

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held at 3601 N. 20<sup>th</sup> Ave., Pasco, WA 99301  
September 28, 2017 | 10:30 a.m.

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**CALL TO ORDER**

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

**Present:** Commissioner Jim Klindworth, Commissioner Jean Ryckman, Port Counsel Heidi Ellerd, 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, and Deputy Director of Airports Don Faley, Administrative Assistant Audrey Burney

**Excused:** Commissioner Vicki Gordon

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of September 14, 2017.
- b) Vouchers and Warrants #88564 - 88674 in the amount of \$695,633.41.
- c) Tri-Cities Airport & Business Center Monument Signage – Accept as complete.
- d) Excuse Commissioner Gordon.

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

**PUBLIC HEARINGS & RESOLUTIONS**

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**Resolution 1467 – Changing the date of the first meetings in November and December –**

Commissioner Klindworth moved and Commissioner Ryckman seconded to adopt Resolution 1467 changing the meeting date of the first regular meeting in November to Tuesday, November 21, 2017, and the date of the first regular meeting in December to Thursday, December 7, 2017. Motion carried unanimously.

**ITEMS FOR ACTION/CONSIDERATION**

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**GESA ATM Agreement** – Mr. Taft informed Commissioners that Gesa Credit Union has expressed a willingness to place and operate an ATM in the terminal building. Gesa has agreed they will absorb all costs associated with the operation and maintenance of the ATM in hopes of it eventually breaking even. Gesa requests the Port be responsible for site preparations for equipment installation and provide video surveillance for security.

Staff has located a site for the ATM on the secured side of the checkpoint. Gesa will brand the ATM and directional signage will be added. Port Counsel has reviewed and approved the agreement.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the agreement with Gesa Credit Union to place and operate an ATM in the airport terminal building. Motion carried unanimously.

**PNNL Art Agreement** – Airport staff has met with the appointed Art Committee at the Tri-Cities Airport, and they have recommended that the Port enter into an agreement with Battelle Pacific Northwest Division to show the PNNL Science as Art Exhibit for the next rotating art display to begin

in December 2017. The exhibit would be on display for approximately one year in the airport terminal building.

The agreement's indemnification clause has been removed as PNNL is not able to sign an agreement with such a clause. Port counsel has reviewed the agreement and does not see this as an issue for the Port.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the PNNL Art Agreement with Battelle Pacific Northwest Division to display the PNNL Art as Science Exhibit at the Tri-Cities Airport beginning in December 2017. Motion carried unanimously.

## **ITEMS FOR DISCUSSION**

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**August 2017 Financial Statement** – Mrs. Watts discussed the August 2017 financial statement.

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

**DNR Land Purchase** – Mr. Hayden updated Commission that on September 15 staff received a draft appraisal for the 126-acre DNR property that the Port is interested in purchasing. Valbridge Property Advisors of Spokane, WA prepared the appraisal under a joint funding agreement between the Port and DNR. The appraised price came in at \$5,730,000, which is significantly above what we had expected, and significantly above the average price DNR paid for the parcel in 2015.

Staff and DNR had a conference call on September 17<sup>th</sup> to share feedback. It appears that the DNR property has some utilities nearby, but not at the site, and is being compared against fully served industrial sites with far more infrastructure improvement and other superior characteristics.

Staff will meet with DNR and an independent appraiser in a joint meeting in Pasco to share comments and see if the appraisal could be updated to all parties' satisfaction.

**Emergency Action Fire Line** – Mr. Hayden reported on September 21<sup>st</sup> that a substantial leak was discovered in the main fire line pipe along Ainsworth Ave which provides protection for the west half of Osprey Pointe. Per the Delegation of Authority Policy, the Executive Director declared an emergency to waive public bidding requirements and authorized staff to award a contract with Ray Poland and Sons to repair the pipe. The situation was deemed an emergency because 1) a limited fire water supply presented a real immediate threat to the proper performance of an essential function of the Port, and 2) if a fire occurred without adequate water flow, it could result in material loss or damage to property, bodily injury or loss of life if immediate action was not taken.

