

AGENDA

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

Tuesday, September 27, 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 September 16, 2016
 - B. Approval of Warrant Registers Dated September 27, 2016
- VI. NEW BUSINESS**
 - A. Bid Award: Columbia Gardens Wine Village Phase #1; Resolution 2016-22 (**LARRY**)
- VII. OLD BUSINESS**
 - A. Amend Resolution 2016-20 Guidelines for Vista Field Development Proposals, Resolution 2016-23 (**TIM**)
- VIII. REPORTS, COMMENTS AND DISCUSSION ITEMS**
 - A. Vista Field Update (**LARRY**)
 - B. Landscaping and Vegetation Management (**AMBER**)
 - C. Columbia Drive Update (**LARRY**)
 - D. 2017-2018 Budget & Work Plan Schedule (**NICK**)
 - E. Commissioner Meetings (formal and informal meetings with groups or individuals)
 - F. Non-Scheduled Items
- IX. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- X. ADJOURNMENT**

Action may be taken on any item on the Agenda.

PLEASE SILENCE CELL PHONES



AGENDA REPORT

TO: Port Commission

FROM: Larry Peterson, Director of Planning & Development

MEETING DATE: September 27, 2016

AGENDA ITEM: Resolution No. 2016-22; Construction Contract with Banlin Construction LLC

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- I. REFERENCE(S):** Resolution 2016-22; Bid Tabulation; Architect's Recommendation Letter
- II. FISCAL IMPACT:** \$3,343,671.00, plus applicable tax
- III. DISCUSSION:** The Port's commitment to the revitalization of Columbia Drive was officially established by the 2013 Port & City Interlocal Agreement and reaffirmed by the 2015 Interlocal Agreement. Following bid opening of the Columbia Gardens Wine Village Phase #1 project in February 2016, the Port Commission rejected all bids due to exceeding available funds; directed the project be segmented into two projects with site utility improvement occurring in advance of rebidding the building improvements. The site work was bid and awarded in spring 2016 and that work has just been completed by Big D's Construction of the Tri-Cities.

Terence L. Thornhill Architecture and Strategic Construction Management assisted the Port with revising the building design to reduce costs and resubmitted the plans for bids to the construction community. Invitations to bid were published in the Tri-City Herald and Seattle Daily Journal of Commerce and plans and specifications were made available to all contractors who requested such plans and specifications. The bid submittal deadline was 2:00pm September 22, 2016. Ten (10) bids were received with Banlin Construction LLC's bid of \$3,434,671.00, plus applicable sales tax, being deemed as the lowest responsive bid.

Review and acceptance of this bid by the Commission is required prior to proceeding with this project. The motion included in this report and the attached resolution would effectively authorize this project.

V. ACTION REQUESTED OF COMMISSION:

Motion: I move approval of Resolution 2016-22, authorizing the Port's Executive Director to execute the contract with Banlin Construction LLC for the construction of three (3) buildings at the Columbia Gardens Wine Village Phase #1 site on Columbia Drive for the sum of \$3,434,671.00, plus applicable tax.

PORT OF KENNEWICK

Resolution No. 2016-22

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF
KENNEWICK ACCEPTING AND AWARDING A BUILDING CONSTRUCTION
CONTRACT FOR THE COLUMBIA GARDENS WINE VILLAGE PHASE #1 PROJECT
ON COLUMBIA DRIVE TO BANLIN CONSTRUCTION LLC***

WHEREAS, a request for bids for the construction of three winery buildings and site improvements at the Columbia Gardens Wine Village Phase #1 site on Columbia Drive was properly advertised with the approved plans and specifications being made available to prospective bidders; and

WHEREAS, construction bids have been received and staff and the project architect have certified that the bids received are in compliance with the plans and specifications; and

WHEREAS, the staff and the project architect have certified that the low bidder for the project is Banlin Construction LLC in the amount of \$3,434,671.00, plus applicable tax, and that such bid is in compliance with the plans and specifications; and

NOW THEREFORE, BE IT RESOLVED that the Port of Kennewick Commission does hereby accept the bid of Banlin Construction for the construction of the Columbia Gardens Wine Village Phase #1 buildings as the low bidder in the amount of \$3,434,671.00, plus applicable tax, and hereby awards the construction contract to said low bidder.

BE IT HEREBY FURTHER RESOLVED that the Chief Executive Officer is authorized to enter into a contract between the Port of Kennewick and Banlin Construction LLC for the Columbia Gardens Wine Village Phase #1 buildings on Columbia Drive, and that the Chief Executive Officer is further authorized to proceed with all necessary procedures required to complete construction of the project.

BE IT HEREBY FURTHER RESOLVED, that the Chief Executive Officer is authorized to amend the 2015-2016 capital budget to reflect the actual bid cost of the project.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 27th day of September, 2016.

