



# PORT OF KENNEWICK REGULAR COMMISSION MEETING

OCTOBER 11, 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  
Tammy Fine, CPA Advisor  
Amber Hanchette, Director of Real Estate and Operations  
Nick Kooiker, Chief Financial Officer/Auditor  
Larry Peterson, Director of Planning & Development  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Hector Cruz, President of the Tri-Cities Hispanic Chamber of Commerce, led the Pledge of Allegiance.

## APPROVAL OF THE AGENDA

***MOTION:*** Commissioner Barnes moved to approve the Agenda, as published; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

## PUBLIC COMMENT

No comments were made.

## CONSENT AGENDA

Consent agenda consisted of the following:

- A. Approval of Direct Deposit and E-Payments Dated October 4, 2016***  
Direct Deposit and E-Payments totaling \$75,026.01
- B. Approval of Warrant Registers Dated October 11, 2016***  
Expense Fund Voucher Numbers 38334 through 38377 for a grand total of \$128,132.25
- C. Approval of Regular Commission Business Meeting Minutes September 13, 2016***
- D. Approval of Regular Commission Business Meeting Minutes September 27, 2016***

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

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## PRESENTATIONS

### *A. Latino Mural Artist Selection, Barb Carter and Davin Diaz*

Ms. Bader Inglima introduced Barbara Carter, the Port's art liaison and member of the Kennewick Arts Commission (KAC), and Davin Diaz, chair of the Latino Heritage Mural Committee (LHMC). Ms. Carter and Mr. Diaz are here to share the Committee's selection of the mural artist.

Mr. Diaz introduced members of the Latino Heritage Mural Committee; Jon Lindeman, Hector Cruz, Patti Cortez, Joanna Jones, and Jazmin Santacruz-Hallowell.

Ms. Carter updated the Commission on the Latino Heritage Mural, which is a celebration of the heritage of the local Latino community and their valuable contributions made to the region's thriving wine and agricultural industry.

The Port developed specific guidelines for the mural which are as follows:

- Hire a professional artist experienced in large scale murals and community input;
- Use highest quality of materials including sealants;
- Use Dibond Panels, which will be provided by the Port;
- Encourage community involvement; and
- Encourage hiring local artists to train.

Mr. Diaz briefed the Commission on the LHMC Requirements:

- Contemporary or Modern Interpretation;
- Themes: Agriculture/Wine/Labor, Latino history and activities in the region and/or regional fiestas and music through the seasons;
- Values: respect of family and community, cultural history and a strong work ethic;
- Educational and of highest quality.

Mr. Diaz explained the process by which Ms. Carter and the LHMC evaluated each artist from the initial call to arts. Over 30 applications were received and five finalists were chosen to submit proposals. The proposals were reviewed and validated by the KAC for ranking purposes. The LHMC met and unanimously selected the artist for recommendation to the Port Commission.

Ms. Carter stated the KAC received the same five copies of the artist's proposals and followed the criteria based on the artistic quality of the proposal as well the guidelines imposed by the City of Kennewick on any public art piece. Ms. Carter reported that KAC was extremely pleased with the five proposals and selected the top two, which contained the proposal that the LHMC selected. Ms. Carter stated the process has been very validating and she has shared the proposal with the community to get further input. Ms. Carter stated Mr. Diaz and LHMC have done an excellent job in selecting the artist.

Ms. Carter stated the budget for the mural contract is \$18,000 and the LHMC have received donations from the Columbia Center Rotary, the KAC, and other private sources.

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Mr. Diaz stated a number of the members of the LHMC have pledged their own personal funds to this campaign.

Ms. Carter stated the LHMC will provide further community outreach by way of community participation and contributions, both monetary and use of facilities, services and additional community input.

Ms. Carter stated the LHMC selected artist Andrew Reid, a native New Zealander who is influenced the Mauri Native tribes. Mr. Reid immigrated to the U.S. and resides in Miami and has been immersed in Latin culture and art for the past 25 years. Mr. Reid prides himself on serving as a conduit for translating the community's life, ideas, and experience into a story told through his art. He has been commissioned by public, private and community groups across the nation and the typical cost for one of his murals is \$50,000-\$100,000. Mr. Reid has created many of the murals in the Wynwood Art District in Miami.

