



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

APRIL 9, 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

Commander Cobb led the Pledge of Allegiance.

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

- A. Approval of Direct Deposit and Warrants Dated March 29, 2013**
Direct Deposit totaling \$27,745.88 and Expense Fund Voucher Numbers 34215 through 34219 totaling \$11,177.64; for a grand total of \$38,923.52.
- B. Approval of Warrant Registers Dated April 10, 2013**
Expense Fund Voucher Numbers 34220 through 34250 totaling \$50,632.59.
Construction Fund Voucher Number 3409 through 3410 totaling \$33,089.97.
- C. Approval of Correction to Commission Meeting Minutes Dated March 8, 2010**

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

PRESENTATIONS

- A. Tri-City Regional SWAT Incident Commanders: Scott Child, Kennewick Police Department and Mike Cobb, Richland Police Department**
Commanders Child and Cobb are incident commanders for the local Special Weapons and Tactics Team (SWAT), which includes Pasco, Kennewick, Richland and Benton County. SWAT assists the police in special circumstances, such as a person barricaded in a building or an armed person. SWAT has many tools that regular officers do not. The chance of solving a



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situation without loss of life or serious injury is greatly enhanced because of the tools and tactics that are deployed. SWAT officers are also highly trained and state certified.

Commanders Child and Cobb stated the training was provided to the Tri-Cities Regional SWAT team, as well as officers from the Yakima Police Department and Flathead County, Montana. The training was performed under the umbrella of the Washington State Tactical Officers Association, which provides state-wide training for all SWAT teams.

Commander Cobb stated the specific purpose of the training was to teach officers to breach walls and doors, both interior and exterior, with the least amount of explosives. The former Chieftain Motel and Apartments had many different types of structures and doors. A video illustrating the breaching training was shown.

Commanders Child and Cobb stated the opportunity to undergo this training never would have happened without the support and partnership from the Port of Kennewick. This training increases the safety of officers and can make the difference between an officer going home at the end of an operation, or not. The training also increases the safety of the citizens. Commanders Child and Cobb shared their appreciation for the Port's contribution and gift of a life saving opportunity.

Ms. Bader Inglima commented the Chieftain buildings were acquired vacant and were slated for demolition, which provided the rare opportunity for destructive training.

B. Robert Hodgman, Aviation Senior Planner, WSDOT Aviation

Mr. Hodgman gave a presentation outlining the Washington State Aviation System, aviation forecast, metropolitan areas, metropolitan airport comparison and additional information about how airports can make money. The presentation provides additional information to the comments Mr. Hodgman provided through the Vista Field EIS process.

Mr. Hodgman stated WSDOT recognizes that the Port is at the end of a very long and involved process and is at the point of issuing a decision. WSDOT respects all the work that has been done and is not here to revisit that.

Mr. Hodgman commented at the state-level, he has the distinct advantage of being able to see the entire aviation system. Washington State has 136 public use airports; 64 airports are included in the National Plan of Integrated Airport Systems (NPIAS); and 72 airports are not in the NPIAS system. Non-NPIAS airports rely on local funding and state grants. Mr. Hodgman pointed out that Port districts own and manage 33 airports in Washington.

Mr. Hodgman explained the aviation system is a transportation system, like a main street or highway, and is not a source of revenue. Airports provide a service, like a park. Mr. Hodgman reviewed the benefits that airports may provide, including transporting people, supporting industry, protecting people and resources, supporting research and recreation.



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The FAA projects continued growth between two and three percent per year for the next 20 years. Large (commercial) airports will grow faster than small airports. If we have a growth industry and anticipated increased demand, why would we want to see a reduction in capacity?

The four major metropolitan areas in Washington State, including the Portland airport, were reviewed. The four major metropolitan areas have a commercial airport and several small airports in the area. Mr. Hodgman commented as the population in an area grows, the number of aircraft also grows. He stated as the volume of commercial traffic increased, the general aviation traffic decreased. General aviation migrates to the next airport. As a community grows, the commercial flights grow. Airports have a given amount of capacity; when capacity is pressed, general aviation migrates to another airport.

