



SPECIAL COMMISSION MEETING

PORT OF KENNEWICK

NOVEMBER 18, 2014 MINUTES

CALL TO ORDER

Commission President Don Barnes called the Special Commission meeting to order at 2:00 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

The following were present:

Board Members: Don Barnes, President
Skip Novakovich, Vice-President
Thomas Moak, Secretary

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

PLEDGE OF ALLEGIANCE

Mr. Jim Wade led the Pledge of Allegiance.

Mr. Barnes called for any corrections or additions to the Agenda.

Ms. Scott stated Under New Business, item 6 D, should read 2015 Election of Officers, not 2014.

Mr. Barnes stated for the record, item 6 D under New Business should read 2015 Election of Officers.

PUBLIC COMMENT

Ed Frost, 609 West Albany Avenue, Kennewick. Mr. Frost congratulated the Commission and staff on the success of the charrette. Mr. Frost stated it was the best effort he has ever seen in engaging the community in a planning process in 45 years. The efforts the Port went to, to ensure the community knew about when, where, and what was going on at the charrette was extraordinary. Once the community arrived at the charrette, they were given the opportunity to participate with the consultants, even when it was not open to the public. The Port did an excellent job by going above and beyond, by providing beverages, snacks, extra lighting, and parking signs for the community. Mr. Frost complimented the Commission and staff for the courage and insight to bring in two of the most respected consultants in their profession, Mr. Gary Black and Mr. Andres Duany. For the Port to bring consultants of such stature to our community is sensational and to give the community the opportunity to listen and view how a project is put together was fantastic. Mr. Frost stated the Port has given our community a great opportunity and the Commission should be congratulated for bringing in the very best people for this project.



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Jim Wade, 1813 South Rainer Place, Kennewick. Mr. Wade inquired why Resolution 2014-37 stated the Levy limit was 101%, and not 1% as stated in Resolution 2014-36.

Ms. Fine stated in Resolution 2014-37, it is 1%, however, 101% is the accounting language the Benton County Treasurer prefers.

No further comments were made.

COMMISSION COMMENT

Mr. Moak responded to Mr. Frost's comments relating to the extraordinary effort staff went to and believes it showed the community that the Port of Kennewick is capable of doing the right thing at a professional level. Mr. Moak stated there were a lot of people involved in creating the charrette and believes all the little touches Mr. Frost mentioned created the ambiance that stated the Port is ready to move forward with the redevelopment. Staff and Mr. Arntzen need to be commended for creating an atmosphere which stated the Port is prepared to take on project of this magnitude.

Mr. Arntzen thanked staff for a job well done on the charrette. Mr. Arntzen indicated there were a few minor issues and we did our best to fix them, but he appreciated how thorough staff was over the course of the event.

CONSENT AGENDA

The consent agenda consisted of the following:

- A. Approval of Direct Deposit Dated November 4, 2014**
Direct Deposit totaling \$54,454.36.
- B. Approval of Warrant Register Dated November 8, 2014**
Expense Fund Voucher Numbers 36278 through 36337 for a grand total of \$146,228.47.
- C. Approval of Direct Deposit Dated November 18, 2014**
Direct Deposit totaling \$64,497.78
- D. Approval of Regular Commission Meeting Minutes dated October 28, 2014**
- E. Two-Year Lease Renewal at Oak Street Industrial Park– North American Alloys Inc.;**
Resolution 2014-34

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

NEW BUSINESS

A. 2015 Commission Organization Representation:

Mr. Arntzen stated the Commission has the opportunity every year to elect officers and review and assign Commissioners to committees and boards. Mr. Arntzen inquired if the Commission had any comments, additions or deletions on the current Organization Representation list. Mr. Arntzen stated there will be one meeting in December, so if the Commission did not want to edit the list today, they have the option to do so at the Special Commission Meeting on December 16, 2014.



