



PORT OF KENNEWICK REGULAR COMMISSION MEETING

OCTOBER 24, 2017 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
Tana Bader Inglima, Deputy Chief Executive Officer
Nick Kooiker, Chief Financial Officer/Auditor
Larry Peterson, Director of Planning and Development
Lisa Schumacher, Special Projects Coordinator
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Larry Peterson led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

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

PUBLIC COMMENT

Michelle Andres, 1421 North Road 77, Pasco. Ms. Andres joins Darryll Olsen, from Columbia-Snake River Irrigation Association and asked if the Commission, along with several County Commissioners and Public Utility Districts, to support our request for the Secretary of the Interior to review the Environmental Species Act Committee and process.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

A. Approval of Direct Deposit and E-Payments Dated October 16, 2017

Direct Deposit and E-Payments totaling \$54,928.12

B. Approval of Warrant Registers Dated October 24, 2017

Expense Fund Voucher Numbers 39558 through 39579 and 39581 through 39588 for a grand total of \$442,127.61

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C. Approval of Warrant Registers Dated October 24, 2017

Expense Fund Voucher Number 39580 (PS Media) for a grand total of \$21,566.89

D. Approval of Regular Commission Business Meeting Minutes October 10, 2017

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

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

It is the consensus of the Commission to remove Item C from the Consent Agenda for separate approval.

MOTION: Commissioner Barnes moved for approval of the Consent Agenda, Items A, B, and D; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

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

Mr. Arntzen requested to move up the insurance presentation and the Public Hearing regarding the Levy Certification and Increase in Tax Capacity, as there is a situation Mr. Kooiker needs to attend to.

PRESENTATIONS

A. Port Insurance, Brad Toner (previously listed as Item B under Presentations)

Mr. Kooiker introduced Brad Toner, Justin Toner and Chris Zumhofe of Basin Pacific Insurance Company, the Port's insurance carrier. Mr. Kooiker stated Brad Toner will be briefly updating the Commission on the Port's insurance coverage.

Brad Toner of Basin Pacific Insurance and Benefits stated he meets with Ms. Hanchette, Mr. Kooiker, and Mr. Peterson on a regular basis and annually reviews Port coverage. Mr. Toner outlined the Port's insurance coverage:

- Port Properties: approximately \$54,000,000 covered, under one limit with replacement cost value;
- Commercial General Liability: covers each occurrence, personal and advertising injury, general aggregate, public officials, employment practices, miscellaneous professional liability and privacy network liability and data breach;
- Commercial Auto Liability: covers bodily injury and property damage, uninsured motorist, medical payment, hired/borrowed auto liability, non-owned auto liability, and includes all Port owned autos and trailers;

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- Commercial Crime: covers employee dishonesty, forgery or alteration, theft, destruction of property, robbery/burglary, theft of money and securities, and computer fraud; and
- Marine Operators Legal Liability: covers marine operators' legal liability, any one vessel and sudden and accidental pollution.

Mr. Toner stated additional optional coverages can include:

- Cyber Crime with Social Engineering Endorsement;
- Technology Errors and Omissions;
- Flood Insurance.

Mr. Novakovich inquired what the Port carries for liability on the marina.

Mr. Toner stated the Port's coverage is \$30,000,000.

Mr. Kooiker stated our insurance team has also assisted staff with contracts and leases and outlined specific guidelines for tenants and contractors.

Mr. Arntzen stated Mr. Kooiker will continue to review additional coverages and update the Commission with the proposed changes.

Mr. Novakovich inquired if Vista Field is covered.

Mr. Toner stated the existing structures at Vista Field are covered and the liability extends to all of the property. When the Port begins construction at Vista Field, we will add the necessary policies.

PUBLIC HEARING: 2018 LEVY CERTIFICATION AND INCREASE IN TAX CAPACITY *(Previously listed as Item 8, B & C)*

A. 2018 Levy Certification: Resolution 2017-20

B. 2018 Increase in Tax Capacity: Resolution 2017-21

Mr. Kooiker stated each year the Commission has the opportunity to pass the Property Tax Levy which establishes how much the Port will collect in property taxes and is then forwarded to the Benton County Treasurer. Resolution 2017-21 is required by law and authorizes the Commission to take an increase in the tax levy of 1%, pursuant to RCW 84.55.120 and WAC 458-19-005. Mr. Kooiker stated the Port will receive approximately \$45,000 and this will not increase property taxes.

Mr. Novakovich recessed the Regular Meeting and declared an open Public Hearing for discussion regarding Levy Certification and increase in Tax Capacity at 2:17 p.m.

PUBLIC COMMENTS

No comments were made.

Mr. Novakovich closed the Public Hearing regarding Levy Certification and increase in Tax Capacity at 2:18 p.m. and reconvened the Regular Commission Meeting.

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MOTION: *Commissioner Barnes moved for approval of Resolution 2017-20, Levy Certification; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

MOTION: *Commissioner Barnes moved for approval of Resolution 2017-21, authorizing an increase in the Tax Capacity, authorizing the 1%; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

PRESENTATIONS (continued)

B. Columbia-Snake River ESA Litigation, Darryll Olsen, Ph.D., CSRIA Board Representative (previously listed as A)

Mr. Novakovich introduced Darryll Olsen, Board Representative for Columbia-Snake River Irrigators Association. Dr. Olsen previously assisted the Port on water issues.

