore

Ms. Bader Inglima stated the Board had previously directed staff travel to Washington D.C. to work with our government relations firm and visit with the U.S. Corps of Engineers to continue elevating the Clover Island Shoreline as a priority project. The Commission has been able to move the 1135 project forward, with Resolution 2014-19, without having to go to Washington D.C. Ms. Bader Inglima believes it would more useful to go in the spring to meet with our contacts and educate them on the progress of the scoping and feasibility stage. Then, the port would be able to queue up for the implementation and construction funds to complete the shoreline. Ms. Bader Inglima and Mr. Arntzen believe it would better serve the port to postpone the Washington D.C. trip until next spring.

Mr. Arntzen stated he has been in contact with the Aqualini representative and has been invited to visit Vancouver B.C. in October, to discuss Red Mountain and the West Richland Racetrack property. Mr. Arntzen believes that all international travel needs to be approved by Commission and asked the Board to approve his travel and to formally exchange the Washington D.C. trip for Vancouver B.C. on his 2014 goals and objectives.

Ms. Bader Inglima stated this was an opportunity we did not expect and it is important that Mr. Arntzen develops a relationship with the Aquilini group.

Mr. Novakovich believes it makes sense and explained Ms. Bader Inglima's point is well taken regarding the 1135 project and the U.S. Corps of Engineers. Mr. Novakovich is in favor of substituting Mr. Arntzen's Washington D.C. trip for Vancouver B.C. as a goal and approves Mr. Arntzen's request to travel.

Mr. Moak stated it makes more sense to travel in the spring because we will have a new congressman and staff in place that port staff will need to acquaint themselves with. The Aqualini group is very important to us and agrees to substitute the Washington D.C. trip for Vancouver B.C. on Mr. Arntzen's goals and objectives.

Mr. Barnes stated it makes sense to exchange the trips and this is a tremendous opportunity to reach out to the Aqualini's and advance the cause for Red Mountain. It is the consensus of the Commission for Mr. Arntzen to postpone his Washington D.C. trip until next spring and travel to Vancouver B.C. The Commission also agrees to substitute Mr. Arntzen's Washington D.C. trip for Vancouver B.C. on his goals and objectives.

C. Legislative Update

Ms. Bader Inglima reported our government relations firm initially helped us remove the deed restrictions on the corner parcel of property on Clover Island and has since been working on the U.S. Army Corps of Engineers 1135 shoreline request for the Clover Island restoration project. Ms. Bader Inglima stated that our project was prioritized by both Walla Walla and the federal level and our DC's Firms efforts were critical in getting that process moving through the Corps and



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getting our projects prioritized over others that were in the queue. It is important to have continued visibility on the 1135 project and educate the newly elected Congressional Delegation. Ms. Bader Inglima stated the DC firm has been tasked with actively supporting the I-82 Red Mountain Interchange on state and federal level, which will benefit the Port's former raceway property and future development in support of the wine industry. Our D.C. firm continues to keep port staff updated on feedback they get from the Congressional delegation and others. Staff should see another update on the interchange within the next few weeks. Ms. Bader Inglima further stated that any time a Senators travel through the area, staff tries to connect and attend functions, and recently, she met with Senator Murray's Central Washington Director to update her on port projects including Clover Island, Columbia Drive, Vista Field and West Richland. Mr. Bucheger, from our D.C. firm, was in town last week and met with myself and Mr. Arntzen to discuss their work and the port's continued emphasis on both Clover Island and the Red Mountain Interchange.

Mr. Arntzen added, the meeting with Mr. Bucheger was a good opportunity to emphasize that the Red Mountain Interchange needs to remain a priority, in relation to our work plan, the Aquilini property, and the racetrack property.

Mr. Novakovich inquired what D.C.'s impression on the Red Mountain Interchange was.

Ms. Bader Inglima stated that Congresswoman Cantwell and Congressman Hastings are well aware of Red Mountain and continue to keep the project elevated and they continue working at the state level.

