

## REGULAR COMMISSION MEETING

**PORT OF KENNEWICK**

**JANUARY 13, 2009**

**MEETING MINUTES**

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### **CALL TO ORDER**

Commission President David Hanson 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:** David Hanson, President  
Gene Wagner, Vice President  
Calvin E. Dudney, 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  
Teresa Hancock, Real Estate Analyst and Special Projects Coordinator  
Sherrie Bowers, Administrative Assistant/Records Manager  
Craig Walker, Port Counsel

### **PLEDGE OF ALLEGIANCE**

Commissioner Hanson led the Pledge of Allegiance.

### **PRESENTATION OF NOSTALGIC, HANDMADE CLOVER ISLAND ART PIECES DONATED BY JOHN TUCKER TO PORT OF KENNEWICK AND CLOVER ISLAND YACHT CLUB**

Executive Director Tim Arntzen introduced Mr. John Tucker. Mr. Tucker addressed the Commission stating he had noticed a few months ago the Port was having trees removed to make room for the new Clover Island Yacht Club/mixed-use building. He asked Port staff if he could take some of the wood to make wood carvings. He addressed the Commission giving a brief explanation of how he makes the wooden art pieces, in this case, decorative bowls. Mr. Tucker asked to donate the bowls to Port of Kennewick and Clover Island Yacht Club as mementos.

Mr. Arntzen stated the art pieces were an unexpected surprise and thanked Mr. Tucker for his thoughtfulness. Because Clover Island Yacht Club has been tenants of Clover Island for decades, Mr. Arntzen felt the members would be as touched as Port staff had been when Mr. Tucker brought the bowls into the office in late December. Mr. Arntzen felt it was only appropriate for Mr. Tucker to formally donate the pieces.

The Commission thanked Mr. Tucker.

Past Commodore Doug Gould stated Clover Island Yacht Club members were saddened to see trees removed and felt the generous keepsake would be well received by all Clover Island Yacht Club members. Mr. Gould thanked Mr. Tucker.

**PRESENTATION TO CLOVER ISLAND INN GENERAL MANAGER  
MARK BLOTZ**

Mr. Arntzen stated Clover Island Inn General Manager Mark Blotz introduced Port staff to Confederated Tribes of the Umatilla Indian Reservation (CTUIR) Executive Director Donald Sampson. As a result of that introduction, Port staff met with CTUIR representatives and ultimately obtained CTUIR's support for the Port's Shoreline Restoration project.

Commissioner Hanson presented Mr. Blotz with a letter of appreciation and asked Mr. Arntzen to read the letter into the records. The letter is as follows:

*January 13, 2009*

*Mr. Mark Blotz  
General Manager  
Clover Island Inn  
435 Clover Island Drive  
Kennewick, WA 99336*

*Dear Mr. Blotz:*

*On behalf of Port of Kennewick's Board of Commissioners, thank you for your introduction to Mr. Donald Sampson, executive director for the Confederated Tribes of the Umatilla Indian Reservation and for your ongoing support of the Clover Island Shoreline Improvement plans.*

*Your work to establish a positive relationship with the Umatilla, to improve the Clover Island Inn, and to foster support for Kennewick's historic downtown truly set the stage for an ever-strengthening relationship with the Tribe. For this we thank you, and extend our sincere gratitude.*

*The Port has been working hard to bring new jobs and quality of life amenities to Clover Island, and to provide opportunities to showcase the region's rich and diverse history. Plans to repair the island's degraded shoreline and add public pathways, gathering places, fishing platforms, benches, and artworks for the public's enjoyment will bring new life and recreation to the island; new business and jobs to Kennewick; and greater environmental stewardship to the Columbia River.*

*Many thanks again for all you have done, and continue to do, to support the Port's economic development efforts.*

*Sincerely,  
David W. Hanson  
President*

Mr. Blotz thanked the Port.

**LOBBY PHOTOGRAPH DISPLAY PROJECT PRESENTATION BY GARY WHITE AND TANA BADER INGLIMA**

Director of Governmental Relations and Marketing Tana Bader Inglima encouraged the public to view the new photographic display in the lobby which represents the Ports mission, showcases Port tenants and quality of life. She stated the Port contracted with photographer Gary White for the project.

Mr. White thanked the Port Commission and staff for the opportunity to compile photographs for this project. He gave a brief history of his experience which spans over the last thirty years. He suggested updating the photographs periodically.

