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CALL TO ORDER

Commission President Skip Novakovich called the Commission meeting to order at 7:00 p.m. in the Tri-Cities Business & Visitors Center, Bechtel Board Room, 7130 W. Grandridge Boulevard, 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

Larry Peterson, Director of Planning & Development

Tammy Fine, Director of Finance & Auditor

Teresa Hancock, Real Estate Analyst & Project Specialist

Bridgette Scott, Executive Assistant

Lucinda Luke, Port Counsel

PLEDGE OF ALLEGIANCE

Larry Peterson led the Pledge of Allegiance.

Mr. Novakovich stated that this meeting is simply to provide the Commission with an update on the consultant's process and to answer any questions the Commission may have. The Commissioners will not attend the Public Hearing meeting on January 24, 2013. Since this item may potentially become a ballot issue, Commissioners will not take any position on Vista Field today and will not weigh in either for or against the alternative. Mr. Novakovich reiterated that a public hearing will be held on January 24, 2013 at 7:00 p.m. in the Bechtel Board Room at the Tri-Cities Business & Visitors Center for the public to share their comments with the consultant. Comments may also be emailed to VistaField@PortofKennewick.org

PUBLIC COMMENT

John David, 302 N. Underwood Street, Kennewick. Mr. David attended the Regional Facilities Funding Committee meeting where a unanimous decision was made to move forward with the aquatic center in the Tri-Cities. He feels that all three cities working together is very positive.

Shirley Hankins, 1637 Mowry Square, Richland. Ms. Hankins stated that although she is not a member of the port district, she served the district for 24 years as a House Representative. Ms. Hankins stated the information she has received was published in the Tri-City Herald, or has been from people making comments to her. Ms. Hankins feels the reports show that it is time to close Vista Field and that it is time to look at using the property for the benefit of the community, instead of being in debt. In her opinion, the property can be used for wonderful uses for the community. Ms. Hankins suggests including a heliport for law enforcement and hospitals to utilize in emergencies.



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No additional public comments were made.

PRESENTATION

Draft Vista Field Planning, Environmental and Economic Analysis with Integrated Environmental Impact Statement (EIS) by Duany Plater-Zyberk & Company (DPZ)

Michael Mehaffy represents the team led by Duany Plater Zyberk and Company. The DPZ team includes ECONorthwest economics consultants, Parametrix environmental consultants, and Century West aviation consultants. Mr. Mehaffy stressed the impartiality of this team. No one on the team is from, or has previous ties to, the Tri-Cities.

The draft of the Vista Field Planning, Environmental and Economic Analysis With Integrated Environmental Impact Statement (EIS) has been completed. The study looks at the impacts of keeping and expanding Vista Field, or alternatively, closing and redeveloping Vista Field, and it compares those to a "no action" alternative as required by the State Environmental Policy Act.

The draft study and EIS were released on January 10, 2013, and the 30-day comment period is in effect. Announcements of the comment period have been mailed to affected parties. Anyone may send comments to WistaField@PortofKennewick.org, or mail them to the Port. Mr. Mehaffy stated a public hearing will be held from 7pm to 9pm at the Tri-Cities Business & Visitor Center, 7130 West Grandridge Boulevard, on January 24, 2013 for the public to attend. Everyone will be given an opportunity to comment on the record.

All comments will be compiled and included in the final report and EIS, which will then include a written response, and will also include any revisions that are warranted by the evidence presented. All comments are due by 5pm on Monday, February 11, 2013. The final report and integrated EIS will be presented to the Commission shortly thereafter.

Mr. Mehaffy reviewed the process beginning with a public scoping meeting on October 4, followed by a community design workshop, a process known as a "charrette" on November 7-8, 2012. Through the charrette process, DPZ gathered comments in person, by email through an open invitation to the public, and by reaching out to representatives of key agencies, businesses and other stakeholders; and conducted detailed interviews with them. Well over 100 people have participated in the process so far, representing quite a wide range of interests and opinions. The comments received prior to January 10, 2012 are included in Appendix B of the draft report.