Dr. Olsen stated the Columbia-Snake River Irrigators Association (CSRIA) represents a large number of the direct pumpers out of the Columbia and Snake Rivers and some private pumpers out of Yakima. Municipal members include the Quad-Cities, Kennewick Irrigation District and Badger Irrigation District. The CSRIA aims to keep the water it pumps, and to do that, the CSRIA works through any of the technical and legal planning through the federal and state levels. Dr. Olsen briefed the Commission the on CSRIA activities to end 25 years of litigation on the Columbia-Snake River. The litigation is based on the Endangered Species Act (ESA) and the biological opinion for the ESA-listed salmon and steelhead species. The biological opinion is a set of instructions to Federal Agencies to avoid extinction of particular species.

Dr. Olsen presented the Columbia-Snake River Irrigator Association media release (*Exhibit A*) regarding “Killing Idaho Fish.” Dr. Olsen stated the litigation has cost a great deal of money and restricted access to water; however, with the new Administration in office at the federal level, the CSRIA believes there may be an ability to invoke administrative action, which is already part of the ESA. Dr. Olsen stated the CSRIA is requesting an objective and reasoned recommendation to Secretary Zinke to define whether to engage the ESA Committee review for an exemption to further measures affecting the federal hydro project operation on the mainstem Columbia-Snake River system. This senior staff recommendation would consider:

- The circumstances leading to the need for ESA Committee action;
- The specific technical/legal action;
- The policy implications from this specific action to other issues or areas;
- The above factors informing a clear staff recommendation to the Secretary of the Interior.

Dr. Olsen has briefed other agencies and requested a letter of support, asking the Department of Interior to evaluate the ESA Committee and process. Dr. Olsen stated if the Commission believes the request has merits, to please send a letter of support to the Department of Interior regarding an ESA Committee review.

Mr. Novakovich thanked Dr. Olsen for his presentation and reiterated Mr. Olsen’s request of writing a letter of support. Mr. Novakovich confirmed with Ms. Andres that she wanted to bring the Secretary of the Interior to the Tri-Cities.

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Ms. Andres stated there is a required hearing if the Department of Interior does the review. The CRSIA has the full support of Benton and Franklin County Commissioners and the PUD's and continues to gather support. Ms. Andres believes very strongly there is a window of opportunity.

Mr. Novakovich clarified the CSRIA's request to the Secretary of Interior; requesting a review of the ESA Committee and processes.

Mr. Moak believes this a legislative issue versus an administrative issue.

Mr. Barnes stated Dr. Olsen presented a lot of information which is complex and has been going on for some time. Mr. Barnes stated he would like the opportunity to further research the issue before making a decision.

Mr. Novakovich inquired what the time frame is for the CSRIA.

Dr. Olsen stated the request should be made before the start of the Environmental Impact Statement and estimated the request should be made prior to April of 2018.

Mr. Novakovich asked the Commission if they would like time to review the handouts and consider having Mr. Arntzen draft a letter of support for potential approval at the next Regular Meeting. Mr. Novakovich stated since many of our jurisdictional partners are involved, the Port should consider a letter of support.

Mr. Barnes does not have an issue with that and reiterated his desire to review the material.

Mr. Arntzen will send the Commission the material staff received and stated he will draft a letter based on the information shared today for Commission review. Mr. Arntzen stated the Commission can review the draft letter and move forward or decide not to take action. Mr. Arntzen proposed discussing the letter of support at the November 28, 2017 Commission Meeting due to conflicts with the November 14, 2017 Commission Meeting.

Mr. Novakovich asked staff to place CSRIA on the November 28, 2017 agenda.

Dr. Olsen made himself available to the Commission for the November 28, 2017 Commission meeting.

Mr. Barnes will contact Dr. Olsen directly if he has further questions.

Mr. Arntzen inquired if the Commission would like him to perform a modicum of research and reach out to the Confederated Tribes of the Umatilla Indian Reservation (CTUIR).

Mr. Novakovich stated any information would be helpful and asked Mr. Arntzen to discuss the issue with the CTUIR and disseminate the information to the best of his ability.

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REPORTS, COMMENTS AND DISCUSSION ITEMS

A. *Vista Field*

a. *Approval of Vista Field Redevelopment Master Plan Agreement: Resolution 2017-17*

b. *Approval of Vista Field Development Agreement: Resolution 2017-18*

Mr. Peterson stated the Vista Field Redevelopment Master Plan is the result of over three years of planning and public engagement that formally began on November 10, 2014 with the Pattern Language process led by R. Gary Black of Integrated Structures followed by a weeklong Charrette conducted by Duany-Plater-Zyberk (DPZ) led by Andres Duany. The resulting Charrette Report was issued on February 6, 2015 and concepts generated at the Charrette were reviewed, tested and refined over the next 18 months.

