



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JANUARY 14, 2014 MINUTES

CALL TO ORDER

Commission President Skip Novakovich called the Commission meeting to order at 2:00 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

The following were present:

Board Members: Skip Novakovich, President
Don Barnes, Vice-President
Thomas Moak, Secretary

Staff Members: Tim Arntzen, Executive Director
Tana Bader Inglima, Director of Governmental Relations & Marketing
Tammy Fine, Director of Finance/Auditor
Amber Hanchette, Director of Real Estate & Operations
Larry Peterson, Director of Planning & Development
Bridgette Scott, Executive Assistant
Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Commissioner Thomas Moak led the Pledge of Allegiance.

NEW BUSINESS

Election of 2014 Officers

MOTION: *Commissioner Novakovich moved for the approval of the following slate of officers for the Port of Kennewick Board of Commissions, for 2014, effective immediately: Commissioner Don Barnes, President; Commissioner Skip Novakovich, Vice President; and Commissioner Thomas Moak, Secretary; Commissioner Moak seconded, with no further discussion motion carried unanimously. All in favor 3:0.*

PUBLIC COMMENT

No public comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

A. *Approval of Direct Deposit and Warrants Dated December 13, 2013*

Direct Deposit totaling \$23,395.47 and Expense Fund Voucher Numbers 35084 through 35087 totaling \$4,528.35; for a grand total of \$27,923.82.

B. *Approval of Direct Deposit and Warrants Dated December 31, 2013*

Direct Deposit totaling \$26,740.38 and Expense Fund Voucher Numbers 35088 through 35092 totaling \$14,106.02; for a grand total of \$40,846.40.

C. *Approval of Warrant Registers Dated December 31, 2013*

Expense Fund Voucher Numbers 35093 through 35152 for a grand total of \$185,456.88.



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D. Approval of Warrant Registers Dated January 15, 2014

Expense Fund Voucher Numbers 35153 through 35215 for a grand total of \$264,094.69.

E. Approval of Emergency Repair: Clover Island Marina, Kennewick Pressurized Fire Suppression System; Resolution 2014-01

F. Approval of Emergency Repair: Vista Field Development Facility #B, Kennewick HVAC System; Resolution 2014-02

MOTION: *Commissioner Novakovich moved approval of the consent agenda; Commissioner Moak seconded. With no further discussion motion carried unanimously. All in favor 3:0.*

PRESENTATION

A. Model Railroad Project/Request, John Decker, Tri-City Model Railroaders

John Decker and Bob Jekel gave a PowerPoint presentation regarding the Tri-City Model Railroaders Museum. The Tri-City Model Railroaders are seeking a 4,000 square foot building or parcel of land to establish a permanent miniature depiction of historic and current railroads and railroad-served industries in the Mid-Columbia Region. They are a not-for-profit organization, with approximately 30 members, and receive a net income of about \$5,000.00 annually from dues. They do not charge for admission, but accept donations.

Commissioner Moak inquired if Tri-City Model Railroaders is looking for a donation of land or are you inquiring about a ground lease? Mr. Decker stated the 30-year lease with the City of Richland was \$1.00 per year and they would appreciate that kind of lease; however, a reasonable lease would be fine. The Commission suggested they contact the railroads or Railroad Museum for additional suggestions.

OLD BUSINESS

A. Julie Luke Land Sale Improvements

Mr. Peterson shared that many of the improvements have been made on the property purchased by Ms. Luke. Mr. Peterson presented a few before and after pictures. Within a few days of closing, improvements were made which exceeded \$45,000.00.

Mr. Arntzen stated this was a good example of helping the neighborhood and increasing the value to the community.

REPORTS COMMENTS AND DISCUSSION ITEMS

A. 2014 Commission Organization Representation

Mr. Novakovich feels the adopted list is sufficient. Mr. Moak feels it would be beneficial for the Port to consider having representation at additional organizations that we do not have on the list currently. Mr. Novakovich and Mr. Barnes are concerned that the Commission would be spreading themselves too thin if additional organizations were added.

B. Vista Field Update

Mr. Peterson shared a few aerial pictures of the X's on the runway. Ms. Hanchette reported that Port staff took down signage, turned off beacon lights and other lights, deleted access



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cards to the airport, secured the FBO building and locked the man-gates.

