

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at Michael Jay's Restaurant, 710 Columbia Ave, Connell, WA 99326
August 24, 2017 | 10:30 a.m.

CALL TO ORDER

Commissioner Ryckman called the meeting to order at 10:30 a.m.

Present: Commissioner Jean Ryckman, Commissioner Jim Klindworth, Port Counsel Dan Hultgrenn, Executive Director Randy Hayden, Director of Airports Buck Taft, Director of Properties Mayra Reyna, Director of Economic Development and Marketing Gary Ballew, Director of Finance Donna Watts, Deputy Director of Airports Don Faley, Administrative Assistant Audrey Burney, Human Resource Generalist Vicky Keller

Guests: Rick Patton – GDA Engineers; Bruce Blackwell – Mayor City of Connell; Dave Guyll – Conover Insurance and Roger Wright – RGW Enterprises

APPROVAL OF AGENDA

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the agenda as amended. Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of August 10, 2017.
- b) Vouchers and Warrants #88396 – 88504 in the amount of \$454,829.24.
- c) Bldg. 35 Re-Siding Project (Power City) –award.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the consent agenda as presented. Motion carried unanimously.

PUBLIC HEARINGS & RESOLUTIONS

Resolution 1464 – Change the start time of the first regularly scheduled meeting in October:

Commissioner Klindworth moved and Commissioner Ryckman seconded to adopt Resolution 1464 to change the start time of the first regularly scheduled meeting in October to 9:00 a.m. Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

City of Pasco Part-Time LEO Agreement – Mr. Taft informed Commissioners that the Airport Police Staff has been short a full time officer since March 23rd when an officer was placed on medical leave. Staff has reached out to the Pasco Police Reserves (PPR) to assist until staff is able to get the department fully staffed. The PPR's have agreed to assist us at this time and will be fully trained and have the same police powers as our current officers.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the Executive Director to sign the agreement with the Pasco Police Reserves. Motion carried unanimously.

Mead & Hunt Car Wash Facility Scope & Fees – Mr. Taft reported that staff has recently selected Mead & Hunt to perform the design of the Quick Turn Around (QTA) or Rental Car Wash Facility. The design of the QTA will have three phases, similar to the design of the terminal project. Phase 1 will

include conceptual design/layout options, Phase 2 will include final design/bid ready documents and Phase 3 will include construction administration.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the Executive Director to sign the agreement with Mead & Hunt in the amount of \$166,769 for phase 1 of the QTA design. Motion carried unanimously.

Amendment to TCA Business Center CCR's – Mr. Ballew informed Commissioners that moving forward with the Musser Auto Auction lease at the Tri-Cities Airport Business Center requires a modification to the Protective Covenants and Restrictions (CCR's). The current CCR's do not allow auto sales and staff recommends modifying that portion of the CCR's to limit the restriction to the area east of Morasch Lane.

He also recommended that we modify the restrictions regarding signage. There may be some conflicts with the existing language and retail development and proposes a modification changing the restrictions to guidelines and allowing final approval by the Architecture Review Committee (ARC), which at this point is Port of Pasco Staff.

Commissioner Klindworth moved and Commissioner Ryckman seconded to adopt the Tri-Cities Airport Business Center Protective Covenants and Restrictions as presented and replace in their entirety the May 27, 2010 covenants. Motion carried unanimously.

Water Rights – Mr. Hayden invited Roger Wright to attend the meeting to provide further input to Commission. Staff believes there is adequate need, sufficient funds, and a timely opportunity to purchase water rights and recommends entering into negotiations to purchase privately held water rights using funds from the Economic Development Opportunity fund. Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize staff to enter into preliminary negotiations to purchase water rights. Motion carried unanimously.

RECESS

At 11:45 a.m., Commissioner Ryckman recessed the meeting for a fifteen-minute break. At 12:00 noon the meeting was reconvened.

ITEMS FOR DISCUSSION

City of Connell Report:

Mr. Blackwell reported on:

1. Railroad interchange in Connell.
2. Project at the north end of Connell.
3. Franklin PUD installed Fiber optic lines.
4. A local rail bridge in Connell that causes flooding.

