To continue to provide public access to meetings, Port of Kennewick will provide telephonic, video access, and in-person participation options to the public:

To participate by telephone, please call in at: <u>1-866-899-4679</u> Access Code: 837-957-501 Or, join on-line at the following link: <u>https://meet.goto.com/837957501</u>

#### **AGENDA**

### Port of Kennewick Regular Commission Business Meeting

Port of Kennewick Commission Chambers and via GoToMeeting 350 Clover Island Drive, Suite 200, Kennewick Washington

May 13, 2025 2:00 p.m.

- I. CALL TO ORDER
- II. ANNOUNCEMENTS AND ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. PUBLIC COMMENT (Please state your name and address for the public record)
- V. CONSENT AGENDA
  - A. Approval of Direct Deposit and ePayments May 2, 2025
  - B. Approval of Warrant Register Dated May 13, 2025
  - C. Approval of Regular Commission Meeting Minutes April 22, 2025
- VI. REPORTS, COMMENTS AND DISCUSSION ITEMS
  - A. Vista Field
    - 1. Groundbreaking (TANA)
    - 2. Residential Webpage (AMBER)
  - B. Kennewick Waterfront
    - 1. Sip & Savor and Columbia Gardens Events (DAVID)
    - 2. Island Magazine (TANA)
    - 3. Columbia Gardens Wine & Artisan Village Vacancy (AMBER)
  - C. Finley Update (AMBER)
  - D. CEO Report (if needed)
  - E. Commission Meetings (formal and informal meetings with groups or individuals)
  - F. Non-Scheduled Items (LISA/BRIDGETTE/TANA/NICK/AMBER/LARRY/DAVID/CAROLYN/TIM/KEN/TOM/SKIP)
- VII. PUBLIC COMMENT (Please state your name and address for the public record)
- VIII. ADJOURNMENT



DRAFT

APRIL 22, 2025 MINUTES

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

Commission President Skip Novakovich called the Regular Commission Meeting to order at 2:00 p.m.

#### ANNOUNCEMENTS AND ROLL CALL

#### The following were present:

**Board Members**: Skip Novakovich, President

Kenneth Hohenberg, Vice President

Thomas Moak, Secretary

**Staff Members:** Tim Arntzen, Chief Executive Officer

Tana Bader Inglima, Deputy Chief Executive

Nick Kooiker, Deputy Chief Executive Officer/CFO

Amber Hanchette, Director of Real Estate Michael Boehnke, Director of Operations

Bridgette Scott, Executive Assistant (via telephone) Lisa Schumacher, Special Projects Coordinator

David Phongsa, Marketing/Capital Projects Coordinator

Carolyn Lake, Port Counsel (via telephone)

#### PLEDGE OF ALLEGIANCE

Commissioner Hohenberg led the Pledge of Allegiance.

#### **PUBLIC COMMENT**

No comments were made.

#### CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated April 17, 2025
  Direct Deposit and E-Payments totaling \$92,317.18
- **B.** Approval of Warrant Register Dated April 22, 2025

  Expense Fund Voucher Number 106835 through 106871 for a grand total of \$152,587.46
- C. Approval of Regular Commission Meeting Minutes April 8, 2025
- D. Gunderson Rail Services LLC dba Greenbrier Rail Services Lease Renewal: Resolution 2025-12

<u>MOTION:</u> Commissioner Hohenberg moved to approve the Consent Agenda presented; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

#### **DRAFT**

#### **NEW BUSINESS**

#### A. Washinton Economic Development Association (WEDA) Committee

Mr. Arntzen reported the Port was recently awarded the Economic Development Award for Economic Response and Recovery from the Washington Economic Development Association (WEDA). Mr. Arntzen thought it would be a good idea for the Port to join WEDA and now needs a representative to attend meetings.

Commissioner Novakovich would be pleased to be the Port representative.

Mr. Arntzen stated the Commission Organization Representation list is updated every two years and if the Commission agrees, we will amend the Committee list informally today and formally add WEDA in 2026.

#### **PRESENTATION**

#### A. Legislative Issues Report

Ms. Lake gave a presentation on the 2025 Legislative Update thus far (*Exhibit A*).