**CONSENT AGENDA**

*The consent agenda consisted of the following:*

- ***Approval of Regular Commission Meeting Minutes of December 9, 2008***
- ***Payroll Roster Dated December 15, 2008***  
Expense Fund Voucher Nos. 28504-28518 totaling \$33,008.89
- ***Payroll Roster Dated December 31, 2008***  
Expense Fund Voucher Nos. 28581-28597 totaling \$34,761.81
- ***Warrant Register Dated December 31, 2008***  
Construction Fund Voucher No. 2463 totaling \$35,000.00
- ***Warrant Register Dated January 14, 2009***  
Airport Operations Fund Voucher Nos. 40821-40836 totaling \$8,449.88  
Construction Fund Voucher Nos. 2464-2476 totaling \$195,369.85  
Expense Fund Voucher Nos. 28598-28678 totaling \$122,746.10
- ***Approval of Resolution 2009-01 Authorizing the Port Executive Director to Sell and Convey Surplus Property With Less Than \$10,000 Value***
- ***Approval of Washington Coalition for Open Government Training***
- ***Approval of Thank You Letter Signed by Commission President to Confederated Tribes of the Umatilla Indian Reservation Supporting Clover Island Master Plan***
- ***Approval of Standard Termination Agreement for Travel Trailers at Willows Trailer Court***
  
- ❖ ***Commissioner Gene Wagner moved approval of the consent agenda. Commissioner Calvin Dudney seconded and the motion was unanimously carried.***

**NEW BUSINESS****➤ Resolution 2009-02 Approving Shoreline Restoration Project Change Order**

Director of Planning and Development Larry Peterson explained the process for developing Shoreline Restoration plans had increased to include the north/south plaza adjacent the Notch, an eastern trail terminus, a viewing platform/stage and a sidewalk connection to Washington Street. He stated work would also be done beyond the current contract scope requested for the entry portal feature. Additional work for the north/south plaza design is a result of the Port determining design of this public space is too crucial to leave to the private sector. Mr. Peterson explained enhancements to the eastern end of the shoreline pathway are intended to establish a formal trail terminus serving both a viewing platform and a stage. The proposed expense for sidewalk connection to Washington Street is a result of obtaining \$322,350 of City of Kennewick Block Grant monies.

Mr. Peterson explained a key element of the City's \$322,350 Block Grant award was to establish a connection from Clover Island pathways across US Army Corps of Engineers (Corps) land to the neighborhood south of the levee. Port staff and engineers from HDJ Design Group, formerly Hopper Dennis Jellison Engineers, have refined the scope of work to minimize expense to the Port while providing necessary design information to the Corps to approve construction of this connection. The proposed scope of work includes the north/south plaza, eastern viewpoint/stage and sidewalk and utility connections for an additional cost of \$68,025 and recommended approval of the resolution.

Commissioner Hanson asked if any design work was included in the Block grant. Ms. Bader Inglema confirmed design work was not included in the grant.

Mr. Arntzen explained the gateway feature project was an element the Port would be constructed regardless of the outcome of the Block Grant.

**❖ Commissioner Dudney moved approval of move approval of Resolution 2009-02, authorizing the Port's Executive Director to execute the contract with HDJ Design Group, PLLC for additional engineering design work for the Clover Island Shoreline Improvements, for a sum not to exceed \$68,025.00. Commissioner Wagner seconded and the motion was unanimously carried.**

**UNFINISHED BUSINESS****➤ Resolution 2009-03 Approving Three-year Lease with One World Telecommunications at Vista Field Development Facility**

Director of Operations/Airport Manager Dan Cryer explained One World Telecommunications (OWT) currently occupies 3,842 square feet in Vista Field Development Building "B". He explained permission was given to OWT to sublet a portion of that space to Dennis Arter of Columbia Audit Resources. Mr. Cryer stated the proposed lease with OWT would increase by 2.4% the first year, followed by a 4.6% increase in year two and 4.4% increase in year three.

These increases are consistent with Port policy of accelerating rates over time toward market rates without creating undue hardship for our tenants. Mr. Cryer explained other lease terms and conditions are identical to the expiring lease and recommended approval of the resolution.

❖ *Commissioner Dudney moved approval of Resolution 2009-03 approving a new three-year lease with One World Telecommunications, Inc., and authorizing the Executive Director to execute the contract. Commissioner Wagner seconded and the motion carried unanimously.*

➤ ***Resolution 2009-04 Accepting Vista Field Development Facility Building “A” Roof Project***

Mr. Cryer stated J R Swigart Company, Inc., had completed the re-roofing project for Vista Field Development Facility, Building “A” (VFDF-A). He explained the project included exterior application of foam insulation, a new single-ply roof membrane, and retrofitted drains. The project was completed with no change orders for the contracted amount of \$135,400.00, plus tax. Mr. Cryer explained five percent (5%) retainage had been paid to J R Swigart Company, Inc., and recommended approval of the resolution.

