



# REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JUNE 25, 2013 MINUTES

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## 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  
Amber Hanchette, Director of Real Estate & Operations  
Larry Peterson, Director of Planning & Development  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Ken Silliman 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 June 14, 2013***

Direct Deposit totaling \$20,611.41 and Expense Fund Voucher Numbers 34463 through 34466 totaling \$3,978.35; for a grand total of \$24,589.76.

**B. *Approval of Warrant Registers Dated June 26, 2013***

Expense Fund Voucher Numbers 34467 through 34492, 34494 through 34495, and 34497 through 34517 totaling \$70,761.75.

Construction Fund Voucher Number 3431 through 3435 totaling \$40,240.98.

**C. *Approval of Special Commission Meeting Minutes Dated April 17, 2013***

**D. *Approval of Emergency Road Repair at Railroad Milepost 12.66; Resolution 2013-17***

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



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## NEW BUSINESS

### ***A. Vista Field Closure and Redevelopment; Resolution 2013-16***

Mr. Arntzen stated on April 17, 2013 the Port Commission approved Resolution 2013-10 which amended the Port's Comprehensive Scheme of Harbor Improvements to adopt Vista Field Airport Alternative Two, "Redevelopment" as identified in the Final Environmental Impact Statement (FEIS). Mr. Arntzen requested the Commission provide additional direction to the Executive Director to assist in implementing the Resolution.

Mr. Arntzen reviewed the following items listed in the Resolution 2013-16:

1. Purchase the Shannon hangar on the terms of the lease currently in effect;
2. Create a conceptual site plan identifying major arterials;
3. After closure, commence deconstruction of runway/taxiways; recycle and stockpile asphalt grindings for future construction;
4. Allow fuel in tanks to diminish, refrain from replenishing; refrain from renewing Connell Oil fuel contract upon expiration; deconstruct tanks and fueling facilities and establish remediation plan;
5. Refrain from plowing snow/ice and instead issue NOTAMs as appropriate;
6. Rent vacant corporate hangar(s) for non-aviation uses consistent with redevelopment planning;
7. Negotiate all contractual claims in good faith in an effort to resolve and ensure consistency with legal and economic impact analyses;
8. Negotiate repayment of applicable Washington State Department of Transportation aviation grants;
9. Deconstruct the FBO building and ready site for redevelopment;
10. After closure, commence the deconstruction of the Vista Hangars;
11. Identify and retain or find appropriate use for historic objects as discussed in the EIS and as feasible;
12. Provide maintenance and repair only in furtherance of life, health, and/or safety issues;
13. Establish a litigation fund to defend against legal action related to airport closure; and
14. Formulate, with input from the public and jurisdictional partners, a redevelopment plan for the premises.





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## 15. Closure date of Vista Field Airport

Among other elements of the proposed closure plan, staff recommends the establishment of a contingency litigation fund of \$500,000 which would be used in the event a third party elects to bring legal action against the Port related to airport closure. However, it should be noted that legal research conducted by the Port finds limited Port liability related to airport closure. And, any party suing the Port must fund its own cause of action which would likely be substantial.

Mr. Barnes would like to ensure the Port communicates with the FAA, as they publish charts and need accurate information. Mr. Novakovich agreed.

Marjy Leggett, 4019 Horizon Drive, Pasco. Ms. Leggett feels it is very important to keep a detailed record of closure costs during the deconstruction process.

Vic Epperly, 8930 West Canyon Place, Kennewick. Mr. Epperly commends the Commission for stepping forward and establishing a closure plan. He suggests the Commission consider all the issues with existing leases and state grant funds when determining a specific closure date and time. He feels there is also a need to establish an access plan to the land beyond the runways and airport. He suggested the hangers could be taken down and transferred to other airports or used other uses.

Leo Bowman, 230 Silverwood Court, Richland. Mr. Bowman suggested as immediate impacts are identified in the airport area that notifications are sent to those in proximity to the area.