#### REPORTS, COMMENTS AND DISCUSSION ITEMS

#### A. Vista Field

Ms. Hanchette reported the groundbreaking of Blueberry Bridal on April 17, 2025 was very successful, in thanks to Ms. Bader Inglima and staff (*Exhibit B*). Amber Keller, owner, has been a strong advocate for Vista Field from the very beginning and turned in her proposal at the Vista Field grand opening event on June 16, 2022. Ms. Keller has worked diligently to get to this point and is very excited about moving forward.

Ms. Hanchette stated the groundbreaking for Columbia Point Eyecare has been postponed until further notice, while the developers finalize details.

#### B. Kennewick Waterfront

Mr. Boehnke reported that the remaining sections of the Clover Island North dock have been removed completely and will be transported to Oak Street for dismantling and disposal. Additionally, Wildlands, the shoreline contractor, has been working on plant clean up and general irrigation maintenance and repair. Ms. Bader Inglima is working with the USACE, to bring over a biologist for a species count for the spec plants that were originally installed. This will be an annual event, as outlined in 1135 Shoreline restoration grant.

Mr. Boehnke stated the construction has been completed on the marina bathrooms and now has full key-fob access. The bathroom will be open to marina tenants only.

Mr. Phongsa reported on upcoming events for Columbia Gardens and Clover Island (Exhibit C).

#### **DRAFT**

#### C. CEO Report

Mr. Arntzen gave a presentation to the Kennewick Kiwanis Club and stated it was a very lively crowd.

Mr. Arntzen recently visited the newly constructed Urban Mixed-Use community in Moscow Idaho, (Exhibit D) designed by Laurence Qamar.

### **D.** Commissioner Meetings (formal and informal meetings with groups or individuals) Commissioners reported on their respective committee meetings.

#### E. Non-Scheduled Items

Ms. Bader Inglima received an email from Eric ffitch, Washington Public Ports Association (WPPA) Executive Director, requesting an interview with Mr. Arntzen or Ms. Bader Inglima, and Commissioner Novakovich to discuss the Port's message in the community. The WPPA has hired a consultant to update their goals and objectives with a focus on strategic communication planning and will be interviewing several other ports. From the interviews, the WPPA will develop a list of consensus messages for each community and broad themes that would be useful to each port. Ms. Bader Inglima inquired if the Commission is agreeable, she will reach out to Mr. ffitch for further details.

The consensus of the Commission is to move forward to assist the WPPA.

Ms. Bader Inglima commended the Commission for their investment in improving Clover Island and stated the Tri-City Birders are hosting a bird and brews event on Clover Island on April 23, 2025. This will include an hour of birding on the river and Duffy's Pond and then head to Ice Harbor at the Marina, for refreshments.

Ms. Bader Inglima reported that *Taylored Living*, a local magazine, recently featured an article on the power of public art: how murals and creative revitalization are enriching communities, boosting tourism and reducing graffiti. The article featured several of the Port's artworks, including the Latino Mural at Columbia Gardens and it highlighted the investment the Commission has made on public art.

Ms. Bader Inglima reported the Regional Chamber of Commerce is holding the annual State of the Ports Luncheon on April 23, 2025 at 11:30 a.m. at the Red Lion Hotel in Pasco.

Commissioner Moak stated in the *Tri-Cities Journal of Business*, is a planning survey for downtown Kennewick. The City of Kennewick and Benton-Franklin Council of Governments have embarked on an area-wide planning initiative to support revitalization and attract development and investment in downtown Kennewick. Commissioner Moak encouraged people to fill out the survey and provide feedback.

#### PUBLIC COMMENTS

No comments were made.

**DRAFT** 

#### **COMMISSION COMMENTS**

No comments were made.

Commissioner Novakovich anticipates the Executive Session will last approximately 45 minutes, per RCW 42.30.110(1)(c) and RCW 42.30.110(1)(i)(iii). Two matters related to the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price and related to legal risks of a proposed action that the agency has identified when public discussion of the legal risks is likely to result in an adverse legal of financial consequence to the agency, with no action anticipated. Commissioner Novakovich asked the public to notify Port staff if they will return after the executive session so staff can advise if the session concludes early.

