

# RESOLUTION 2025-199

**BEFORE THE BOARD OF COMMISSIONERS OF BENTON COUNTY, WASHINGTON**

**IN THE MATTER OF THE RURAL COUNTY CAPITAL FUND,  
A DISBURSEMENT AGREEMENT WITH THE PORT OF KENNEWICK FOR THE  
"VISTA FIELD – AZURE DRIVE PARKING & UTILITIES IMPROVEMENTS PROJECT"**

**WHEREAS**, RCW 82.14.370, adopted by the Washington State Legislature in 1997, authorizes certain qualified counties like Benton County to impose a "sales and use tax for public facilities", the revenue from which is intended to support "economic development activities" through the construction of "public facilities" by the cities, ports, and the County itself for the purposes of job creation and tax revenue generation; and,

**WHEREAS**, Benton County has established the "Rural County Capital Fund" for said economic development activities, and has reserved a portion of the Fund for disbursement to cities and ports within the County who request County participation with qualified capital development projects; and,

**WHEREAS**, the Port of Kennewick submitted an application for disbursement of funds to be used toward development of a project in Kennewick known as the "Vista Field – Azure Drive Parking & Utilities Improvements Project" which the County has determined to be qualified; and,

**WHEREAS**, the County and the Port have mutually agreed to terms on a *Disbursement Agreement for use of Rural County Capital Funds*; **NOW THEREFORE**,

**BE IT RESOLVED**, by the Board of County Commissioners that the Chairman or Chairman Pro-Tem is hereby authorized to sign the *Disbursement Agreement for use of Rural County Capital Funds* with the Port of Kennewick for the disbursement of up to **\$1,000,000.00** toward development of the "Vista Field – Azure Drive Parking & Utilities Improvements Project." The *Agreement* will have a termination date of **December 31, 2027**.

Dated this 18th day of March, 2025.

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*Jerome Delvin*  
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Chairman of the Board

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*Michael Alvarez*  
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Chairman, Pro-Tem

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*Will McKay*  
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Commissioner

Constituting the Board of Commissioners  
of Benton County, Washington.

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*Amanda Pass*  
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Attest.....  
Clerk of the Board

## **DISBURSEMENT AGREEMENT FOR USE OF RURAL COUNTY CAPITAL FUNDS**

This Agreement between Benton County (hereinafter “County”) and the Port of Kennewick (hereinafter “Port”) shall be effective upon execution by both parties.

WHEREAS, the County has previously agreed to distribute certain funds received from the State of Washington that it has deposited in its Rural County Capital Fund (hereinafter “Fund”) after April 1, 2016 for the financing of certain “public facilities [projects] serving economic development purposes” as contemplated by State statute (RCW 82.14.370) and in conformance with County policy (Resolution 2017-103, adopted January 31, 2017); and,

WHEREAS, the County and the Port are authorized, including under Chapter 39.34 of the Revised Code of Washington, to contract with each other and other public agencies in order to effectively and efficiently operate, administer, and carry out their programs and public projects; and,

WHEREAS, the Port wishes to continue its transformation and enhancement of the Vista Field redevelopment site by extending utilities and creating a formal parking area with related amenities to support further commercial development along Azure Drive and expand use of the now renovated Vista Filed event pavilions (a previous Fund-supported project); and,

WHEREAS, to accomplish this objective, the Port shall complete earthwork, grading, compacting, and finishing work necessary to install domestic water, sewer, stormwater, electrical, and lighting infrastructure for the creation of 120 new parking spaces (including 20 Level-2 electrical vehicle charging stations), and the associated needed streetlights, bollards, refuse enclosure, and pedestrian corridors with landscaping as necessary for Americans with Disabilities Act compliance; and,

WHEREAS, the costs of the above described improvements and the associated costs of design, bidding, contracting for construction, legal services, and all taxes, fees, insurance, and permits is referred to as the “Vista Field – Azure Drive Parking & Utilities Improvement Project” and hereafter will be referenced as the “Project”; and,

WHEREAS, the Port’s expressed intent of the completed Project is to facilitate the sale and future development of Vista Field Lots 19, 20, 21, 26, 32, 33, and 38, as well as the ongoing development of Lots 15 (restaurant), 18, (bridal boutique), 25 (5-story mixed-use building), and 42 (vision clinic), and expanded public use of the recently-completed pavilions renovations; and,

WHEREAS, the Port has requested \$1,000,000.00 for the Project, and the requested funding amount is currently available within the Port’s Fund allocation; and,

WHEREAS, the Port’s request leverages \$990,867.00 derived from its own funds and a grant from the Hanford Area Economic Investment Fund; and,

WHEREAS, the County’s evaluation of the Project confirms funding eligibility.