He shared that the goal of this public process has been to bring together the key experts with the key stakeholders, into an intensive, effective collaboration to determine the best scenarios for Vista Field, either as an operating airport, or as an alternate use. DPZ's job has not been to make that choice, but to help the Port and the community make that choice, armed with the best information and the best alternatives possible.

DPZ researched the issues and worked with the stakeholders to understand their issues and concerns. They also met with key stakeholders including the City of Kennewick, the surrounding business owners, the pilot community, Kennewick Irrigation District, Kennewick Public Facilities



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Board, Tri-Cities Visitor and Convention Bureau, state agencies, tribal leaders, and quite a few others. They also met with members of the public, including people who support the airport, and people who oppose it. They had intensive media outreach, including a number of articles in the newspaper, advertisements, television interviews, and other ways of getting the word out that this is a public process. As a KNDU news report put it, "now's your chance to tell the Port of Kennewick how you'd like to see Vista Field in the future." DPZ has made a serious effort to explain this choice to the public to help them understand the issues, and to get involved in exploring the alternatives.

This public process has been very important, both to invite the public and the stakeholders to help shape the best possible future of Vista Field under whichever alternative is chosen, and also to provide enough specificity to perform the analysis of impacts. Obviously this would be a very early stage in the development of either alternative, but DPZ used the high level of expertise available, and the extensive involvement of the public, to define these best-case alternatives. Mr. Mehaffy presented a summary of the preliminary conclusions of the draft report, which follow the Port's guidelines on the very specific legal requirements of the SEPA process.

Mr. Mehaffy focused on Section 1.5 of the report, which lists the preliminary conclusions "regarding major issues, significant areas of controversy and issues to be resolved." In effect this is the report's "executive summary," though it isn't called that in the EIS reporting structure.

It is the conclusion of this report that both the Expansion Alternative and the Redevelopment Alternative would bring positive impacts for the region, relative to the current No Action Alternative. However, in each case the mix of benefits, costs and trade-offs vary significantly. The Port and its stakeholders will need to assess these benefits, costs and tradeoffs carefully, and draw their own conclusion regarding the appropriate course.

There is considerable controversy within the community as to whether the Expansion Alternative or the Redevelopment Alternative is preferred. The only clear conclusion that DPZ can report is that there was widespread criticism of the impacts of the No Action Alternative, and virtually no support was expressed for it. (See Scoping Report, Appendix B.)

1.5.1 PRELIMINARY CONCLUSIONS REGARDING MAJOR ISSUES

- 1.5.1.1 Current performance of the airport. The airport currently has 17 based aircraft, with four businesses and one public agency as adjacent users. (In Spring 2012 the airport reported 22 based aircraft, and that is the number used for environmental analysis.) These aircraft are projected to conduct up to 5,000 operations (takeoffs and landings) per year, or approximately 14 per day on average. A review of data provided by the Port of Kennewick and CBRE Inc. shows an annual operating loss under current operations of -\$206,575 per year, with an additional \$183,568 cost for depreciation, resulting in a total annual loss of -\$390,143. (Section 3.10, Appendix D.)
- 1.5.1.2 Economic impacts of airport development or redevelopment relative to current operation. In the No Action Alternative, it is estimated that with typical growth, Vista Field Airport could have 43 based aircraft and 12,900 annual operations in 2035. These annual operations would contribute



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\$379,260 per year in visitor spending in the Tri-Cities, with a local gross impact of 5.2 job-years and \$186,000 in economic output. However, the net economic impact (offsetting development that would occur elsewhere otherwise) is substantially less, as most of this aviation activity would be accommodated at other airports in the region in the absence of Vista Field. Thus, the net economic impact is 0.5 job-years, and \$19,000 of output. (Section 3.10, Appendix D.)