Kathy White, 1118 W. 22<sup>nd</sup> Avenue, Kennewick. Ms. White is representing Historical Preservation Commission in the City of Kennewick. Ms. White stated the Commission would like to be involved in the Advisory Committee. She stated they would like to make sure that Item #11, "Identify and retain or find appropriate use for historic objects as discussed in the EIS and as feasible;" is not an optional item. World War II is a very important part of our history and we are losing veterans every day. The research will be quite extensive. She is hopeful the Commission will meet in July to select a member to serve on the advisory committee.

Mike White, 1118 W 22<sup>nd</sup> Avenue, Kennewick. Mr. White stated as he understands it, there isn't a current redevelopment plan, there is a suggested plan by DPZ, with regard to Item #6, "Rent vacant corporate hangar(s) for non-aviation uses consistent with redevelopment planning." He is not sure how the Port can lease something without a plan.

**MOTION:** *Commissioner Barnes moved approval of Resolution 2013-16 which provide additional direction to the Port Executive Director related to the closure and redevelopment of the Vista Field Airport. Additionally the 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; Commissioner Wagner seconded.*

*Commissioner Discussion:*



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Commission Barnes stated that Ms. Leggett's point is well taken. He stated there are items on the list where the Commission can make a preliminary estimate of costs; however, that does not mean the Port would incur this cost. A preliminary number may be adjusted. He suggested the Port may add a \$500,000 litigation fund. The Commission addressed the following items and associated figures:

- #1 Shannon Hangar. The Port will get an appraisal and begin negotiations
- #3 Deconstruction of Runway / Recycling Asphalt . Mr. Barnes feels this needs to be accomplished in a couple of steps. First, paint red X's on the runway to notify pilots that the runway is closed. Some pilots do not check the NOTAM's or with the FAA; Mr. Barnes would hate to see them fly with intentions to land. Second, the deconstruction could take place when it is necessary, prior to the development.
- #4 Fuel Tanks. Could involve environmental work and may cost \$30,000.
- #8. WSDOT Aviation Grants. Approximately \$240,000
- #9 & 10 Deconstruction of the FBO and the Hangars. Approximately \$65,000-70,000 for each hangar
- #13 Litigation. It is the Port's intent to treat each user at the airport in a fair, uniform and consistent manner. The Port hopes to reach an agreement with each tenant without litigation. Mr. Barnes stated in the past the Port approached difficult situations with mediation as a way to reach an agreement short of litigation. He feels this method worked well.

Mr. Novakovich feels the Port owes it to the community and the public to close the airport. He has full confidence in staff to handle this situation. He believes the runway should be taken out when it is economically feasible and it does not create any kind of hazards for anyone. He does not want it to be possible to reverse the decision and one way to do that is to make sure the runway is gone. Mr. Novakovich inquired if the t-hangars were condemned.

Mr. Peterson stated most of the t-hangars have structural and electrical deficiencies. One hangar has a wall that is falling in. It is not practical to relocate the hangars. The old FBO building is highly visible and by taking it down as soon as possible we show good faith to the public of our intent to close the airport.

**AMENDED MOTION:** Commissioner Barnes moved to amend the Motion by adding Communicate appropriately with FAA; specify \$500,000 for Item #13; and add date of 12/31/2013 as closure date; Commissioner Wagner seconded the amended motion. With no further discussion motion carried unanimously. All in favor 3:0.

## PRESENTATION

### A. *Historic Downtown Kennewick Partnership (HDKP), Tim Dalton*

Ms. Bader Inglima introduced Mr. Dalton; he acknowledged three past presidents of the Historic Downtown Kennewick Partnership: Ken Silliman 1991, Skip Novakovich 1998-2003 and Mark Blotz 2008-2010.

Mr. Dalton shared a PowerPoint reviewing the Historical Downtown Kennewick Patnership mission and vision for downtown; and shared a few pictures from his trip to the Main Street Conference in New Orleans.





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## REPORTS, COMMENTS AND DISCUSSION ITEMS

### ***A. Clover Island***

Mr. Arntzen and a few staff members toured the marina docks to see what needs to be addressed. A letter will be written to the tenants that reminds them of all the things we as a community would like to see on our docks, just a friendly reminder to have everyone spruce up their area – we will monitor the docks to ensure the rules are followed.

