



# PORT OF KENNEWICK REGULAR COMMISSION MEETING

OCTOBER 26, 2021 MINUTES

Commission Meeting recordings, with agenda items linked to corresponding audio, can be found on the Port's website at: <https://www.portofkennewick.org/commission-meetings-audio/>

Commission President Commissioner Don Barnes called the Regular Commission Meeting to order at 2:00 p.m. via GoToMeeting Teleconference.

## ANNOUNCEMENTS AND ROLL CALL

The following were present:

**Board Members:** Commissioner Don Barnes, President (via telephone)  
Skip Novakovich, Vice-President (via telephone)  
Thomas Moak, Secretary (via telephone)

**Staff Members:** Tim Arntzen, Chief Executive Officer (via telephone)  
Tana Bader Inglima, Deputy Chief Executive Officer (via telephone)  
Amber Hanchette, Director of Real Estate and Operations (via telephone)  
Nick Kooiker, Chief Finance Officer (via telephone)  
Lisa Schumacher, Special Projects Coordinator  
Bridgette Scott, Executive Assistant (via telephone)  
Lucinda Luke, Port Counsel (via telephone)

## PLEDGE OF ALLEGIANCE

Commissioner Novakovich led the Pledge of Allegiance.

## APPROVAL OF THE AGENDA

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

## PUBLIC COMMENT

No comments were made.

## CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated October 19, 2021***  
Direct Deposit and E-Payments totaling \$112,219.74
- B. Approval of Warrant Register Dated October 26, 2021***  
Expense Fund Voucher Number 103260 through 103300 for a grand total of \$123,557.38
- C. Approval of Regular Commission Meeting Minutes October 12, 2021***

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

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## EMERGENCY DELEGATION UPDATE

Mr. Arntzen and Ms. Hanchette stated there is nothing to report.

## PRESENTATION

### A. *Columbia Gardens Playground, Renata Presby*

Mr. Arntzen gave a brief introduction on the Kiwanis Columbia Gardens Playground project and stated recently the Port entered into a contract with Energy Northwest for special services. Mr. Arntzen stated Renata Presby is the Port's consulting project manager for the playground project.

Ms. Presby outlined the goals, the plans, and the potential financing of the project (*Exhibit A*). Ms. Presby indicated that the project needs a firm commitment from the Port, the City, and Kiwanis Club to move the project forward.

Commissioner Novakovich inquired what the value of the land is that is being proposed for the playground and what the Port's total investment in the project would be. Furthermore, what would the City's ongoing maintenance costs would be, and if they are willing to partner with us on the project. Commissioner Novakovich believes Columbia Gardens is not the right place for a playground and would rather see it on Clover Island.

Commissioner Moak inquired if the City has any interest in participating in the project.

Mr. Arntzen has discussed the project with Marie Mosley, City Manager several times and has not received a definitive answer. Mr. Arntzen would like to update Ms. Mosley on the progress and see if the City will support the project. Ms. Presby raised a very significant question regarding the three-way partnership: the City would support the project with funding and take on the obligation of maintenance and repair. Mr. Arntzen believes the maintenance best rests with the City, because the Port has added 103 acres at Vista Field to maintain and the Kiwanis Club has many activities that they pursue.

Ms. Hanchette stated the parcel is waterfront adjacent to the trail and is 22,228 square feet. The parcel is \$10.50 per square foot, which is \$233,400.

Ms. Presby stated the playground will require approximately 3,500 square feet.

Commissioner Barnes stated the playground will take up approximately 15% of this parcel and inquired if there is another purpose for the remaining 18,000+ square feet.

Ms. Hanchette stated the site plan included a building with some parking on that parcel; however, she is not aware if the playground will require parking.

Commissioner Novakovich inquired if the remaining usable land can be sold or if the playground will hinder a sale because of the location.

Commissioner Barnes inquired how the lot was identified for the playground.

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Mr. Arntzen met with Wayne Bell and Commissioner Moak, and it was suggested that the playground could be installed near the entrance for visibility; however, it was determined that the location was too close to the road and a private business was interested in purchasing that parcel. The location took shape over a few meetings and the Kiwanis believed the waterfront appeared to be most desirable location for the playground.

Wayne Bell, president of the Kiwanis Club of Kennewick stated the location was chosen because of the trail and they thought it would attract families to Columbia Gardens. Mr. Bell stated the club has no interest in installing the playground at Clover Island.

