



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

APRIL 23, 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

Shirley Hankins led the Pledge of Allegiance.

PUBLIC COMMENT

Victor Epperly, 8930 W. Canyon Place, Kennewick. Mr. Epperly attended the two public meetings at the PUD and at the Tri-Cities Visitor and Convention Bureau, and can't help observe that they were evening meetings. He commented that many people cannot attend afternoon meetings and hopes the Commission might reconsider the time meetings are held. Mr. Epperly suggested deleting "including airport users" in Resolution 2013-11 as he feels it is an affront and has a hard time believing closing the airport is a benefit to the airport users. Mr. Epperly shared information regarding the Bellevue Airport and the associated parking. Mr. Epperly researched the City of Kennewick's website regarding annual amendments to Comp Plan Amendment applications. He suggested using commercial zoning when submitting the application. He encouraged the Port in their path forward to have an advisory committee to determine how much the Port would receive if the property was sold on an as-is, where-is condition, with Port imposed conditions, as compared to the cost of constructing the infrastructure.

No further comments were made.

CONSENT AGENDA

The consent agenda consisted of the following:

A. *Approval of Direct Deposit and Warrants Dated April 15, 2013*

Direct Deposit totaling \$21,775.88 and Expense Fund Voucher Numbers 34251 through 34254 totaling \$4,130.85; for a grand total of \$25,906.73.

B. *Approval of Warrant Registers Dated April 24, 2013*

Expense Fund Voucher Numbers 34255 through 34266 and 34268 through 34287 and 34289 through 34305 totaling \$143,852.22.



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Construction Fund Voucher Number 3411 through 3415 totaling \$67,946.79.

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

PRESENTATIONS

A. Columbia River Cowboy Gathering, Leo Bowman

Mr. Bowman shared the 10th anniversary of the Columbia River Cowboy Gathering was held April 11, 2013. This year's gathering honored Mark Blotz of Clover Island Inn.

B. Benton City Development, Mike Grimes

Mr. Grimes spoke with Mayor Lloyd Carnahan and Commissioner Novakovich about developing a parcel near the Kiona-Benton City exit, which would include a hotel, strip mall and a gas station/convenience store. Mr. Grimes briefly reviewed the project and commented the project will bring jobs to the area.

Sunny Parsons, of Beaver Creek LLC, has developed property along the I-5 corridor and buys and develops property with the right demographics. Mr. Parsons indicated the property is 3.8 acres. He has not done a project in the Tri-Cities and has never worked with a Port or City on a project, but would look forward to the opportunity. Mr. Novakovich commented it would be beneficial to the community if development occurs.

Mr. Arntzen stated the process of working with the Port is handled on a case by case basis. The Port will work with the jurisdiction and determine if there is an opportunity for the Port to support the project.

Ms. Shirley Hankins, 1637 Mallory Square, Richland. Ms. Hankins feels this piece of property, which is on the edge of the Port's jurisdiction, will become very valuable as development of the Red Mountain Interchange occurs. It amazes her how little Benton City receives from tax dollars. The hotel would help Benton City, AVA and West Richland buy providing tax dollars and increasing tourism for Red Mountain Wineries.

Mr. Lloyd Carnahan, Mayor of Benton City, feels this is a great opportunity if it develops. Benton City has been looking forward to getting a hotel for the last 15 years. Benton City has spent over \$800,000 getting sewer and water to the property. He stated approximately 17,000 cars travel the highway each way every day; with 9,000 going in and out of Benton City.

NEW BUSINESS

A. Vista Field; Resolution 2013-11

Mr. Arntzen stated the Port Commission approved Resolution 2013-10 on April 17, 2013 which amended the Port's Comprehensive Scheme of Harbor Improvements (Comp Scheme) to adopt Vista Field Airport Alternative Two, "Redevelopment" as identified in the Final Economic Impact Study (FEIS). The Port Commission desires to provide additional direction to the Executive Director to assist in implementing Resolution 2013-11 and the Commission deems that additional direction is in the best interest of the public. Mr. Arntzen suggested the



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Commission give Mr. Peterson the authority to turn in an application for the uses called out in the FEIS.

Mr. Peterson stated there are approximately six land use designations in the City's Comp Plan. Currently, the airport is designated as "public facility" which allows airports and hospitals. A "commercial" designation would seem the most logical, and would allow the uses identified in Alternative Two: commercial, retail and residential on floors two and above; fine tuning may be needed at a later date. The concept plan suggests uses consistent with the commercial designation of the City's Comp Plan. Mr. Peterson recommends commercial zoning for the application.

Mr. Peterson stated the EIS serves a purpose beyond helping with the decision on the future of the airport. It also addresses land use related decisions, the environmental aspects of traffic, vegetation, circulation, and housing; the FEIS will be used as the base line document.

Mr. Barnes inquired once the initial application is submitted if it limits the Port and if it could be amended if needed. Mr. Peterson responded the application can be amended by the Planning Committee or the City Council as long as the applicant concurs. There will be a Planning Commission workshop in late May; a public hearing in August, and forwarding recommendations will be forwarded to the City Council for their Public Hearing in September.

Mr. Barnes is pleased that the DPZ study is able to be used for this process. He feels the next logical step would be to work with the City of Kennewick to amend the Comp Plan consistent with what is proposed for the site.

MOTION: Commissioner Barnes moved approval of Resolution 2013-11 which provides additional direction to the Port Executive Director related to closure and redevelopment of the Vista Field airport; additionally the Executive Director is hereby directed to perform all action he deems necessary, or appropriate, to implement the purpose and intent of this resolution; Commissioner Wagner seconded. With no further discussion motion carried unanimously. All in favor 3:0.