In the Expansion Alternative, over the 20 years of analysis, total net economic impact (offsetting impacts that would normally occur elsewhere otherwise) is projected to be \$1,383,000. (Section 3.10, Appendix D.) It is important to note that this total does not reflect indirect impacts such as regional marketing benefits, synergies between uses, "economic multiplier effects," "branding" and the like. These impacts are extremely difficult to quantify.

In the Redevelopment Alternative, total gross annual economic impact is projected to be \$28.9 million, with net economic impact (offsetting impacts that would normally occur elsewhere otherwise) at \$11.995 million. (Section 3.10, Appendix D.)

There would be other qualitative benefits under both alternatives, including public and recreational amenities, regional marketing, community identity and pride of place. DPZ believes these benefits relative to costs are best judged by the Port and its stakeholders. The report herein discusses, but does not attempt to quantify, a number of these qualitative benefits. (Section 2.)

- 1.5.1.3 Lack of public involvement and transparency in decision-making. This study makes no conclusions regarding past decision-making, but reflects an active process of public involvement and transparency in the identification and analysis of the alternatives presented herein. (Section 2.1, Appendix B.)
- 1.5.1.4 Rapid and fragmented urbanization in the surrounding vicinity. The report authors conclude, joining the opinion expressed by many Community Design Charrette participants, that the current urbanization process in the immediate area is chaotic, and there is an important opportunity to shape development in ways that will result in longer-lasting benefits to the community. (Section 2.2., Appendix B.)
- 1.5.1.5 Strategic development of the region. The report authors conclude, joining the opinion expressed by many Community Design Charrette participants, that the Vista Field Airport represents a unique and important opportunity to develop regional synergies for strategic development in either the Expansion or Redevelopment Alternatives. (Section 2.2, Appendix B.)
- 1.5.1.6 Quality of life and competitiveness issues. Many stakeholders noted that the Tri-Cities region lacks amenities that other regions possess, such as walkable, mixed-use areas that provide for entertainment and recreation. These amenities serve to improve quality of life, and also improve the economic competitiveness of the region, by providing desirable amenities for potential employees. (Section 2.2, Appendix B.)
- 1.5.1.7 Environmental impacts of airport development or redevelopment. Potential impacts have been identified and analyzed through the scoping process, as well as mitigations that may be



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appropriate. None of the impacts identified exceed the expected level of impact anticipated for typical development allowable under the Comprehensive Plan. The results are summarized in Table 1.5.1 at the end of this section.

1.5.2 PRELIMINARY CONCLUSIONS REGARDING SIGNIFICANT AREAS OF CONTROVERSY

1.5.2.1 Port asset management. In the analysis by ECONorthwest (discussed in Section 3.2.10 and Appendix D) a plausible case can be made for a positive fiscal impact for the Port in both the Expansion Alternative and the Redevelopment Alternative. The No Action Alternative, by contrast, does not appear financially sustainable.

The Expansion Alternative would require a larger investment by the Port and its constituents, with a total estimated public-sector cost of \$43.5 million. Additional private-sector spending would total approximately \$19.3 million (ECONorthwest report, Section 3.10 and Appendix D). The public-sector cost could be offset by approximately \$950,000 of land sales, resulting in a net cost of \$42.6 million.

It is important to note that the investment by the Port and its constituents will not earn a positive financial return on investment – that is, the expanded Vista Field airport will not be a "money-maker" – but the choice is, rather, for a regional amenity offering other regional economic and non-economic benefits. In that respect, Vista Field airport should be considered more like a park, stadium or other infrastructure, whose costs and benefits, including indirect benefits, must be weighed by the community.

The Redevelopment Alternative would also require an investment by the Port and/or its constituents, with a total estimated cost of \$11.9 million. Private-sector investment in this alternative would total an additional approximately \$460 million over the 20-year buildout (inflation adjusted and presented in constant 2013 dollars). (Section 3.10, Appendix D.)

Should the Port follow the path of selling land parcels, the cost of this expense will more than be offset by the revenue of such sale (approx. \$15.6 million), placing this alternative at or near a "pay as you go" basis. The net gain would be \$3.7 million. (Section 3.10, Appendix D.)