ITEMS FOR ACTION/CONSIDERATION

Medical Insurance Renewal & Resolution 1465 – Medical Reimbursement Plan – Ms. Keller invited Dave Guyll with Conover Insurance to attend the meeting to discuss the 2017-2018 medical insurance renewal quotes. Washington Farm Bureau provided two renewal options:

1. Remain with current Premera PPO 500 plan to include same deductible, out of pocket and prescription drug costs: increases the premium 9% or about \$70,500

- annually.
2. Increase the deductible from \$500 individual / \$1,000 family to \$750 individual / \$1,500 family with the out of pocket and the drug benefit remaining the same: increases the premium 2% or about \$15,700 annually.

Ms. Keller also informed Commissioners that in accordance with the Washington State Insurance Commission mandate, all Association plans including the Port's must renew on October 1. This ruling will change the coverage period for the Port's medical insurance to October 1, 2017 through September 30, 2018.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the medical insurance plan Premera PPO 750 administered by the Washington Farm Bureau, which includes increasing the individual employee deductible to \$750 and the family deductible to \$1500 and to approve Resolution 1465 Port of Pasco 2017 – 2018 Medical Reimbursement Plan. Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

Lease with Musser Auto Auction TCA Business Center – Mr. Ballew provided for Commission consideration a lease at the Tri-Cities Airport Business Center for the development of an auto auction by Musser Bros Inc. dba Fast Talkers, LLC. The lease is the same as presented at the June 22, 2017 Commission meeting with several exceptions as directed by Commission at that meeting. Commission directed that the lease be modified to allow rent to begin on the Certificate of Occupancy for the building, the date of the first Auction, or June 1, 2018 whichever is earlier. Leasehold excise tax payments are due throughout the term of the lease.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to execute a lease with Fast Talkers, LLC for approximately 4.35 acres at the Tri-Cities Airport Business Center and to make changes, with approval by the Port attorney, as may be needed to finalize the agreement. Motion carried unanimously.

Appointment of new Commissioner – Mr. Hayden informed Commissioners that the Franklin County Auditor held a 3-day special filing period to seek candidates for Port of Pasco Commission District 1 following the untimely death of Commissioner Ron Reimann. Only one candidate, Vicki Gordon, applied and is therefore expected to win the general election in November. Ms. Gordon said she is available to be seated to this position as early as September 14, 2017. From staff perspective, having our new Commissioner appointed to be part of the 2018 budget process would be very helpful.

Commissioner Klindworth moved and Commissioner Ryckman seconded to appoint Vicki Gordon to fill the district #1 vacancy effective September 14, 2017 until the certification of the Franklin County District General Election to be held November 7, 2017. Motion carried unanimously.

ITEMS FOR DISCUSSION

July 2017 Financial Statement – Mrs. Watts discussed the July 2017 financial statement.

Tenant Delinquent List – Mrs. Watts discussed the tenant delinquent list.

Airport Directors Report:

Mr. Taft reported on:

1. Baggage Handling Project – TSA funding has been delayed until October/November
2. August has had 10 flight cancellations so far. 48 flights have been lost due to pre scheduled schedule reductions, 28 more cancellations for the rest of the month. Estimating a total of 86 flights lost this month.
3. Executive Director signed an agreement with D&D Tri-Rivers Excavating in the amount of \$19,982.40 for drainage work in the airport industrial park.

ITEMS NOT ON THE AGENDA

1. Mr. Hayden reported:
 - a) We are still waiting on the appraisal for the DNR land
 - b) Buck and Randy met with Beat Schmidt and John Ray of Battelle to discuss the hangar project. They are working on a new requirement that Battelle must work through.
- Mr. Ballew reported:
- a) Simplot is seeking a change in Walla Walla County to swap land in the Urban Growth Area. This is likely being done in preparation of building a plant in that area.

RECESS

At 1:38 p.m., Commissioner Ryckman recessed the meeting for a five-minute break. At 1:43 p.m. the meeting was reconvened.

EXECUTIVE SESSION

At 1:43 p.m., Commissioner Ryckman announced that the board would go into executive session for fifteen-minutes to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or likely to become a party and to consider minimum price at which real estate will be offered for sale or lease. At 1:58 p.m. the meeting reconvened.


ITEMS FOR ACTION/CONSIDERATION

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the Executive Director to sign a settlement agreement with Marie Reddout. Motion carried unanimously.

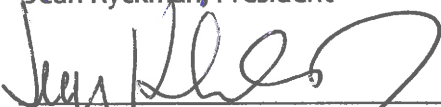
ADJOURNMENT

The meeting adjourned at 2:00 p.m.,

Port of Pasco Commission:



Jean Ryckman, President



Jim Klindworth, Vice-President