



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 26, 2013 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
Gene Wagner, Secretary

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

PLEDGE OF ALLEGIANCE

Roscoe Slade led the Pledge of Allegiance.

PUBLIC COMMENT

No public comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

- A. *Approval of Direct Deposit and Warrants Dated March 15, 2013***
Direct Deposit totaling \$20,640.28 and Expense Fund Voucher Numbers 34165 through 34168 totaling \$4,017.35; for a grand total of \$24,657.63.
- B. *Approval of Warrant Registers Dated March 27, 2013***
Expense Fund Voucher Numbers 34169 through 34214 totaling \$68,196.11.
Construction Fund Voucher Number 3408 in the amount of \$3,660.00.
- C. *Approval of Commission Meeting Minutes Dated December 11, 2012***
- D. *Approval of Commission Meeting Minutes Dated March 12, 2013***

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

PRESENTATION

A. *City of West Richland*

Ruth Swain, City of West Richland Community and Economic Development Director, gave a brief overview of the City of West Richland, the assistance provided by the Port and the previous efforts made on the Urban Growth Boundary Act.



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PORT OF KENNEWICK

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Ms. Swain reported the City Council directed staff to complete a land capacity analysis, outreach to stakeholders, and update the economic strategic plan. Ms. Swain stated that most of the land within the City limits is farm land. In order to demonstrate the need to expand the City's boundaries, they need to show they have used all available land. Unfortunately, the open space land owners do not want to sell or develop their land. In order for the project to move forward, the City is requesting the Port's partnership. The deadline for application is December 1, 2013.

Mr. Slade stated West Richland would like to contract with Professor Black of Integrated Structures Inc. to identify new technologies for wine effluent treatment. The contract will cost less than \$16,000, and the City requests the Port split the cost, approximately \$8,000.00, plus travel expenses for Port staff to travel to California to view the new technology. Mr. Slade estimates the contract will be complete within six weeks.

The Commission is in consensus to move forward with both projects and feels they will benefit both jurisdictions. Draft Interlocals will be presented at a future meeting. City of West Richland Councilman Brent Gerry thank the Port for its support and stated he feels these are good return on investment projects.

NEW BUSINESS

A. Approval of Five-Year Lease with Bruker AXS Handheld, Inc.; Resolution 2013-07

MOTION: *Commissioner Barnes moved approval of Resolution 2013-07 approving a new five-year lease with Bruker AXS Handheld, Inc. and authorizing the Executive Director to execute the contract; Commissioner Wagner seconded.*

Mr. Barnes feels the Port deserves some credit and recognition for making a substantial commitment to the types of jobs that we would like to see developed and nurtured in our area, non-Hanford jobs, non-ag based jobs. This type of entity brings these jobs to our community and it is important to help in their growth and development. The investment made by the Port over the last 15+ years has been minimal. A compensatory investment and will add value to the building. Mr. Novakovich toured the facility a couple months ago and was very impressed with the skill and technology. The building improvements will extend far beyond the term of the lease.

With no further discussion motion carried unanimously. All in favor 3:0.

B. Approval of Three-Year Lease with Gable Drywall; Resolution 2013-08

Mr. Peterson reported the lease is a three year lease. Gable Drywall is a sheet rock construction company; and has been a port tenant since 2009 and they expect to grow to six jobs by moving to the new building.

MOTION: *Commissioner Wagner moved approval of Resolution 2013-08 approving a new three-year lease with William H. Gable II, DBA: Gable Drywall and authorizing the Executive Director to execute the contract; Commissioner Barnes seconded. With no further discussion motion carried unanimously. All in favor 3:0.*



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

MARCH 26, 2013 MINUTES

C. Setting a Public Hearing for Considering an Amendment to the Comprehensive Scheme of Development and Harbor Improvements; Resolution 2013-09

Mr. Peterson stated the final EIS was completed on March 8, 2013. The appeal period ended March 22, 2013, with no appeal filed, so the EIS is finalized. All of the effort and work resulted in a 932 page document. This resolution sets the public hearing for the amendment of the Comp Scheme. This hearing will allow the Commission to begin the decision process for the direction of Vista Field.