Commissioner Novakovich recessed the Regular Commission Meeting at 2:53 p.m. until 3:38 p.m.

Commissioner Novakovich convened the meeting into Executive Session at 2:53 p.m. for approximately 45 minutes.

#### **EXECUTIVE SESSION**

RCW 42.30.110 (1)(c) & RCW 42.30.110 (1)(i)(iii)

Two matters related to the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price and related to legal risks of a proposed action that the agency has identified when public discussion of the legal risks is likely to result in an adverse legal of financial consequence to the agency.

*Ms. Scott extended the session at 3:38 p.m. for an additional 15 minutes (3:53 p.m.).* 

Commissioner Novakovich adjourned the Executive Session at 3:53 p.m.

Commissioner Novakovich reconvened Regular Commission Meeting at 3:54 p.m.

No decisions or actions were or will be made as a result of the Executive Session.

#### **ADJOURNMENT**

With no further business to bring before the Board; the meeting was adjourned at 3:54 p.m.

### **APRIL 22, 2025 MINUTES**

**DRAFT** 

APPROVED:	PORT of KENNEWICK BOARD of COMMISSIONERS
	Skip Novakovich, President
	Kenneth Hohenberg, Vice President
	Thomas Moak, Secretary

#### PORT OF KENNEWICK

#### Resolution No. 2025-12

# A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING A THIRD FIVE YEAR LEASE RENEWAL OPTION WITH GUNDERSON RAIL SERVICES, LLC D/B/A GREENBRIER RAIL SERVICES

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

**WHEREAS**, effective May 1, 2025, Greenbrier Rail Service, LLC exercised the third of six five-year options to renew its September 9, 1994 Lease with the Port, at an adjusted lease rate of \$5,500.00 per month through April 30, 2030; and

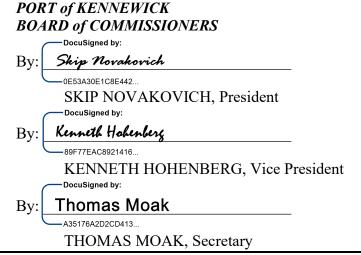
**WHEREAS**, the Port Commission has called a regularly scheduled public meeting with notice of such meeting given as provided by law and such public meeting was held at such time and on said date; and

**WHEREAS**, Port staff and the Port attorney have reviewed the proposed Addendum to Lease and find it is in proper form and it is in the Port's best interest; and after consideration of the attached Addendum to Lease, the Port Commission has determined that the Addendum is proper.

**NOW THEREFORE, BE IT HEREBY RESOLVED** that the Board of Commissioners of the Port of Kennewick hereby approve the Addendum to Lease confirming exercise of the third of six five (5) year lease renewal options with Gunderson Rail Service, LLC.

**BE IT FURTHER RESOLVED** that all action by port officers and employees in furtherance hereof is ratified and approved; and further that the port Chief Executive Officer is authorized to take all action all action necessary and can pay all expenses necessary in furtherance hereof.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 22nd day of April, 2025.



#### THIRD ADDENDUM TO LEASE

	THIS THIRD ADDENDUM TO LEASE (this "Addendum") is entered into on this
day of	, 2025 (the "Effective Date"), by and between the Port of Kennewick, a
Washir	agton municipal corporation (as "Landlord"), and Gunderson Rail Services, LLC, an
Oregon	a limited liability company d/b/a Greenbrier Rail Services (as "Tenant"), who are
collect	ively referred to herein as the "Parties".

#### RECITALS

WHEREAS, on or about September 9, 1994, the Parties entered into a commercial lease relating to real property described as:

THE SOUND 700 FEET OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTH 700 FEET OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER ALL IN SECTION 23, TOWNSHIP 8 NORTH, RANGE 30 EAST, W.M., BENTON COUNTY, WASHINGTON.

TOGETHER WITH A 60 FOOT WIDE ACCESS AND UTILITY EASEMENT, BEING THE WEST 60 FEET OF THE EAST 110 FEET OF THE SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARETER, LYING NORTHERLY OF THE SOURTH 700 FEET THEREOF AND SOUTHERLY OF THE NORTH 20 FEET THEREOF.