***PORT of KENNEWICK
BOARD of COMMISSIONERS***

By: _____
SKIP NOVAKOVICH, President

By: _____
THOMAS MOAK, Vice President

By: _____
DON BARNES, Secretary



September 23, 2016

PORT OF KENNEWICK – COLUMBIA GARDENS WINE VILLAGE

Architects evaluation of bid results.

Re: public bid September 22, 2016 – 2:00pm

This is to certify that Terence L. Thornhill, Architect – Architect of record for the aforementioned project, was in attendance at the bid opening on September 22, 2016 at the Port of Kennewick Conference Room and witnessed the opening of all bids. In total, 10 bids were submitted, opened in order of submittal, and read publicly after the 2:00 pm submittal deadline. After tabulating the bids, the apparent low bidder, Banlin Construction was identified with an overall price of \$3,434,671.

Banlin Construction is a contractor of high integrity and capable experience. It is anticipated that Banlin Construction will perform their required duties sufficiently and in a timely manner.

In consideration of the above, Terence L. Thornhill, Architect recommends the approval and acceptance of the bid from Banlin Construction for the Port of Kennewick, Columbia Gardens project.

Regards,

Terence L. Thornhill AIA
President

Terence L. Thornhill Architect, Inc. P.S.

BID TAB

Port of Kennewick Wine Village - Phase #1

Bid Opening 2:00pm Thursday, September 22, 2016 at 350 Clover Island Drive, Suite 200

Port Commission must approve contract of this scale

Contact: Larry Peterson (509) 586-1188
lpeterson@portofkennewick.org

	BIDDER			BID AMOUNT	Between Bids		Between Low Bid	
					Difference	Percentage	Difference	Percentage
1	Banlin Construction	Kennewick	WA	\$ 3,434,671				
2	Chervenell Construction	Kennewick	WA	\$ 3,515,000	\$ 80,329	2.3%	\$ 80,329	2.3%
3	Booth & Sons Construction Inc.	Kennewick	WA	\$ 3,615,000	\$ 100,000	2.8%	\$ 180,329	5.3%
4	Meridian Construction	Spokane Valley	WA	\$ 3,650,000	\$ 35,000	1.0%	\$ 215,329	6.3%
5	Apollo, Inc.	Kennewick	WA	\$ 3,688,000	\$ 38,000	1.0%	\$ 253,329	7.4%
6	DGR Grant Construction	Richland	WA	\$ 3,758,000	\$ 70,000	1.9%	\$ 323,329	9.4%
7	Bouten Construction	Richland	WA	\$ 3,847,000	\$ 89,000	2.4%	\$ 412,329	12.0%
8	Contractors Northwest	Coeur' dAlene	ID	\$ 3,848,000	\$ 1,000	0.0%	\$ 413,329	12.0%
9	Fowler General Contractors	Kennewick	WA	\$ 3,865,000	\$ 17,000	0.4%	\$ 430,329	12.5%
10	Wright Brothers	Eagle	ID	\$ 4,512,398	\$ 647,398	16.8%	\$ 1,077,727	31.4%

PORT OF KENNEWICK

RESOLUTION 2016-23

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF PORT OF KENNEWICK RESCINDING RESOLUTION 2016-20 AND APPROVING THE AMENDED GUIDELINES FOR VISTA FIELD DEVELOPMENT PROPOSALS

WHEREAS, the Board of Commissioners of the Port of Kennewick hereby approved Resolution 2016-20 on July 26, 2016 approving the policy providing the procedure by which the Port of Kennewick (Port) shall provide public notice of Vista Field development opportunities and the process by which the Port shall receive, evaluate and accept development proposals; and

WHEREAS, the collaborative design process within the Guidelines needs to be amended to define the design team to include the principle or developer, and a licensed architect for the larger projects; and

WHEREAS, the Commission shall continue to evaluate the effectiveness of this policy over time and reserves the right to expand, amend or rescind this policy as appropriate.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Port of Kennewick hereby rescinds Resolution 2016-20.

BE IT FURTHER RESOLVED, that the Board of Commissioners of the Port of Kennewick hereby approves and adopts the amended Guidelines for Vista Field Development Proposals as attached in Exhibit A, and directs the Chief Executive Officer (CEO) to take all action necessary to implement these procedures.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 27th day of September, 2016.

***PORT OF KENNEWICK
BOARD OF COMMISSIONERS***

By:

SKIP NOVAKOVICH, *President*

By:

THOMAS MOAK, *Vice President*

By:

DON BARNES, *Secretary*

PORT OF KENNEWICK
GUIDELINES FOR VISTA FIELD DEVELOPMENT PROPOSALS

These guidelines identify the procedure by which the Port of Kennewick (Port) provides public notice of Vista Field development opportunities and the process by which the Port shall receive, evaluate and accept development proposals. The Port Commission shall evaluate the effectiveness of this policy over time and reserves the right to expand, amend or rescind this policy as appropriate.