Ms. Carter stated the artwork that Mr. Reid submitted is a preliminary proposal and the final design will be submitted after he meets with the community, gathers input for the design, to ensure he is addressing the influences of community.

Mr. Diaz stated Mr. Reid included elements of the harvest, the settlers, and the Columbia River in the first panel and the production, tasting rooms, and celebrations on the second panel. When the LHMC viewed Mr. Reid's proposal, they noted every aspect of his art and the compositional elements. He is a phenomenal artist and we are lucky to get an artist of his stature and quality. If Mr. Reid is selected by the Commission, it will be a victory all the way around, for the wine village and community as a whole.

Ms. Carter stated if the Commission approves Mr. Reid as the selected artist, the following will take place:

- The artist will visit the community, meet with local students, workers, seniors, churches, and hold a public forum about Latino life in the Tri-Cities and what people want to see in the mural;
- He will work with the LHMC to interview local artists to find an apprentice/assistant to share stories and learn;
- The final design will be created and the approved by the LHMC;
- Completion date is estimated for fall crush of 2017.

Ms. Bader Inglima stated this is a similar process the port used when working with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) on their Heritage Artwork project. The artist was selected and then worked closely with the tribe to tell their story. The LHMC has done a tremendous amount of volunteer work and will now work with the artist to represent their story of the Latino community, should the Commission decide to commission Mr. Reid.

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John Lindeman, 3205 West 46<sup>th</sup> Avenue, Kennewick. Mr. Lindeman is very proud of the LHMC and stated this all started with an idea and it is halfway to fruition. Mr. Lindeman stated this process has provoked discussion and feelings, and we have been on a tremendous journey, and that is what murals do, they touch everyone differently. Mr. Lindeman reported that many of the committee members have worked in the fields, which is a commitment. We want to this mural to inspire children and young people, and let them know that agriculture is a stepping stone to being productive.

Jazmine Santacruz-Hallowell, 419 East 8<sup>th</sup> Place, Kennewick. Ms. Santacruz-Hallowell stated the journey that the LHMC has been on with this mural has been amazing. Ms. Santacruz-Hallowell appreciated getting to know everyone on the committee and learning about art and what it can do for a community. The LHMC loves Kennewick and we want the City to be as beautiful as we can make it and this will help beautify the community. This is just the beginning of many other projects that will beautify this part of town.

Mr. Barnes inquired how close the proposed mural is to what the committee envisioned for the final piece.

Ms. Carter believes the final piece will be similar to the submitted proposal as far as the feel and style. Mr. Reid expressed that he wanted to incorporate a few more local identifiers, such as a school name and other Kennewick identifiers. Mr. Reid will work with the LHMC to ensure every element is acceptable and desired by the LHMC and the mural tells the full story.

Mr. Diaz added some compositional elements will be refined to make the mural a more accurate depiction of the Tri-Cities. Mr. Diaz would like to see a committee member's likeness depicted in the mural. The LHMC really likes Mr. Reid's design and Mr. Diaz stated Mr. Reid is a phenomenal artist, not only by his work, but his breadth of techniques.

Mr. Barnes stated this is a wonderful element to bring to this area of Kennewick and is excited to see the completed piece.

Mr. Moak has had opportunities to work with many of the committee members in other capacities, and is appreciative of Mr. Lindeman's vision and the committee's vital work on this project. Mr. Moak inquired when Mr. Reid would visit the Tri-Cities.

Mr. Diaz stated if Mr. Reid is selected, the LHMC will craft a schedule that meets his timeline and map out activities that would enable him to get to know the area and hold a reception for him. The LHMC will be working with the Tri-Cities Hispanic Chamber on the reception and Mr. Diaz has offered his gallery for the event. Additionally, committee member, Adan Suarez, who works for the Center for Sharing and with Broetje Orchards, has volunteered to lead a tour of the orchards for Mr. Reid. The LHMC would like Mr. Reid to get to know the people who work the fields and hear their experiences. Furthermore, Ms. Santacruz-Hallowell and her husband, Luke Hallowell, who is the new executive director of the Downtown Pasco Development Authority will serve as ambassadors and introduce Mr. Reid to local artists and Pasco's downtown business community.



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Mr. Moak stated that even though the mural is located in Kennewick, his hope is that it is representative of the Tri-Cities and other outlying communities and that the Latino community feels like the mural encompasses their community and their passion. Mr. Moak believes this is a great project and is happy the Port is able to help facilitate this project. Mr. Moak is excited about the chosen artist and how he envisions bringing the community together and looks forward to fall 2017.

