

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at Port of Pasco, 1110 Osprey Pointe Blvd, Suite 201, Pasco, WA 99301
February 28, 2019 | 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, Commissioner Vicki Gordon, Executive Director Randy Hayden, Port Counsel Dan Hultgrenn, Director of Airports Buck Taft, Director of Economic Development Gary Ballew, Director of Finance Donna Watts, Director of Properties Mayra Reyna, and Administrative Assistant Audrey Burney

Excused: Deputy Director of Airports Don Faley

Guests: Kirt Shaffer – Tippet Company

APPROVAL OF AGENDA

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the agenda with added items 8.B.1 Benton Franklin Fair & Rodeo proposal update and 8.C Marine Terminal, 2019 Golder Budget. Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of February 14, 2019.
- b) Vouchers and Warrants #91599 – 91675 in the amount of \$317,687.98.

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

PUBLIC HEARINGS & RESOLUTIONS

Resolution 1503, Changing the date of the first regularly scheduled meeting in March 2019 -

Commissioner Klindworth moved and Commissioner Gordon seconded to move the date of the first regular scheduled meeting on Thursday March 14, 2019 to Friday, March 15, 2019 . Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

Benton Franklin Fair & Rodeo Proposal – Mrs. Reyna reported that staff had received a proposal from the Benton Franklin Fair & Rodeo Board for the building located at 904 E Ainsworth and 812 W. Washington. Both proposals included monthly rent below the published rate. Commission directed staff to review pricing on 904 E. Ainsworth to create an aggressive pricing structure for the building.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute a month to month lease with Benton Franklin Fair and Rodeo Board for the building located at 812 W. Washington Street, at a reduced rate of \$800/month with no rent credit allowance and shall also be authorized to make minor changes to the lease, with approval by the Port attorney, as may be needed to finalize the agreement. Motion carried unanimously.

Land Purchase, Property Acquisition – Mr. Ballew provided the proposed purchase and sale agreement to acquire industrial property north of Pasco, Washington to Commission and staff for review. Port Counsel and Mr. Shaffer with Tippet Company were available to discuss and answer questions regarding the agreement. The major items in the agreement are:

- Purchase price of \$6,500,000 = \$21,827 per acre.
- \$100,000 in earnest money.
- Seller pays 'open space' reimbursement of \$187,663 = \$630 per acre.
- The purchase includes all irrigation equipment.
- The purchase includes all water rights.
- Sale of the property is contingent on execution of a lease agreement between Buyer and Seller. Terms of that lease are not set.

If Commission moves the offer forward, the process will work as follow:

- Broker will provide the proposal to the landowner.
- The landowner will have ten business days from receipt to accept or provide a counter offer.
- If the landowner provides a counter offer, Port will have ten business days to accept or provide a counter. The timing should fit in with Commission's meeting schedule for their first meeting in March.
- If there are future offers, staff may need to request Commission call a special meeting to take action in the allotted time.

Once both parties accept an offer, Port Commission and staff will begin the due diligence period. Staff is working with Kirt Shaffer to develop a due diligence checklist.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to sign and take other actions as may be necessary, and as may be approved by the Port legal counsel, to execute the purchase and sales agreement between the Port of Pasco and Balcom & Moe Inc. to acquire property identified as Franklin County Tax Parcel number 124-680-039. Motion carried unanimously.

Marine Terminal – 2019 Golder Budget – Mr. Hayden reported that Golder Associates has submitted a budget request of \$139,955. This provides project management, groundwater monitoring, and closeout work for the 2019 Marine Terminal Cleanup Project. The Port's cost, after factoring in partner share of 37% with Crowley Maritime and assuming a 75% Department of Ecology grant, will be \$12,946.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Executive Director to sign the agreement with Golder Associates in the amount of \$139,555 for the 2019 Marine Terminal Cleanup budget. Motion carried unanimously.

RECESS

At 11:55 a.m., Commissioner Ryckman recessed the meeting for twenty minutes for lunch. At 12:15 p.m. the meeting was reconvened.