1.5.2.2 Baseline activity. DPZ finds that there are currently 17 based aircraft at Vista Field. (Source: Port of Kennewick.) At the time the study began, the Port of Kennewick reported 22 based aircraft, and that is the number used in the environmental impact analysis.

These based planes, as well as other visiting planes, are estimated to conduct between 2,500 and 5,000 operations (takeoffs and landings) per year, according to Century West Engineering. (This estimate is based in part on an industry-standard "multiplier" of based aircraft, and confirmed by a count of actual flights by Anchor QEA, which projected 4,062 operations per year.)

There are currently four businesses that have been identified by the Port of Kennewick as users of Vista Field. DPZ spoke to the owners or managers of each of these businesses, and sought to



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determine the role of Vista Field in their business operations and the degree to which that role was felt to be critical. (See Appendix B.) Our findings are as follows:

- Cadwell Laboratories Inc. The owner has a month-to-month rental agreement allowing access to the airport. The owner feels strongly that the airfield is an important business asset. Further, he believes the Port has made a commitment on which business decisions were made, and any departure from that commitment will cause serious harm. The owner and his relatives report that they use the airfield for business and personal use. The owner has stated that he would relocate his business, very possibly out of the region, if the airfield were to close. (Interview, Appendix B.)
- United Parcel Service. The manager, Chuck Vrieling, reports that the business uses the airfield only one day per week, and they use the Pasco airfield for five days a week, because their shipments require a larger plane that cannot land or take off at Vista Field. The manager stated that the business would remain in this location if Vista Field were to close, because it is still a good location for drop-offs. This would not affect their current operations. (Interview, Appendix B.)
- Pacific Cataract and Laser Institute. The manager, Rich Parker, stated that PCLI does use the airfield regularly to fly doctors and specialists to and from their other facilities for surgeries. If Vista Field were to close, PCLI would remain in that location for 10 years and use the Pasco airport, he says, though he objects to the inconvenience this would cause. (Interview, Appendix B.)
- Jump Law Group. This user is a renter of a Port hangar and associated office space. The owner, Jay Jump, has two planes, and uses them to move between several offices across the state, as well as for occasional personal use. He has stated that he would use another airfield in the area if Vista Field were to close, though he would prefer that Vista Field remain open. However, he also feels strongly that certainty of decision-making is most important, stating "if you're going to close it, close it." (Interview, Appendix B.)

A fifth business, Advanced Medical Isotopes Corporation, is listed as a user of Vista Field in Port of Kennewick records, but has no planes based on the airfield, and no access has been constructed to their facility. Repeated attempts to contact manager James Katzaroff to clarify this status by email and phone were unsuccessful. No input was provided by this business into the current study, and specific plans for future use of Vista Field are unknown.

- There is currently one public agency that uses Vista Field. The Benton County Sheriff's Office maintains one aircraft at Vista Field, and uses it occasionally for search and rescue operations. The Sheriff's office has taken no position on the future of Vista Field.
- There are 13 individual users of hangars or tie-down locations.
- An aviation ambulance service, MediTransport, has used Vista Field on two occasions in three years to transport patients to Spokane.
- There was an agricultural operation in Spring 2012 that used Vista Field as a temporary base from which to operate several helicopters, which were used for drying of crop leaves. There are no



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helicopters permanently based at Vista Field.

- There is currently no FBO which would provide aviation services such as maintenance, fueling, rental, flight training and other aviation services. Recent attempts to negotiate a contract with an FBO were unsuccessful. This is a significant liability in attracting planes to the airfield.
- There is anecdotal information that some planes land at Vista Field for medical tourism or to shop in the area. (See e.g. interview with Marjy Leggett, Appendix B.) In addition, some farmers from Mattawa and Quincy fly in throughout the year to conduct business in the Tri-Cities. But the count by Anchor QEA of 4,062 annualized operations suggests this traffic for shopping is likely to be relatively limited at present.
- There is a master plan in place to improve Vista Field, but the funding for the improvements by both public and private parties is not in place.
- 1.5.2.3 Airport benefit to the wider community. It is important to note that there are several different kinds of benefits to the wider community, which must be weighed carefully by the Port and its stakeholders. One is economic impact, or economic activity generated by the airport. Of this, there are two kinds of impact, the gross impacts (total activities) and net impacts (the activities that are unique to that facility, and that would not otherwise occur).