In July 2015 Parametrix began preparing the Transportation System Impact Evaluation (TSIE) of Vista Field's likely impacts to the City's existing transportation network which was completed in March 2016. This review identified both future impacts the redevelopment of Vista Field may pose and minor alterations to the conceptual layout to better connect with the existing street network. While the TSIE was underway, HDJ Design Group investigated the potential of reusing the existing asphalt runways and taxi-lanes in place as suggested during the Charrette week. SWCA Environmental Consultants completed a cultural resource assessment of the site and the assessment identified no archaeological materials, but did suggest the former Aircraft Carrier Practice Deck might be eligible for the National Register of Historic Places.

While these technical reviews were underway the Port worked with DPZ to refine the architectural character that would be applicable to development occurring at Vista Field. To help convey the vision and intent of Vista Field, DPZ prepared a Design Precedents Library, which will help the development community and citizens understand what is anticipated and expected in the development. ECONorthwest prepared an economic analysis of the likely positive impacts the site could yield.

For the last two years the Port worked closely with the City of Kennewick to create zoning and street design regulations which would allow Vista Field to be redeveloped as envisioned by the community in November 2014. Review of existing water and sewer utilities occurred in summer 2017 with conclusions and solutions identified in September 2017. Upon completion of much of this work, the City submitted the draft master plan to the State Department of Commerce on September 5, 2017 for a legally mandated review which resulted in a unique and cherished letter of support from the Washington State Department of Commerce dated October 3, 2017.

Due to the unique nature of the proposed Vista Field development, a type of development not occurring within the City of Kennewick or elsewhere in the Tri-Cities, City staff suggested a Development Agreement which clarifies expectations and deviations. The Development Agreement is a contract between the City and Port and other parties that will invest in Vista Field which clearly establishes regulatory, timing, and financial commitments of all parties.

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The Vista Field Development Agreement is for a ten year term which binds the parties to the vision contained in the Redevelopment Master Plan while providing certainty that the development standards (zoning, street design) will not be changed nor rescinded. This agreement also establishes transportation system and utility system improvement triggers, responsible parties and participation shares. The Development Agreement in essence is the pre-negotiation of the rules and regulations.

Mr. Peterson stated adoption of the Resolution 2017-17 and 2017-18 would establish the Vista Field Redevelopment Master Plan and provide assurances outlined in the Development Agreement to the City, Port, citizens and community of that vision.

PUBLIC COMMENT

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick stated as Board President of the Mid-Columbia Symphony, he represents the Symphony on the Arts Center Task Force and is a member of the planning committee that worked with LMN Architects to produce the pre-design plan for the Vista Arts Center. Mr. Burdick is very committed to seeing the Vista Arts Center constructed and becoming a future resident of Vista Field. Mr. Burdick asked the Commission to approve Resolution 2017-17 the Vista Field Redevelopment Master Plan.

David Robison, 3601 North 20th Avenue, Pasco. Mr. Robison asked the Commission to support Resolutions 2017-17 and 2017-18 and move forward with the Vista Field Redevelopment Master Plan and the Development Agreement with the City. Mr. Robison paraphrased Community Planning Director Greg McCormick's comments: "not only does the community feel this way, but your partners, and development partners, who have worked so hard for a number of years together, feel the same." What the Commission is approving today will provide numerous benefits, beyond belief, which we may not see today or tomorrow. Over time, the Commission will look back and realize what a momentous occasion today really is.

No further comments were made.

Mr. Novakovich stated it truly is a very momentous day, as Mr. Peterson indicated, the Vista Field Redevelopment Master Plan is over three years in the making. The redevelopment of Vista Field is the largest project the Port has ever undertaken, and perhaps even the Tri-Cities. The redevelopment is projected to bring in \$500,000,000 at build out and create 3,200 new jobs. Mr. Novakovich thanked Port staff, Mr. Robison, Mr. McCormick and our partners and he is looking forward to being able to approve the Resolutions and move forward.

MOTION: Commissioner Barnes moved for approval Resolution 2017-17 adopting the Vista Field Redevelopment Master Plan; Commissioner Moak seconded.

Discussion:

Mr. Barnes agrees with the earlier comments and stated this is a very significant day in Port history. Mr. Barnes stated it has been an honor to work on the Master Plan and indicated the

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degree of collaboration between Port and City staff is very much appreciated. Mr. Barnes, on behalf of the community, thanked staff for all their work and effort. The level of detail addressed in the Master Plan, which includes fire, water, traffic, zoning, and land use, is well thought out and specific. Mr. Barnes stated the level of professional guidance from our consultants throughout the process (DPZ, Strategic Construction Management, and Meier Engineering) and the collaborative work and effort by Port and City staff, in creating the Master Plan, is incredible. Mr. Barnes looks forward to seeing tangible changes at Vista Field.

Mr. Moak concurs with Mr. Barnes and stated this is a great vision for Kennewick and the Tri-Cities. Many pieces of the Master Plan have been mentioned today but Mr. Moak believes the most important piece is the outstanding community vision that the public shaped during the November 2014 Charrette. This is not the average development, but rather a vision for something different and something that reflects the community's needs in ways that may be hard to appreciate. Mr. Moak stated this is not the end, the Master Plan gets the Port to the starting line, not the finish line and there is still much to do to implement the vision and create jobs at Vista Field. Mr. Moak appreciates our consultants and staff who have gotten us this far, but the proof will be seen several years down the road, when the Port has created and implemented the vision and created the jobs that make our community better. Mr. Moak thanked our consultants, Mr. Robison, Port and City staff, the Community, and Mr. Burdick, who have been part of the process and believed in what the Port is doing to create and develop a community center.

