

**BUDGET HEARING  
&  
REGULAR COMMISSION MEETING**

**PORT OF KENNEWICK**

**NOVEMBER 25, 2008**

**MEETING MINUTES**

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**CALL TO ORDER**

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

**The following were present:**

**Board Members:** Linda Boomer, President  
David Hanson, Vice President  
Gene Wagner, Secretary

**Staff Members:** Tim Arntzen, Executive Director  
Dan Cryer, Director of Operations & Airport Manager  
Tammy Fine, Director of Finance & Auditor  
Larry Peterson, Director of Planning & Development  
Tana Bader Inghima, Director of Governmental Relations & Marketing  
Teresa Hancock, Real Estate Analyst and Special Projects Coordinator  
Sherrie Bowers, Administrative Assistant/Records Manager  
Craig Walker, Port Counsel

**PLEDGE OF ALLEGIANCE**

Commissioner Boomer led the Pledge of Allegiance.

**PUBLIC COMMENTS**

- Mr. Gary Hutchcraft addressed the Commission stating he was running for Columbia Irrigation District 5 and gave a brief summary of his experience.

Executive Director Tim Arntzen stated the Commission had delegated authority to him to cast a vote in the 2007 Columbia Irrigation District Election and explained a resolution was slated for approval on this meeting's Consent Agenda to cast a vote in the 2008 Columbia Irrigation Election. He explained Commission delegation provides authority for him to cast a vote on behalf of the Port and encouraged all Candidates to submit information for review prior to the deadline for casting a vote in the election.

**PUBLIC HEARING FOR ACCEPTING COMMENTS ON THE 2009  
PRELIMINARY BUDGET**

Commissioner Boomer opened the Public Hearing at 2:05 p.m., for accepting comments on the 2009 preliminary budget.

Hearing no comments, Commissioner Boomer closed the public hearing at 2:05 p.m.

### **ADOPTION OF 2009 BUDGET**

Director of Finance and Auditor Tammy Fine explained Resolution 2008-55 would approve a one percent (1%) tax levy rate increase or \$3.2 million, as allowed by law, and recommended approval of the resolution. She explained even with the one percent increase, the Port's levy rate would actually be decreased from \$.36 to \$.35 for the taxpayers of the Port District.

Ms. Fine stated two revisions had been made to the preliminary budget since the November 12, 2008 Budget Workshop. She explained the Commission agreed to participate in the zoning plan with Historic Downtown Kennewick Partnership which increased the capital budget by \$5,000.

The second revision to the preliminary budget was related to Port property in West Richland. Ms. Fine explained the Port may need funding regarding the Urban Growth Area boundary adjustment for the raceway property. Having the property within West Richland city limits would greatly facilitate economic development and Ms. Fine suggested budgeting \$25,000.

Ms. Fine recommended removing \$30,000 originally budgeted for a boat yard to offset the funding for two referenced projects.

- *Resolution 2008-55 Certifying the Port's 2008 Levy for 2009 Collection*
- *Resolution 2008-56 Adopting the Port's 2009 Budget*
  - ❖ *Commissioner Hanson moved approval Resolution 2008-55 to implement a 1% tax levy increase for 2009 and also to approve 2008-56 adopting the Port's 2009 budget as amended. Commissioner Wagner seconded and the motion approved unanimously.*

### **ECONOMIC DEVELOPMENT UPDATE BY BENTON-FRANKLIN COUNCIL OF GOVERNMENTS COMMUNITY & ECONOMIC DEVELOPMENT MANAGER ART TACKETT**

Mr. Art Tackett addressed the Commission stating he appreciated the invitation to update the Commission on various Benton Franklin Council of Governments (BFCOG) projects. He stated some people were unaware of the many projects and services offered by BFCOG. He explained some issues facing a community cannot be resolved within a single city or county. Some issues require a combined effort by all local governments within a region. The function of BFCOG is to facilitate a cooperative approach to resolving regional issues and to provide a regional forum and planning entity for the development of multi-jurisdictional programs.

Mr. Tackett explained BFCOG serves as the Regional Transportation Planning Organization (RTPO) and Metropolitan Planning Organization (MPO) for our area. He explained BFCOG provides review and coordination of local applications for submittal to state and federal financial assistance programs. Mr. Tackett explained BFCOG is also the Economic Development District for Benton and Franklin Counties, stating the Comprehensive Economic Development Strategy (CEDS) is the process for which cities, counties and ports are given the

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opportunity to grow and promote new industry by submitting such projects to the CEDS committee. The CEDS committee then prioritizes the projects according to goals and policies of the district and submits the projects to the U.S. Economic Development Administration (EDA) for funding consideration. Mr. Tacket explained he was currently working with Port of Kennewick staff on a wine incubator funding application.

