



PORT OF KENNEWICK REGULAR COMMISSION MEETING

JULY 22, 2025 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 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 (via telephone)
Thomas Moak, Secretary

Staff Members: Tim Arntzen, Chief Executive Officer
Tana Bader Inglima, Deputy Chief Executive
Larry Peterson, Director of Planning
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 (via telephone)
Carolyn Lake, Port Counsel (via telephone)

Commissioner Novakovich stated we will be removing Action Item A, regarding Gunderson Rail Service, and will discuss the request at a later date.

Ms. Hanchette requested to postpone this item until the next meeting, to clarify a few questions with Gunderson Rail Service.

By Commission consensus, the Agenda is amended and Action Item A has been removed.

PLEDGE OF ALLEGIANCE

Ms. Bader Inglima led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

A. Approval of Direct Deposit and E-Payments Dated July 16, 2025

Direct Deposit and E-Payments totaling \$101,228.41

B. Approval of Warrant Register Dated July 22, 2025

Expense Fund Voucher Number 107120 through 107165 for a grand total of \$186,885.52

C. Approval of Regular Commission Meeting Minutes July 8, 2025

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

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Vista Field

Mr. Arntzen provided an update on the Vista Field PFAS issue and highlighted points from a statement drafted by Ogden Murphy Wallace regarding the Supplemental Environmental Investigation included with these minutes as *Exhibit A*.

Commissioner Moak inquired if Landau Associates will be repeating some of the previous work done by the previous contractor.

Mr. Arntzen stated yes, Landau will be taking a few more samples on Lot 31 to make sure they were not outliers or anomalies. Additionally, Landau will take additional samples, to determine if there is any contamination outside of Lot 31.

Commissioner Moak stated it was his understanding that the Port already contracted with Blue Mountain Environmental Consulting for additional sampling at Vista Field.

Mr. Arntzen stated that the contract has been put on hold, as Blue Mountain did the sampling for the owners of Lot 31. The Port felt that it would be best practice to hire another firm to keep the processes separate. Landau has a lot of PFAS experience and will be working exclusively for the Port.

Commissioner Hohenberg stated the statement is dated July 23, 2025, and inquired if the date of the statement should be July 22, 2025.

Mr. Arntzen thanked Commissioner Hohenberg for catching that and stated the date of the statement should be July 22, 2025.

Commissioner Novakovich stated the Port has done a great job assembling a team to investigate the potential issues of PFAS at Vista Field.

Commissioner Novakovich stated Mr. Arntzen signed the contract with Landau Associates Inc. and asked the Commission to ratify his action by consensus.

By Commission consensus, the action by Mr. Arntzen is ratified.

B. Kennewick Waterfront Update

1. KIE Land Exchange Update

Mr. Arntzen gave a brief history of the KIE land exchange and stated the document has been recorded and we are at the implementation stage. Maintenance will work on moving the fence line and KIE will build a new fence across their property.

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C. Future Agenda Items

Ms. Scott gave a brief update about future topics for the Agenda:

- Erin Erdman, City of Kennewick City Manager Presentation;
- Patrick Reay, Executive Director, Port of Walla Walla Presentation;
- CFO Budget Update;
- Port Maintenance shop update.

D. CEO Report

Mr. Arntzen had nothing to report at this time.

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

Commissioners reported on their respective committee meetings.

F. Non-Scheduled Items

Ms. Bader Inglima stated Port staff are working to update the history section of the Comprehensive Scheme to include the partnership between the Port and CTUIR. Ms. Bader Inglima is meeting with our CTUIR partners tomorrow.

PUBLIC COMMENTS

No comments were made.

COMMISSION COMMENTS

No comments were made.

Commissioner Novakovich stated at this time, the Port Commission will recess to Executive Session as allowed by law, pursuant to RCW 42.30.110 (1)(i)(iii) to discuss: one matter related to the legal and financial risk of a proposed action that the agency has identified when public discussion of the legal risks is likely to result in an adverse legal or financial consequence to the agency. No decision will be made in executive session, and no action will be taken at the public portion of the meeting afterwards as a result of the executive session. The executive session will last approximately 25 minutes. 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 2:27 p.m. until 2:52 p.m.

Commissioner Novakovich convened the meeting into Executive Session at 2:27 p.m. for approximately 25 minutes.

EXECUTIVE SESSION

RCW 42.30.110 (1)(i)(iii)

Ms. Scott extended the session at 2:52 p.m. for an additional 15 minutes (3:07 p.m.).

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Ms. Scott extended the session at 3:07 p.m. for an additional 5 minutes (3:12 p.m.).

Commissioner Novakovich adjourned the Executive Session at 3:10 p.m.