Mr. Novakovich explained that the Red Mountain Interchange is the number two project at the state level and believes the Congressional staff is in agreement that the project is important.

Ms. Bader Inglima stated that Benton County, city of West Richland and the state are emphasizing the interchange project and the port is conveying, as a jurisdictional partner, that we find value in the project:

- Open up 92 acres for development
- Support the wine industry
- Create expansion in tourism
- Create jobs and economic development

Mr. Moak inquired if there were water issues related to Red Mountain.

Mr. Peterson indicated that the Kennewick Irrigation District has a pumping station off the Yakima River under construction. This is a \$10,000,000 improvement which will bring water to Red Mountain late next summer.

D. Benton Franklin Council of Governments Comprehensive Economic Development Strategy Grant (CEDS); Resolution 2014-23

Ms. Bader Inglima reported the Benton Franklin Economic Development District of the Council of Governments is in the process of preparing the Annual Report of Comprehensive Economic Development Strategy (CEDS) for 2014. CEDS is a process that the Council of Governments



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uses to help it prioritize projects that are interested in seeking funding from the U.S. Economic Development Administration (EDA) and other sources. Having a project rank high on the CEDS listing demonstrates community need and demonstrates to potential funding sources that there is regional support for the project. Last year the Commission authorized staff to submit a Wine Village Development Building project for the port's Columbia Drive neighborhood as our priority project. Even though our project ranked very high on the CEDS prioritization listing, there wasn't any EDA funding available.

Ms. Bader Inglima would like to update the application and resubmit the Wine Village Development Building for CEDS again this year. Ms. Bader Inglima brought forth Resolution 2014-23 to the Commission to ensure that this is still something the Board is still interested in pursuing and the annual report requires an approved resolution authorizing staff to submit a project for the CEDS process.

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Novakovich approval of Resolution 2014-23, authorizing staff to submit a wine village development building profile to be included in the Annual Report of the Comprehensive Economic Development Strategy (CEDS) for 2014; which commits a Port match of approximately \$1,016,483 to construct such building should a source of grant funding be secured; and does further authorize port staff to pursue federal/state funding sources as available for this project; Commissioner Moak seconded.*

Discussion:

Mr. Novakovich stated he attended a pre-CEDS meeting and the Economic Development Association's priorities are: supporting small businesses, creating jobs and creating employment. Mr. Novakovich recommends a formal presentation since there have been significant changes since 2013.

Mr. Barnes stated there are significant changes and the port will have a stronger presentation this year because we are further along than we were last year. Mr. Barnes supports the Resolution.

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

E. Vista Vision Task Force Update

Mr. Peterson reported that the first Vista Vision Task Force (V.V.T.F.) meeting was held on August 18, 2014. The first meeting included fourteen members in attendance, two alternates, and approximately nine citizens in the audience, who participated. Mr. Peterson indicated the first meeting was to educate the group on the background and history of Vista Field, the Environmental Impact Study (EIS), and the concept of urban development. Mr. Mehaffy presented the following information to the task force:

- The research projects the port has traveled to
- The lessons learned from those destinations
- The details of place making



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- What makes a successful development that thrives
- Downfalls of development

Mr. Peterson reported the port also sent out 198 to anyone who expressed interest in Vista Field, and received 86 responses from people that would like to be kept on the mailing list. There will be substantial outreach regarding Vista Field topics, such as significant Port Commission meetings, Vista Vision Task Force meeting times, and charrette information. Staff will also post the V. V. T. F. minutes on the website, once approved, so citizens that are unable to make it to a meeting are well informed.

Following the V. V. T. F. meeting, DPZ Partner, Senen Antonio arrived in Kennewick. Mr. Arntzen, Mr. Peterson, along with Michael Mehaffy, Lawrence Kumar and Mr. Antonio, had a series of meetings with various elected officials, development partners and the media. We were able to visit the Reach Museum, which provided a great snapshot of community and showed the diversity of area. Mr. Peterson stated the group also met with Keith Pilgrim, owner of Terra Blanca winery. Mr. Pilgrim stated the Vista Field redevelopment matters to his location and would like to see a five star hotel that would benefit their winery, guests and tourists. During our series of meetings, we heard that Vista Field is an opportunity to create a city center that has many interesting elements that come together.