Mr. Novakovich inquired how the LHMC was able to attract Mr. Reid for \$18,000 when his normal compensation is much higher.

Ms. Bader Inglima stated the call to art advertised \$18,000 and the Port is contributing \$10,000 and received \$5,000 from the Columbia Center Rotary and \$3,000 in partnership from the LHMC.

Ms. Carter believes Mr. Reid was inspired by the opportunity and stated he is familiar with DPZ and our partnership.

Mr. Novakovich appreciates the update and inquired if the final piece of artwork will be approved by the Commission.

Ms. Carter has suggested that the Committee has ownership in this, however, if the Commission would prefer the Committee brings back the final draft, we can also do that.

Mr. Novakovich inquired how the Port handled the CTUIR Heritage artwork process.

Ms. Bader Inglima stated once the concept was approved, the Commission gave Rodd Ambrosion free reign to make his artwork under specific parameters outlined in the concept. Ms. Bader Inglima understands that the mural will not be radically changed from the proposal, however, the elements will be more localized to tell the local story.

Mr. Arntzen stated this is one of the items the committee addressed early on was the complexity of this project. LHMC wanted something that was authentic but the ultimate decision was up to the Commission because the Commission is responsible to Port constituents. Mr. Arntzen believes the Commission has entrusted staff, the LHMC and the KAC to do as much of the work possible, other than making the final decision. This project is a very large project for the community and there will be a lot of interest in it, because hopefully, this is a first of many for our community. Mr. Arntzen stated many hands have touched this process and the LHMC can bring the final rendering of the mural to the Commission for final approval.

Mr. Novakovich stated he has complete faith in the LHMC and Ms. Carter regarding their decision, however, he believes it is important for the Commission to have final approval of the art on the record.

Mr. Diaz is open to the Commission approving the artwork and stated the Committee recently discussed the mural, but more importantly we discussed speaking with one voice. We discussed

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the Committee agreeing to the design, agreeing to support Mr. Reid, if selected, and agreeing to support the Port and the Commission's efforts. The Commission has the LHMC's full support in this endeavor.

Mr. Novakovich thanked Mr. Diaz and is excited to move forward with a great partnership where the end result is a great project, which will have a tremendous impact on the community.

By consensus the Board of Commissioners agreed to retain the Latino Heritage Mural Committee's (LHMC) unanimously-preferred artist, Andrew Reid, to work with the LHMC and gain insight from the local Latino community in preparing the Columbia Gardens Wine & Artisan Village murals; with Reid's final designs being presented to Commission for approval before the finished panels are painted.

Mr. Arntzen appreciates the work of LHMC and is hoping this project can be an example for future partnerships and public input and suggestions.

Mr. Novakovich stated, if it is appropriate, the Port would like to participate in the reception. Mr. Novakovich believes this partnership is setting a precedence and more people should be aware of what the LHMC is doing.

Mr. Diaz stated he would welcome the Port's participation and would like to see the reception represent the entire community.

Ms. Bader Inglima committed the Port's efforts in helping generate media exposure.

## ***B. 2017-2018 Draft Work Plan (Exhibit A)***

Mr. Peterson updated the Commission on the draft 2017-2018 Work Plan. The work plan follows the Commission priorities that were identified at the September 10, 2016 Commission Retreat: Vista Field, Kennewick Waterfront, Richland Wye and the West VanGiesen/Raceway site. Mr. Peterson stated 60% of the budget is allocated to Vista Field. Mr. Peterson presented the draft 2017-2018 Work Plan.

Mr. Arntzen stated the Port has been pursuing partners who want to make a personal investment in projects and a good example is the partnership with the Latino Heritage Mural Committee. This is a very important policy, because the Port can't do it all. Furthermore, the Port is a small business, with a few large projects in the works, but we must remember our day to day operations of running the organization and taking care of our tenants and clients.

### ***Vista Field Discussion***

Mr. Arntzen stated regarding Vista Field, the Commission is seeing a snapshot of what Phase I may look like. Mr. Arntzen stated staff is working on the Phase I plan and financing plan, and should the Commission adopt the draft 2017-2018 Work Plan, staff will come back at a later date with the final Phase I plan.