### ***B. Misc. Administrative Items***

Mr. Arntzen shared:

1. Revised Commission Meeting Comment Procedure. Mr. Arntzen stated a few years ago not many people attended the meetings; now could extend to a two or three hour meeting, or maybe longer. Mr. Arntzen suggested no changes, but feels the President could allow comments on other items that appear to be of interest.
2. Joint Jurisdiction Meetings. In the past the Port has had joint meetings with West Richland, Richland and City of Kennewick; in the future we could include Benton City, the Tribes or Benton County – we could consider having additional meetings as time permits.
3. Remote Meeting Locations. The Port has had a meeting at Hedges, we can move around the jurisdiction and hold Commission Meetings as appropriate.
4. Trial Evening Meetings. Mr. Arntzen ponders what the participation would be at evening meetings. Mr. Moak and Mr. Arntzen wondered if the meeting did not include Vista Field if it would have been as well attended; suggested trying a couple to judge the success.
5. Refreshing of Port Website. Ms. Bader Inglima shared the Port will be refreshing the information that is listed on the website, as well as adding fact sheets. A lot of the content is historical – work with our IT company to archive older information and make it more user friendly.

Mr. Novakovich is not sure how well evening meetings will work. Mr. Wagner stated the Port has held evening meetings for hot topics. He feels we would have some participation. Mr. Barnes feels evening meetings are worth exploring and definitely should consider them for a large items.

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

Commissioners reported on their respective meetings and presentations.

### ***D. Non-Scheduled Items***

1. Mr. Novakovich received a notice about the WPPA Trade and Economic Development Conference in August.
2. Ms. Bader Inglima working on summer newsletter – it will be distributed in July.
3. Ms. Luke is updating the rules for the marina and getting the marina tenants input on possible revisions.



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4. Mr. Peterson shared Sawyer Brown concert will be held at Clover Island Inn on July 14, 2013. The Port will be expanding the overflow parking lot in the Willows. This will also help since the City and or Corps have installed No Parking signs on top of the levee.
5. Mr. Arntzen shared the Pacific Northwest Waterways Association (PNWA) is looking at navigation issues on the lower Snake River – from time to time there is discussion of removing dams, or dredging on lower Snake River. The association is gearing up for a dredging issue and there could be an opportunity for the Port to provide assistance in the amount of \$5,000 to go towards an economic study related to dredging (primarily in Clarkton and Lewiston) it's an issue that may not touch our Port directly, but it is of importance to us and in essence we could be one of the first Ports to step up. His recommendation is to get the contractual language in place prior to the financial assistance. Mr. Novakovich inquired if we did that and cooperate with the Corps – would there be any benefit? Mr. Arntzen feels those issues should be kept separate. The Commission would like to see more information. Mr. Arntzen will request PNWA/IPNG to prepare a document for Ms. Fine's review. It would be good to be an early supporter and would help rally others to support the cause.
6. Hunter Abel, an attorney, works with Deborah Juarez who is a member of the Blackfeet Tribe. We have hired Ms. Juarez to assist us with working with our Tribe partners and will be lead counsel she also has a unique prospective based on her background as being a full blooded tribal member. Mr. Abel is willing to come at no expense to the Port to meet and visit with partners and Commissioners. We don't necessarily need lawyers with our relationship with the tribes but what we need are people who know economic development opportunities between tribe and local governments. Ms. Juarez has done many projects with governmental agencies and the tribes. There is an understanding that there are a lot of benefits to the Quad Cities partnering with the tribes.

## PUBLIC COMMENTS

No public comments were made.

Mr. Novakovich anticipates the Executive Session to last approximately 45 minutes for Real Estate, per RCW 42.30.110(1)(c) and 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. Barnes will recuse himself on the potential litigation issue due to a potential conflict of interest.

Mr. Novakovich recessed the meeting at 3:29 p.m. until 3:40 p.m.

Mr. Novakovich reconvened the meeting into Executive Session at 3:40 p.m.

## EXECUTIVE SESSION

**A. Real Estate, per RCW 42.30.110(1)(c)**

**B. Potential Litigation, per RCW 42.30.110(1)(i)**

Ms. Fine exited the chambers at 4:25 p.m. to extend the Executive Session approximately 15 minutes.