❖ *Commissioner Wagner moved approval of Resolution 2009-04 accepting the Vista Field Development Facility, Building “A” Re-Roof Project completed by J R Swigart Company, Inc., and authorizing the Executive Director to finalize the financial terms of the contract. Commissioner Dudney seconded and the motion was unanimously carried.*

## **REPORTS, COMMENTS AND DISCUSSION ITEMS**

➤ ***Clover Island Update***

Clover Island Yacht Club/Mixed-Use Building Update: Mr. Peterson stated the contractor was in the process of pouring the concrete slab and the project was progressing on schedule, in spite of the recent inclement weather.

Support from Confederated Tribes of the Umatilla Indian Reservation for Clover Island Master Plan: Ms. Bader Inglima stated she and Mr. Peterson had met with Confederated Tribes of the Umatilla Indian Reservation (CTUIR) representatives to review the project. As discussed previously, the Port received a letter of support from CTUIR Board of Trustees Chairman Antone Minthorn. Ms. Bader Inglima stated the letter was included in the Port’s Stimulus Funding Packages recently submitted to various agencies.

➤ ***Port Shoreline Management Plan Advisory Committee Update***

Mr. Peterson stated, although the committee has not met since the organizational meeting, Port staff was working with City of Kennewick (City) staff who seemed to understand the Port’s intent. Mr. Peterson felt the process was moving in the right direction.

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Mr. Arntzen added the City's current Shoreline Management Plan contains regulations requiring a significant amount of reading and research to determine if a proposed project is allowable. He felt the process should not be that tedious and hoped the regulations could be revised to encourage development along the shoreline rather than deter development.

➤ ***Vista Field Airport***

General Discussion: Mr. Arntzen stated this agenda item would remain a standing item on each agenda but did not expect additional information until the Washington State Department of Transportation Aviation Division *Long-term Air Transportation Study* is released in July 2009.

➤ ***Letter of Support Extending Urban Growth Boundary in West Richland***

Mr. Arntzen proposed submitting of a letter in support of City of West Richland's application to amend the Urban Growth Boundary to Benton County Commission Chairman Max Benitz. With the Commission's consensus, it was agreed that Port staff would formally submit the letter to Chairman Benitz at the Public Hearing scheduled for Monday, January 26, 2009 at 9:00 a.m. Commissioner Dudney will also attend.

➤ ***Inland Ports and Navigation Group Request for Financial Participation in Columbia-Snake River System Legal Issues***

Mr. Arntzen reminded the Commission it chose to refrain from participating in the Inland Ports and Navigation Group (IPNG) ongoing lawsuit regarding Columbia-Snake River System for calendar year 2008. He stated the Port pays \$14,000 annually to be a member of Pacific Northwest Waterways Association (PNWA), which is the organization managing IPNG. Participation in IPNG is a separate entity and is an additional \$5,000 to 10,000 annually. The 2009 financial request is \$9,000. Due to economic uncertainties and because of increased oversight from the Washington State Auditor's Office, Mr. Arntzen recommended terminating further participation with IPNG. Mr. Arntzen communicated those concerns to PNWA Executive Director Glenn Vanselow last year when the Commission chose not to participate and Mr. Vanselow understood the Port's position.

After discussion, it was decided to submit a letter to Mr. Vanselow terminating further participation in IPNG.

➤ ***Discussion of Executive Director's Delegation of Authority***

As recommended by Washington Public Ports Association, Mr. Arntzen reviewed his Delegation of Authority (Delegation). He proposed adding one new item to the Delegation which would allow him to vote on behalf of the Port in elections based on property ownership. As stated in the Delegation, he is required report any action taken to the Commission promptly. After discussion, it was decided to revise the Delegation of Authority as recommended. Mr. Arntzen will prepare a resolution amending the Delegation for approval at the next Regular Commission meeting.

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➤ ***2009 Comprehensive Scheme Update***

Mr. Arntzen stated there have been several discussions regarding the need to update the Port's Comprehensive Scheme of Development (Comp Scheme). The Comp Scheme was adopted in 1955 and has been updated via resolution as necessary. He proposed updating the Comp Scheme to include all Port properties, with the exception of Vista Field Airport. He suggested a separate document be prepared for Vista Field addressing both closure and expansion and could be inserted into the Comp Scheme as an amendment at a later date. He explained a series of public meetings would be held to allow public comment.

The Commission agreed and instructed staff to begin the process of updating the Comp Scheme.

2009 Work Plan Amendments and Plans of Engagement: Mr. Arntzen explained he recently circulated a memorandum detailing the 2009 Port Work Plan and Proposed 2009 Work Plan Amendments. He reviewed revisions to the documents and suggested removing the Columbia Drive Reader Board Sign project originally slated for 2009.