Commissioner Novakovich reconvened Regular Commission Meeting at 3:14 p.m.

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

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:14 p.m.

APPROVED:

PORT of KENNEWICK BOARD of COMMISSIONERS

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Skip Novakovich

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Skip Novakovich, President

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Kenneth Hohenberg

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Kenneth Hohenberg, Vice President

DocuSigned by:

Thomas Moak

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Thomas Moak, Secretary

Vista Field
Update on Supplemental Environmental Investigation
Regular Session

July 23, 2025*

*Clerk's Note: Date should be July 22, 2025

1. Background

Blue Mountain Environmental Consultants (Blue Mountain) was retained by Community First Bank, the lender for Lot 31, to conduct soil sampling. The sampling occurred on June 2, 2025, and Blue Mountain provided the Port with the sampling results on June 26, 2025. We understand that Blue Mountain received authorization from the lender to share the report with the Port. The report indicated that a class of hazardous substances referred to as PFAS, specifically PFOA, was detected in three soil samples at levels that exceeded Department of Ecology screening levels.

PFAs (a group of Per- and polyfluoroalkyl chemicals) are a variety of synthetic chemicals that have been used all around the world since the 1950s. Many former airports have found PFAs due to a history of firefighting drills using foam that contains PFAs. Because PFAs don't readily break down in the environment, they have been discovered across the country in air, land, and water. Exposure to PFAs, even at low levels, poses significant human health risks. However, the U.S. Environmental Protection Agency (EPA) did not designate PFAs as hazardous substances under federal law until 2024.

All of the past environmental work performed by the Port to study Vista Field was performed in full compliance with the applicable environmental law and due diligence standards. At the time that the Port's prior work was conducted, PFAs were not listed either in state or federal law as regulated hazardous substances. Last year, that changed.

The Port has not identified any evidence that its operations at Vista Field caused or contributed to PFAs contamination. However, the Port is pro-actively investigating the site to identify the extent of any PFAs contamination, including the potential sources.

2. Port Staff Actions Following Receipt of Sampling Report

Just two weeks ago, the Port retained Ogden Murphy Wallace, P.L.L.C. (OMW) to advise staff on the Port's potential regulatory obligations and liability related to the finding of PFAs within the Vista Field development area. At the suggestion of OMW, the Port also retained Harris & Smith Public Affairs, Inc., a public affairs firm that specializes in environmental matters, to assist staff in efforts to keep the public informed as events unfold. A press release informing the media of the Port's discovery of initial samples results and the Port's

plan to further investigate the matter and conduct additional sampling at Vista Field was issued on July 3, 2025.

3. Retention of Environmental Consultant

OMW advised that the Port retain an environmental consulting firm with experience and recognized expertise in the area of PFAs contamination rather than utilize the services of Blue Mountain because Blue Mountain had a potential conflict of interest as Blue Mountain had already been retained by and performed work for the Lot 31 lender. The Port staff interviewed two environmental consulting firms and selected Landau Associates based upon their knowledge of PFAs, experience with PFAs investigations in the state of Washington, and positive working relationship with Ecology. The Port CEO executed a contract with Landau on July 18, 2025, under which Landau will serve as consulting expert to the Port, potentially serve as an expert witness if needed, and to perform a preliminary PFAs investigation at Vista Field.

4. Preliminary PFAs Investigation at Vista Field

Landau's preliminary investigation at Vista Field will determine whether the PFAs contamination is localized in and around Lot 31 or if it extends into a broader area. The investigation includes sampling shallow soils throughout the property and also includes sampling to confirm and characterize the extent of contamination at Lot 31. Additional samples will also be taken at the two other lots that have started construction (Lots 15 & 18) and the two lots that are completing the closing process.

Landau is currently preparing the work plan for the sampling, which will include sampling procedures specific for PFAs to ensure the resulting data is high-quality. Landau anticipates that the sampling will occur within 3-5 weeks and will arrange to have the laboratory analyses to be expedited.

5. Next Steps

In the event the new sampling indicates that there is PFAs contamination at Vista Field at levels that requires remediation, the Port will work with Landau and the Washington State Department of Ecology to determine whether the soil remediation work can occur under the state's Voluntary Cleanup Program. If not, it may be necessary for the Port to enter into a formal clean up agreement with Ecology. At this time, it is too early to predict the results of the sampling effort.

In addition to the Port's strategy for dealing with the general public and with Ecology, the Port is developing a communication plan for keeping its Vista Field development partners well-informed. The Port will begin this effort with a series of individual stakeholder meetings via Zoom to introduce the stakeholders to the environmental team that is responding to the PFAs discovery and to describe the steps that the Team will be taking to address the matter.