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

MOTION: Commissioner Moak moved for approval Resolution 2017-18 adopting the Vista Field Development Agreement; Commissioner Barnes seconded.

Discussion:

Mr. Moak stated in ten years the Port Commission and City Council faces will most likely change and this will be a good opportunity to check on the Development Agreement. If Vista Field becomes what Mr. Peterson suggests, Mr. Moak believes there will be a desire for the Port Commission and the City Council to continue moving forward to complete the vision. Mr. Moak stated this is a good agreement and outlines the technicalities of Vista Field.

Mr. Barnes agrees with Mr. Moak's comments and stated the Development Agreement speaks to the collaborative effort between the Port and City. The Development Agreement memorializes the elements of Vista Field, reflects the intentions of the Port and City, and guides us through the first ten years of the Vista Field redevelopment. The Agreement is very specific with regard to the key elements and is an excellent document which will serve both of our entities well for next ten years.

Mr. Novakovich is very proud of the Port of Kennewick, our partners at the City, and all of the consultants who have worked on the Vista Field Redevelopment Master Plan and Development Agreement. The entire process has been open and involved the public since November 2014. The Commission acted as gatekeepers to ensure that the public's vision be brought to fruition

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and the Resolutions before the Commission today will help us succeed in creating that vision. Mr. Novakovich is honored to be a part of the public process.

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

Mr. Novakovich recessed the Regular Meeting and declared an open Public Hearing for discussion regarding the amendment to the Port's Comprehensive Scheme of Development at 3:16 p.m.

PUBLIC HEARING

C. Approval to amend the Port's Comprehensive Scheme of Development to include Vista Field Redevelopment Master Plan and West Richland Racetrack Master Plan (Exhibit B)

Mr. Peterson stated for Commission consideration, Resolution 2017-19 amends the Port's Comprehensive Scheme of Development and Harbor Improvements (Comp Scheme) to include the Vista Field Redevelopment Master Plan and the former Tri-City Raceway Redevelopment Master Plan, which was adopted on March 28, 2017 by Resolution 2017-07.

Mr. Moak verified that nothing else in the Comp Scheme has changed other than the insertion of the two documents.

Mr. Peterson stated that is correct.

PUBLIC COMMENT

No comments were made.

MOTION: *Commissioner Moak moved for approval Resolution 2017-19 amending the Comprehensive Scheme of Development; Commissioner Barnes seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

Mr. Novakovich closed the Public Hearing regarding the Comprehensive Scheme of Development at 3:21 p.m. and reconvened the Regular Commission Meeting.

RECESS

Mr. Novakovich recessed the meeting 3:22 p.m. for 8 minutes and will reconvene at approximately 3:30p.m.

Mr. Novakovich reconvened the meeting at 3:29 p.m.

REPORTS, COMMENTS AND DISCUSSION ITEMS *(continued)*

B. Columbia Drive Update

Mr. Peterson reported building officials walked through Columbia Gardens Wine Village Phase 1, and generated a punch list for final completion. Mr. Peterson believes staff will be able to issue a substantial completion notice to Banlin Construction by the end of week. Staff walked through the buildings and identified a few minor cosmetic issues.

Mr. Novakovich thanked Mr. Peterson for all the work on the project.

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C. 2017: A Year in Review

Mr. Peterson presented the 2017 year in review:

- Waterfront Revitalization efforts:
 - The Gathering Place completed August 2017;
 - The Northwest Viewing Platform completed August 2017;
 - Parcels available for future development;
 - Clover Island Restoration 1135 Project 2017-2020;
 - Marina 92% occupied.
- Columbia Gardens Phase 1 completed October 2017;
 - Palencia Wine Company and Bartholomew Winery Leases established October 2017;
 - City Effluent Treatment completed by December 2017;
 - City landscape project by 2F Construction completed fall 2017;
 - Latino Heritage Mural Project slated for completion Spring 2018;
 - 211 Building Design Plans;
 - Columbia Gardens Phase 2: \$2,100,000 Rural Capital County Funds with the City, Benton County, and Columbia Basin College (CBC) partnership signed May 2017;
 - Columbia Drive Willows Interlocal Agreement with CBC, the City, and County;
 - Ben Franklin Transit Bus Shelter partnership with Columbia Center Rotary and Kennewick Arts Commission;
 - Duffy's Pond maintenance coordinated with City, Port, Department of Fish and Wildlife, and U.S. Army Corps of Engineers;
 - Historic Downtown Kennewick partnership for pedestrian crossing on Columbia Drive.
- Vista Field:
 - Art Center Task Force unveiled design plans for Vista Arts Center August 2017;
 - Vista Field Redevelopment Master Plan adopted October 2017;
 - Development Agreement adopted October 2017;
 - City Planning Commission holds Public Hearing on Vista Field Redevelopment Master Plan, November 6, 2017;
 - City Council to consider adopting Vista Field Redevelopment Master Plan Agreement and Development Agreement, December 5, 2017.
- Spaulding Business Park:
 - Kadlec Northwest Orthopaedic ribbon cutting March 2017;
 - SARC ribbon cutting October 2017;
 - Last parcel under contract with Tri-City Chaplaincy for expansion December 2017.
- Former Tri-City Raceway Master Plan:
 - Master Plan Adopted March 28, 2017;
 - BPA Easement completed;
 - KID Inundation Clause removed;
 - Washington State Department of Transportation Access Approval;
- West Richland:
 - 12 Acre land sale to Red Mountain Wine Estates, April 2017;
 - Partner with City of West Richland Gateway Enhancement Project, November 2017;
- Finley/Hedges/Twin Tracks:
 - Land Sale to Pronghorn LLC, August 2017.