Mr. Arntzen reviewed the 2009 Plan of Engagement by location stating Port staff plans to continue to develop Clover Island, work on zoning for Columbia Drive and continue to discuss Vista Field Airport as appropriate in the Kennewick area. In the Richland area, staff plans to work with City of Richland Council and staff to identify new projects and to work on a 2010 capital budget with \$25,000 set aside for master planning and \$1,000,000 for property acquisitions. Plans for the West Richland area include continuing to support the Urban Growth Boundary, with \$25,000 budgeted and, depending on the Urban Growth Boundary request outcome, budget for a conceptual plan for the racetrack property, including zoning, in 2010. Funding for a Master Plan or infrastructure in 2010 or 2011 is also being considered. For Benton County, the Port plans to continue to make the Piert Road project a priority with \$150,000 budgeted for funding in 2010 and address zoning near the racetrack property. For City of Benton City's surrounding area within the Port District, Port staff plans to work with Council and staff of City of Benton City to identify new projects, with \$10,000 set aside for planning.

Commissioner Hanson asked for an estimate of when City of Kennewick's shoreline regulations issues may be resolved. Mr. Peterson stated the current deadline is late February, 2009, but he felt the deadline would be rescheduled for some time in April, 2009.

➤ ***2009 Commission Organization Representation List***

Mr. Arntzen reviewed the 2009 Commission Organization Representation List. After discussion, the Commission approved the list with the revision discussed. Staff will notify organizations of changes as appropriate.

➤ ***Snow Report***

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Mr. Cryer stated inclement weather significantly impacted the Port financially due to additional Port-owned property maintenance responsibilities. He commended Department of Corrections Coyote Ridge Correctional Facility work crews for their assistance with clearing sidewalks and areas surrounding buildings for both Port-owned buildings and tenants, including Willows Trailer Court as well as Cedars Pier I Restaurant. Mr. Cryer stated \$3,000 was budgeted for snow removal, but to date, snow removal totaled \$14,000. He explained a budget amendment was used to cover the additional costs.

➤ ***Cancellation of January 27, 2009 Regular Commission Meeting***

Mr. Arntzen recommended cancelling the January 27, 2009 Regular Commission meeting due to several Port staff members and Commissioner Wagner attending the 2009 Grape and Wine Symposium in Sacramento, California. The Commission agreed. Staff will notify the public appropriately.

➤ ***Meeting Reports***

- Mr. Arntzen reported attending a wine committee meeting. He stated Port of Douglas County met in the Port's Commission Chambers and were impressed with the new Port facility. Mr. Arntzen also watched Clover Island Yacht Club's Lighted Boat Parade in early December and commended Clover Island Yacht Club for continuing to make this a great family and community event.
- Mr. Peterson met with attorney Brian Ihler regarding water rights, met with City of West Richland Economic Development Specialist Ruth Swain regarding opportunities in West Richland and attended a TRIDEC meeting.
- Ms. Bader Inglima attended a Tri-Cities Rivershore Enhancement Council meeting and several West Richland Area Chamber meetings. She also worked the Tri-Ports booth at the 2009 Ag Show.
- Director of Finance/Auditor Tammy Fine reported attending a wine coalition meeting.

➤ ***Non-scheduled Items***

- Port staff showed photographs of mobile homes being removed from Willows Trailer Court and a boat that was found capsized in the basin near the Port office. Port staff worked with the United States Coast Guard and Chervenell Construction who used their crane to remove the vessel from the water. Mr. Cryer reported no one was on board and the owner had been contacted.

### **PUBLIC COMMENT**

- Mr. Cal Coie commended Port staff for staying on top of snow removal.
- Commissioner Dudney commended staff for submitting projects to be considered as part of the government's stimulus packages and felt it was good forward thinking.

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**EXECUTIVE SESSION**

***Potential Litigation Matter RCW 42.30.110 (i)***

Commissioner Hanson called for a five-minute recess at 3:30 p.m., after which there would be an Executive Session to discuss a potential litigation matter. Executive Session was anticipated to last approximately forty-five minutes with possible action.

Ms. Fine excused the Commission Chambers at 4:15 p.m., to announce Executive Session would be extended an additional twenty-five minutes. Ms. Marjy Leggett was waiting.

Ms. Fine excused the Commission Chambers at 4:35 p.m., to announce Executive Session would be extended an additional ten minutes. Ms. Leggett was still waiting.

**ADJOURNMENT**

Regular Session was reconvened at 4:45 p.m. and Ms. Marjy Leggett was asked to rejoin the meeting. Mr. Arntzen announced copies of the December 31, 2008 memorandum from Foster Pepper PLLC regarding Vista Field Airport would be released to the public.

With no further business to bring before the Board, the meeting was adjourned at 4:46 p.m.

***APPROVED:***

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

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*David Hanson, President*

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*Gene Wagner, Vice President*

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*Calvin E. Dudney, Secretary*