ITEMS FOR DISCUSSION

Columbia Basin Project – Commission and Staff discussed the Columbia Basin Project.

Director Reports:

1. Executive Director
 - a. Discussed Pacific Northwest Waterways Association in March 9th and 10th. Hal Hiemstra, the Port's Government Affairs representative, will be scheduling meetings with our delegation.
2. Airport Director
 - a. Snow storm cost \$25,000 in over-time and \$10,000 in chemical, this does not include fuel cost.
 - b. The maintenance guys have done an excellent job. They are worn out. They are cleaning up and fixing equipment now.
 - c. Has been working with United, Aviatrix and Gary for our first LAX flight festivities.
 - d. Has been trying to get United to be the keynote speaker at the TRIDEC annual meeting on March 28th.
 - e. Construction of Taxiway A was supposed to start on March 1, 2019, it will be pushed back, most likely to April 1.
3. Economic Development & Marketing Director
 - a. Facebook update
 1. Airport – Katie from Aviatrix added Facebook posts regarding snow removal and all comments were positive.
 2. Staff added a Facebook post regarding one of the Port of Pasco staff's favorite sandwich shops, "Vinny's Bakery" being visited by Guy Fieri from Food Network. Fieri hosts Diners, Drive-ins and Dives. The post was not boosted and it organically reached 38,327 people, was shared 231 times and had 66 comments.
 - b. Had a conversation with Eaty Gourmet, they will have several press releases in March.
 - c. Creative partner group reviewed responses to the marketing request for proposals. The RFP had approximately 6 – 7 responses. Respondents were narrowed to three teams for interviews. After interviews the team decided to keep BHW-1.
 - d. Passed out the Washington Wine Guide. Tri-City Airport has a marketing advertisement in the guide.
4. Finance Director
 - a. SCASD Grant Letter of Credit – Staff has been working with Franklin County Treasurer to set up a letter of credit of \$170,000 for the United Airlines, Inc. agreement for service to LAX. Umpqua Bank has provided the letter of credit for Commission to sign.

Commissioner Gordon moved and Commissioner Klindworth seconded to enter into business loan agreement and promissory note and associated documents in order to secure a line of credit in the sum of \$170,000 from Umpqua Bank. Motion carried unanimously.

- 5. Property Director
 - b. Executed a lease with Franklin County Engineering
 - c. Due to the snow, staff has had many calls from tenants. Our maintenance department has been working hard to keep the roads, parking lots, and rail lines clear. When they have time they have been helping out our tenants.
- 6. Commissioners Reports
 - d. Commissioner Klindworth
 - 1. Since the Public Market story came out in the Tri-City Herald, he has heard comments from people regarding that the public market location should be near the water.
 - 2. Billing – Back up money for United Flights
 - 3. Commission Salaries – The last time Commission adjusted salaries was in January 2015. Commissioner Klindworth believes they should be raised. The increased salaries will not apply to the current Commissioners unless they are re-elected to their office.

Commissioner Klindworth moved and Commissioner Gordon seconded that any Commissioner who is elected or appointed after February 28, 2019 will be paid a salary of \$1,500 per month. Motion carried with Commissioners Klindworth and Gordon in favor. Commissioner Ryckman abstained from the motion.

Executed Items: The Executive Director has signed the following agreements in accordance with the Port's Delegation of Authority Policy.

- 1. Solgen Power, LLC – This is a month-to-month building lease for 7,200 square feet in Warehouse 2 Bay 3. They are using the space for storing solar panels and related components. Monthly lease rate is \$1,812.60.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

ADJOURNMENT

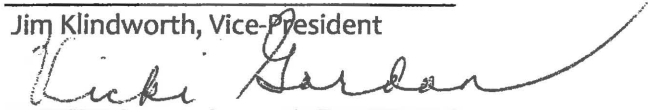
The meeting adjourned at 1:01 p.m.

Port of Pasco Commission:



Jean Ryckman, President

Jim Klindworth, Vice-President



Vicki Gordon, Secretary