In addition, there are other kinds of benefits from an airport facility, including transportation infrastructure, recreational amenities, local identity and others. There are also other non-tangible economic benefits, such as marketing of the community to a wider region, synergies with adjacent businesses, local "branding", and other benefits. (These are discussed in more detail in Section 2.)

Regarding economic benefits, as noted above in Section 1.5.1.2, the Expansion Alternative would generate \$1.485 million of net direct economic impact per year (after deducting for other likely activity elsewhere) for the region through 2035 (inflation adjusted and presented in constant 2013 dollars).

By comparison, as noted in Section 1.5.1.2, the No Action Alternative would contribute a net economic impact of 0.5 job-years, and \$19,000 of output. (Section 3.10, Appendix D.) Given the potential value of this centrally located site for an expanded airport or for other uses, the current net economic benefit appears comparatively low.

Regarding the other, less direct economic and non-economic benefits of an airport facility for the region, as DPZ noted, are very difficult to quantify within the scope of this study (Section 2). DPZ concludes that such benefits are best left to the political decision-making process to assess.

1.5.2.4 Cost and impact of airport closure. This report uses a stipulated cost of airport closure of \$3.0 million, incorporating the components of previous estimates (such as the J-U-B study of 2010). This number relies upon several plausible assumptions, including a reserve fund for legal liability and a cost of cleanup. It is possible that both of these numbers will be higher, but, DPZ estimates, equally possible that either of them will be lower. Therefore, DPZ concludes that this number is a



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prudent estimate for the purposes of the analysis. (Appendix D).

Regarding the wider impact of airport closure, we estimate a net positive impact under the Redevelopment Alternative, after factoring in the loss of the share of aviation activity at Vista Field that would only occur as a result of the unique characteristics of Vista Field. The net impact of this reduction in aviation activity region-wide would be -0.5 jobs and -\$19,000 in economic output per year in 2035.(Appendix D.) DPZ has been able to document only one of the current business users (Cadwell Laboratories) who reports that closure would have a major economic impact on their operations, while others indicate that they would prefer to remain at Vista Field but would be willing to relocate to other airports in the area. (Appendix B.)

1.5.3 PRELIMINARY CONCLUSIONS REGARDING ISSUES TO BE ADDRESSED

- 1.5.3.1 Feasibility of expansion. DPZ finds the Expansion Alternative is feasible, assuming the Port and its electorate are willing to provide the "up front" financing. As noted, the public cost is estimated at \$42.6 million, reflecting an offset from land sales of approximately \$956,000 of income from land sales. This cost estimate includes financing and interest costs (inflation adjusted and presented in constant 2013 dollars), assuming that these public improvements would be financed through general obligation bonds.
- 1.5.3.2 Feasibility of closure and redevelopment. DPZ finds the Redevelopment Alternative is feasible. The cost for required Port improvements is estimated at \$11.9 million, offset by \$15.6 million in land sales (inflation adjusted and presented in constant 2013 dollars). Thus, the capital investment required for implementation of the Redevelopment Alternative could result in a surplus of \$3.7 million in revenue for the Port. This should place the development process at or near a "pay as you go" basis.
- 1.5.3.3 Environmental impacts. DPZ finds the environmental impacts of all three alternatives are typical of the developments that would be expected in this area, and generally allowable under current City plans and regulations. (Section 3)

Mr. Novakovich expressed his surprise by the huge difference between the alternatives and assumes by the comments presented and the draft DEIS report, that the no action alternative is not supported. Mr. Mehaffy commented that only one person supported the no-action alternative, Mr. Vrieling from United Parcel Service. Mr. Vrieling feels he has a good situation, a free airport outside his door. Mr. Mehaffy does not believe anyone else sees the no action alternative as a viable option.