Mr. Moak asked if there will be buildings constructed at Vista Field in Phase I.

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Mr. Peterson stated in the next two years, infrastructure will be installed, which will provide available lots for sale and the corporate hangars will be remodeled.

Mr. Moak would like the Work Plan to include marketing properties for sale.

Mr. Barnes reiterated if the draft 2017-2018 Work Plan is approved, the potential schedule for Vista Field Phase I is: design of infrastructure, preparation of the bid package, project goes out for bid, the bid is awarded and construction begins with a possible completion of Phase I spring 2018. Mr. Barnes asked if the Port could sell land at Vista Field while the infrastructure is being placed.

Mr. Peterson stated under the City of Kennewick's regulations, it is illegal to sell an unrecorded lot. Once the pavement is installed and the City accepts the improvements, the plat is then recorded, and the lot can be sold. Buyers can reserve property but can't purchase a lot until the plat is recorded.

Mr. Arntzen reported he has been working on a more detailed document with Mr. Peterson and the finance department. There are several more details to discuss such as residential and commercial parcels, however, it is a matter of timing and sequence and the Phase I plan will include more detail than what is in the draft Work Plan. Mr. Arntzen noted the Phase I document is about 60 days out and will include more embellishments and an option for additional funding.

## ***City of Richland Discussion***

Mr. Novakovich stated he recently spoke with the City of Richland City Manager, Cindy Reents, and inquired if there was a particular project they would like to partner on. Mr. Novakovich believes it is important that we meet with the City of Richland before summer of 2017. Mr. Novakovich inquired if the Port should look at connecting the Island View/Spaulding Business Park to Vista Field as a long term project.

Mr. Moak agrees that there should be a connection from Island View to Vista Field, however, he believes it will be more than the \$400,000 that is currently allocated. Mr. Moak stated other ideas that are of mutual benefit are welcome, other than what was discussed at the Retreat.

## ***City of West Richland Discussion***

Mr. Moak does not believe that the \$100,000 should be limited to this particular area of West VanGiesen/Raceway site and does not think the funds would help market this area.

Mr. Peterson clarified that the \$100,000 could be used for an interim joint project anywhere in the City or allocated closer to the Port's holdings. Or Port and City staff can work to identify a project of mutual benefit.

Mr. Novakovich prefers the Port and City staff work together to identify a project of mutual benefit. Mr. Novakovich inquired if the Port could bank the funds until there is enough built up for a future project.

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Mr. Arntzen stated there are two options the Commission can discuss in regards to West Richland. The Commission can use the \$100,000 for a project or bank the money for the West VanGiesen/Raceway site. As discussed at the Retreat, work at the West VanGiesen/Raceway site is approximately 4-7 years out, and Mr. Arntzen stated it would be nice to have funds built up in an attempt to leverage funding and find potential partnerships and possibly leverage federal dollars through an EDA grant. However, if the Commission spends an annual \$100,000 allotment for a project, then there won't be a "nest egg" built up for the West VanGiesen/Raceway site.

## RECESS

*Mr. Novakovich recessed the meeting 4:14 p.m. for a break and will reconvene at approximately 4:24 p.m.*

*Mr. Novakovich reconvened the meeting at 4:23 p.m.*

### **C. 2017-2018 Preliminary Budget Workshop (Exhibit B)**

Mr. Kooiker stated staff has been working on the preliminary budget since March and each Commissioner recently received an individual presentation. Mr. Kooiker stated the preliminary budget maintains our current service levels for all our properties.

Ms. Fine thanked everyone for contributing to the budget process and stated the Port's fiscal management of the budget is the cornerstone of our Port's success. Without a sound budgeting and planning process, businesses and governments usually fail. The Port's successful financial process starts with a conservative budget, where we budget for estimated revenues based on our leases in place through the budget period. If a lease is expiring during our budget period, we include only leases highly likely to renew. Our expenditures are carefully analyzed, based on historical trends, compared to actual contracts, increased for potential economic impacts or new operations, and finally marked up with an inflation rate. The Port has consistently proven this method is a sound practice even when we faced the economic downturn.