Mr. Tacket stated BFCOG also has several loan programs including the Regional Revolving Loan Fund Program (RRLF), Columbia Regional Economic Development Trust (CREDiT) and the Rural Development Loan Fund (RDLF). He explained the RRLF and RDLS are designed to fill the gap between the amount of convention financing available and the amount needed to develop a job-creating business expansion. The CREDiT program will also loan to start-up businesses with the potential to create jobs. He felt all three programs were very successful and felt BFCOG was making a positive impact on our local community.

Commissioner Boomer thanked Mr. Tacket for his presentation.

### CONSENT AGENDA

*The consent agenda consisted of the following:*

- ***Payroll Roster Dated November 14, 2008***  
Expense Fund Voucher Nos. 28470-28480 totaling \$19,326.48
- ***Warrant Register Dated November 26, 2008***  
Airport Operations Fund Voucher Nos. 40810-40814 totaling \$2,000.47  
Construction Fund Voucher No. 2454 totaling \$962.00  
Expense Fund Voucher Nos. 28481-28503 totaling \$9,165.19
- ***Resolution 2008-57 Authorizing the Executive Director to Vote in the 2008 Columbia Irrigation District Election***
- ***Resolution 2008-58 Designating Emergency Roadway Repairs to Clover Island Drive As Exempt From Competitive Bidding Requirements***
- ❖ ***Commissioner Wagner moved approval of the consent agenda as presented. Commissioner Boomer seconded and the motion was unanimously carried.***

### REPORTS, COMMENTS AND DISCUSSION ITEMS

➤ ***Clover Island Update***

Clover Island Yacht Club Building Update: Director of Planning and Development Larry Peterson stated the project was progressing on schedule explaining the retaining walls should be completed within the next few weeks.

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Shoreline Master Plan Program Committee: Mr. Peterson stated the Shoreline Master Plan Program Committee's first meeting is scheduled for Wednesday, December 3, 2008 at 5:30 p.m., at the Port Office. Members include Sharon Brown, Tim Dalton, Tim Frederickson, Diehl Rettig, Ken Silliman and Kris Watkins. He stated public is welcome to attend.

Clover Island Marina Plaque Installation: Director of Operations Dan Cryer stated the Clover Island Marina plaque has now been installed at the approach pier and showed a picture of the plaque.

➤ ***Vista Field Airport***

General Discussion: Mr. Arntzen stated there was no new information to report.

Comprehensive Legal Review: Mr. Arntzen stated Port was working with Foster Pepper, a legal firm in Seattle, to advise the Port on Vista Field Airport. He explained several documents are being submitted to the firm for review and anticipates a detailed memorandum regarding both options; closure of the airport and expansion of the facility, in the coming weeks. Mr. Arntzen recommended the memorandum be made available to public once Commission and staff have had the opportunity to review the document. He stated standard practice would be to maintain the document as an "attorney/client privileged communication document", but did not recommend the Port take that approach.

The Commission agreed. Commissioner Wagner stated the Port has been open about Vista Field Airport to this point and should remain open throughout the entire process.

➤ ***Potential Policy Manual Amendments***

Mr. Arntzen explained he reviews the Port's policies annually and anticipates bringing potential policy amendments that need clarification to the Commission for review and possible approval at the December 9, 2008 Regular Commission meeting.

➤ ***Insurance Requirements for Small Works Projects***

Mr. Cryer explained the Port may need to revise insurance requirements for smaller projects. He explained the Port's current policy requires contractors to have \$1 million liability insurance certificate which is difficult for smaller contractors. Mr. Cryer recommended decreasing the current insurance requirement explaining the Port would be fully protected by insurance already in place.

The Commission agreed.

➤ ***Commissioner Calendar Review***

Administrative Assistant and Records Manager Sherrie Bowers reviewed upcoming meetings for the Commissioners which included the Tri-Ports Legislative Luncheon, December 1, 2008, for Commissioners Hanson, Wagner and Commissioner-Elect Dudney;

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City of Richland Council meeting, December 2, 2008 and Tri-Cities Business & Visitor Center Grand Opening & Holiday Open House, December 4, 2008 Commissioners Hanson and Wagner; West Richland Area Chamber of Commerce Regular Luncheon meeting, December 3, 2008 and West Richland Area Chamber of Commerce, City of West Richland & Red Mountain Lions Club Holiday Open House, December 5, 2008 for Commissioner Wagner and a TRIDEC Luncheon December 9, 2008 for Commissioner Hanson.