Mr. Novakovich commented the draft DEIS report refers to a 2010 HDR report indicating that Advanced Medical Isotopes would invest \$120 million in the airport if it remained open. Mr. Novakovich inquired if DPZ was able to determine the amount of private sector investment since 2010, reducing the operating cost. Mr. Mehaffy stated they were unable to identify any additional investment. DPZ has not received a response from Advanced Medical Isotopes. Advanced Medical Isotopes is building a connection to the airport and creating a gate, but there have not been any additional funds.



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Mr. Novakovich reiterated the study indicated if the airport were expanded, the Port would need to finance \$42.6 million. In addition, the Port would have a \$640,000 operating loss per year; over 20 years it would be almost \$13 million.

Mr. Novakovich commented 17 aircraft are currently at Vista Field and in 2035 the study indicates there could be 140 aircraft. He inquired where the additional airplanes may come from. Mr. Mehaffy feels the expansion alternative is an effort to build a facility that would attract the aviation market, with the hope that "if you build it, they will come." Mr. Mehaffy commented that Vista Field is currently radically underperforming. If the airport was performing at what the market could bear, with an FBO, etc., it could have 50+ planes at the current baseline. Vista Field could attract additional planes through the expansion. He feels 140 airplanes is a plausible number, as it reflects the regional market for aviation.

Mr. Novakovich inquired how the public involvement in the Vista Field DEIS study compares to other studies performed by DPZ. Mr. Novakovich feels DPZ and Port staff has done an amazing job informing the public of meetings and collective comments. DPZ feels it represents the fatigue people have about this issue, the public sees the report as just another study. DPZ has made an effort to inform the public of the opportunity to do something special with either scenario. Participation has been lower than hoped, in terms of the number of people. The people who have participated in the process see the opportunity and got excited about both scenarios. Comments received by email reflect the fatigue as well. However, DPZ is very pleased with the level of people and the enthusiasm of those who participated.

Mr. Novakovich stated the numbers in reports he read prior to 2010 were scattered, almost like they were designed for a specific outcome or purpose. He believes this report and the numbers presented, with the public involvement, are the best produced on Vista Field.

Mr. Novakovich inquired what types of businesses could be attracted for either alternative. Mr. Mehaffy commented one of the reasons DPZ feels confident with the mini-aerotropolis concept is because it would work well with the existing entertainment district, shopping district, industrial/medical, and tourism; it would amplify the existing development. The redevelopment scenario would include more mixed-use, retail, environment, office, shopping, lifestyle amenity businesses; with the aspiration to be the new downtown of the Tri-Cities. A place people would want to go to be in this environment and enjoy the activities and ambiance. The proponents of the aerotropolis would also like to see some of these features as well, although there would be less of them because the airfield would remain.

Mr. Novakovich reiterated the study indicates the closure and redevelopment alternative projects a \$460 million private investment. Mr. Mehaffy feels this is a major development opportunity for the region. Mr. Mehaffy complimented the Port for taking the approach of reviewing all alternatives. He feels confident either asset would be a strong asset for the community.

Mr. Barnes stated DPZ made it very clear that the Commissioners need to look at Vista Field not in terms of just dollars, but consider the amenities it provides and the infrastructure connectivity. He



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noticed some of the comments received through the process have raised the fact that Vista Field is not eligible for FAA federal funding. Mr. Mehaffy stated FAA funding would help close the gap economically. The message received from the FAA is unequivocal that Vista Field will not receive funding. Although, since FAA funding is not an option, the Port has a little more freedom for adjacent activities next to the airport, i.e.: through the fence agreements.