TOGETHER WITH AND SUBJECT TO EASEMENTS, RESDERVATIONS, COVENANTS AND RESTRICTIONS OF RECORD AND IN VIEW.

(the "Lease Agreement");

WHEREAS, a copy of which is attached hereto as Exhibit A; and

WHEREAS, the twenty (20) year Lease Agreement commenced on May 15, 1995 and ended on April 30, 2015; and

WHEREAS, the Lease Agreement allows Tenant to exercise up to six (6) five (5) year option extensions on the lease term; and

WHEREAS, Tenant previously exercised two (2) of its six (6) possible option extensions under the terms of the Lease Agreement; and

WHEREAS, the current option period commenced on May 1, 2020 and expires on April 30, 2025; and

WHEREAS, Tenant now desires to exercise its third option to extend the term of the Lease Agreement for another five (5) years from May 1, 2025 to April 30, 2030; and

NOW, THEREFORE, the Parties hereby agree to amend the Lease as follows:

#### **AGREEMENT**

- 1. <u>Recitals</u>. The Recitals set forth above are hereby incorporated into this Third Addendum by this reference.
- 2. <u>Commercial Property Lease</u>. The Lease Agreement described in the Recitals above is incorporated by reference into this Third Addendum as though written in full and shall, except as otherwise specifically modified herein and through prior amendments and addendums, remain in full force and effect.

#### 3. Extension Terms.

- 3.1 <u>Authorization of Option Term.</u> Tenant has exercised the third of six five (5) year options to renew the Lease Agreement pursuant to Paragraph 16 thereof. The third renewal period commences on May 1, 2025 and shall end on April 30, 2030.
- 3.2 <u>Rent.</u> Pursuant to Paragraph 16 of the Lease Agreement, the Parties have negotiated a fair market rental rate for the renewal period as follows:

Price Per Acre: \$137.50

Total Acreage Leased: +/- 40 acres

Base Monthly Rent (not including LET): \$5,500.00 Leasehold Tax (LET)(current rate 12.84%): \$706.20

- 4. <u>Further Acts and Documents</u>. The Parties shall execute any and all further documents, instruments, and other conveyances and agreements, and shall do all acts which may be necessary or appropriate to fully implement the provisions of this Third Addendum.
- 5. <u>Construction</u>.
  - 5.1 In the event of any conflict, inconsistency or ambiguity between the terms of the Lease Agreement and this Third Addendum; the terms of this Third Addendum shall govern and control.
  - 5.2 Any terms that are capitalized in this Third Addendum but not otherwise defined herein that are capitalized and defined in the Lease Agreement shall have the same meaning for purposes of this Third Addendum as they have for purposes of the Lease Agreement.
  - 5.3 The descriptive headings in this Third Addendum are for convenience only and will not control or affect the meaning or construction of any provision herein.
- 6. <u>Counterparts</u>. This Third Addendum may be executed in several counterparts, each of which shall be an original and shall constitute one and the same instrument.

7. <u>Authority to Sign.</u> Each of the persons signing below on behalf of any party hereby represents and warrants that he or she or it is signing with full and complete authority to bind the party on whose behalf of whom he or she or it is signing, to each and every term of this Third Addendum.

IN WITNESS WHEREOF, the Parties have executed this Third Addendum as of the Effective Date first written above.

LANDLORD: Port of Kennewick  A Washington Municipal Corporation by Autho	ority of its Board of Commissioners
By: Tim Arntzen, Chief Executive Officer	
Approved:	Approved as to form:
Nick Kooiker, Port Auditor/CFO	Taudd Hume, Port Counsel
TENANT: GUNDERSON RAIL SERVICES an Oregon limited liability company dba Green	
Ву:	
Its:	

#### **ACKNOWLEDGEMENTS**

State of Washington					
County of Benton	)ss )				
On this day personal Executive Officer of foregoing instrument, act and deed of said contact at the is authorized.	the <b>Port of Ken</b> , and acknowled orporation for the	newick, the ged the said ne uses and	e municipal corp l instrument to b purposes therein	oration that execute the free and	ecuted the
GIVEN under my har	nd and official se	al this	day of		2025.
			ic in and for the ssion Expires: _		
State of Washington County of Benton					
On this day personall to be the that to be the that instrument to be the purposes therein meninstrument.	of <b>Gun</b> at executed the free and voluntar	derson Rail foregoing in act and d	il Services, LL instrument, and leed of said corp	C <sub>2</sub> the Oregon acknowledged coration for the	on limited the said uses and
GIVEN under my har	nd and official se	eal this	day of		2025.
	•	Residing at:			ington
	•	My Commi	ssion Expires:		