MOTION: *Commissioner Wagner moved approval of Resolution 2013-09 scheduling a public hearing on the Port's Comp Scheme for Vista Field and directing the Port Executive Director to perform all other acts necessary or appropriate to implement the purpose and intent of this Resolution; Commissioner Novakovich seconded.*

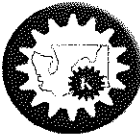
Mr. Arntzen stated the public hearing is procedural; having the hearing does not indicate how a person may vote with respect to the airport issue. By approving this resolution, the Port Commission decides to make a decision based on Vista Field rather than putting it to an advisory vote. If the Commission wanted to put the issue forward for an advisory ballot, it could be included on the August primary or the November general election.

Mr. Novakovich received so many comments on the advisory vote that it is unnecessary to spend upwards of \$90,000 to ask for an advisory vote when the community has weighed in on everything. Mr. Novakovich feels the Commission is in the position to make this kind of decision and take the consequences of their actions. Mr. Novakovich stated this in no way precludes or sets the disposition of Vista Field. There are three valid options on the table and each must be considered. Mr. Novakovich stated for anything to happen at Vista Field other than the No Action Alternative, the Comp Scheme would need to be amended. The public hearing is procedural.

Mr. Barnes reiterated the public hearing is procedural; it would set the time and date for a special meeting for the Commission to consider the amendment of the Comp Scheme. The date of the hearing will be Wednesday, April 17, 2013. The no action alternative is the "no course deviation" alternative. If that is the decision made, there will be no amendment to the Comp Scheme. The purpose of meeting would be to accept public input on all three alternatives. Mr. Barnes has also received comments from constituents urging the Commission to forgo the time and expense of an advisory ballot. He has been urged to make the decision at the Commission level as opposed to an advisory ballot. Mr. Barnes asked to clarify that this step precludes an advisory vote.

Mr. Arntzen commented that any advisory vote in this state is problematic. Legal counsel has shared that whenever an advisory ballot is held, they are fair game for legal challenge. A more straightforward course would be for the Commission to vote on it because the procedural challenges would not be an issue. Mr. Barnes stated the Commission must consider the cost of advisory ballot plus potential costs related to legal challenges.

With no further discussion motion carried unanimously. All in favor 3:0.



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REPORTS COMMENTS AND DISCUSSION ITEMS

A. *Vista Field*

Mr. Novakovich stated a Public Hearing will be held April 17, 2013, with the time and location to be determined.

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

Commissioners reported on their respective committee meetings and presentations.

C. *Non-Scheduled Items*

1. WPPA Spring Conference will be held in mid May. Mr. Arntzen reviewed the conference agenda items.
2. Mr. Arntzen has drafted a letter to Marie Mosley. We are attempting to forge a partnership with regard to the Columbia Drive properties. One of the main objectives is to prep the property for the potential location of wineries. As mentioned earlier, the City of Kennewick allows wineries; however there is an issue with discharging the wine related effluent. Mr. Arntzen is hopeful that the City of Kennewick will contract with Professor Black to manage that effluent. Other objectives include the Port finishing the master planning for the central portion of the Columbia Drive property; the City completing the trail along the south side of Duffy's Pond; and a joint commitment to work with interested wineries.

PUBLIC COMMENTS

No public comments were made.

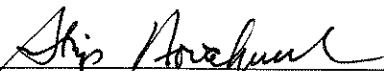
ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:16 p.m.

APPROVED:

PORT of KENNEWICK


BOARD of COMMISSIONERS



 Skip Novakovich, President



 Don Barnes, Vice President



 Gene Wagner, Secretary

PORT OF KENNEWICK

Resolution No. 2013-07

**A RESOLUTION OF THE PORT OF KENNEWICK BOARD OF COMMISSIONERS
APPROVING A LEASE AT VISTA FIELD DEVELOPMENT BUILDING-A**

WHEREAS, The Port of Kennewick (Port) is authorized to enter into certain leases upon such terms as the Port Commission deems proper; and

WHEREAS, a five (5) year lease with one (5) year option has been negotiated between the Port and Bruker AXS Handheld, Inc.; and

WHEREAS, the terms and conditions of said lease agreement have been reviewed by the Port Commission and deemed proper and acceptable; and

WHEREAS, after consideration of the lease agreement, the Port Commission has determined that the lease is proper.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners agrees to enter into a lease with Bruker AXS Handheld, Inc. as presented and hereby authorizes the Port's Executive Director to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 26th day of March, 2013.