He understands there is a desire to potentially transform the airport into commercial space; but stated once an airport is gone, it is gone. Finding a parcel or series of parcels for a new airport is very challenging.

Mr. Hodgman reviewed the Federal Aviation's presentation "How Airports Make Money and What's New in Compliance."

Mr. Ed Keenan inquired how many airports are in the State that are located in a downtown area within easy walking distance to hotels, etc. Mr. Hodgman mentioned Felts Field is not necessarily downtown; however, it is an airport with revenue producing amenities.

C. *Michael Mehaffy, Duany Plater-Zyberk and Company (DPZ)*

Mr. Mehaffy represents DPZ and their consultant team, and is the project manager for the Vista Field alternatives study and environmental impact statement. Mr. Mehaffy is here to address the issues related to the continued airport operation raised by Washington State Department of Transportation, Aviation Division.

Mr. Mehaffy stated the team was very pleased to speak with WSDOT Aviation about this process early in the scoping process to get their perspective and guidance. They were also invited to comment on the draft Vista Field EIS. Mr. Mehaffy believes the team shares a lot of the same perspective on this issue.

At the outset of a planning process, Mr. Mehaffy stated that their planning philosophy is always to try to keep any resource that already exists; and find ways to develop what it offers. Too often, what happens in the planning world is a sort of "blank slate" approach that results in the loss of important heritage, resources, or expensive mistakes made with new plans, or both. Mr. Mehaffy feels when airports are discussed and are part of the regional infrastructure system, this is doubly true. He stated we all know that small airports are being closed, just as smaller schools and post offices are being closed. This kind of closure has implications that need to be considered carefully to try to make the most economically competitive, connected, livable, healthy cities for the 21st Century. What is at stake isn't just a matter of "efficiency" in the narrow sense.



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The DPZ team made a major effort to plan an aggressive keep-open scenario, and develop the best possible plan for success. DPZ had an extensive stakeholder and public involvement process. Over one hundred stakeholders participated in the alternatives development process, including WSDOT Aviation and six other agencies. They also had an open planning process, with extensive opportunity for comment and challenge by all parties. The conclusions of the process were issued in the draft EIS and comments were invited from anyone who wished to do so. A total of 124 comments from a total of 87 individuals and 5 agencies were received.

Mr. Mehaffy feels the keep-open scenario is terrific, and termed it a “mini-aerotropolis.” The scenario had some great regional benefits. It was an ambitious plan, but DPZ does believe it can succeed. But, their professional opinion is that this, or any such successful scenario, cannot be done cheaply, and that the serious limitations of Vista Field will require a considerable public investment to overcome. Among the limitations evaluated and extensively discussed during the process are a short 4,000 foot runway that cannot be expanded; a highly competitive market with three other very competitive airports within close driving distance; and an inability to secure federal funding for needed improvements. At the same time, the process of relying on private-sector participation, for whatever reason, has just not proved successful in overcoming the airport's clearly under-performing status to date.

DPZ concluded that a real “step change” was needed to make the airport a success, and that was what was represented in the Expansion Alternative. Mr. Mehaffy stated he reported at a previous meeting that they learned from the comments to the draft EIS, that most of the members of the aviation user community who had supported and participated in the expansion alternative have now moved away from supporting it. This is apparently based on what DPZ concluded was the required public investment. Mr. Mehaffy believes a number of suggestions have been made that a far less expensive scenario might be successful, and the Commission has been urged to consider this. Speaking for the consultant team, Mr. Mehaffy reported they went through a very long, thorough and open process, and it is their professional judgment that there is simply no evidence to believe this is the case. It is in fact their professional conclusion, based on the weaknesses and the threats that they have uncovered during this process, that such an action would almost certainly keep Vista Field in an under-performing role that will continue to drain the Port of operating and opportunity costs, while delivering very little benefit to the region as a whole.