#### **EXHIBIT A**

(Lease Agreement)

# Port of Kennewick 2025 Legislative Update...so far...



Presented by
Carolyn Lake
Port Legal Counsel



- Exempting Fuels Used for Agricultural Purposes from the Climate Commitment Act:
- HB 1912, sponsored by Rep. Dent (R-13th LD, Moses Lake), addresses an exemption for fuels used for agricultural purposes under the climate commitment act.





# **Governance Oath of Office for Local Elected Officials:**

HB 1573, sponsored by Rep. Parshley (D-22nd LD, Olympia), provides additional flexibility for local elected officials, including port commissioners, to take their oath of office following their election.

### **Port Commissioner Elections:**

SB 5370, sponsored by Sen. Harris (R-17th LD, Camas) and cosponsored by Sen. Chapman (D-24th LD, Port Angeles) and Sen. Lovelett (D-40th LD, Anacortes), amends Title 53 RCW to allow voters to extend port commissioner terms from four to six years in certain circumstances.





Public Works Responsible Bidding for Public Works: HB 1549, sponsored by Rep. Fosse (D-38th LD, Everett)

Places additional requirements on contractors that bid on public works projects to produce an apprenticeship utilization plan.





# **Economic Development- Non-resident Vessel Permit Length Requirements:**

SB 5281, sponsored by Sen. Chapman (D-24th LD, Port Angeles), increases the allowable non-resident vessel length from 200 feet to 300 feet.

### WANING

**Transportation:** Supply Chain Competitiveness

SB 5649, sponsored by Sen. Liias (D-21st LD, Edmonds), creates the Supply Chain Competitiveness Infrastructure Program, a grant and loan program overseen by WSDOT. This would have provided funding for port and port-adjacent projects which result in removing supply chain barriers or bottlenecks.



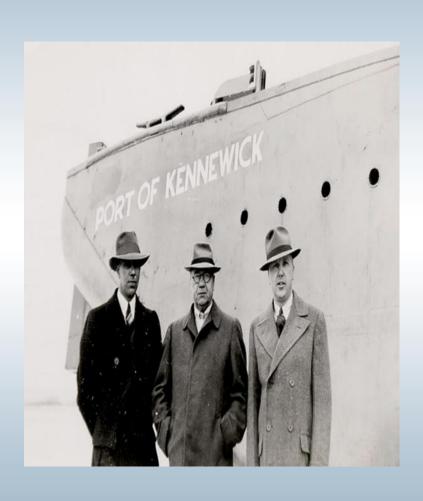
DEAD

Labor /
Artificial Intelligence
Bargaining:



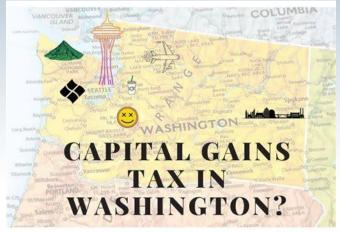
HB 1622 sponsored by Rep. Parshley (D-22nd LD, Olympia).

Would have required public-sector employers, including ports, to bargain with their represented employees over the decision to adopt or modify the use of artificial intelligence (AI).



**Passenger-only Ferries:** HB 1923, sponsored by Rep. Nance (D-23rd LD, Kitsap County), sought to increase passenger only ferry service by authorizing local governments, including port districts, to create passenger only ferry service districts.

### Budget proposals released by budget leaders on April 15:



- Capital Gains & Estate Tax Tiered structure with an additional 2.9% surcharge on sale of stocks, bonds, and assets above \$1 million per year.
- Increases the estate exclusion amount to \$3 million and adjusts it for inflation.
- Raises \$351 million for 2025-2027 biennium.