Ms. Fine exited the chambers at 4:40 p.m. to extend the Executive Session approximately 5 minutes.



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The regular meeting reconvened at 4:45 p.m. with no action taken.

## **ADJOURNMENT**

With no further business to bring before the Board; the meeting was adjourned at 4:47 p.m.


### ***APPROVED:***

**PORT of KENNEWICK**

**BOARD of COMMISSIONERS**

  
\_\_\_\_\_  
*Skip Novakovich, President*

  
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*Don Barnes, Vice President*

  
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*Gene Wagner, Secretary*



# PORT OF KENNEWICK

## Resolution No. 2013-16

### ***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.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Board of Commissioners of the Port of Kennewick establishes the following policy direction related to the closure and redevelopment of the Vista Field Airport:

The airport shall permanently cease operations effective 5:00 pm, December 31, 2013.

Furthermore, the Board of Commissioners of the Port of Kennewick hereby instructs the Executive Director to take all other action he deems necessary to implement the purpose and intent of this Resolution, including but not limited to the following actions:

1. Purchase the Shannon hangar on the terms of the lease currently in effect;
2. Create a conceptual site plan identifying major arterials;
3. After closure, commence deconstruction of runway/taxiways; recycle and stockpile asphalt grindings for future construction;
4. Allow fuel in tanks to diminish, refrain from replenishing; refrain from renewing Connell Oil fuel contract upon expiration; deconstruct tanks and fueling facilities and establish remediation plan;
5. Refrain from plowing snow/ice and instead issue NOTAMs as appropriate;
6. Rent vacant corporate hangar(s) for non-aviation uses consistent with redevelopment planning;
7. Negotiate all contractual claims in good faith in an effort to resolve and ensure consistency with legal and economic impact analyses;
8. Negotiate repayment of applicable Washington State Department of Transportation aviation grants;



9. Deconstruct the FBO building and ready site for redevelopment;
10. After closure, commence the deconstruction of the Vista Hangars;
11. Identify and retain or find appropriate use for historic objects as discussed in the EIS and as feasible;
12. Provide maintenance and repair only in furtherance of life, health, and/or safety issues;
13. Establish a litigation fund not to exceed \$500,000 to defend against legal action related to airport closure; and
14. Formulate, with input from the public and jurisdictional partners, a redevelopment plan for the premises.
15. Communicate with the FAA to ensure all proper requirements for closure are met.

**ADOPTED** by the Board of Commissioners of Port of Kennewick on 25<sup>th</sup> day of June 2013.

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

By:   
SKIP NOVAKOVICH, *President*

By:   
DON BARNES, *Vice President*

By:   
GENE WAGNER, *Secretary*

# ***PORT OF KENNEWICK***

## **RESOLUTION No. 2013-17**

### ***A RESOLUTION OF THE PORT OF KENNEWICK BOARD OF COMMISSIONERS AUTHORIZING AN EMERGENCY ROAD REPAIR AT RAILROAD MILEPOST 12.66 (S. Gum and SR-397)***

**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 Washington Utilities and Transportation Commission issued a Railroad Crossing Inspection Defect Notice that must be corrected at railroad milepost 12.66; which is owned and maintained by the Port, and is part of S. Gum and SR-397 highway; and

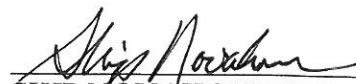
**WHEREAS**, the road repair represents an unforeseen circumstance, and in order to mitigate further road surface deterioration or potential damage to property the repair must be repaired.

**NOW, THEREFORE, BE IT RESOLVED** that the Port of Kennewick Board of Commissioners designates repair as an emergency public works project within the guidelines of RCW 39.04.280, and therefore exempt from competitive bidding requirements.

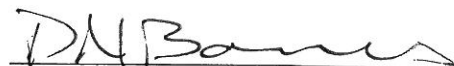
**BE IT FURTHER RESOLVED** the repairs are estimated at \$3,000.00.

**ADOPTED** by the Board of Commissioners of the Port of Kennewick on the 25<sup>th</sup> day of June, 2013.

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



SKIP NOVAKOVICH, President



DON BARNES, Vice-President



GENE WAGNER, Secretary