Mr. Mehaffy stressed the team's belief that closing an airport is something that should be done very rarely, only after very careful consideration, and after an exhaustive evaluation of the alternatives. On that point DPZ does agree with WSDOT Aviation. DPZ also greatly appreciates WSDOT Aviation's stated support of the alternatives study process, as well as the comments and guidance they provided during the process. DPZ is pleased to have Robert Hodgman's advice and perspective during the process in particular. Mr. Mehaffy especially appreciated Mr. Hodgman's comment during the scoping period that “The decision has got to come from the community leadership and look at the facts.”

Mr. Mehaffy stated the facts coming out of this process are pretty clear now. An exhaustive analysis has identified a path to keeping open the airport, but apparently because of the public



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expenditure required, it is regrettably not one that appears to have any community support at this time. At the same time, DPZ cannot in good conscience recommend the “No Action” alternative since it does not solve any of the problems that have plagued this airport for decades. However, DPZ does note that there seems to be a sizable stakeholder constituency that has concluded that the redevelopment scenario is also a responsible, viable alternative, and one with its own set of compelling advantages. In our professional opinions, it appears that viable alternatives for the airport are limited and most stakeholders apparently have come to that same conclusion.

Mr. Novakovich stated after listening to the presentation it appears the only way to make Vista Field as economically viable as possible, is to do the major expansion without taking any shortcuts.

Mr. Mehaffy stated it is the only scenario that DPZ identified through a very exhaustive process. He commented there may be other alternatives possible, but DPZ has gone through as exhaustive a process as possible.

Mr. Novakovich inquired if the expansion alternative is a combination of what the public shared with DPZ and what the economic development team feels is necessary to make the airport economically viable. Mr. Mehaffy confirmed it was a combination of what the stakeholders had made very clear in the past what was needed for success and their professional judgment of what is needed for success; in many cases the opinions overlapped.

REPORTS COMMENTS AND DISCUSSION ITEMS

A. Special Joint Commission Meeting April 17, 2013 with Confederated Tribes of the Umatilla Indian Reservation (CTUIR)

A Special Joint meeting with the CTUIR will be held Wednesday, April 17, 2013 at 10:00 a.m. in the Clover Island Yacht Club Building, 104 Clover Island Drive, 2nd Floor, Kennewick. The purpose of the meeting is to discuss economic development partnerships and tour Clover Island and Columbia Drive properties.

B. Special Commission Meeting April 17, 2013 to conduct a Public Hearing to receive public input on alternatives for amendment, if any, to the Port's Comprehensive Scheme of Development and Harbor Improvements

A Special Commission Meeting will be held in the Bechtel Board Room at the Tri-Cities Business and Visitors Center, 7130 W. Grandridge Boulevard, Kennewick, Washington on Wednesday, April 17, 2013 at 7:00 p.m., or as soon thereafter as possible, to conduct a Public Hearing to receive public input on alternatives for amendment, if any, to the Port's Comprehensive Scheme of Development and Harbor Improvements (commonly known as Comp Scheme) related to Vista Field, including:

No Action Alternative. This alternative is required as a “baseline” for study under the SEPA process.

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,



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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 Vista Field Planning, Environmental and Economic Analysis with Integrated Impact Statement (EIS), which is available at the Port of Kennewick office at 350 Clover Island Drive Suite 200, Kennewick, Washington and online at: <http://portofkennewick.org/uploads/flipbook/airport/>

The Comprehensive Scheme is the long-term work plan for all Port properties. The hearing is arranged so the Commission can make a decision whether or not to take action on amending the Comp Scheme with respect to Vista Field. The Commission may wish to amend the Comp Scheme to allow the expansion or redevelopment of the airport, or choose to take no action and not amend the Comp Scheme. All three alternatives are possibilities, two of them would amend the Comp Scheme and one would not.

Public comments will be received during the Public Hearing; however, per the Port's Policy, they will be limited to three minutes per speaker to allow everyone to have an opportunity.