**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**



SKIP NOVAKOVICH, *President*



DON BARNES, *Vice-President*



GENE WAGNER, *Secretary*

PORT OF KENNEWICK

Resolution No. 2013-08

**A RESOLUTION OF THE PORT OF KENNEWICK BOARD OF COMMISSIONERS
APPROVING A LEASE AT OAK STREET INDUSTRIAL PARK**

WHEREAS, the Port of Kennewick (Port) is authorized to enter into certain leases upon such terms as the Port Commission deems proper; and

WHEREAS, a three (3) year lease with one (3) year option has been negotiated between the Port and William H. Gabel II, DBA: Gable Drywall; and

WHEREAS, the terms and conditions of said lease agreement have been reviewed by the Port Commission and deemed proper and acceptable; and

WHEREAS, after consideration of the attached lease agreement, the Port Commission has determined that the lease is proper.


NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners agrees to enter into a lease with William H. Gabel II, DBA: Gable Drywall as presented and hereby authorizes the Port's Executive Director to execute all documents and agreement on behalf of the Port to complete the transaction as specified above.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 26th day of March, 2013.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**


SKIP NOVAKOVICH, *President*


DON BARNES, *Vice-President*


GENE WAGNER, *Secretary*

PORT OF KENNEWICK

Resolution No. 2013-09

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK
SCHEDULING A PUBLIC HEARING ON AN UPDATE TO ITS COMPREHENSIVE SCHEME
OF DEVELOPMENT AND HARBOR IMPROVEMENTS AND DIRECTING
THE PORT EXECUTIVE DIRECTOR TO IMPLEMENT THIS RESOLUTION.***

WHEREAS, Chapter 53.20 RCW requires port districts to adopt a Comprehensive Scheme of Development and Harbor Improvements (the “Comp Scheme”) which serves as the guide for future Port investment and actions; and

WHEREAS, on March 8, 2013 the Port issued the Vista Field Planning, Environmental and Economic Analysis with Integrated Environmental Impact Statement (EIS) (the “Report”) which identified three alternatives for potential Port action related to the Vista Field Airport; and

WHEREAS, there was no appeal challenging the adequacy of the EIS for the Report by the filing date of March 22, 2013; and

WHEREAS, the Port Commission desires to consider action on the Comp Scheme related to the Port’s Vista Field property, based on the final Report and EIS; and

WHEREAS, the Board of Commissioners are required by law to conduct a public hearing on any amendments to the Comp Scheme; and

WHEREAS, it appears that Wednesday, April 17, 2013 is an appropriate date for such public hearing on the question of whether or not the Port’s Comprehensive Scheme of Development and Harbor Improvements should be updated as related to Vista Field; and

WHEREAS, notice of such hearing is to be given for two-consecutive weeks prior to the public hearing;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Port of Kennewick that a public hearing be held on the 17th day of April 2013, after notice thereof duly given in the manner required by law. At the public hearing, the Board of Port Commissioners will receive public input on alternatives for amendment, if any, to the Port’s Comprehensive Scheme of Development and Harbor Improvements related to Vista Field, including

Expansion Alternative. Under this alternative the airport would be kept in operation, and expansion and enhancement would be undertaken to create a viable general aviation airport, together with a financially-sustainable level of new supporting uses;

Redevelopment Alternative. The airport would see a phased closure and redevelopment of the Port’s property into a range of alternative (e.g., mixed) uses;

all as set out in greater detail in the final Report and EIS.

BE IT FURTHER RESOLVED the Port Executive Director is hereby directed to perform all other acts as he may deem necessary or appropriate to implement the purpose and intent of this Resolution.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 26th day of March 2013.

***PORT OF KENNEWICK
BOARD OF COMMISSIONERS***

By: 
SKIP NOVAKOVICH, *President*

By: 
DON BARNES, *Vice President*

By: 
GENE WAGNER, *Secretary*