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Mr. Novakovich feels the Commission has a very comprehensive list that is diverse and we are well represented throughout our community. Mr. Novakovich would like to leave the list as it stands and stated the Commission has an established relationship with each organization.

Mr. Moak believes the Organizational Representation List should be addressed every two years, and approves the current list. Mr. Moak would like to review the Commission Representation list more thoroughly next year, as we work through our larger projects.

Mr. Barnes is comfortable and content with list as is and is pleased to continue working with the organizations in which he has a set. Mr. Barnes inquired if there should be a formal motion or Commission consent.

Mr. Arntzen stated there is one administrative change for the TRIDEC Executive Board rotates amongst the community, and Port of Benton will serve for 2015. Mr. Arntzen inquired with Ms. Luke whether there should be a formal motion or if consensus by the Commission is sufficient.

Ms. Luke stated consensus by the Commission is sufficient.

The Commission consensus will continue utilizing the 2014 Commission Organization Representation list for 2015, with the noted administrative change for TRIDEC. The Commission will revisit the 2015 Commission Organization Representation list June 2015.

B. 2015 Election of Officers

Mr. Arntzen stated the Commission holds officer elections every year for President, Vice President and Secretary. There has been discussion regarding two year terms to dove-tail with budget and work plan, however, Ms. Luke suggested we continue with one year cycles. Mr. Arntzen stated the elections would require a motion and offices would be effective beginning January 1, 2015.

Mr. Novakovich stated he would like to see our officers remain the same, for continuity.

Motion: Commissioner Novakovich moved for approval of the following State of Officers for the Port of Kennewick Board Commission, effective January 1, 2015: President Don Barnes, Vice President Skip Novakovich, and Secretary Thomas Moak. Commissioner Moak seconded.

Discussion:

Mr. Moak would prefer to see two year terms after the 2015 elections.

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

2015-2016 FINAL BUDGET HEARING / ADOPTION

Ms. Fine presented Resolution 2014-35 adopting the 2015-2016 Budget for Commission consideration and recapped the 2015-2016 Budget:

- Total Anticipated Operating Revenues: \$2,100,000.



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- Total Anticipated Non-Operating Revenues: \$7,900,000.
- Total Anticipated Operating Expenses: \$3,600,000.
- Total Anticipated Non-Operating Expenses: \$3,100,000.
- Vista Field Decommissioning: \$267,000.
- Capital Expenditures: \$8,900,000.
- Promotional Hosting Expenditures: \$9,500.
- Reserve Funds: \$2,500,000.
- Unrestricted Fund Balances: \$800,000.

Ms. Fine stated the final 2015-2016 Budget did not deviate from the preliminary budget, which was presented on October 28, 2014.

Ms. Fine presented Resolution 2014-36, Certification of Levy for Benton County for the 2015 Levy collection, which certifies the Port will take the 1% Levy amount, certified at \$3,900,000. This number is higher than the budgeted amount because Benton County has not finalized the property taxes. Resolution 2014-37 authorizes the Port to take an increase in the tax levy of 1%, pursuant to RCW 84.55.120 and WAC 458-19-005.

Ms. Fine stated she attended an accounting conference last week and indicated she attended a class with Frances Ryan, a crisis manager, who speaks on the changes in the economy and state and local government accountability. Mr. Ryan's presentation focused on company restructuring and staying away from bankruptcy. Mr. Ryan stated the market is still unstable, and recommended lean management and accounting, and focusing on the broad business sector. Mr. Ryan stated thirty-eight government municipalities claimed bankruptcy since 2010, with several more on the watch list. Mr. Ryan confirmed local government should be cautious about debt and making sure the entity has a reasonable method for repayment.

Mr. Barnes declared an open public hearing for discussion on 2015-2016 Final Budget.

PUBLIC COMMENTS

Jim Wade, 1813 South Rainer Place, Kennewick. Mr. Wade stated Ms. Fine did an excellent job with the 2015-2016 Budget.

No further comments.