NOW THEREFORE, in consideration of the mutual covenants, conditions, and terms contained herein, the County and the Port mutually agree as follows:

1. Based on the Port's request for reimbursement from the Fund, the County agrees to reimburse the Port for up to \$1,000,000.00 of qualified direct costs incurred by the Port for the Project between the date of the execution of this Agreement and December 31, 2027; contingent upon: (i) such funds being less than the amount of the Fund allocated to the Port, and (ii) that each reimbursement is consistent with the County's Rural County Capital Fund Disbursement Policy.
2. The Port represents that the use of revenues from the Fund for the Project is consistent with RCW 82.14.370.
3. The Port agrees to use all funds allocated by this Agreement solely for the purpose of financing the Project and warrants that all expenditures by the Port for which it seeks reimbursement will comply with RCW 82.14.370.
4. The parties agree that funds will be disbursed only as reimbursement for actual, direct costs incurred by the Port in connection with the Project.
5. The Port shall invoice the County every ninety (90) days after the effective date of this Agreement, identifying all Project costs incurred by the Port during the prior quarter that are eligible for and for which reimbursement is sought. All invoices shall be mailed to the County at the following address:

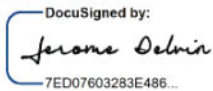
Benton County Commissioners Office  
ATTN: Sustainable Development Manager  
7122 West Okanogan Place – Suite E333  
Kennewick, Washington 99336

6. All approved reimbursement payments will be made via check mailed directly to the Port at:  
Port of Kennewick  
350 Clover Island Drive – Suite 200  
Kennewick, Washington 99336
7. The Port shall not hold the County liable for any delay in disbursements, but the County agrees to use its best efforts to make appropriate disbursement payments to the Port in a reasonably timely fashion.
8. The Port shall be responsible for establishing policies for implementing this Agreement, monitoring progress of the Project, and monitoring the fulfillment of the Parties' responsibilities under the Agreement. In addition to other responsibilities set forth in this Agreement, the Port is responsible for following applicable bid and prevailing wage law policies and procedures when awarding bids for the Project contemplated by this Agreement.
9. The Port agrees to provide the County with a quarterly report along with each invoice outlining the status of the Project, including a spreadsheet detailing all costs being reimbursed by the County.
10. If Rural County Capital Funds are applied by the Port toward non-eligible expenditures, the County may cease all disbursements and the Port shall repay to the County all monies inappropriately expended.

11. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection by the parties during the term of this Agreement and for three years after its termination. This Agreement shall be filed by the Port with the Benton County Auditor.
12. It is not the intention that a separate legal entity be established with respect to the Project, nor is the joint acquisition, holding, or disposing of real or personal property anticipated.
13. The Port agrees to indemnify the County from and against any claims, actions, losses, costs, penalties, damages, attorneys' fees, and all other liabilities and costs of defense of any nature arising out of the County's agreement to disburse funds under this Agreement.
14. The Port shall not have the right to assign the rights under this Agreement nor to terminate its obligations hereunder without first securing the written consent of the County.
15. The County's obligation to disburse funds under this Agreement only extends to direct Project costs incurred prior to December 31, 2027 and correlating invoices that are received by the County prior to March 30, 2028. After March 30, 2028, while the County's rights under this Agreement shall continue, the County may use the funds previously allocated under this Agreement for any purpose allowable under state law.
16. This Agreement contains the entire, complete, and integrated statement of each and every term agreed-to by and between the Port and the County, and this Agreement supersedes any and all prior written and unwritten agreements and understandings pertaining to the Project.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date signed below.

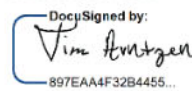
**BENTON COUNTY**

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Jerome Delvin, Commission Chairman

Date: 3/18/2025

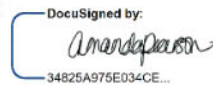
**PORT OF KENNEWICK**

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Tim Arntzen, Chief Executive Officer

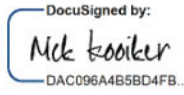
Date: 1/22/2025

**ATTEST:**

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Clerk to the Board

**ATTEST:**

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Chief Financial Officer & Auditor

**APPROVED AS TO FORM:**

  
 Chief Deputy Prosecuting Attorney

**APPROVED AS TO FORM:**

Signed by:  
  
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 Port Counsel