### **Airport Director's Report**

Mr. Taft highlighted:

1. He met with the rental cars companies, and Mead & Hunt regarding the QTA (Quick Turn Around) car wash facility and they are very excited.
2. Alaska's cancellations seem to be getting less and less. They are contracting with Skywest to bring in RJ planes October 1<sup>st</sup> to help fill their flight schedule.
3. Tri-City Airport is rolling out their new procedure for inspecting tablets and cell phones, September 28<sup>th</sup> was the first day for this procedure. The normal wait time is 20 minutes, today's longest wait time with the procedure was 22 minutes. It wasn't a big time difference.

### **Airport Deputy Director Report**

Mr. Faley highlighted:

1. The joint tabletop Emergency Exercise with the City of Pasco, County Regional Dispatch and the City of Pasco Fire Department went well.

### **Executive Director's Report**

Mr. Hayden highlighted

1. Battelle will be issuing a Request-for-Proposals to provide a new hangar for their research aircraft currently based at the Tri-Cities Airport. The Port will submit a proposal based on our CERB Loan/Grant funding. Private developers are also encouraged to submit proposals.

### **RECESS**

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At 11:30 a.m., Commissioner Ryckman recessed the meeting for an hour and a half lunch for the Tri-City Airport tenant appreciation BBQ. At 1:00 p.m. the meeting was reconvened.

### **ITEMS FOR DISCUSSION**

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**Airfield Tour** – Mr. Taft toured Commissioners and staff on the airfield.

### **Executive Director's Report (Cont'd)**

Mr. Hayden highlighted

2. Staff continues to work on acquiring water rights and expects to have a purchase sale agreement to present for consideration at the next Commission meeting.
3. Staff attended a Pasco Planning Commission public hearing to comment on a proposal by Tom Kidwell to rezone property near the Pasco-Kahlotus Highway and Highway 12 interchange from I-1 to I-2 zoning. Staff was concerned that higher intensity uses allowed under I-2, such as asphalt plants and rendering plants, would be incompatible with the surrounding land uses, primarily food processing. Staff commented that if the I-2 zoning is approved, the Planning Commission should closely monitor special use permits for the more intense uses and make sure appropriate mitigation measures are required to protect the food processing industry.
4. Runway protection – It appears that the City of Pasco's request to add land off the end of Runway 12 into their Urban Growth Area for residential development will be considered as part of their overall 2018 comprehensive plan update, rather than as a standalone request in 2017.

### **Other Directors' Reports**

Mr. Ballew highlighted:

1. Commissioners inquired about The Arc Market expense on the voucher list. This is a tool used to track the efficiency of Airport marketing efforts. The tool provides airline ticket purchase information by zip code. It costs approximately \$8,000 a year.

Mrs. Reyna highlighted:

1. Chep Gauntt is interested in leasing land at the entrance of the Tri-Cities Airport Industrial Park for a new light industrial building.

**Commissioner's Report**

Commissioner Klindworth highlighted:

1. He joined Mrs. Watts at the exit interview for the federal grant audit. He stated that the Port has done good work.

**ITEMS FOR INFORMATION/NO DISCUSSION**

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**Executed Leases:** The Executive Director has signed the following agreements in accordance with the Port's delegation of authority policy as there were no deviations.


1. Christensen Inc. – This is a land and rail lease. The tenant will be transloading propane gas from rail to truck as well as storing equipment on the premises for the first year. If this location is mutually working for both the tenant and the Port, they would like enter into a long-term lease and install a permanent propane fueling tank on the premises. The lease rate is \$1,798 per month, not including lease-hold excise tax. The valued agreement total is \$21,576.00.
2. Hancock Sandblast & Paint – This is a local growing company that needs extra space temporarily to complete a paint & sandblasting project at Lower Goose Dam. They will be using the building T-131 at 2151 E Dock that has an overhead crane. The rate is \$6,500.00 per month (rate was approved by Port Commission July 28, 2017).

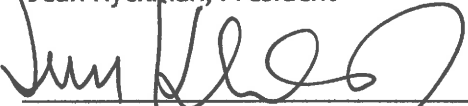
**ADJOURNMENT**


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The meeting adjourned at 2:05 p.m.,

Port of Pasco Commission:

  
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Jean Ryckman, President

  
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Jim Klindworth, Vice-President

  
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Vicki Gordon, Secretary