Mr. Arntzen explained he wanted the DPZ team to visit the Tri-Cities in August, to see what the region has to offer. Staff created an unstructured and informal itinerary, and by design, Mr. Arntzen believes it gave the DPZ team a very different view of the Tri-Cities. Mr. Arntzen was also able to get the DPZ team out on the water, which offered them a view of the community layout and our best asset, the Columbia River.

Mr. Moak inquired if Keith Pilgrim is on the Vista Vision contact list. Mr. Moak stated, there are a lot of people in the community who are not directly connected to Vista Field, but are interested in what is happening in our community that should be on the list. Mr. Moak would like staff to send the email correspondence to key leaders in the Tri-Cities and other local communities that may show interest in the Vista Field Development. Mr. Moak inquired if the V. V. T. F. minutes were posted on the website.

Mr. Peterson confirmed that Mr. Pilgrim is not on the email list, but will add him. Mr. Peterson stated the minutes, which will be action minutes, will be posted on the website once they are approved at the next meeting on September 15, 2014.

Ms. Bader Inglima reported that the any information related to Vista Field or the V. V. T. F. will be available on the Port of Kennewick website.

Mr. Barnes thanked staff for the update on the V. V. T. F. and reiterated that the task force will assist in processing the information and serve as a sounding board, but at the same time, Mr. Barnes expressed that any citizen in our region is welcome to provide input. The citizen input is extremely valuable, crucial and important to the redevelopment of Vista Field and the port.



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

Commissioners reported on their respective committee meetings.

G. Non-Scheduled Items

Mr. Barnes has received input on several occasions from the community, voicing their concern regarding the Columbia Gardens name. He would like staff to add to the item to the September 9, 2014 agenda to discuss the possibility of renaming the development.

Mr. Novakovich reported that in 2011, staff created a policy for Port Commissioners and suggested the Board read the policy, as there is a lot of insightful information available.

Ms. Scott stated a Joint Meeting with the City of Kennewick will be held tonight at 5:30 p. m.

Ms. Bader Inglima shared the www.youtube.com video of Clover Island, created by Kevin Salisbury. This is a recognition of the investment the Board has made on the Island and it is something the Board can be proud of. Ms. Bader Inglima reported that earlier this week, there were two artists painting on marina, and it is refreshing that people are finding the Island as an inspiration for their art. She believes it bodes well for the continued investment and improvements on the Island.

Mr. Arntzen stated the city of Richland would like to reschedule the joint meeting on September 2, 2014 to a later date in September or October. Mr. Arntzen further stated, he would like to gather Commissioner comments regarding the Port of Kennewick Budget Financial Philosophies, and will synthesize the comments, and bring back a draft document on September 9, 2014. Mr. Arntzen has also received comments related to the 2015-2016 work plan and will capture those comments and create a draft document, which he will turn over to Mr. Peterson. Staff would like to run the work plan parallel with the two year budget.

Mr. Arntzen briefly met with marina tenant last night and the port has received a passing grade. Tenants are pleased with the family, friendly atmosphere, the clean-up efforts and the addition of bumpers on the fuel dock. Mr. Arntzen indicated there have been requests for Wi-Fi in the marina, and asked the Board to consider, as it would be an easy addition, since we are adding to the port office.

PUBLIC COMMENT

Steve Mallory, 5822 West Yellowstone Avenue, Kennewick. Mr. Mallory, on behalf of the Alliance for a Livable and Sustainable Community (ALSC), thanked the Commission for the contribution of \$1000 for the ALSC Forum: "Tri-Cities 20/20: Looking Beyond Tomorrow." Mr. Mallory stated he understands the discussion of undergrounding utilities is coming to a close, however, he may have an optional plan to the undergrounding. Mr. Mallory stated the 115 KV line towers, which are located on each side of river and Clover Island are aged and many communities and islands are submarining their cables. By submerging the cables under water, it would remove the 115 KV lines from the entire Columbia Gardens development, open up the Franklin County tower property, open up the end of Clover Island and cable greens property, and remove the two big, hollow, steel towers. Franklin PUD would be able to join the discussion and by submarining the lines, there aren't cooling issues and it would circumvent the entire development, and it



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would be a significant win for multiple agencies.