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- Oak Street:
 - Ag Engineering building remodel completed.
- Southridge:
 - Marketing Southridge parcels for sale.
- Clean Audits 22 years in a row and strong financials
- Strategic Communications, Positive Publicity and Partnerships.

Mr. Novakovich congratulated staff on the accomplishments and stated with limited staff and financial resources it is amazing what the Port has achieved.

Mr. Peterson stated it has been a great year and thanked the Commission for allowing staff to make modifications to complete certain projects and he appreciated their focus on completing the project.

Mr. Moak appreciated the way Mr. Peterson addressed each item and stated it showed the dedication and excitement that staff brings to this job. That dedication and excitement helps the Board have the confidence that the Port will continue to deliver great projects. Mr. Moak stated it is a good reminder of all the individual projects that were completed and thanked his fellow Commissioners for making things happen.

Mr. Barnes thanked Mr. Peterson for his presentation and stated it is an impressive list of accomplishments. Mr. Barnes congratulated staff and stated he is looking forward to the start of the Vista Field Redevelopment.

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

Commissioners reported on their respective committee meetings.

E. Non Scheduled Items

1. Mr. Moak stated regarding the Columbia-Snake River Irrigators Association, he does not believe that Secretary Zinke is waiting for a response from the Port of Kennewick and Mr. Zinke will be able to move forward with a decision without a letter from the Port. Mr. Moak believes it is not appropriate for the Port to take a position on the request; however, he respects the will of the majority of the Commission to move forward, to request more information and direct Mr. Arntzen to move forward.
2. Ms. Scott reported the Washington Public Ports Association (WPPA) Small Ports Conference is this week and Mr. Novakovich, Mr. Arntzen, Mr. Melia and Ms. Scott will be attending. The WPPA Annual Meeting is scheduled for November 15-17, 2017 and Ms. Luke will be attending the WPPA Continuing Legal Education scheduled for November 14, 2017. Ms. Scott inquired if the Commission would like to cancel the Regular Commission Meeting scheduled for November 14, 2017 so that Commission and staff may travel safely to Seattle.

Mr. Novakovich stated if there is nothing pressing on the Agenda, he is in favor of canceling the November 14, 2017 meeting.

Mr. Arntzen does not anticipate anything pressing, however, the Commission does have the

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ability to call a Special Meeting if an item needs to be addressed.

Mr. Barnes confirmed that the November 28, 2017 Meeting will not be canceled.

Mr. Moak inquired if the December 26, 2017 Meeting should be canceled.

Mr. Arntzen stated the Commission typically cancels the second meeting in December.

It is the consensus of the Commission to cancel the November 14, 2017 Meeting.

It is the consensus of the Commission to cancel the December 26, 2017 Meeting.

Ms. Scott will email the Commission the 2016-2017 Committee Assignments for comments, additions or deletions for the 2018-2019 Assignments.

3. Ms. Bader Inglima reported the Port continues to market and promote the Southridge site and presented the insert from the Visit Tri-Cities Newsletter which also promotes Columbia Gardens and Clover Island on the reverse. Ms. Bader Inglima stated in the specialty publication, *Focus: Construction and Real Estate in the Tri-Cities*, the Port and City are featured in a joint article about redefining Kennewick's Downtown area. Additionally, the Port placed an advertisement in *Focus* and the *Tri-Cities Journal of Business* promoting the Southridge property. Ms. Bader Inglima stated the Wine Village was recently promoted in *Seattle Metropolitan* and Mr. Peterson interviewed with *Living Tri-Cities*. Ms. Bader Inglima stated there is a lot of interest that the Port has created a Wine Village on the waterfront. As the Port adds more tenants, there will be more interest in the development and recently Ms. Bader Inglima was in touch in touch with *Horizon Magazine*.
4. Mr. Arntzen recently attended the WPPA Legislative Committee Meeting and stated on-call contracting was addressed, as well as discussion on the Millennial Coal Case. The Governor has instructed the Department of Ecology to review any project that has environmental impacts related to transportation, which could possibly pertain to the current rail proposal by the Northwest Seaport Alliance (NWSA).

Mr. Arntzen stated the Port received a letter from the City of Richland related to NWSA rail proposal in response to the Port letter asking for additional information and dialogue, including an Environmental Impact Statement. Cindy Reents, Richland City Manager, acknowledged the letter (*Exhibit C*) and stated the proposal would follow all legal requirements.