Mr. Wagner inquired if the expansion of the Pasco and Richland airports, and the possible impacts, were considered. DPZ did consider these issues, but stated all developers know the world does not stand still while a product is being developed; there is always competition.

Mr. Barnes stated the draft DEIS report includes a statement about UPS, that their shipments now require the use of larger aircraft, and the larger aircraft are not able to land and takeoff at Vista Field because of the length of the runway. Mr. Mehaffy stated DPZ studied the types of aircraft that can land at Vista Field, and whether they could be expanded. DPZ reviewed different ways of landing, including instrument approach and circle to land. Circle to land is feasible and recommended for the expansion alternative.

The Commission thanked Mr. Mehaffy for their effort in compiling a comprehensive and complete report.

Mr. Novakovich reiterated this is the first time they have heard this report and stated the Commission needs to hear from the public on what they would like to see happen with Vista Field.

PUBLIC COMMENTS

Leo Bowman, 230 Silverwood Court, Richland. Mr. Bowman complimented the consultant on the thorough report, and the Commission for authorizing a study that was not a "Golden Rule" study; and trying to find the real numbers. Mr. Bowman suggested as the Commission continues to review the report and debate the options, that they reconsider the decision for an advisory ballot. He feels the clarity of the options and report might not lend to an advisory ballot; that the Commission should make up their mind based on the clarity of the report. Mr. Novakovich explained the Commission has not made an official decision about the advisory ballot, it is still under consideration.

Ed Frost, 609 W. Albany, Kennewick. Mr. Frost feels the study was very good; the consultants did a really good job and they have some very exciting options for the community, stuff that we have not seen in our community, but is real exciting and offers different ways of developing the community. He congratulated the Port on the work and the attitude they have regarding public involvement. It costs a lot of money to buy the display ads, rent the rooms, and do all that the Port did, in order to give the citizens of the community an opportunity to understand the issue and to participate in the development of the plan. Not all public agencies in the Tri-Cities would go to the efforts that the Port has gone to in order to be sure the public has the most opportunity to participate. As far as the advisory vote, Mr. Frost feels strongly that at the end of this process, the options and the expected changes in property taxes should be written in clear and concise language, and be presented to the residents of the port district by way of a ballot. There are 125,000 people that basically own the port and who will pay the tax dollars. He would much rather have the public



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make the decision, than be in the situation that when people are up for reelection, or election, there will be a tremendous amount of money put into these campaigns, and all that has to be done is buy one or two of the positions and the airport will go the way you want it. He feels that has happened before. Let the people who have to pay the bill at the end of the day decide. If it is a wonderful idea to expand the airport and improve it, then the public will vote that way. If they think it should be shut down, they will vote that way. When all the price tags are attached to it, the third option may be something people like.

Cathy White, 1118 W. 22nd Avenue, Kennewick. Ms. White participated in the charrette and feels it was quite an experience. She is a little disappointed that some of the plans were not included in tonight's presentation. The plans showed there is not much difference between keeping the airport and redeveloping it; it is a matter of priority. Many of the same important things were a part of either plan: a road cutting across from the new FBO to the heart of the entertainment district, a performing arts center, and expanded convention center. It was really exciting. The plan showed a river walk from the airport area to the mall. Ms. White is sorry more people did not participate in the process because it was exciting to be involved. Mr. Mehaffy will include some of the plans in the January 24, 2013 presentation.

Jim Hodge, 503 Paver, Benton City. Mr. Hodge has been a tenant at Vista Field for 17 years. Because of the surrounding area that we have, there is a lot of industrial; and as a homeowner, he does not think the area is suited for the option of redevelopment and for housing 400 condos and apartments. In addition, with the other airports competing for airport business, the other cities will be competing for housing as well. Mr. Hodge would definitely like to see the issue go to an advisory vote. As far as the current 17 aircraft at Vista Field, with the situation we are in, no one wants to rent a hangar. He is not sure if the public knows hangars are currently available. People are skeptic about locating at Vista Field because of the uncertain future of Vista. He believes the issue should be resolved and appreciates the Port's efforts to resolve the issue.