Mr. Barnes closed the public hearing.

MOTION: *Commissioner Novakovich moved approval of Resolution 2014-35, adopting the 2015-2016 Final Budget as presented; Commissioner Moak seconded.*

Discussion:

Mr. Novakovich stated, ten years ago, a house valued at \$200,000 paid \$88.06 in taxes, now, in 2014, that same valuation only pays \$66.74. The levy rate has decreased for homeowner and yet, the Port's assets, which were approximately \$17,000,000 in 2004 are now over \$50,000,000. So while the taxes have gone down for our constituents, the Port's assets have accumulated on the



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public's behalf, and increased three-fold. Ms. Fine, Mr. Arntzen and staff deserve more respect and accolades that he can possibly give.

Mr. Moak noted this is the Port's very first biennial budget which created additional work on staff. Mr. Moak appreciates the work of staff and explained budgets are made to be adjusted, as circumstances warrant, and we may need to reprioritize items over the next two years. This budget represents the ability of this Port to move forward in a responsible manner.

Mr. Barnes commended Ms. Fine for her work on the 2015-2016 Budget and is in full support of the presented Budget. Mr. Barnes stated there have been several significant changes over the past few years and we as we move forward in 2015, we have several ambitious projects to undertake and to be able to lower the taxes per \$1,000 for the Port District is commendable.

With no further discussion, all in favor 3:0. Motion carried unanimously.

MOTION: Commissioner Novakovich moved approval of Resolution 2014-36, Levy Certification and Resolution 2014-37, authorizing an increase in the Tax Capacity; Commissioner Moak seconded.

Discussion

Mr. Barnes stated there is a perception that the additional 1% is a tax increase, however, the 1% amounts to less than \$40,000 and is a small effort on behalf of the Port of Kennewick, to maintain the cost of living.

With no further discussion, all in favor 3:0. Motion carried unanimously.

REPORTS COMMENTS AND DISCUSSION ITEMS

A. Vista Field Redevelopment Planning Process

Mr. Peterson recapped the events of the pattern language and charrette sessions. In attendance were consultants from Duany Plater-Zyberk (DPZ), Integrated Structures, EcoNorthwest, Paramatrix and Crabtree Engineering. The design team engaged with the community and received comments about what they would like to see at the site, and surrounding properties. Mr. Peterson stated approximately 65 to 70 people from all over the community attended the evening meetings and the daily meetings were also well attended. It was an amazing week and the community, staff and Commission were able to see the concept unfold before their very eyes. The DPZ conceptual plans and documents will be revised based upon the additional input the Port receives at VistaField@PortofKennewick.org, however, it will not deviate drastically from the potential layout that was presented on November 15, 2014. Mr. Peterson stated DPZ will continue refining the details and hopes to have the draft plan and supporting economics by late January of 2015. The Port did not have any opposition to the redevelopment of the site and heard loud and clear the concepts the community desires.

Mr. Barnes thanked Mr. Peterson for the update and thanked staff for their hard work and effort and it was an exceptional week.

Mr. Novakovich stated he has heard all positive comments regarding the charrette. He further stated, the Commission has established an excellent task force. The Vista Vision Task Force (V. V. T. F.) is doing a wonderful job vetting, exploring, and answering questions for the public



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and the Commission. Mr. Novakovich is extremely pleased with Mr. Cummins, Chair of the V. T. F. and Mr. Peterson is doing an impressive job overseeing the task force. Mr. Novakovich believes we have an amazing group of people working on the redevelopment, from the task force, to our world renowned consultants, and with that type of participation, we are looking at a successful development for this region.