Mr. Moak inquired if the Legislative Committee addressed data farms.

Mr. Arntzen stated there was discussion that they are attempting to propose legislation to clarify and bolster the role of ports to be able to participate in the provision of dark fiber services. Mr. Arntzen stated there may be push back from the Public Utility Districts, who believe they have the limited authority in that area.

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5. Mr. Peterson thanked the Commission and Mr. Arntzen for the consistent guidance on the Vista Field Redevelopment Master Plan. Mr. Peterson acknowledged that it was a team effort and thanked staff for all of their work. Additionally, Mr. Peterson thanked the Commission for encouraging the public process and stated it was the best, most inclusive process and he is grateful to be part of the process.

Mr. Arntzen stated the Port team is more than who we see in this meeting, they are the people who kept the operation going so that we could go out to the community. The Port team is every person who works for this institution, Ms. Luke, the Commission, the contractors and the community. Mr. Arntzen stated the year in review is testament to the staff and stated they have helped create many remarkable projects.

Mr. Novakovich stated together we are better and with the community, we will continue to be successful.

Mr. Moak thanked the previous Commission for making the decision to close the airport and the community for recommending DPZ.

PUBLIC COMMENTS

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick thanked the Commission and staff for the executed Letter of Intent between the Port and the Arts Center Task Force to bring the Vista Arts Center to Vista Field.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.

ADJOURNMENT

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With no further business to bring before the Board; the meeting was adjourned 4:37 p.m.

APPROVED:

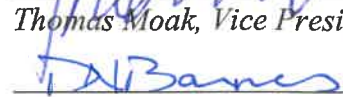
**PORT of KENNEWICK
BOARD of COMMISSIONERS**



Skip Novakovich, President



Thomas Moak, Vice President



Don Barnes, Secretary

Columbia-Snake River Irrigators Association

Media Release—October 2, 2017

Killing Idaho Fish Inept Management Encouraged by Endangered Species Act Litigation

In an evidentiary hearing motion brought before U.S. Federal District (Oregon) Judge Michael Simon, the Columbia-Snake River Irrigators Association (CSRIA) presented unassailable evidence that fish managers' 2015 decisions decimated about 65% of the wild, spring chinook returns to Idaho (2017 adult fish returns). Other hatchery fish suffered as well, and the final numbers for returning Idaho steelhead will document further losses.

The records confirm that the Columbia River fish managers allowed Endangered Species Act (ESA)-listed salmon and steelhead migrations to remain in the Lower Snake River, during extremely poor in-river conditions, rather than rely on the U.S. Army Corps of Engineers' juvenile fish transportation program. The fish were exposed to adverse river conditions that proved fatal, as documented by the fish managers' recently released evaluation (Comparative Survival Study, 2017).

The evidence clearly shows that the fish managers ignored the legally required, ESA (Biological Opinion) "spread the risk" policy, in the spring 2015, when they transported only 13% of juvenile salmon/steelhead during low flow and high temperature conditions—when young fish are the most vulnerable to the adverse effects of remaining in-river. This was the lowest percent transported since records were first kept in 1993.

NOAA Fisheries' scientists attempted to obtain an early spring, 2015 start date for transportation--to get the juvenile fish out of the river during poor survival conditions--but other state agency fish managers defiantly blocked this crucial action.

CSRIA representative Darryll Olsen characterized the 2015 fish kill, "as defying every manner of sound judgement, and the sad product of 25-years of irrational ESA litigation in the Oregon District Court. The Federal Administration, faced with fish managers' stark incompetence, must invoke a formal ESA Committee (God Squad) Review action, as required by the ESA statutes."

Additional Information Attached and Contact: 509-783-1623



CITY OF RICHLAND
OFFICE OF THE CITY MANAGER
505 Swift Boulevard, MS-04
Richland, WA 99352
Exhibit C

CI.RICHLAND.WA.US - 509-942-7390

October 17, 2017

Mr. Skip Novakovich, President
Port of Kennewick Commission
350 N. Clover Island Dr. #200
Kennewick, WA 99336

Dear Commissioner Novakovich:

As a local government partner and member of the Inland Port Advisory Team, I am writing to thank you for the September 26, 2017 letter you sent regarding the concerns of the Port of Kennewick over the proposed Inland Port project being considered by the Northwest Seaport Alliance (NWSA). As always, we at the City value the great relationship we have with the Port of Kennewick as we work together to sustain and improve quality of life and economic opportunity in the Tri-Cities.

The City of Richland wants to reiterate that the Inland Port remains a concept from the NWSA and has not been formalized as a tangible project for development. The City of Richland will be the permitting agency for this development if formal application is made; however, no formal application has been submitted as of this date.

We have reviewed your comments and concerns, in addition to those of other organizations in the region, and understand that the impacts of increased rail traffic can bring both positive and negative change to the daily life of all of our regional citizens. As we continue to work toward addressing growth throughout the Tri-Cities, understanding these impacts will be key to ensuring a sustainable economic future and high quality of life. Should an application be submitted for an intermodal/inland port facility, you can be confident the application will be reviewed in accordance with the Richland Municipal Code, and all applicable federal, state, and local regulations. Since this concept targets change to regional transportation operations, the impacts associated with rail and vehicular traffic will be highlighted in a formal review of the proposal.