Mr. Arntzen would like to research the questions from the Commission and report back with more detail at the December 14<sup>th</sup> Commission Meeting and inquired if that is acceptable to the Commission.

*It is the consensus of the Commission for staff to provide a final report on the Kiwanis playground project at the December 14<sup>th</sup> Commission Meeting.*

## REPORTS, COMMENTS AND DISCUSSION ITEMS

### A. *Vista Field Development Facilities, 415 N. Roosevelt Building A (Bruker Lease Termination)*

Ms. Hanchette presented Resolution 2021-21, early lease termination for Bruker AXS Handheld for Commission consideration. Ms. Hanchette outlined the terms of lease amendment #4, which has been discussed in several meetings by the Commission.

Commissioner Moak stated the amendment corresponds to previous Commission discussion; however, he was concerned about returning the deposit if Bruker left the property in disrepair.

Commissioner Novakovich stated Bruker is an upstanding, honorable company and he does not believe they would leave the property in a state of disrepair.

Ms. Luke stated amendment #4 addresses the early termination of the lease and states that all other terms related to the original lease remain unchanged, which allows for protection of the Port, should the premises be left in an unacceptable condition.

## PUBLIC COMMENT

No comments were made.

***MOTION:*** *Commissioner Novakovich moved to approve Resolution 2021-21, approving the lease amendment #4, between the Port of Kennewick and Bruker AXS Handheld Inc; and hereby ratify and approve all action by Port officers and employees in furtherance hereof and authorize the Port's CEO to take all action necessary in furtherance hereof; Commissioner Moak seconded.*

### ***Discussion:***

*Commissioner Moak stated his previous comments have nothing to do with Bruker, but more the language of the terms. Ms. Luke explained the terms very well and Commissioner Moak is very satisfied with Bruker's work.*

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*Commissioner Barnes was reassured Ms. Luke's comments regarding the lease amendment and deposit terms. It is regrettable that Bruker has elected to go in a different direction as they have been a solid citizen in our business community and created numerous jobs. Commissioner Barnes thanked Bruker for their working relationship and wished nothing but the best on future endeavors.*

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

## ***B. Vista Field***

Mr. Arntzen stated that Mr. Peterson and Carey Roe, City of Kennewick's Public Works Director, have been working on an alternate driveway access for the building across from the Vista Field hangars, which has been impacted by the road changes on Deschutes Drive. Ms. Luke has been working with the City attorney and the property owners on an agreement and inquired if the Commission would authorize an agreement with the City and the property owners, as long as it meets the requirements of the City and Port attorney.

Ms. Luke stated there are five units involved and believes we are close on the finalizing the language. The Port had proposed a broad indemnification hold harmless language; however, the property owners were not comfortable with that language and would like to narrow the waiver language.

Commissioner Barnes stated without a map he is not able to weigh in on the request.

Commissioner Moak stated time is of the essence and City and Port staff have been working in good faith on this agreement. Commissioner Moak stated he is not able to say yay or nay on something he does not know much about but will not stand in the way of staff moving forward.

Commissioner Novakovich agrees with Commissioner Moak's comments and trusts staff to make prudent decisions and will leave it in their hands.

Ms. Luke stated there are two agreements; the first agreement is between the Port and the property owners acknowledging the relocation of the access driveway and the second is an Interlocal Agreement (ILA) between the Port and the City outlining the shared responsibilities.

Commissioner Barnes inquired if the ILA will be brought back to the Commission for approval and if the agreement with the property owners could be addressed at the same time.

Ms. Luke stated the ILA is required to be brought back to the Commission for approval. Furthermore, it would be helpful to have the property owners acknowledge and agree on the relocation of the driveway before moving forward with an ILA with the City.

# PORT OF KENNEWICK

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### **C. Governance Audit Update**

Ms. Scott stated per the Commission's direction at the October 12, 2021 Commission Meeting, staff worked with Mr. Darling to finalize the advertisements for the Request for Proposals (RFP) for the project manager and the governance and management audit. Ms. Scott outlined the process and stated the information can be found on the following links:

- [www.portofkennewick.org/contracting/#bid](http://www.portofkennewick.org/contracting/#bid) (RFP's)
- <https://www.portofkennewick.org/public-records-request/> (additional background history)

Mr. Arntzen stated this has been a completely transparent process and staff did not play a role in the substantive details in this process. Staff worked with Mr. Darling on the procedural and administrative details to advertise the RFP's. Additionally, Mr. Arntzen has no information whatsoever that would lead him to believe there was any disagreement between staff and Mr. Darling on how the process was handled.