Mr. Arntzen stated Mr. Peterson, Director of Planning & Development will give a 5-10 minute introduction on the major issues of the EIS and give an overview of the three alternatives. Mr. Arntzen will briefly review how the three alternatives would be managed by the Port. The Commissioners will discuss and debate the alternatives following the public comments and may or may not take action.

Mr. Arntzen stated the community feels the EIS process has been thorough, and feels there may be a little issue fatigue. The community is beginning to wonder how many hearings the Port needs to have to resolve this issue.

Mr. Novakovich feels the Commission is tasked with studying all the information, listening to the comments and making a decision; and that a decision needs to be made next week without any delay. Mr. Wagner agrees it is time to make a decision.

Mr. Barnes feels the process has been very thorough and professional. DPZ has done an excellent job of gathering information from the community and provided the draft report in early February. Mr. Barnes stated this is a very complicated process and commended Mr. Arntzen. Mr. Barnes is looking forward to considering and debating the information and feels the Commission needs to do the right thing for the community.

Mr. Arntzen suggested he prepare 5-10 items for each alternative in a fair and neutral fashion. The documents will be provided to the Commission and will be available to the public. The comments are intended for assisting lively discussion. He feels the public would like to have some understanding of how and why each Commissioner reached their conclusion and what points they found most significant.

Mr. Mehaffy suggested the Commission review the public testimony and comments in the Final



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EIS, as DPZ thoroughly investigated and responded to each one.

Ms. Luke stated the process is legally adequate and goes above and beyond the legal procedure. Mr. Novakovich shared that he heard positive comments today from the Richland Rotary about how the Port has kept this process open and included everyone in the process.

Mr. Arntzen stated there has not been an opportunity for Commissioner discussion because that would violate the open public meetings act. He reiterated the Commission does not have to make a decision on April 17; although he does not feel it would be fair to consider any new alternatives because they have not been vetted with the three alternatives.

Mr. Barnes reiterated Mr. Mehaffy commented during his presentation that there is no evidence to suggest that a cheaper enhancement alternative exists.

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

Commissioners reported on their respective committee meetings and presentations.

D. *Non-Scheduled Items*

1. Ms. Bader Inglima shared photos of the demolition of The Chieftain Motel and Apartments. A substantial amount of money was budgeted for demolition and asbestos removal and was included in this year's budget. We found efficiency in using Port staff for the demolition and recycled some materials. Permits were received from the City of Kennewick and the Benton Clean Air Authority. Mr. Peterson shared his appreciation for the Benton Clean Air Authority issuing an urgency permit.
2. Renovation of Oak Street Development Building 1 and 2 is underway. Mr. Peterson would like to take each Commissioner individually through the properties.
3. Ms. Fine will provide a cost savings update at a future meeting.
4. Ms. Fine and Ms. Luke spoke with Ramsey Ramerman last week. Mr. Ramerman is one of the leading attorney's in public records and open government. When discussing the public records process, it was apparent that the Public Records Act has a lot of unknowns. A lot of government agencies are trying to figure it out individually. Ms. Fine and Ms. Luke may assist Mr. Ramerman in developing rules and regulations for the Public Records Act in association with the Attorney General's Office for presentation to the state legislation. Ms. Fine suggested a committee be formed to develop rules and regulations implemented where the legislation has the base laws to follow and a citizen's advisory committee would set up rules regulations that would fit for the whole state. Ms. Fine will investigation some options and feels that instead of each government agency trying to implement a paperless system, why can't we work with State Archivist and other agencies to try to find some statewide system. It is pretty costly for everyone is implementing their own. If the State Archivist has the records, the public can contact them for all records requests. Ms. Fine believes this may be a big benefit to public, port and all government agencies. One the whole, it will save the public a lot of money. Ms. Fine has contacted the State Auditor's office about creating a BARS code to track the costs.
5. The Tri-City Herald gave a "thumbs up" opinion for inviting the public to comment on the future of Vista Field on April 6, 2013.
6. On March 31, 2013 the Tri-City Herald offered their editorial related to Vista Field. A few



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comments were "...closing Vista Field makes most sense for Tri-Cities....the good fight has been fought, but it is time to move on....Vista Field has become a perk for a handful of users, not a community of aviators...Vista Field has not become what the Port envisioned when it decided to continue airport operations in 2010..." Mr. Arntzen feels these snippets capture the essence of editorial.