Mr. Peterson requested the City remove the remaining airport signs at their earliest convenience and transfer the signs to the port for future reuse where appropriate.

Mr. Moak acknowledged that the list is long and some items may have a high dollar amount for an item or require a large amount of time. Mr. Moak stated the port's website still states Vista "Field" or refers to the airport and it is not an airport any longer. Mr. Moak likes the word "Vista", but feels the port should move away from referring to the property as an airport.

Mr. Arntzen stated staff wanted to accomplish closing the active airport according to the scheduled timeframe and stated it will take some time to complete the many steps necessary to complete the process. He feels it is important to keep the public aware that the December 31, 2013 date is only the beginning.

Mr. Arntzen stated in recent history, the City of Blaine and the Port of Kennewick are the only agencies that have closed an airport in the state of Washington. Staff will proceed with the bigger issues; demolition activities, the hangars, FBO building and decommissioning of the fuel tanks. There are quite a few projects to tackle and regular updates will be provided.

Ms. Bader Inglima stated staff has also notified almost 100 FBO's throughout the northwest that the airport was closed.

Mr. Barnes commended the staff on the progress made to date. To simply have the cessation of the flights ending at Vista Field is one step, but there is a long list of items to be completed to bring about the final closure.

Mr. Arntzen suggested the Commission revisit the resolution related to closing the airport and approve an updated resolution.

Mr. Novakovich feels it is appropriate to revisit the list to see what needs to be completed and prioritize our projects and resources.

C. Neon Vibe 5K Run

Mr. Arntzen stated this topic is larger than the Neon Vibe 5K Run. The Port has received several requests to use the former airport for different activities, such as a 5K, an autocross race and other events. This is a good time for the Commission to talk about policy regarding the use of Vista Field.

Mr. Arntzen cautioned approval of Vista Field for recreational use, as there are numerous hazards could pose liability issues. Currently, we are working on decommissioning the fuel tanks and will need to take soil samples related to redevelopment of land.

The Commission is in consensus that the benefits do not outweigh the potential liabilities for



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the 2014 calendar year. If a unique event does not have another location and could potentially provide economic development, perhaps there may be an exception.

D. Columbia Drive Zoning and Design Standards

Mr. Peterson is working with Gregg McCormick, City of Kennewick Planner on the conceptual zoning and design standards regarding the plans from Integrated Structures Inc (ISI). They are crafting ideas and seeing what can be done in terms of building heights, zoning, and building setbacks. The master plan includes relocating the Angus Franklin power line (a major power line from Edison down Columbia Drive to Franklin County) but the port and city will work with the PUD on other options. Mr. Arntzen thanked Mr. Dalton, with the Historic Downtown Kennewick Partnership. He was able to bring a copy of the zoning modification for review.

The port hired Steve Mallory, who produced a report with several options for the power lines. The port attended the PUD community roundtable, and out of that meeting, has scheduled a meeting with the utility committee. Staff will meet with Mr. Mallory to review the reports again.

E. Tri-Cities Legislative Council Trip

Ms. Bader Inglima spoke on the annual Tri-Cities Legislative Council trip, which supports the local chambers, TRIDEC, Tri-Cities Visitor and Convention Bureau, and Tri-Ports. It creates an opportunity for groups from the Tri-Cities to go to Olympia and talk in mass with legislators. The group generally puts together position papers on education, economic development, transportation and tourism. The trip is scheduled for February 13-14. The format has changed from the past and will include break- out sessions on several topics.

Mr. Barnes feels it would be good for the Port to send a representative and would like the opportunity to attend. Mr. Moak and Mr. Novakovich have attended in the past.

F. Building Owners and Managers Association Presentation

Ms. Bader Inglima shared an invitation was received from the Building Owners Managers Association to speak at their regular meeting. Mr. Barnes will work with Ms. Bader Inglima to schedule the presentation.