### ➤ *Meeting Reports*

- Commissioner Hanson reported attending the Washington Public Ports Association (WPPA) Annual meeting in Tacoma.
- Commissioner Wagner also attended WPPA.
- Commissioner Boomer reported attending WPPA.
- Mr. Arntzen reported meeting with Tri-City Herald Publisher Rufus Friday and Historic Downtown Kennewick Partnership Executive Director Tim Dalton regarding zoning for downtown Kennewick, gave a presentation for, “Career Day” at a local elementary school, met with Tri-Cities Visitor & Convention Bureau Executive Director Kris Watkins, met with West Richland Mayor Dale Jackson, City Administrator David Weiser and Economic Development Specialist Ruth Swain, helped the Historic Downtown Kennewick Partnership put up Christmas lights and attended WPPA. He stated Port of Kennewick was a finalist for the 2008 “Port of the Year” award at WPPA and stated it was nice to be nominated but felt the Port deserved the award and hoped to win in the future.
- Mr. Peterson met with a Tri-Cities Journal of Business reporter and attended WPPA.
- Ms. Fine attended WPPA.
- Ms. Bader Inglema attended a Federal grants workshop, the Open Government Workshop sponsored by the Association of Washington Cities, a meeting at City of Kennewick regarding Community Development Block Grants, met with US Army Corps of Engineers regarding future partnership projects and attended WPPA.
- Real Estate Analyst and Special Projects Coordinator Teresa Hancock attended a Manufactured Housing Community Law Seminar.

### ➤ *Non-scheduled Items*

- Mr. Arntzen confirmed receipt of an email from Mr. Dennis Nichols who is a pilot and a user of Vista Field Airport and is in support of keeping the airport open.

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- Mr. Arntzen noted seven staff members were in attendance at today's meeting. He explained having several staff members attend meetings is one way for everyone to stay informed of all Port projects and issues. Commissioner Boomer stated there was no need for explanation. She stated one reason she was resigning from the Port Commission was to attend Franklin PUD Commission, which is where she is employed. She understood the importance of attending the meetings.
- Mr. Arntzen stated WPPA Executive Director Pat Jones is retiring after sixteen years. He felt Mr. Jones had provided great leadership for the organization and was leaving the organization in good hands. During his last official Annual WPPA meeting, Mr. Jones presented four rules for ports which Mr. Arntzen felt were crucial and hoped Port of Kennewick was living up to those rules. The rules are that Ports need Commissioners that want to give, not take; Ports should use taxes for projects the private sector will not do; Ports need to be aggressive; and Ports need to publicize their successes.
- Mr. Arntzen stated he had received a very nice letter from West Richland Economic Development Specialist Ruth Swain stating she thanked the Port for its on-going support of City of West Richland and for the Port's investment in city activities which has resulted in extremely positive outcomes for the city and the entire region. She appreciated Mr. Arntzen and the entire Port staff and said the Port's investment in West Richland had resulted recruiting Pacific Rim winemakers to the area. She thanked him for helping the City expand its presence at the Unified Grape and Wine Symposium and for lending out Ms. Hancock for the International Council of Shopping Centers (ICSC) annual event. She stated the ICSC marketing effort would not have been as effective without Ms. Hancock's support and experience. Ms. Swain also thanked the Port for assisting the City with its Economic Development Strategic Plan and for the insight, financial investment and hope the Port provides to City of West Richland and its citizens.
- Commissioner Boomer stated was a privilege to have served as Commissioner for Port of Kennewick District 3 and felt Commissioner-Elect Calvin Dudney would serve the citizens of District 3 well. She thanked Commissioners Hanson and Wagner and the Port staff for all the hard work and many successes and wished them well.

### **EXECUTIVE SESSION**

#### ***Real Estate Matters RCW 42.30.110 (c)***

Commissioner Boomer called for a six-minute recess at 3:54 p.m., after which there would be an Executive Session to discuss real estate matters. Mr. Arntzen anticipated Executive Session to last approximately forty-five minutes with no action expected.

Ms. Fine excused the Commission Chambers at 4:45 p.m., and announced Executive Session would be extended an additional ten minutes.

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Ms. Fine excused the Commission Chambers at 4:55 p.m., and announced Executive Session would be extended an additional ten minutes.

**ADJOURNMENT**

Regular Session was reconvened at 5:00 p.m. Commissioner Boomer announced she would be resigning effective November 30, 2008 and wished everyone a Happy Thanksgiving.

Port Counsel Craig Walker stated a motion was needed to accept Commissioner Boomer's resignation early.

- ❖ *Commissioner Wagner moved to accept Commission Boomer's amended resignation effective November 30, 2008. Commissioner Hanson seconded and the motion carried.*

With no further business to bring before the Board, the meeting was adjourned at 5:03 p.m.

**APPROVED:**

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

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*David Hanson, Vice President*

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*Gene Wagner, Secretary*