### **D. November 23, 2021 and December 28, 2021 Commission Meetings**

Ms. Scott inquired if the Commission would like to cancel the Regular Commission Business Meetings scheduled for November 23<sup>rd</sup> and December 28<sup>th</sup> due to the holidays.

*The consensus of the Commission is to cancel the November 23<sup>rd</sup> and December 28<sup>th</sup> Regular Commission Business Meetings. Furthermore, if there is important business to address, a Special Commission Meeting may be called.*

### **E. Chief Executive Officer Annual Performance Review**

Ms. Luke reported that the CEO annual performance review was originally scheduled for today; however, due to unforeseen circumstances, Commissioner Barnes was unable to complete his CEO evaluation. Ms. Luke stated the performance review will be moved to the November 9<sup>th</sup> Commission Meeting. Ms. Luke outlined the previous timeline of the CEO annual performance review and stated she hopes to receive Commissioner Barnes evaluation by Friday, October 29, 2021. This will provide her adequate time to review and compile the documents for final Commission review on November 3, 2021. The final reviewed documents will be included in the Agenda Packet for the November 9<sup>th</sup> Commission Meeting. Ms. Luke stated the CEO's contract requires that the evaluation be completed by November 15<sup>th</sup>.

Commissioner Barnes briefly stated that he suffered an accident at home and as a result, he was unable to complete the performance evaluation. Commissioner Barnes apologized and stated he will do everything he can to meet the deadline Ms. Luke just laid out.

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

Commissioners reported on their respective committee meetings.

### **G. Non-Scheduled Items**

Ms. Bader Inglima stated TDX, the contractor for the 1135 shoreline restoration project, moved their job trailer onto Clover Island this morning. They are beginning to stage the materials and equipment and will begin site work on Monday, November 1<sup>st</sup>.

# PORT OF KENNEWICK REGULAR COMMISSION MEETING

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Commissioner Moak attended the Chamber of Commerce state of the cities presentation and stated it was nice to be recognized by the City of Kennewick for our partnership.

## PUBLIC COMMENTS

No comments were made.

## ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 3:37 p.m.

### APPROVED:

### PORT of KENNEWICK

### BOARD of COMMISSIONERS

DocuSigned by:

*Don Barnes*

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*Don Barnes, President*

DocuSigned by:

*Skip Novakovich*

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*Skip Novakovich, Vice President*

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**Thomas Moak**

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*Thomas Moak, Secretary*

***PORT OF KENNEWICK***

**RESOLUTION 2021-21**

***A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE PORT OF KENNEWICK AUTHORIZING  
EARLY LEASE TERMINATION FOR BRUKER AXS HANDHELD INC.***

**WHEREAS**, the Board of Commissioners received written notice from Bruker AXS Handheld Inc. to vacate 21,000 square feet of light industrial space at 415 N. Roosevelt Street, Kennewick and terminate their lease early due to corporate restructuring; and

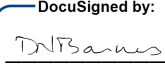
**WHEREAS**, Bruker AXS proposed to the Commission a lease buyout plan and early termination terms found in Lease Amendment #4 (Exhibit A).

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of the Port of Kennewick hereby approves and adopts Lease Amendment #4 between the Port of Kennewick and Bruker AXS Handheld Inc.

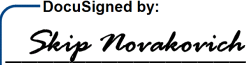
**BE IT FURTHER RESOLVED** that the Port of Kennewick Board of Commissioners hereby ratifies and approves all action by port officers and employees in furtherance hereof; and authorizes the port Chief Executive Officer to take all action necessary in furtherance hereof.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick this 26th day of October 2021.

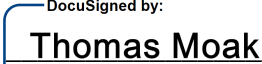
***PORT of KENNEWICK  
BOARD of COMMISSIONERS***

By:   
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DON BARNES, President

By:   
0E53A30E1C8E442...