REPORTS COMMENTS AND DISCUSSION ITEMS

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

Commissioners reported on their respective committee meetings and presentations.

B. Non-Scheduled Items

1. Mr. Peterson reported the Oak Street Development Building #2 interior is being framed.
2. Columbia Drive. After the SWAT team trained at the Chieftain Motel and Apartments, the Port of Kennewick maintenance crew demolished 10 of the buildings; leaving the ones with asbestos. The property looks substantially different and Mr. Peterson will share before and after photographs of Columbia Drive, as well as the cost savings and comparison, at a future meeting. The Port will go through the bid process and contract with a company who specializes in asbestos removal.
3. Mr. Arntzen read a letter to the Commission from the directors and himself regarding their decision on Vista Field. (EXHIBIT 1) The Commission is grateful for the letter and shared



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their appreciation for staff and the unbiased information prepared for their consideration.

PUBLIC COMMENTS

Victor Epperly, 8930 W. Canyon Place, Kennewick. Mr. Epperly feels a master plan development should be done by the private sector instead of the Port so the onus is on them to build according to the master plan. He also hopes the Commission considers selling the land as soon as possible under this master plan, with respect to getting property to the private sector and paying taxes. With the master plan, through the planned development permit with the City, it becomes a contract with the City under their zoning ordinance. He also requested the Commission consider selling the property in conjunction with KID's property, so it is all in the same master plan; the property could then be looked at as a unit. Mr. Epperly feels the KID and Port could benefit from the sale of the property and a common master plan.

Jose Chavallo, 5912 Quinault Avenue, Kennewick. Mr. Chavallo stated Port staff has done a great job. He is interested in what the future will bring for the Tri-Cities.

No further public comments were made.

Mr. Novakovich anticipates the Executive Session to last approximately 25 minutes for Potential Litigation, per RCW 42.30.110(1)(i); with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

Mr. Novakovich recessed the meeting at 2:51 p.m., for approximately 10 minutes.

Mr. Novakovich reconvened the meeting into Executive Session at 3:01 p.m.

EXECUTIVE SESSION

A. Potential Litigation, per RCW 42.30.110(1)(i)

Ms. Fine exited the chambers at 3:25 p.m. to extend the Executive Session 20 minutes.

Ms. Fine exited the chambers at 3:45 p.m. to extend the Executive Session 10 minutes.

Ms. Fine exited the chambers at 3:55 p.m. to extend the Executive Session 10 minutes.

The regular meeting reconvened at 4:05 p.m. with no action taken.



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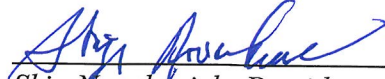
ADJOURNMENT

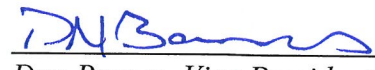
With no further business to bring before the Board; the meeting was adjourned at 4:06 p.m.

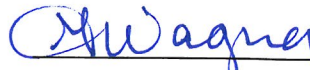
APPROVED:

PORT of KENNEWICK

BOARD of COMMISSIONERS


Skip Novakovich, President


Don Barnes, Vice President


Gene Wagner, Secretary

PORT OF KENNEWICK
Resolution No. 2013-11

***A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK
PROVIDING DIRECTION RELATED TO THE VISTA FIELD AIRPORT***

WHEREAS, On April 17, 2013 the Port Commission approved Resolution 2013-10 which amended the Port's Comprehensive Scheme of Development to adopt Vista Field Airport Alternative Two, "Redevelopment" as identified in the FEIS; and

WHEREAS, The Port Commission desires to provide additional direction to the Executive Director to assist him in implementing the Resolution; and

WHEREAS, the additional direction is in the best interest of the public including airport users;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Executive Director is hereby directed to take all action as he may deem necessary to implement the purpose and intent of this Resolution, including but not limited to the following:

1. Submit an application to the City of Kennewick for amendment of its Comprehensive Plan to permit consideration of the Redevelopment Alternative.

ADOPTED by the Board of Commissioners of Port of Kennewick on 23rd day of April 2013.

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

By:


SKIP NOVAKOVICH, *President*

By:


DON BARNES, *Vice President*

By:


GENE WAGNER, *Secretary*

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EXHIBIT 1

April 19, 2013

Dear Commissioners:

Thank you for the leadership you have shown throughout the Vista Field EIS process. We commend each of you for the tough decision you were tasked with making. It did not go unnoticed that as elected officials you took your responsibility to taxpayers extremely seriously, and that each of you struggled long and hard to determine which use of Vista Field provided the greatest benefit to the entire port district. Your attention to the myriad details and consideration of all facets of the alternatives was evident in the deliberative process undertaken during your vote.

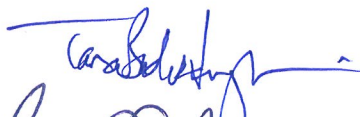
We appreciate that as Commissioners, you intentionally remained separated from the process until the EIS was completed; demonstrating not only a quality of leadership, but an understanding of the importance of an open and transparent process.

Please know how proud the staff is to work for Commissioners who are stewards of the public's resources; hold themselves to the highest standards of conduct; and are truly committed to championing economic benefit for the district.

The staff looks forward to implementing the Commission's directives and we thank you again for all you are doing for the citizens of Port of Kennewick.

Sincerely,


Tim Arntzen and staff


Larry Peterson


Tammy Fier