Budget proposals released by budget leaders on April 15:

- •B & O Surcharges and Rate Increases for Large Businesses Intent to generate new revenue from an existing tax:
- •Four hundred corporations with \$250 million in annual revenue pay a temporary increased rate (HB 2049 and HB 2081);
- •Nearly all other industries see an increases the existing B&O tax rate (.484 on the majority of industries; .471 for retail sector) to .5 permanently (HB 2081).
- •Raises \$2.4 billion in 2025-2027 biennium.



Budget proposals released by budget leaders on April 15:

### **Property Tax Cap Increase**

Allows for up to 3% annual property tax increases based on inflation and population growth for local governments, including ports.
 Raises \$200 million in 2025-2027 biennium.

### **BUT!** As of Monday 4/21:

### The property tax battle of 2025 ended.

Democrats ended attempts to repeal the voterapproved 1% limit on property tax growth, citing a lack of three-corner" agreement meaning no agreement amongst Democratic leadership of the House, Senate and Democratic Gov. Bob Ferguson.



### **Budget Cut proposals:**



- MTCA Account Sweep: The Senate operating budget proposal calls for a combined \$100 million transfer of funds from the Model Toxics Control Act (MTCA) to the general fund. A large group of stakeholders including ports, industry, cities, and environmental nonprofits came together and sent a letter to legislative leaders opposed to this move.
- MTCA Remedial Action Grant (RAG) lapse requirements: The Senate capital budget proposal includes funding lapse requirements for RAG reappropriations prior to 2020 if contracts are not finalized and funding is not spent down by a specified date.



### Budget Cut proposals:

Cuts to Department of Commerce Economic Development Programs:

A combined \$156 million cut to economic development programs at the Department of Commerce's Office of Economic Development & Competitiveness in both proposed operating budgets.

## LAST.....2025 Legislative Update





**Alcohol Service in Public Places:** 

HB 1515, sponsored by Rep. Reed (D-36th LD, Seattle), allows local governments, including port districts, to request approval from the Washington State Liquor and Cannabis Board (LCB) to provide expanded outdoor alcohol service for liquor licensees at large events...

Know why??

### **Alcohol Service in Public Places: SEATTLE FIFA!**



### **AT A GLANCE**

- Length: 105 days; Regular session began on January 13, 2025
- For up-to-date WPPA legislative information, visit: leg.wa.gov tvw.org washingtonports.org
- Visit WPPA website at: washingtonports.org
- REMAINING SESSION CUTOFF DATES
- April 27, 2025: Last Day of Session

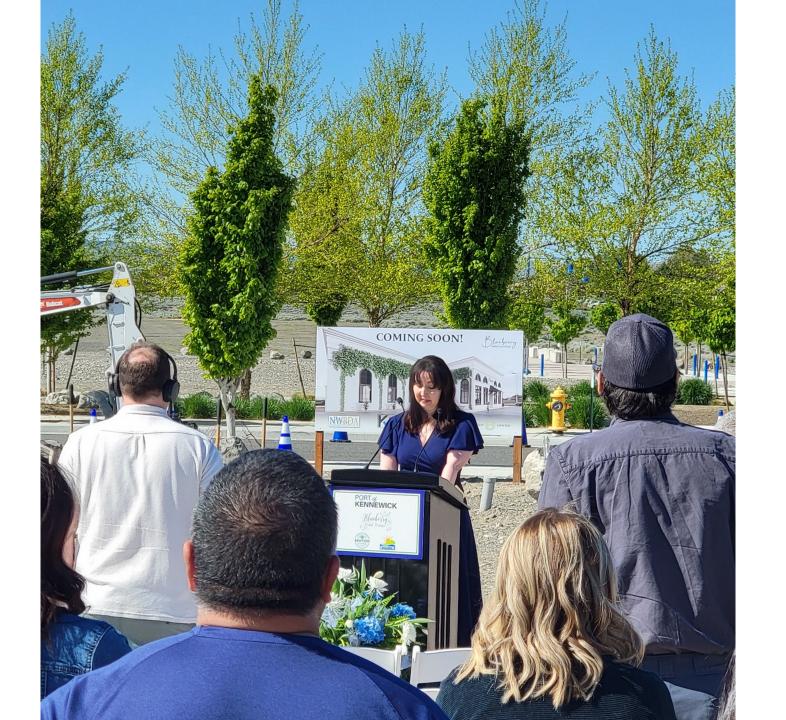
Thank you!