Bill McKay, 3516 W. 46th Avenue, Kennewick. Mr. McKay stated he made a comment at an earlier meeting that he did not think the study was needed. He does think the study has been effective and good, and that it came out with same conclusion everyone figured it would. Mr. McKay commented there is a lot of things that are nice in life, but they all have to be paid for. In today's climate, he believes people are not willing to put up that kind of money to keep the airport, particularly when the airport is not FAA approved. Mr. McKay believes the conclusion is very evident, he does not think it takes anyone real brilliant to figure out where the money is not going to come from to get it built. No one will tax themselves double, triple or quadruple. The levy will have to be increased and people will have to vote to do that. Bond issues for schools cannot even get approved. If bond issues cannot get approved, no one is going to vote for someone to keep 23 planes at an airport that you can't get any FAA money to help keep it going. Mr. McKay agrees with Leo Bowman that the vote would be a waste of money. He feels the Commission needs to bite the bullet and make the decision to close the airport.

Jose Chavallo, 5927 W. Quinault, Kennewick. Mr. Chavallo has been reading the study and following along with the process. He commented people are elected to sit on a board; this is where good and real leaders will step up and do something good for the community. He feels when



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people start learning about the report results, they will realize the right thing to do. The Commission is in a position to vote whichever way, or to take it to an advisory vote. Mr. Chavallo feels this is where real leaders step up to make the decision. He likes the public to be involved in everything, but feels something like this is so one-sided, that the public should lean on the Commissioners to do what they were elected to do. Mr. Chavallo does not recommend the advisory vote and believes the Commission should make a decision and move forward. We should all benefit one way or another from this.

Mike White, 1118 W. 22nd Avenue, Kennewick. Mr. White believes the presentation includes a 20-year build-out period. If the Port decides to redevelop the land and everything comes out as projected, the Port is expected to net about \$3.7 million from land sales and not have the cost of running the airport. On the other side of the coin, the report says that private developers need to come up with \$460 million to make this happen. He inquired if this is really reasonable that it will happen. Mr. White feels the Commission should consider this and will present two concrete examples of where that has not happened at the public hearing January 24, 2013.

John David, 302 N. Underwood, Kennewick. Mr. David's understanding of the port's purpose and primary focus is economic development; he inquired if this is a correct statement. Mr. Novakovich confirmed. The information presented on the no-action alternative illustrates at best, that it will create .5 jobs for \$50+ million. If you were the most optimistic person, that would be \$25 million + per job, which would be extrapolated over many years. He feels no one in their right mind could come up with a positive thought process. The positive impact of shutting down the airport and assisting the businesses that made some investment to relocate, is something the Port needs to do. This report speaks to this like nothing he has ever witnessed in his entire life. He thanked the Port for their effort and everyone attending the meeting. Mr. David stated if anyone is going to kick the Commissioners in the guts for not saying the right thing, and we don't want to waste another \$90,000, this is the most absolute, slam dunk thing he has ever witnessed. If the Commissioners stand up and be leaders, he would be the first one to hoist all three Commissioners in the air because as leaders, he does not think the Commissioners spend one second when you do your job every day, thinking "how is this going to affect my political career?" because that is not what your internal fortitude tells you. Do the right thing. The right thing is not to waste \$90,000 more. He feels the Commission will receive more accolades than imaged in your life for stepping up. In reference to the bond issue, Mr. David has Richland School bond signs in his truck, and stated we are trying to get a bond passed in Richland to bring more positivity in the community, and so is Pasco. The entire state of Washington is watching the Tri-Cities because we have so much positivity going on. This would be the most positive thing in the world to step up and move forward.



PORT OF KENNEWICK

JANUARY 23, 2013 MINUTES

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 8:28 p.m.

APPROVED:

PORT of KENNEWICK
BOARD of COMMISSIONERS

Skip Novakovich, President

Don Barnes, Vice President

Gene Wagner, Secretary

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