7. The Tri-City Herald covered the residents at the Kennewick's Clover Leaf Trailer Park; basically the headline said they were given a short notice to vacate. This is the group of private investors that bought the Jessernig property near the Blue Bridge and is rapidly clearing the property. This is brought up because this Port Commission went through a similar process when we bought the Willows Trailer Park. Mr. Arntzen stated the purchase of a trailer park is difficult. Mr. Arntzen believes the law requires a one year notice; however, the Port gave three years and held evening meetings with the tenants. There are some growing pains with the Kennewick Clover Leaf Trailer Park. He would like to make it clear to the community that that project is a separate development and is not associated with the Port.
8. Mr. Arntzen received an email from Marty Conger with Battelle; they are doing the Tri-Cities Evolution, which wants to push consolidation. Mr. Arntzen believes the City of Kennewick does not feel it is something they want to fully support. The Port needs to meet with jurisdictional partners before committing to the committee. In addition, they will most likely request funding. Mr. Novakovich attended the first meeting just to see what it is. He already sent his comments into them and suggested it be disbanded. Mr. Barnes inquired what the role of the Port would be and how we could participate. Mr. Novakovich stated the original consolidation group has disbanded and this is the new group. Mr. Novakovich will provide an update after attending the meeting. Mr. Barnes would like to attend a meeting as well, but will attend a different meeting from Mr. Novakovich.
9. Mr. Arntzen received an email from City of Kennewick City Manager Marie Mosley. She received the letter sent by Mr. Arntzen outlining the things the Port and City would do in the Bridge to Causeway area. Ms. Mosley and Mr. Arntzen agreed that the form of the letter is something that could move forward. Ms. Mosley indicated in her email that she brought it to the budget and administration committee and everything looks workable, and that she will present it to her council. Mr. Arntzen stated the Port's commitment would be to sign the second phase of the contract with Integrated Structures Inc. (ISI) regarding the central portion of the property on Columbia Drive and complete the site and master planning. The City would also hire ISI to do research and develop a plan for discharging winery effluent into the municipal system. The City of Kennewick will also secure easements to complete the trail around Duffy's Pond. The City and Port will work collectively to update a code amendment for the City zoning code in that area of town. Ms. Mosley and Mr. Arntzen feel their electorate bodies will look favorably on this agreement.

PUBLIC COMMENTS

Ed Kennan, 5504 W. 11th Avenue, Kennewick. Mr. Keenan inquired what intent the Commission had when they passed Resolution 2010-06 in 2010 that said the airport would stay open. We did a plan, which had several steps in it, two steps were to have companies come in and improve the area around, two of them did; so we worked out that part of the plan. What we needed was a few things: an FBO – the FBO was tried and it failed, you never tried again. This is something you promised the



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community...that we are going to go and do. Mr. Mehaffy said we would never get that much private investment into the airport. Someone tried to build a hangar and never could get a go on that and finally moved out. The reason he moved out is because he wanted a new hangar for himself before he died. When we come to the meetings here, and you talk about many things, Mr. Kennan watches the Commissioner's faces and when Clover Island is mentioned – you smile; lighthouse – you smile; boating – you smile; mention airport – you can read it in your faces that you never supported it. You never gave it the support that was promised. You found \$225,000 for 1,000 pieces of paper, whether good or bad, it is still \$250 per page. You could find money for that, but you couldn't find money for the airport. You made us a promise. I hope you will keep the airport – just based on your word.

No further public comments were made.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 4:13 p.m.


APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS


Skip Novakovich, President


Don Barnes, Vice President


Gene Wagner, Secretary