No additional comments were made.

COMMISSIONER COMMENTS

Mr. Moak asked Mr. Arntzen to meet with Mr. Mallory to discuss the optional utility plan.

Mr. Barnes anticipates the Executive Session will last approximately 30 minutes, for personnel, per RCW 42.30.110(1)(g) with no action anticipated. Mr. Barnes asked the public to notify Port staff if they will return after the executive session.

Mr. Barnes recessed the Regular Commission Meeting at 4:11 p.m. for approximately five minutes.

EXECUTIVE SESSION

A. Personnel per RCW 42.30.110(1)(g)

Mr. Barnes convened the meeting into Executive Session at 4:21 p.m. for approximately 30 minutes.

Mr. Barnes adjourned the Executive Session at 4:51 p.m.

Mr. Barnes reconvened the meeting into General Session at 4:51 p.m.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 4:51 p.m.

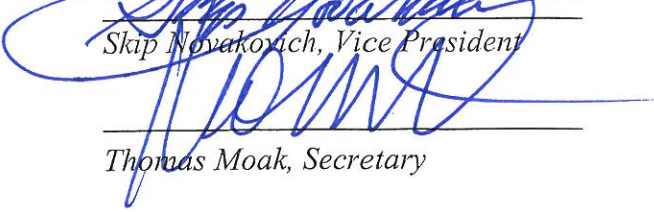
APPROVED:

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BOARD of COMMISSIONERS


Don Barnes, President


Skip Novakovich, Vice President


Thomas Moak, Secretary

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RESOLUTION No. 2014-23

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING APPLICATION FOR A PROJECT TO BE LISTED IN THE ANNUAL REPORT OF THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) FOR 2014, AND TO SEEK FUNDING FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) AND/OR OTHER FEDERAL OR STATE SOURCES.

WHEREAS, the Benton Franklin Economic Development District is in the process of preparing the Annual Report of Comprehensive Economic Development Strategy (CEDS) for 2014; which includes a section describing and prioritizing local and regional projects seeking funding from the U.S. Economic Development Administration (EDA); and

WHEREAS, CEDS priority projects may also be considered for funding from other federal or state sources and the EDA and U.S. Department of Agriculture (USDA) require a review of project proposals for their agency; and

WHEREAS, the Port's Work Plan already calls for the port to: focus on waterfront development/redevelopment; provide additional development building space throughout the port district; realize and support economic development opportunities with the wine and tourism industry; begin A&E work on the Wine Village; and leverage partnerships and grant opportunities; and

WHEREAS, the Annual Report of the Comprehensive Economic Development Strategy for 2014 is a critical step in prioritizing projects for potential future funding; and


WHEREAS, submission of grant applications requires Commission approval by resolution and the CEDS process requires a formal document indicating commitment of the matching funds;

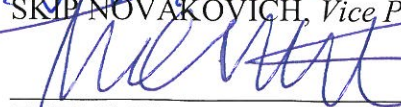
NOW, THEREFORE; BE IT RESOLVED that the Port of Kennewick Board of Commissioners does hereby approve Resolution 2014-23, authorizing staff to submit a wine village development building profile to be included in the Annual Report of the Comprehensive Economic Development Strategy (CEDS) for 2014; which commits a Port match of approximately \$1,016,483 to construct such building should a source of grant funding be secured; and does further authorize port staff to pursue federal/state funding sources as available for this project.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 26th day of August, 2014.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By: 
DON BARNES, *President*

By: 
SKIP NOVAKOVICH, *Vice President*

By: 
THOMAS MOAK, *Secretary*