G. Memo to Confederated Tribes of the Umatilla Indian Reservations (CTUIR)

Mr. Arntzen, Mr. Peterson and Mr. Novakovich met with the Executive Director, chief legal counsel, Economic Development Director and the Assistant Director for Tamastlikt Institute on December 18, 2013. They discussed the various projects, such as the bronze statue of the Native American Grandmother and economic development opportunities. The CTUIR is looking at economic diversification besides gaming. Also discussed was the 1135 funding opportunity (authorizes river shore improvements). The port and City of Kennewick have used this funding to lower the levees along the Columbia River. Ms. Bader Inglima has been looking closely at the program and the funds it could provide. The final topic of discussion was the Plymouth land holdings. The port has been discussing the sale of the upland property to further economic development. Mr. Arntzen will draft a memo to



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the CTUIR summarizing the matters discussed on December 18, 2013. Any action on the items will take action by the elected officials.

Mr. Barnes mentioned the CTUIR joined TRIDEC as an industrial member recently.

H. West Side Forum Trip

Mr. Arntzen would like to interface with some of the contacts he has established on the west side of the state. The Commission feels this trip would be beneficial; however, Mr. Novakovich feels it is an aggressive schedule and suggested Mr. Arntzen divide the trip into two trips. It is a great learning opportunity to see what other ports have achieved or what we can learn from their mistakes.

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

Commissioners reported on their respective committee meetings.

J. Non-Scheduled Items

1. Mr. Moak would like the Commission to schedule a tour of port properties to discuss the vision for each property; it could help develop future Work Plans. Mr. Novakovich feels it would be difficult to schedule and suggested the Commissioners tour the properties individually with Mr. Petersen or Ms. Hanchette.
2. Mr. Novakovich thanked Ms. Hanchette, Mr. Arntzen and Ms. Luke for their professional interaction with some of our tenant issues.
3. Mr. Novakovich inquired on the 2010 resolution that highlighted our port philosophy and how we conduct business with other entities. He wanted to expand the resolution to incorporate a philosophy undertaking first-rate properties. Mr. Arntzen suggested this idea could be incorporated into the Vista Field resolution.
4. Ms. Bader Inglima reported that the port and city have arranged to attend the Washington Association of Grape Growers trade show in February. The city and the port will have a booth and display the 3D models, to create interest.
5. Ms. Bader Inglima inquired if the Commission would like to participate in Media Training which would take place in June or July, depending on schedules.
6. Mr. Peterson reported that the City of Kennewick has started the work order process for removing the Vista Field Airport signs.
7. Ms. Hanchette reported on December 14, 2013 a vessel sank on C dock. The owner of the boat agreed, through his insurance company, to raise the vessel and remove it from the marina.

PUBLIC COMMENTS

Ms. Nicole Stickney, City of West Richland, 3501 West Van Giesen, West Richland. Ms. Stickney read a letter from Mayor Brent Gerry into the record. (EXHIBIT A)

No further public comments were made.



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Mr. Barnes anticipates the Executive Session to last approximately 60 minutes for Potential Litigation, per RCW 42.30.110(1)(i), with no action anticipated; Real Estate, Site Selection, per RCW 42.30.110(1)(b); with no action anticipated; and Real Estate, Minimum Price, per RCW 42.30.110(1)(c); with no action anticipated. Mr. Barnes asked the public to notify Port staff if they will return after the executive session. Mr. Barnes recessed the meeting at 3:52 p.m. until 4:03 p.m.

Mr. Barnes reconvened the meeting into Executive Session at 4:03 p.m. for 60 minutes.

EXECUTIVE SESSION

- A. Potential Litigation, per RCW 42.30.110(1)(i)*
- B. Real Estate, Site Selection, per RCW 42.30.110(1)(b)*
- C. Real Estate, Minimum Price, per RCW 42.30.110(1)(c)*

Ms. Fine exited the chambers at 5:03 p.m. to extend Executive Session 30 minutes.

Ms. Scott exited the chambers at 5:33 p.m. to extend Executive Session approximately 10 minutes.

The regular meeting reconvened at 5:39 p.m.


ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 5:39 p.m.