I. NOTICE OF DEVELOPMENT OPPORTUNITIES

In providing notice of opportunities for Vista Field development, the Port will prepare project information including a description of development-ready site(s); a description of the development types and styles desired; whether sites are for sale or lease; minimum price/terms; and reference to applicable Port planning documents (i.e. master plans, design standards, etc.).

The Port may post notice:

- A. On its website; on the “LoopNet” real estate site; on the MLS service for local real estate (if applicable);
- B. In the Tri-City Herald; Tri-City Business Journal; the Spokane Business Journal; the Puget Sound Business Journal and other similar publications;
- C. With specialty listing services, including:
 - 1. "Bidsync" (<https://www.bidsync.com/>);
 - 2. Urban Land Institute’s "Marketplace" (<http://uli.org/programs/marketplace/>);
 - 3. “Findrfp.com” (<https://www.findrfp.com/State-RFP-Bid/Government-RFPS-bids-Washington-WA.aspx>);
 - 4. RFP Database (<http://www.rfpdb.com/>); and
- D. By other methods as appropriate, including making direct contact with potential developers.

II. RECEIPT OF DEVELOPMENT PROPOSALS

A developer wishing to develop available Vista Field property shall submit a Letter of Intent (LOI) describing the developer’s experience and the proposed development concept for the site. In describing its experience, the developer shall address its:

- A. Demonstrated experience with municipal planning and permitting processes;
- B. Demonstrated experience with “New Urbanism”, “Smart Growth”, “Green Building” or similar development principles (if any);

- C. Financial capability, as evidenced by a letter of credit or other acceptable means, as confirmation of its ability to complete its proposed development, including a description of funding sources for property acquisition and construction of infrastructure and facilities;
- D. Relevant experience with similar development projects including:
 - 1. Project name, location, and description;
 - 2. Color images or other graphic material depicting the project;
 - 3. Total project budget and budget per phase (if applicable);
 - 4. Budget funding sources – equity partner, development lender, permanent lender, etc.;
 - 5. Total duration of project development and details regarding whether project schedule was met;
 - 6. Brief description of the development process;
 - 7. Consultants and contractors utilized and the role of each; and
 - 8. Major tenants (if applicable).
- E. Price and terms offered;
- F. A list of developer's key personnel anticipated to participate in the development, including a summary of their relevant experience;
- G. A list of design team members, including the principle or developer, and a licensed architect;
- H. A list and short description of all litigation and/or claims that the developer (or any entity or individual named in the developer's proposal) is currently or in the last 10 years was, a named party (if any), including a description of how the litigation and/or claim was resolved;
- I. A list of past community, charitable and/or civic contributions; and
- J. A minimum of three references, one of which shall be a financial institution.

III. EVALUATION OF DEVELOPMENT PROPOSALS

LOIs will be reviewed by the Port CEO. If the LOI demonstrates that the developer possesses the relevant experience, that the development concept is likely to assist with the redevelopment of the property and that the price and terms are reasonable, then the CEO will arrange for the parties to participate in a preliminary collaborative design process described below. If more than one LOI is received by the Port, the CEO shall exercise his discretion as to which proposal(s), if any, shall be referred to the preliminary collaborative design process. The decision of the Port CEO on all matters shall be final and not subject to appeal or review.

- A. Preliminary Collaborative Design Process. The Port and developer (working through each party's design team) shall meet to refine the development concept described in the LOI.

Initiation of the collaborative design process may be by telephone conference or other preliminary discussion. The preliminary collaborative design process shall consist of:

1. **Pre-Development Meeting.** A pre-development meeting shall take place in Kennewick, Washington (or other location mutually agreed upon) where the developer, its design team and principal(s) shall be interviewed, and where the initial project development concept will be reviewed. The parties will endeavor to produce rough project sketches and assemble precedent photographs and other illustrative materials.
 2. **Design Workshop.** Upon successful completion of the pre-development meeting, a design workshop will be conducted whereby the parties will refine the development concept and the rough sketches in order for the developer to produce a schematic design mutually acceptable to the parties.
- B. Initial Evaluation by Port Commission.** Upon successful completion of the preliminary collaborative design process, the CEO, together with appropriate staff and the Town Architect, shall present all relevant project information to the Port Commission for evaluation. The Port Commission may evaluate the proposal utilizing the following criteria:
1. Quality of the project and consistency with Port planning documents;
 2. Price and terms;
 3. Knowledge, financial capability and references of the developer;
 4. Developer's recent experience with similar projects; and
 5. Other factors including but not limited to the developer's past community, charitable and/or civic contributions.