The Port is facing an awesome future with plenty of economic and community development projects focused on a sound return-on-investment to Port taxpayers. Our goal in this budget is to continue stimulating jobs and economic development while maintaining a low levy rate for our taxpayers. We also strive to evaluate all opportunities that are brought forth to the Port for the chance to leverage our investment with partnering jurisdictions and private sector funding. The Port has a unique opportunity to positively impact the community with the vast amount of land throughout the Tri-Cities in planning stages and in re-development for 2017 and 2018.

Ms. Fine and Mr. Kooiker presented the 2017-2018 Preliminary Budget.

## REPORTS, COMMENTS AND DISCUSSION ITEMS

### **A. Affiliated Tribes of Northwest Indians (ATNI) Conference Update**

Ms. Bader Inglima and Mr. Arntzen recently attended the Affiliated Tribes of Northwest Indians (ATNI) Conference, in Marysville, at the invitation of our partners, the Confederated Tribes of the Umatilla Indian Reservation (CTUIR). The Port participated in partnership with the CTUIR and



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Wildhorse Resort as a convention advertising sponsor and were thanked and recognized several times. Ms. Bader Inglima was able to visit at length with Dave, John and Bill Tovey and CTUIR Board Members Aaron Ashely and Alan Crawford. Ms. Bader Inglima also met the new USACE commander of the Walla Wall District, Lieutenant Colonel Damon Delarosa and explained our Memorandum of Understanding with the CTUIR and the joint partnership and reinforced the CTUIR's support for the 1135 project. Ms. Bader Inglima reported a few weeks later she toured Clover Island and the 1135 shoreline project with Lieutenant Colonel Delarosa as part of the bi-annual TREC tour.

## ***B. Art Policy***

Mr. Arntzen stated the Commission has previously addressed the Artwork Policy and made comments regarding what they would like to see included. Mr. Arntzen revised the document and made the following alterations:

- Explained in the preamble why the Port established an Artwork Policy and included the expression of ideas and viewpoints;
- The Policy applies to all Artwork commissioned, purchased or gifted to the Port;
- Section 2 clarifies that the Artwork Policy is intended for capital projects, and the Port may elect to refrain from including artwork on an infrastructure project;
- Section 3 includes a staggered compensation plan.

Mr. Arntzen inquired if the Commission had any further revisions. Mr. Arntzen would like to resent the final policy for Commission approval at the October 25, 2016 meeting.

## ***C. Commissioner Meetings (formal and informal meetings with groups or individuals)***

Commissioners reported on their respective committee meetings.

## ***D. Non Scheduled Items***

1. Mr. Moak stated at he would to make a presentation at a future meeting on places he recently visited.
2. Mr. Arntzen stated the Washington Public Ports Association Small Ports Conference is scheduled for October 20-21, 2016.

## **PUBLIC COMMENTS**

No comments were made.

## **COMMISSIONER COMMENTS**

No comments were made.

Mr. Novakovich anticipates the Executive Session will last approximately 9 minutes, Site Selection per RCW 42.30.110(1)(b) and Real Estate Minimum Price per RCW 42.30.110(1)(c) with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

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Mr. Novakovich recessed the Regular Commission Meeting at 5:06 p.m. for approximately three minutes.

## EXECUTIVE SESSION

- A. Real Estate, per RCW 42.30.110(1)(b) – Site Selection*
- B. Real Estate, per RCW 42.30.110(1)(c) – Minimum Price*

Mr. Novakovich convened the meeting into Executive Session at 5:08 p.m. for approximately nine minutes.

Mr. Novakovich adjourned the Executive Session at 5:17 p.m.

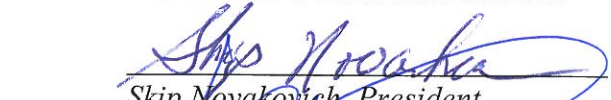
Mr. Novakovich reconvened Regular Commission Meeting at 5:17 p.m.

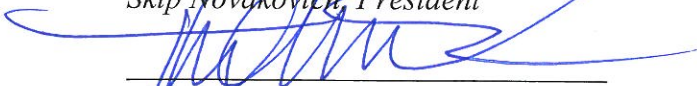
## ADJOURNMENT


With no further business to bring before the Board; the meeting was adjourned 5:17 p.m.

**APPROVED:**

**PORT of KENNEWICK  
BOARD of COMMISSIONERS**

  
Skip Novakovich, President

  
Thomas Moak, Vice President

  
Don Barnes, Secretary