APPROVED:

**PORT of KENNEWICK
BOARD of COMMISSIONERS**


Don Barnes, President


Skip Novakovich, Vice President


Thomas Moak, Secretary

PORT OF KENNEWICK

Resolution No. 2014-01

**A RESOLUTION OF THE PORT OF KENNEWICK BOARD OF
COMMISSIONERS DESIGNATING THE EMERGENCY REPAIR FOR C DOCK
FIRE SUPPRESSION SYSTEM AT CLOVER ISLAND MARINA AS EXEMPT
FROM PUBLIC WORKS COMPETITIVE BIDDING REQUIREMENTS**

WHEREAS, in accordance with RCW 39.04.280, the Port of Kennewick (Port) is authorized to designate certain public works contracts as emergencies and, therefore, exempt from competitive bidding requirements; and

WHEREAS, the Port of Kennewick's Clover Island Marina, Pressurized Fire Suppression System for C Dock accumulated excessive condensation which froze during extremely cold temperatures, threatening to discharge the fire suppression system on C Dock which could have resulted in loss of property and safety issues for tenant; and

WHEREAS, under his delegation of authority, the Executive Director authorized emergency repairs with Cascade Fire Protection and each Commissioner was notified individually.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners designates the repairs to Clover Island Marina C Dock Fire Suppression System repair as an emergency public works project within the guidelines of RCW 39.04.280, and therefore exempt from competitive bidding requirements.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 14th day of January, 2014.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**


SKIP NOVAKOVICH


DON BARNES


THOMAS MOAK

PORT OF KENNEWICK

Resolution No. 2014-02

**A RESOLUTION OF THE PORT OF KENNEWICK
BOARD OF COMMISSIONERS DESIGNATING THE EMERGENCY REPAIR FOR
COMMON AREA HVAC UNIT IN VISTA FIELD DEVELOPMENT FACILITY
BUILDING B AT 415 N. QUAY AS EXEMPT FROM PUBLIC WORKS
COMPETITIVE BIDDING REQUIREMENTS**

WHEREAS, in accordance with RCW 39.04.280, the Port of Kennewick (Port) is authorized to designate certain public works contracts as emergencies and, therefore, exempt from competitive bidding requirements; and

WHEREAS, the Port of Kennewick's Vista Field Development Facility (VFDF) #B, HVAC system covering the common area emitted a burning metal smell and smoke as described by tenant (Esteem Wireless), threatening to result in loss of property and safety issues for tenant; and

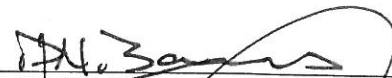
WHEREAS, under his delegation of authority, the Executive Director authorized emergency repairs with Bruce Heating and Air and each Commissioner was notified individually.

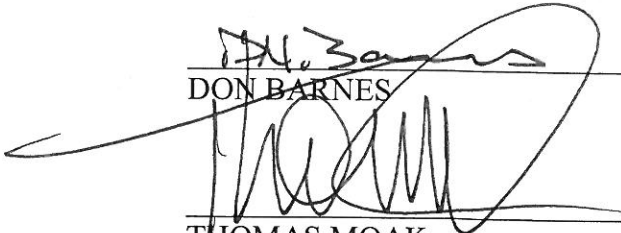
NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners designates the repairs and motor replacement to VFDF #B at 415 N. Quay, as an emergency public works project within the guidelines of RCW 39.04.280, and therefore exempt from competitive bidding requirements.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 14th day of January, 2014.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**


SKIP NOVAKOVICH


DON BARNES


THOMAS MOAK



January 14, 2014

Commissioners – Port of Kennewick
350 Clover Island Drive, Suite 200
Kennewick, WA 99336

Dear Commissioners:

Please accept our wholehearted thanks for the Port of Kennewick's visionary investment in economic development and quality of life jointly with the City of West Richland.

During the past several years, the Port of Kennewick and City of West Richland have collaborated on important projects to bring prosperity to our community as well as to leverage limited resources to create solid returns on these investments.

The City has leveraged your contributions to garner over \$2 Million for construction projects in 2014-15, and we sincerely appreciate your support for carrying these over into the coming year and until the funds are expended. In addition, the City's Urban Growth Boundary expansion application is being processed – as a result of your collaboration with us.

We are looking forward to working with the Port in 2014 and meeting our joint vision for creation of jobs, tourism, and other economic and quality of life opportunities.

We intend to invest the remaining funds effectively and efficiently on behalf of the Port's and City's tax payers. It is our understanding the following investments will carry into 2014 and/or until expended.

Van Giesen/Yakima River Gateway Redevelopment

Carry over the balance of \$44,302.00 to 2014 and/or until expended

Project / Construction Management:

Carry over the balance of \$45,432.50 to 2014 and/or until expended

Thank you, again.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Gerry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Brent Gerry, Mayor
City of West Richland