

## REGULAR COMMISSION MEETING

**PORT OF KENNEWICK**

**JUNE 26, 2007**

**MEETING MINUTES**

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### **CALL TO ORDER**

Commission President Gene Wagner called the Regular Commission meeting to order at 2:30 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, in Kennewick, Washington.

Commissioner Wagner excused Commissioner Linda Boomer from today's meeting due to Franklin County Public Utility District business.

**Board Members Present:** Gene Wagner, President  
David Hanson, Secretary

**Staff Members Present:** Tim Arntzen, Executive Director  
Tammy Fine, Director of Finance/Auditor  
Larry Peterson, Director of Planning and  
Development  
Teresa Hancock, Real Estate Analyst/Special  
Projects  
Sherrie Bowers, Administrative Assistant/Records  
Manager  
Ken Rice, Port Counsel

### **PLEDGE OF ALLEGIANCE**

Ms. Mary Coie led the Pledge of Allegiance.

### **PRESENTATION OF MEDIA ADVERTISING CAMPAIGN BY MARK SHOWALTER OF P.S. MEDIA**

Executive Director Tim Arntzen explained the Commission had authorized the production of two television commercials to be used as a marketing tool for the Port. The first commercial featured Commissioner Linda Boomer and showcased Clover Island. The second commercial featured Commissioner Wagner and showcased San Juan Pools.

Mr. Arntzen stated he had received several positive comments regarding the commercials and noted San Juan Pools had received many phone calls as a result of the commercial featuring their business.

Mr. Arntzen stated he had asked Mr. Mark Showalter of P.S. Media to make a presentation to the Commission regarding the results of the television marketing campaign.

Mr. Showalter addressed the Commission stating the goals of the Port's recent marketing campaign were to inform residents of the Port District of how a port functions and what Port of Kennewick has done to spur economic development and improve the quality of

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life in the Port District and community. He stated the message being advertised is, "We're Open for Business."

Mr. Showalter explained television rating statistics are based audience measurements provided by Nielsen Ratings, a system developed by Nielsen Media Research, to determine audience size and composition of television programming. Mr. Showalter explained the target audience for the Port's television media campaign was individuals twenty-five to fifty-four years of age and in the first quarter of the media campaign, Nielsen Ratings determined the commercials reached seventy-three percent of the target audience eleven times. During the second quarter the commercial reached eighty-one percent of the target audience 15.7 times for a combined first and second quarter total of reaching eighty-seven percent of the target audience 22.6 times. He stated the budget approved by the Commission for this campaign would be expended as of June 30, 2007 and hoped the Commission would continue with the media campaign.

After discussion, the Commission was in favor of continuing with the television marketing campaign and it was decided that staff would bring budget adjustments back to the Commission for continuing campaign through the end of 2007 for approval and would include a television marketing campaign in the 2008 budget.

### CONSENT AGENDA

*The consent agenda consisted of the following:*

- ***Regular Commission Meeting minutes of June 12, 2007***
  - ***Payroll Roster dated June 15, 2007***  
Expense Fund Voucher Nos. 26615-26625 totaling \$16,082.93
  - ***Warrant Register dated June 27, 2007***  
Airport Operations Fund Voucher Nos. 40559-40564 totaling \$2,914.36  
Construction Fund Voucher Nos. 2187-2193 totaling \$892,852.58  
Expense Fund Voucher Nos. 26626-26664 totaling \$21,696.63
- ❖ ***Commissioner Wagner moved approval of the consent agenda. Commissioner David Hanson seconded and the motion was carried.***

### NEW BUSINESS

- ***Resolution 2007-13 Approving Revised Executive Director's Delegation of Authority***
- ❖ ***Commissioner Wagner moved approval of Resolution 2007-13 approving the revised Executive Director's Delegation of Authority as amended. Commissioner Hanson seconded the motion.***

During a brief discussion, Executive Director Tim Arntzen explained the Delegation of Authority is designed to give authority to the Executive Director for day-to-day Port operations. He stated the document needed to be updated to clarify ambiguous provisions and increase some of the Executive's spending limits to reflect increases in costs of doing business. Mr. Arntzen stated Commissioner Boomer asked that a revision be made in Section 3.16(a) to include the following sentence at the end of the paragraph, "*Authorization is subject to budgetary limits.*"

Port Counsel Ken Rice recommended amending the motion currently on the table to include said revision.