SKIP NOVAKOVICH, Vice President

By:   
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THOMAS MOAK, Secretary

**AMENDMENT #4 TO COMMERCIAL LEASE AGREEMENT**

THIS AMENDMENT, entered into this \_\_\_\_ day of October, 2021, by and between the Port of Kennewick, a Washington municipal corporation (hereinafter referred to as "Port"), and Bruker AXS Handheld, Inc., a Delaware corporation (hereinafter referred to as "Tenant"),

**W I T N E S S E T H**

WHEREAS, on June 1, 2018, Port and Tenant entered into a Commercial Lease for the lease of the premises located at Vista Field Development Building A, Suite No. 1 located at 415 N. Roosevelt Street (formerly known as Quay Street), Kennewick, Washington (hereinafter referred to as the "Premises"). The Commercial Lease, Exhibits (including full legal description), and Amendment Nos. 1 – 3 (hereinafter collectively referred to as the "Lease") are attached hereto and incorporated herein by reference as Exhibit "A".

AND, WHEREAS, the Port and Tenant wish to amend the Lease to address Tenant's request to terminate the Lease before the end of the Lease term.

NOW, THEREFORE, it is agreed by and between the parties that they adopt the following amendments to the Lease:

1. Tenant shall vacate the Premises on or before May 31, 2022.
2. On or before May 31, 2022, Tenant shall pay Port a lump sum equivalent to the monthly rent (\$12,054.20 per month, plus leasehold tax) for the period June 1, 2022 through December 31, 2022 for a total payment of \$84,379.40 plus leasehold tax)
3. Tenant shall be relieved of monthly rent for the period January 1, 2023 through the end of the Lease term (May 31, 2023).
4. Port shall return the Lease deposit (\$24,115.00) to Tenant on or before June 30, 2022.
5. Port may begin efforts to market the Premises effective with the signing of this Amendment. Tenant shall cooperate with Port's efforts to market the Premises.

All remaining terms and conditions of the Lease remain unchanged.

**PORT OF KENNEWICK****BRUKER AXS HANDHELD INC**

By: \_\_\_\_\_  
Tim Arntzen, Chief Executive  
Title: Officer

By: John H Landefeld  
John Landefeld, Executive Vice  
Title: President

Reviewed:

Approved as to form:

By: \_\_\_\_\_  
Title: Nick Kooiker, Port CFO

By: \_\_\_\_\_  
Title: Lucinda Luke, Port Legal Counsel

BRUKER AXS HANDHELD, INC.

By: \_\_\_\_\_

Printed Name and Title:  
  
\_\_\_\_\_STATE OF WASHINGTON )  
 ) ss.  
County of Benton )

On this day personally appeared before me Tim Arntzen to me known to be the **Chief Executive Officer** of the **Port of Kennewick**, the municipal corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned, and on oath stated he is authorized to execute the said instrument.

GIVEN under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
Notary Public in and for the State of Washington  
Residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss.  
County of Benton )

On this day personally appeared before me \_\_\_\_\_ to me known to be the \_\_\_\_\_ of the **Brucker AXS Handheld, Inc.**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated he/she is authorized to execute the said instrument.

GIVEN under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
Notary Public in and for the State of Washington  
Residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