Mr. Moak stated it was very fortuitous for the Port that Andres Duany decided to stay in the Tri-Cities and manage the week-long charrette. Mr. Duany has the ability to challenge the community and Mr. Moak believes the Port's investment in DPZ paid off. Mr. Moak attended most of the meetings and heard a lot of positive comments, saw many people engaged in the process, and saw people come away from the sessions excited. Mr. Moak stated the Port is entering into an exciting and challenging opportunity and it is of utmost importance that our jurisdictional partners and the private landholders become involved. By holding the charrette in the hangars, Mr. Moak stated staff created an ambiance, from which DPZ created a unique performing arts center for the Tri-Cities. Mr. Moak appreciated DPZ being cognizant of the cost of development and how they created value within the redevelopment to make it successful. He was very pleased to be a spectator during the week and see the community come together and express their desires.

Mr. Barnes stated it was a great process, however, he was concerned we did not see all the groups represented. He further stated that the task force is very representative of our community and they have the ability to provide the Commission additional help. Mr. Barnes thanked Mr. Peterson and staff for a tremendous and intense week-long session and looks forward to the next step.

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

Commissioners reported on their respective committee meetings.

C. Non-Scheduled Items

1. Ms. Scott reminded the Commission that the next scheduled Special Commission meeting will be held on December 16, 2014. She stated there will not be meetings held on December 9 or 23, 2014.
2. Ms. Bader-Inglima thanked our local media, *Tri-City Herald*, *The Journal of Business*, and *KNDU* who have been tremendous partners in advising readers and viewers about the Vista Field Charrette. Ms. Bader Inglima stated Northwest Public Television filmed the charrette sessions and interviewed a number of stakeholders and members of the public and captured the feel of the charrette. P.S. Media filmed the sessions as well and captured the feel of the presentations. Once editing is complete, we will post on the Port website and YouTube, to generate interest in the redevelopment of Vista Field.
3. Ms. Bader-Inglima reported there have been requests from the Pasco-Kennewick Rotary and Columbia Center Rotary for two separate presentations; Vista Field update and the projects on Columbia Drive. In the past, community presentations have been given by the Commission President, Ms. Bader-Inglima inquired if that is the Commission preference, moving forward.



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Mr. Barnes stated as the Commission President, he would like to accept any speaking opportunities or invitations for 2014, however, Mr. Barnes believes Mr. Novakovich and Mr. Moak should handle any 2015 speaking engagements, since his seat is up for re-election.

Ms. Bader-Inglima stated it has been standard practice when a Commission Seat is up for re-election, the other Commissioners have the opportunity to speak at community engagements.

Mr. Novakovich inquired if Mr. Barnes can represent the Port Commission until he files.

Ms. Bader-Inglima stated past practice has been if a Commissioner is up for election in the current year, they defer any speaking engagements to another Commissioner, for transparency.

Mr. Arntzen stated what the law permits is a broader definition than Port standard practice.

4. Mr. Arntzen commended the Commission for allowing the pattern language and charrette process to happen organically and believes the two worked very well together.
5. Ms. Luke had the opportunity to attend the Saturday Closing Presentation and mirrors all the previous comments regarding the success of the charrette. She stated it was extraordinary and commends the Commissioners and Port staff for accomplishing an event that will go down in history.
6. Mr. Peterson stated he spoke with Northwest Public Television and they are working on a documentary of the Vista Field Master Planning Charrette, which may run at least an hour. The documentary will detail the project but the story will focus on what the community can accomplish by working together. Mr. Peterson thanked the Commission for their risky endeavor, and stated we had good attendance throughout the week and the interactive process in the planning and development was a benefit for the community. Staff will be obtaining additional information for DPZ, who will be refining the details and numbers. Mr. Peterson stated staff has started conversations with our partners: Benton County, City of Kennewick, Kennewick Irrigation Department, and private landholders.
7. Ms. Fine attended training last week and stated it was the best training she has attended to date. Ms. Fine stated the quality of the classes were exceptional and the amount of information covered in such a short period of time was very valuable. She stated the professors were professionals in the top of the field and were very knowledgeable.
8. Ms. Hanchette stated she took her twelve year old to the charrette Thursday evening and explained this will affect him as a young adult. She stated it was very informative and good for him to see the process.