The Port Commission, in its discretion, may interview a developer as part of the review process.

The Port Commission may take any action deemed appropriate with respect to proposal evaluation, including but not limited to requesting the parties to further refine the proposal through the final collaborative design process described below. In this case, the Port Commission shall grant the developer exclusive negotiating rights with respect to the proposal and site for a period of 90 days.

During the exclusive negotiating period, the Port will not accept any other proposal for the site. In the event that the parties are not able to negotiate a purchase and sale agreement for the site within the exclusive negotiating period, the LOI shall terminate and be of no further force and effect, and the Port shall have no further obligations to the developer. In consideration of providing the developer with the exclusive negotiating rights period, developer shall pay to the Port of \$2,500.00 which is intended to reimburse the Port for administrative and other costs.

- C. Final Collaborative Design Process.** Provided the parties enter into the final collaborative design process, the developer, at its sole expense, shall produce of a set of drawings acceptable to the Port including site and representative floor plans with elevations for the major elements of the project. Schematic drawings shall also include exterior sections reflecting proposed architectural design and building materials. Substantial emphasis will be placed on exteriors,

and especially, elevations facing streets and public spaces. The plans shall include a conceptual site plan and a description of specific noteworthy site features that will be preserved (i.e. trees, etc.). The plans should include a sample or conceptual planting plan for site vegetation. Additionally, the developer shall describe the components, planning tools and means of implementing the project to completion; the proposed schedule of development; and its ability to secure tenants and market the property to end-users. At this time, the developer shall also develop a project timeline (subdivided into phases, if necessary) identifying the estimated length of time to reach key development milestones, including: commencement and completion of design; financing; commencement and completion of construction; and availability for tenant occupancy. Any contingencies that may affect this timeline shall be identified by developer. The Port may request additional project information.

- D. Final Presentation to Port Commission. Provided the parties successfully complete the final collaborative design process, the CEO shall report to the Port Commission related to the overall progress of the project, including a staff recommendation related to the project, including, under appropriate circumstances whether the proposal should be accepted or rejected by the Port Commission. The Port Commission, in its sole discretion, shall either reject the development proposal or direct the CEO to negotiate a purchase and sale agreement (or ground lease) with the developer related to the site. If the parties are unable to execute a purchase and sale agreement within 45 days, the development proposal shall expire, the Port shall take no further action, and each party shall be relieved of all further obligations related to the proposed development.

IV. POST PURCHASE AND SALE AGREEMENT MATTERS

- A. Project Refinement. Upon execution of a purchase and sale agreement, the developer shall apply to the City of Kennewick (City) for project review and permitting, which shall be the sole and exclusive responsibility of the developer. Should the City require changes to the project, which in the sole discretion of the Port CEO, materially alters the proposed project, the parties will then attempt to negotiate the changes required in order for the developer to receive City approval of its project. If the parties are unable to negotiate changes required in order for the developer to receive City approval of its project within a 45 day period of commencing such negotiations, the development proposal shall expire, the Port shall take no further action and each party shall be relieved of all further obligations related to the proposed development. Any earnest money deposited by the developer shall be refunded to the developer, less any applicable administrative fee.
- B. Construction Progress. The Port CEO, together with assistance of a construction manager or other appropriate professional, will monitor construction and provide periodic updates to the Port Commission.

V. MISCELLANEOUS MATTERS

- A. All discussions between the parties are to explore the developer's qualifications and the viability of a development proposal. A binding obligation shall only be created by a written agreement setting forth all material terms and conditions of the proposed transaction, signed by the parties;

and no agreement shall be binding except upon an affirmative vote by a majority of the Port Commission;

- B. The Port may arrange for further action including introducing the concept to the Port Commission or appropriate third parties in order to gather information, analyze proposal feasibility and cost, and to perform due diligence; the parties understand that complete confidentiality cannot be guaranteed;
- C. Each party shall be responsible for all costs it incurs with respect to this matter, including but not limited to professional and attorney's fees and costs;
- D. The Port makes no representations with respect to the property and the developer agrees to exercise all due diligence it deems necessary;
- E. Development proposals may be subject to disclosure under the Washington State Public Records Act. However, any information within a development proposal that is claimed to be proprietary or a trade secret may be marked as "confidential". Prior to disclosure of any such information, the Port will provide the developer statutory notice of developer's right to seek a court order to preclude such disclosure; and
- F. The Port reserves the right to verify developer credentials and to request supplemental information or documents at any time during the process that it determines the necessity therefore.
- G. The Port Commission, in its discretion, may waive any of the requirements set forth herein for small scale developments including the sale of individual residential lots or developments where the total project value, including land price, is expected to be less than \$1,000,000.