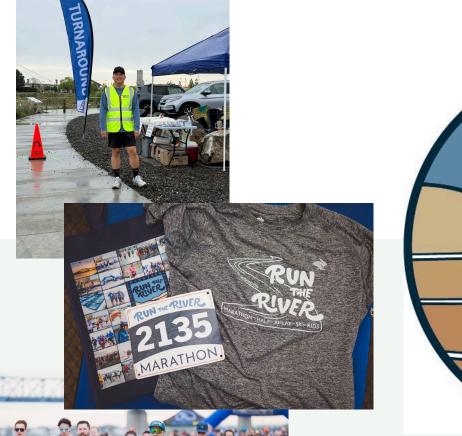


2025

**Upcoming Events** 



## 2025 Run The River Marathon & Relay







## Sponsored by Runners Soul

April 19th

Great community event, Port of Kennewick volunteer aid station & turn around point on Clover Island, over 900 participants



#### EXHIBIT C







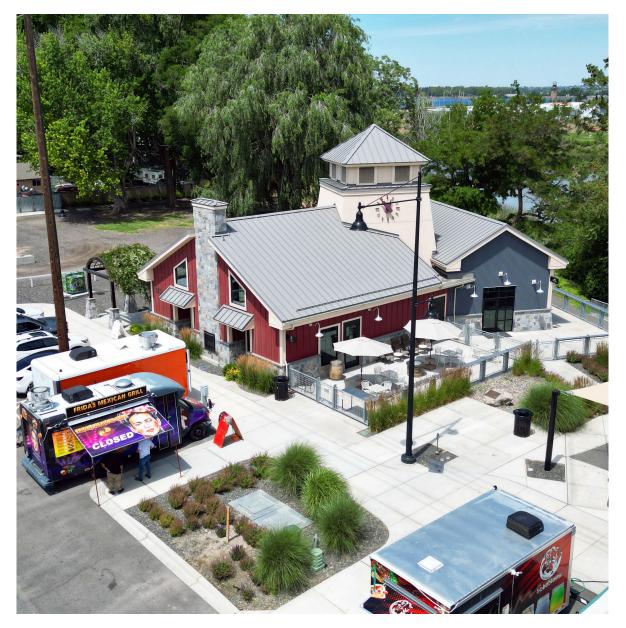


#### **EXHIBIT C**

# February 4th, 2025

Annual Recap Meeting with Columbia Gardens Wine and Artisan Village tenants

Bartholomew Winery
Gordon Estate Winery
Monarcha Winery
Muret-Gaston Wine Bar
Botanas Culichi
Frida's Mexican Grill
Nana's Kitchen





## 2025 Events

### Columbia Gardens Wine and Artisan Village

- 1. NEW Sip & Savor, hosted by Swampy's BBQ
- 2. NEW Sip'N Saturdays series at rotating wineries
- 3. NEW Quilt Show
- 4. 3<sup>rd</sup> Annual SOCO Creative Arts Festival
- 5. 2<sup>nd</sup> Annual Halloween Trunk-Or-Treat
- 6. 2<sup>nd</sup> Annual Winterfest Event

## 2025 Upcoming Events







It's Quilt Show time!
We love putting on our Outdoor
Quilt Show so much, we're doing
it again in June!
Join us at Columbia Gardens
Wine & Artisan Village on
June 21st for a day of
quilts, wine, food trucks, and fun!

#### When: June 21st, 2025

une 21st, 2025 12pm - 5pm

#### Where:

Columbia Gardens
Wine & Artisan Village
325 E Columbia Dr
Kennewick WA 99336

If you have quilts you would like to display in the show, bring them to Discount Vac and Sew between June 1st - June 14th!

## Thank you to our wonderful host!



June 21st

Hosted by Discount Vac & Sew in collaboration with all tenants





## Art Splash on Clover Island

June 22nd

In collaboration with Emerald Spark
Events & SOCO Creative District

## Sip & Savor

May 3rd

Hosted by Swampy's BBQ in collaboration with all 4 wineries



# Thank you

See you there!

# Urban Mixed-Use Development

Moscow, Idaho