Mr. Novakovich thanked Ms. Bader-Inglima for a spectacular job on the community outreach for the charrette.

PUBLIC COMMENTS

Ed Frost, 609 West Albany Avenue, Kennewick. Mr. Frost compelled the Commission to allocate land



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for a future Performing Arts Center in the Vista Field redevelopment. Mr. Frost recommended that once the plan has been completed, the Port allocate an adequate amount of land for the center and suggested a fifty year land lease of \$1.00 a year and with a five year construction time line. Mr. Frost indicated there are several organizations and entities in the community that would love to have this facility and stated Vista Field needs an anchor building and he believes a Performing Arts Center could be that anchor and it will bring people and businesses to the Tri-Cities.

Jim Wade, 1813 South Rainer Place, Kennewick. Mr. Wade appreciated the Port's transparency and stated staff does a great job notifying the public of events and changes. Mr. Wade believes a Performing Arts Center is nice, but believes the Commission should take everything into consideration.

Barb Carter, 3121 West 30th Avenue, Kennewick. Ms. Carter reiterated all the comments expressed today. Ms. Carter had the opportunity to participate in the pattern language session and enjoyed the process and learned a lot. She stated everyone was an equal at the table and had the opportunity to express their desires for Vista Field. Ms. Carter echoed Mr. Frost's comments regarding a Performing Arts Center and believes it is a critical component for the success of Vista Field.

No further comments

COMMISSIONER COMMENTS

Mr. Moak appreciated Mr. Wade's comments about the transparency of the Port and stated we are a public agency committed to letting the public know and have access to the information. Mr. Moak stated a Performing Arts Center is a key element to the redevelopment of Vista Field and once the Commission has the draft plan, we will look at all factors for Vista Field.

No further comments were made.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:20 p.m.

APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS

Don Barnes, President

Skip Novakovich, Vice President

Thomas Moak, Secretary

PORT OF KENNEWICK

Resolution No. 2014-34

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING A TWO YEAR LEASE AGREEMENT WITH NORTH AMERICAN ALLOYS

WHEREAS, the Port of Kennewick (Port) is authorized to enter into certain leases upon such terms as the Port Commission deems proper; and

WHEREAS, a two (2) year lease renewal with North American Alloys effective November 1, 2014, has been negotiated by Port staff; and

WHEREAS, the Port Commission has called a regularly scheduled public meeting with notice of such meeting given as provided by law and such public meeting was held at such time and on said date; and

WHEREAS, Port staff and the Port attorney have reviewed the proposed Lease Agreement and find it is in proper form and it is in the Port's best interest; and

WHEREAS, after consideration of the attached lease agreement, the Port Commission has determined that the lease is proper.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby approve a two (2) year lease renewal with North American Alloys as presented and authorizes the Port's Executive Director to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 18th day of November, 2014.

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

By:



DON BARNES, *President*

By:



SKIP NOVAKOVICH, *Vice President*

By:



THOMAS MOAK, *Secretary*

PORT OF KENNEWICK

RESOLUTION NO. 2014-35

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF PORT OF KENNEWICK ADOPTING THE 2015 & 2016 BUDGET


WHEREAS, the Board of Commissioners of Port of Kennewick met at a special meeting on November 18, 2014, a quorum of the Commission being present; and

WHEREAS, Port of Kennewick has properly given notice of the public hearing held on October 28, 2014 to consider Port of Kennewick's Budget for the 2015 and 2016 calendar year, pursuant to RCW 84.55.120; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port of Kennewick after a public hearing, and after duly considering all relevant evidence and testimony presented, has adopted the attached budget for Port of Kennewick for the year 2015 & 2016.