We understand and share similar concerns regarding this idea proposed by the NWSA. While there has been no formal submittal of the project at this time, the City of Richland, as the jurisdictional agency, will ensure that you and your organization are informed of any changes in the status of this concept.

Sincerely,

Cindy Reents, ICMA CM
City Manager

Cc: Tim Arntzen, Executive Director
Jon Amundson, Assistant City Manager
Kerwin Jensen, Community and Development Services Director
N. Zach Ratkai, Economic Development Manager



PORT OF KENNEWICK
Resolution No. 2017-17

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING THE MASTER PLAN FOR
REDEVELOPMENT OF THE VISTA FIELD PROPERTY***

WHEREAS, the former Vista Field Airport property in the City of Kennewick provides an economic development opportunity for the Port of Kennewick and the City of Kennewick; and

WHEREAS, DPZ Partners, were contracted to assist the Port with preparation of the Vista Field Redevelopment Master Plan; and

WHEREAS, public input regarding the future redevelopment of Vista Field was obtained throughout the planning process; and

WHEREAS, the Board of Commissioners has reviewed the Vista Field Redevelopment Master Plan throughout the planning process; and

WHEREAS, the Board of Commissioners directed the draft plan be forwarded to the City of Kennewick for review and comments which occurred on March 14, 2017; and

WHEREAS, the City of Kennewick provided review comments on June 19, 2017; and

WHEREAS, revision comments received from the City of Kennewick have been incorporated into the Vista Field Redevelopment Master Plan (Exhibit 1).

NOW THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby approves and adopts the Vista Field Redevelopment Master Plan as prepared and revised by DPZ, Partners.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 24th day of October, 2017.

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

By: 
SKIP NOVAKOVICH, *President*

By: 
THOMAS MOAK, *Vice President*

By: 
DON BARNES, *Secretary*

PORT OF KENNEWICK
Resolution No. 2017-18

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK APPROVING A DEVELOPMENT AGREEMENT FOR
THE REDEVELOPMENT OF THE VISTA FIELD PROPERTY***

WHEREAS, the former Vista Field Airport property in the City of Kennewick provides an economic development opportunity for the Port of Kennewick and the City of Kennewick; and

WHEREAS, the Vista Field Redevelopment Master Plan contains significant deviations from current City of Kennewick regulations and practices; and

WHEREAS, providing certainty to the City, Port, citizens and development community will benefit all; and

WHEREAS, the City may authorize these deviations through the execution of a Development Agreement; and

WHEREAS, the Port has worked closely with the City to establish a fair and equitable agreement allowing the redevelopment of Vista Field as initially envisioned during the November 2014 Charrette process; and

NOW THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby approves the Vista Field Development Agreement (Exhibit 1).

ADOPTED by the Board of Commissioners of Port of Kennewick on the 24th day of October, 2017.

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

By: 
SKIP NOVAKOVICH, *President*

By: 
THOMAS MOAK, *Vice President*

By: 
DON BARNES, *Secretary*

PORT OF KENNEWICK

Resolution No. 2017-19

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AMENDING ITS COMPREHENSIVE SCHEME OF DEVELOPMENT AND HARBOR IMPROVEMENTS

WHEREAS, RCW 53.20 requires port districts to adopt a Comprehensive Scheme of Development and Harbor Improvements (Comp Scheme) which serves as the guide for future Port investment and actions; and

WHEREAS, the Port adopted a Comprehensive Scheme of Development by Resolution 2016-33 on November 8, 2016; and

WHEREAS, the Port of Kennewick has and will continue to play a role in accommodating economic growth by acquiring, developing, selling and leasing land; and

WHEREAS, input from the public and City of West Richland regarding the future redevelopment of the former Tri-City Raceway was obtained throughout the planning process; and

WHEREAS, the Port of Kennewick adopted the former Tri-City Raceway Master Plan by Resolution 2017-07 on March 28, 2017; and

WHEREAS, input from the public and the City of Kennewick regarding the redevelopment of Vista Field was obtained throughout the planning process; and

WHEREAS, the Port of Kennewick adopted the Vista Field Redevelopment Master Plan by Resolution 2017-17 on October 24, 2017; and

WHEREAS, on Tuesday, October 24, 2017, after public notice, as required by law, the Board of Commissioners conducted a public hearing, held in the Commission Chambers of the Port Offices located at 350 Clover Island Drive, Kennewick, WA to amend the Comp Scheme to include the following documents: the former Tri-City Raceway Master Plan, the Vista Field Redevelopment Master Plan and the Vista Field Development Agreement; and

WHEREAS, notice of such hearing was given as provided by law (copy of said notice attached hereto as "Exhibit 1" and "Exhibit 2" and such public hearing was held at such time and place and on said date; and

WHEREAS, after discussion and consideration of the proposed amendment to said Comprehensive Scheme, the Board of Commissioners determined that said scheme should be updated.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Port of Kennewick that after and pursuant to a public hearing held on the 24th day of October 2017, after notice thereof duly given in the manner required by law, the Board of Commissioners of the Port of Kennewick does hereby adopt the Update to the Comprehensive Scheme of Development as identified as "Exhibit 3".