- ❖ *Commissioner Wagner moved to amend the motion currently on the table to include an amendment to Section 3.16(a) of the Delegation of Authority to include the following sentence at the end of the paragraph, "Authorization is subject to budgetary limits." Commissioner Hanson seconded and the motion was carried.*
  
- *Resolution 2007-14 Authorizing a Purchase and Sale Agreement with City of Kennewick*

Director of Planning and Development Larry Peterson explained City of Kennewick has offered to purchase twenty (20) acres adjacent to the City of Kennewick sewage treatment plant in the Oak Street Industrial Park for \$871,200, which equals \$1.00 per square foot. The price is generally consistent with industrial parcels of this size in the Oak Street Industrial Park. Mr. Peterson explained the City intends to utilize the land for the expansion of the sewage treatment plant. On June 19, 2007, Kennewick City Council approved the proposed land purchase and the documents were prepared and executed. Mr. Peterson recommended approval of the resolution.
  
- ❖ *Commissioner Wagner moved approval of Resolution 2007-14 authorizing the Port's Executive Director to execute all necessary documentation associated with the land sale to City of Kennewick and take all other actions necessary to close this transaction. Commissioner Hanson seconded and the motion carried unanimously.*
  
- *Resolution 2007-15 Authorizing an Interlocal Agreement for Fiber Optic Installation to the Richland Wye Area*

Mr. Arntzen stated Benton Public Utility District (Benton PUD) would like to install fiber optics to the Richland Wye area, which includes Spaulding Business Park. Benton PUD does not have the legal authority to serve the Richland Wye due to the property being outside its service area. Benton PUD could utilize the Port's statutory authority to serve the area with an executed interlocal agreement between the Port and Benton PUD. Cost of infrastructure installation would be expended by Benton PUD, and Benton PUD would retain all revenues generated by use of the services.

Mr. Arntzen stated current and future businesses at Spaulding Business Park would benefit by having fiber optic services available and recommended approval of the resolution. Commissioner Hanson requested two revision be made to the agreement; page two, paragraph three, the addition of “*unless provided by law*” and page two, paragraph eight, revise the contact for the Port to be referred to as “*Director.*”

- ❖ *Commissioner Hanson moved approval of Resolution 2007-15 authorizing the Port’s Executive Director to execute an interlocal agreement between the Benton Public Utility District and the Port for the provision of fiber optic services to the Richland Wye area as amended. Commissioner Wagner seconded and the motion carried unanimously.*

## REPORTS, COMMENTS AND DISCUSSION ITEMS

### ➤ **Clover Island Update**

Clover Island Marina Update: Mr. Peterson stated the materials were delivered and the erection of the roof had begun for “B” dock. He stated the construction schedule was on target for a November 2007 completion. Mr. Peterson was pleased with the project and felt it was progressing very well.

### ➤ **Inland Ports & Navigation Group Law Suite Update**

Commissioner Wagner explained the Inland Ports & Navigation Group (IPNG) had been involved in a lawsuit for quite some time. Pacific Northwest Waterways (PNWA) supports IPNG and is working with state and federal agencies to advocate for effective salmon recovery measures that can coexist with navigation, hydropower production and irrigation. Commissioner Wagner explained IPNG met during the recent PNWA Mid-Year meeting to discuss and vote to increase the financial participation for the lawsuit in the amount of \$66,000, or \$6,000 per entity. As the Port’s liaison for IPNG, Commissioner Wagner abstained from the vote explaining he needed to bring the financial request to his Commission for discussion. Commissioner Wagner stated the ten other entities participating financially in the lawsuit voted in favor of the increased financial request.

After discussion, it was decided staff would be bring a recommendation back to the Commission as to whether to agree to the request for increased financial participation. Mr. Arntzen explained any policy decision must be addressed in an open, public meeting.

Mr. Rice agreed the Commission should take action regarding continued participation in an open, public meeting.

### ➤ **Director of Finance Update**

Mr. Arntzen announced that Director of Finance Tammy Fine had not only legally changed her last name, but had recently passed the fourth portion of the Certified

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Public Accountant (CPA) examination. She has been working toward this goal for over a year and will soon become a CPA. Mr. Arntzen stated he was very proud of her, as was staff.

Ms. Fine thanked the Commission, staff and especially Mr. Arntzen for their patience and support during this grueling process.

The Commission also congratulated Ms. Fine on her honorable accomplishment.