ADOPTED by the Board of Commissioners of Port of Kennewick at its special meeting on November 18, 2014.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By: 
DON BARNES, President

By: 
SKIP NOVAKOVICH, Vice President

By: 
THOMAS MOAK, Secretary



Port of Kennewick

2015 & 2016 BUDGET



Fostering Jobs, Promoting Trade & Enhancing Quality of Life

PORT OF KENNEWICK

Accrual Basis of Accounting With Cost Allocations

| | 2015 & 2016 BUDGET |
|---|-----------------------------------|
| ANTICIPATED REVENUES | |
| <i>Total Operating Revenues</i> | \$ 2,159,775 |
| <i>Total Non-Operating Revenues</i> | \$ 7,924,945 |
| <i>Total Anticipated Revenues</i> | <u>\$ 10,084,719</u> |
| ANTICIPATED EXPENSES | |
| <i>Total Operating Expenses</i> | \$ 3,641,318 |
| <i>Total Non-Operating Expenses</i> | \$ 3,034,467 |
| <i>Total Anticipated Expenses</i> | <u>\$ 6,675,785</u> |
| PROFIT (LOSS) | <u><u>\$ 3,408,935</u></u> |
| LESS SPECIAL ITEM - Ongoing Vista Field Decommissioning | \$ 267,132 |
| LESS CAPITAL EXPENDITURES | \$ 8,915,447 |
| LESS PROMOTIONAL HOSTING EXPENDITURES | \$ 9,500 |
| BEGINNING CASH ON HAND | \$ 9,090,363 |
| RESERVE FUNDS | \$ 2,500,000 |
| UNRESTRICTED FUND BALANCES | \$ 807,220 |
| ENDING CASH ON HAND | <u><u>\$ 3,307,220</u></u> |

Note: Budget does not include depreciation expenses

2015 & 2016 Preliminary Budget Memo and PowerPoint Presentation are integral to the Port of Kennewick's budget document.

Mission & Goals

The Port of Kennewick's mission is to provide and support sound economic growth opportunities that create jobs and/or improve the quality of life of the port district citizens.

Economic Development and Job Creation Mission & Goals:


- Provide the public with high quality projects and services within a healthy work environment.
- Evaluate economic development opportunities based on results to be derived district-wide versus project-specific or jurisdiction-specific.
- Encourage transparency, open competition and equal project consideration, fostering a reputation for fairness with the local business community.
- Seek to fund projects with available resources.
- Support intergovernmental cooperation by partnering with entities which demonstrate support.

These above goals will be accomplished through the following projects:

- ✓ Vista Field Redevelopment planning efforts are in full swing with high community and business involvement throughout the 2015 & 2016 years. The Port is working to formulate a financial plan that involves public and private partnerships, a financing mechanism which does not increase taxes, and engages open and competitive practices. The impacts of this project will be substantial to the local area as well as the state and even nationally as we work to spur and retain jobs in the United States.
- ✓ Columbia Drive Redevelopment involves multiple sound economic development projects planned for construction in 2015 & 2016. These construction projects are in conjunction with partnering entities and a competitive bid process will be used. The Columbia Drive Redevelopment projects will positively impact the Port district-wide, while supporting the "Bridge to Bridge, River to Railroad" community plan, and the expansion of Washington's wine industry.

- ✓ Clover Island shoreline restoration, public amenity enhancements and project planning are all under way. The Port is working with the U.S. Army Corp of Engineering to help fund shoreline improvements; the Washington State Recreation Office Commission (RCO) to help fund public boating improvements; and Confederated Tribes of the Umatilla Indian Reservation to create and install artwork on the Island. These are key projects to restoring the shoreline for salmon habitat restoration, visually improving the island's aesthetic, and adding very valuable community improvements. These project are important to the Port's return on investment as they will encourage potential developers and businesses to locate at Clover Island.
- ✓ Vista Field Development Building-A capital improvements will be out to competitive bid in 2015. These improvements will significantly increase the value and marketability of an existing Port asset, and are tied to retaining 100 jobs within Washington State for an international, publicly-traded company. Retaining this business in the Tri-Cities is important, as the company provides high-wage, non-Hanford, non-Ag jobs.