**PORT *of* KENNEWICK**

# Columbia Gardens Playground

Port of Kennewick  
Kiwanis Club  
City of Kennewick

# The Goal

## PARTNERSHIP

- Port of Kennewick
- Kiwanis Club
- City of Kennewick

## END GAME

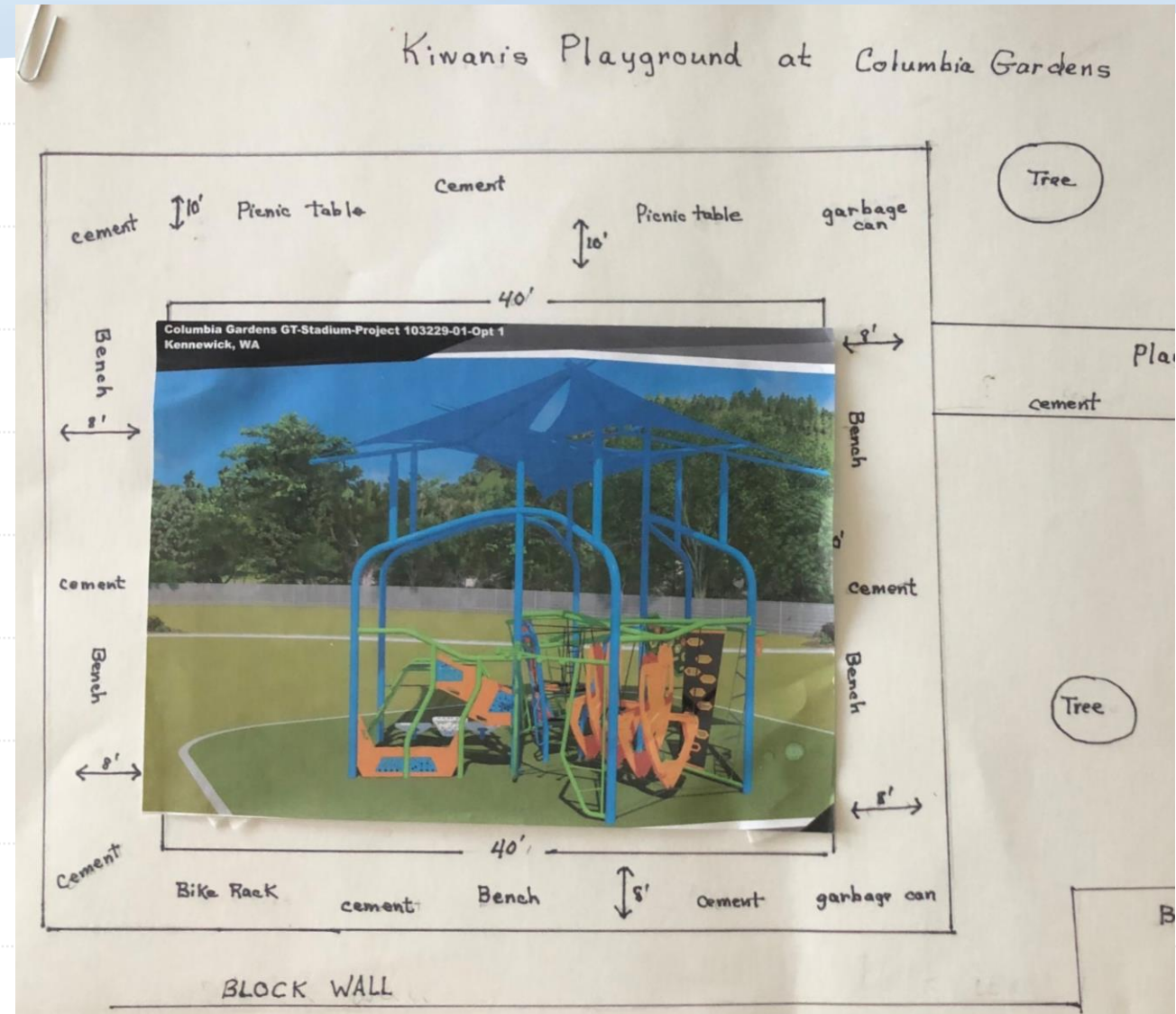
Playground for community  
at Columbia Gardens  
development



# Brief Overview

Kiwanis letter and research – 09-08-2020

- Improve community life
- Cost estimated in 2020 - \$225,000 (\$152,000 in equipment)
- Target Construction Timeline – Spring 2022
- Age Group – 5-12-year olds
- Playground- obstacle course surrounded by concrete paths and area for picnic benches



# The Plan

- Port of Kennewick (POK) commissioner's presentation
  - Highlight step needed
  - Identify voids
  - Seek input from commissioners
  - Open questions/comment
- Additional update meeting with POK commissioner in November
- POK to work with (COK) to see what support they can offer to the project. POK to provide monthly updates to PM.
- Prepare and sign tri-party commitment, roles and responsibilities
- POK land donation and potential funds (POK to confirm)
- COK maintenance and potential funds (POK to confirm)
- Kiwanis funds for the project – currently \$30K, more to fundraise



# The Plan-Continued

SEPA was complete for the site, playground would not trigger additional land study

- Prepare bid documents – POK standard bid documents.
  - Turnkey playground equipment suppliers
- Project BID – Request for Proposal, small works roster POK. Follow POK procurement procedures.
- Receive bids and select successful bidder
- Award Contract
- Call 1-800-dig, construction plan review/permit is not required.
- Construction
- Closeout of the project
- Ongoing maintenance



# Voids and Actions

1. Define commitments
2. **Sign intent and agreement of the commitments**
3. Fundraise and secure funds

Without Solid Commitment and Defined Roles of the three entities, there is no Project.



# Questions/Discussion