➤ **Commissioner Calendar Review**

Administrative Assistant Sherrie Bowers reviewed upcoming meetings for the Commission including the RBC Open House Wednesday, June 27, 2007 for Commissioners Wagner and Hanson, the Tri-Cities Visitor & Convention Bureau Board meeting June 28, 2007 for Commission Wagner and the TRIDEC Board of Directors meeting June 28, 2007 for Commissioner Hanson.

Commissioner Wagner stated he had not seen an invitation and asked if the marina celebration was Friday, June 29, 2007. Mr. Arntzen confirmed the event was scheduled for Friday, June 29, 2007 from 12:00 to 3:30 p.m.

➤ **Meeting Reports**

- Commissioner Wagner reported attending the Legislative Open House, the State of the Ports luncheon, a Water, Power, Dams meeting, the Pacific Northwest Waterways Association Mid-Year Meeting, a IPNG meeting, a County Good Roads and Transportation meeting and Kris Johnson's farewell reception.
- Commissioner Hanson reported attending the Legislative Open House, State of the Ports and the Farewell Reception for Kris Johnson.
- Mr. Arntzen stated he had spoken to Commissioner Mike Mackey from Port of Chelan County who asked Port staff advise Port of Chelan County staff on an upcoming Lake Chelan project. Mr. Arntzen also met with Ruth Swain regarding West Richland projects and met with Nancy Thurston regarding her letter of intent to lease land on Clover Island.
- Mr. Peterson attended the State of the Ports Luncheon and numerous meetings with individuals interested in leasing or purchasing land south of Vista Field Airport.
- Ms. Fine attended the Washington Public Ports (WPPA) Finance Committee meeting.

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- Real Estate Analyst/Special Projects Coordinator Teresa Hancock attended the State of the Ports luncheon and had several real estate meetings.

### ➤ Non-Scheduled Items

- Commissioner Wagner stated he was extremely proud of the Port staff and stated he had received an email from someone who had recently contacted the Port office via telephone. Commissioner Wagner read the email into the record and is as follows: *"I just spoke to Sherrie of the Port of Kennewick and, as I suspected, your email address listed on the port's website is out of date. Thankfully, she was kind enough to give me your new one and she did mention that your web contractor was supposed to change it some time ago. By the way – she was a delight to speak to – what a great way to introduce the port to the public."* Commissioner Wagner thanked Administrative Assistant Sherrie Bowers and stated each member of the staff is great and thanked them for all they do for the Port.
- Mr. Arntzen stated the Port had received a letter from the South Ridge Village, LLC requesting a thirty-day extension for its scheduled annual payment. He stated he had granted the extension request but asked that the Commission ratify the extension request. The Commission agreed with Mr. Arntzen and ratified the thirty-day extension for South Ridge Village, LLC to pay the annual payment.
- Mr. Arntzen stated the Oil Spill Response Equipment trailer had been delivered and was parked in the parking lot for public viewing. He stated the trailer would be accessible to Port staff as well as anyone who attended the Oil Spill Response training. Commissioner Wagner suggested the trailer be displayed for public view at the marina celebration. Mr. Arntzen confirmed the trailer would be on display at the event.
- Mr. Arntzen stated an antique kevel chock had been shipped from New Orleans for possible display on Clover Island. His intent is to have several kevel chocks displayed throughout the island as well as other nautical antiques. He asked the Commission for feedback on the idea.

### PUBLIC COMMENTS

- On behalf of City of Kennewick, Director of Corporate and Community Services Kevin Ferguson thanked the Commission for approving the purchase and sale agreement for expansion of the City's sewage treatment plant.
- Mr. Rod Mineke was very impressed that Ms. Fine passed the CPA exam on her first try and congratulated her on her success.

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**EXECUTIVE SESSION**

- ◆ *Potential Litigation Matter: RCW 42.30.110 (i)*
- ◆ *Real Estate Matters: RCW 42.30.110(b)*

Regular Commission meeting was recessed into Executive Session at 3:25 p.m., for discussion of potential litigation and real estate matters. Executive Session was anticipated to last approximately thirty minutes with no action expected.

Ms. Fine exited the Commission Chambers at 3:55 p.m., to announce Executive Session would be extended approximately one hour. No public was waiting.

**ADJOURNMENT**

The regular Commission was reconvened at 4:48 p.m., and with no further business to bring before the Board the Regular Commission meeting was adjourned at 4:48 p.m.

***APPROVED:***

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

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*Gene Wagner, President*

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*David Hanson, Secretary*

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