Financial, Operational, and Budget Philosophy for 2015 & 2016:

- The Port is maintaining its goal of a balanced budget.
 - The Port is fiscally sound and is ensuring its available resources do not exceed expenditures.
 - Port budget will maintain current staffing levels and can therefore continue to promote fiscal responsibility.
 - Port budget does not reflect incurring any debt; however, if debt is pursued it will be under the goal to be sustainable while meeting cost, risk, legal and economic objectives.
 - The Port will continue to report ROI as appropriate and share audited financial reports with the public.
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PORT OF KENNEWICK

RESOLUTION NO. 2014-36

A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE PORT OF KENNEWICK CERTIFYING THE PORT'S 2014 LEVY FOR 2015 COLLECTION

WHEREAS, the Board of Commissioners of the Port of Kennewick met and considered its budget for the calendar year 2015 and 2016 at a special meeting on November 18, 2014, 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 2015 and 2016 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 28th day of October, 2014; and

WHEREAS, the Port's actual levy amount from the previous year was \$3,529,748; 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 2015 tax year in the amount of \$3,950,000, 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 2015 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be approximately \$40,000, 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 Director of Finance/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 special meeting on November 18, 2014.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**



DON BARNES, *President*


SKIP NOVAKOVICH, *Vice President*
THOMAS MOAK, *Secretary*

CERTIFICATION OF TAX LEVY

STATE OF WASHINGTON

County of Benton

In accordance with RCW 84.52.020, I, **Tammy Fine**, Director of Finance/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 amounts be collected in 2015 as provided in the district's budget, which was adopted at a public hearing held on November 18, 2014. 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 | \$3,930,000 |
| Administration Refund Fund | \$20,000 |

| | |
|---------------------------|--------------------|
| Total Regular Levy | \$3,950,000 |
|---------------------------|--------------------|

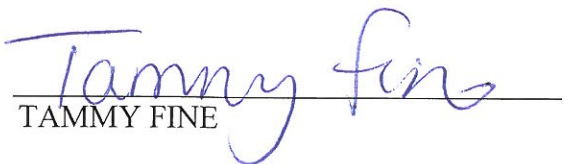
| | |
|---------------------------|--------------|
| Population Certification: | Above 10,000 |
|---------------------------|--------------|

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 18th day of November, 2014.

CERTIFIED BY:

**PORT of KENNEWICK
CFO/AUDITOR**


TAMMY FINE

PORT OF KENNEWICK

RESOLUTION NO. 2014-37

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 2015 and 2016 budget; and

WHEREAS, pursuant to RCW 84.55.120 and WAC 458-19-005, the rate of inflation (IPD rate) for 2015 is 1.591 percent and the limit factor for property taxes for 2015 is one hundred and one percent (101%); and

WHEREAS, the Port of Kennewick's levy amount from the previous year was \$3,529,748; and

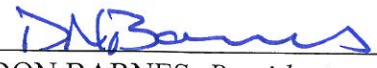
WHEREAS, the Port has set its increase in tax levy capacity for the 2015 and 2016 budget at one percent (1%) and finds there is substantial need to set the levy limit at one hundred and one percent (101%); and

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

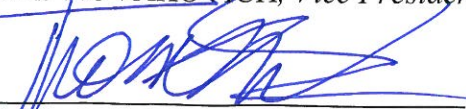
NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Port of Kennewick Taxing District that an increase in the regular property tax levy, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in levy value of state assessed property, is hereby authorized for the 2015 levy in the amount of approximately \$40,000 which is a one (1%) percentage increase from the previous year.

ADOPTED by the Board of Commissioners of the Port of Kennewick at a special meeting held this 18th day of November 2014; and duly signed by its proper officers in the authentication of its passage on said date.

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


DON BARNES, *President*


SKIP NOVAKOVICH, *Vice President*


THOMAS MOAK, *Secretary*