BE IT FURTHER RESOLVED that previous versions of the Comprehensive Scheme and any resolutions amending the previous Comprehensive Schemes are superseded by this new Comprehensive Scheme Update document.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 24th day of October, 2017.

PORT OF KENNEWICK
BOARD OF COMMISSIONERS

By: 
SKIP NOVAKOVICH, *President*

By: 
THOMAS MOAK, *Vice President*

By: 
DON BARNES, *Secretary*

PORT OF KENNEWICK

RESOLUTION NO. 2017-20

A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE PORT OF KENNEWICK CERTIFYING THE PORT'S 2017 LEVY FOR 2018 COLLECTION

WHEREAS, the Board of Commissioners of the Port of Kennewick met and considered its budget for the calendar year 2017 and 2018 at a regular meeting on October 24, 2017, a quorum of the Commission being present; and

WHEREAS, a legal notice of public hearing on the Preliminary Budget of Port of Kennewick for the calendar year of 2017 and 2018 was published in accordance with RCW 53.35.020, RCW 53.35.045 and RCW 84.52.020, and such hearing being held on the 11th day of October, 2016; and

WHEREAS, the Port's actual levy amount from 2017 year was \$3,934,421; and

WHEREAS, the population of the Port is more than 10,000; and

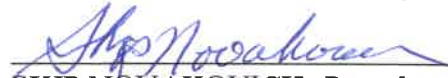
WHEREAS, the Board of Commissioners of Port of Kennewick after hearing and after duly considering all relevant evidence and testimony presented, determined that the Port of Kennewick requires a regular levy for the 2018 tax year in the amount of \$4,800,000, which includes an increase in property tax revenue from the previous year, amounts resulting from the addition of new construction, improvements to property, any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the district and in its best interest.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick substantiate that an increase in the regular property tax levy is hereby authorized for the levy to be collected in 2018 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be approximately \$45,000, which is a percentage increase of 1% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.


BE IT FURTHER RESOLVED that the Board of Commissioners of the Port of Kennewick hereby direct the Chief Financial Officer/Auditor to certify a copy of this resolution and forward the same to the Clerk of the Board of the County Commissioners in accordance with RCW 84.52.020.

APPROVED and dated by the Commissioners of the Port of Kennewick at a regular meeting on October 24, 2017.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


SKIP NOVAKOVICH, *President*


THOMAS MOAK, *Vice President*


DON BARNES, *Secretary*

CERTIFICATION OF TAX LEVY

STATE OF WASHINGTON

County of Benton

In accordance with RCW 84.52.020, I, **Nick Kooiker**, CFO/Auditor for Port of Kennewick, do hereby certify to the Benton County legislative authority that the Commissioners of said district request that the following levy October 24, 2017. I hereby request the Board of County Commissioners of Benton County, Washington, to make said regular levy of the Kennewick Port District, as set forth below, and that said regular levy is for operation, maintenance, land acquisition, construction, and the levy is to be distributed as follows:

Expense (General) Fund	\$4,770,000
Administration Refund Fund	\$30,000

Total Regular Levy	\$4,800,000
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Population Certification:	Above 10,000
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If the above certification is more than the Assessor's levy calculations, the Assessor's Office is directed to reduce the Construction Fund amount by the actual Assessor's levy calculation.

CERTIFIED this 24th day of October, 2017.

CERTIFIED BY:

**PORT of KENNEWICK
CFO/AUDITOR**



Nick Kooiker

PORT OF KENNEWICK

RESOLUTION NO. 2017-21

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING AN INCREASE IN TAX LEVY CAPACITY PURSUANT TO RCW 84.55.120 AND WAC 458-19-005

WHEREAS, a public hearing was held by the Board of Commissioners for the Port of Kennewick regarding the 2017 and 2018 budget; and

WHEREAS, pursuant to RCW 84.55.120 and WAC 458-19-005, the rate of inflation (IPD rate) for 2018 is 1.553 percent and the limit factor for property taxes for 2018 is 112.267%; and

WHEREAS, the Port of Kennewick's levy amount from the previous year was approximately \$3,934,421; and

WHEREAS, the Port has set its increase in tax levy capacity for the 2017 and 2018 budget at one percent (1%) and finds there is substantial need to set the levy limit at one hundred and one percent (101%); and

WHEREAS, the Board of Commissioners of the Port of Kennewick Taxing District, after hearing and after duly considering all relevant evidence and testimony presented, finds there is a substantial need to set the levy limit at one hundred one percent (101%), in order to discharge the expected expenses and obligations of the district and in its best interest; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Port of Kennewick Taxing District that an increase in the regular property tax levy, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in levy value of state assessed property, is hereby authorized for the 2018 levy in the amount of approximately \$45,000 which is a one (1%) percentage increase from the previous year.

ADOPTED by the Board of Commissioners of the Port of Kennewick at a regular meeting held this 24th day of October 2017; and duly signed by its proper officers in the authentication of its passage on said date.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


SKIP NOVAKOVICH, *President*


THOMAS MOAK, *Vice President*


DON BARNES, *Secretary*