

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
August 8, 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 Klindworth, Commissioner Vicki Gordon, Port Counsel Dan Hultgrenn, Executive Director Randy Hayden, Director of Airports Buck Taft, Director of Properties Mayra Reyna, Director of Finance Donna Watts, Deputy Director of Airports Don Faley, Administrative Assistant Audrey Burney

Excused: Director of Economic Development Gary Ballew

Guests: Darren McEuin – Conover, Joe Davis – Enduris, Brad Peck – Franklin County Commissioner, Bill Barlow – Ben Franklin Transit

APPROVAL OF AGENDA

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the agenda with added agenda items 8.E. Kenyon Zero Storage & 8.F. Pasco School District Bldg. 85. Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of August 8, 2019.
- b) Vouchers and Warrants #92476 - #92549 in the amount of \$1,806,534.56
- c) Building 323 HVAC Replacement – Accept as complete

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

ITEMS FOR ACTION/CONSIDERATION

Aluminum stairs for various warehouse buildings – Mr. Hayden reported that as part of the warehouse improvement projects and to prepare for the EDA funded Big Pasco Industrial Center (BPIC) road and storm water project, the Port maintenance crew is removing existing deteriorated wood docks at numerous bays. The process includes removal of the dock structure, canopies and excavation of existing soil. The docks include steps that provide ingress and egress to a number of entry doors into the warehouse.

Staff has researched several alternatives and recommends manufactured aluminum steps. They are inexpensive compared to concrete, can be installed by the crew and are relatively maintenance free. Standardizing these steps across the warehouses will allow easy replacement of damaged stairs.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to order 27 sets of aluminum stairs from Hydro for a total contract price of \$80,388.98 (includes W.S.S.T.). Motion carried unanimously.

Battelle Hangar – Meier Task Order – Mr. Faley reported that due to the Department of Energy requirements for building material type construction and increased requirements from current City of Pasco Building codes, a redesign of the mezzanine section and second pump for the foam fire

suppression system needed to be added to the system for the Battelle Hangar Project. Addendum #5 with Meier architecture and Engineering will be covering the increases in the design and engineering cost. Battelle will cover the redesign cost through their tenant improvement funds.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve Addendum #5 with Meier Architecture and Engineering for \$11,800.00, which brings the total contract amount with Meier to \$238,016.04. Motion carried unanimously.

2019-2020 Property Insurance Renewal – Mr. Darren McEuin with Conover insurance and Mr. Joe Davis with Enduris Insurance discussed the Enduris Insurance renewal for the 2019/2020 policy year and were available to answer any questions or concerns.

Commissioner Ryckman moved and Commissioner Gordon seconded to accept Enduris insurance for the 2019/2020 policy year effective September 1, 2019 to August 31, 2020 for non-aviation liability, property, and auto physical damage. With an overall increase of approximately 14%, going from \$302,275.00 to \$344,871.00. Motion carried unanimously.

Mullen et al. Water Purchase Agreement – Executive Director Randy Hayden reported that on October 12, 2017, Commission approved a purchase and sale agreement between the Port and Randy Mullen et al. to purchase a water right for 105-acres, or 420 acre-feet, for \$735,000 (\$1,750/ac ft).

Since that date, Randy Mullen has been working with his partners and they have rethought their position and are wanting to reduce the amount of the water right to 64-acres or 256 acre-feet. The price would be reduced correspondingly to \$448,000 (\$1,750/ac ft).

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to execute a Purchase Sale Agreement with Mullen et al., for \$448,000 using funds from the Economic Development Opportunity Fund. Motion carried unanimously.

Kenyon Zero Storage – Commissioners advised staff to submit the existing Agreement to Purchase and Sell Real Estate to Kenyon Zero Storage with an added clause allowing the Port the right to repurchase parcel 8 from the transferee at the price for which the Port sold lot 8 to Kenyon Zero LLC.

Pasco School District – Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Executive Director to execute the term lease with Pasco School District for Building #85 located at 3408 Swallow Ave at the Tri-Cities Airport Industrial Park, at the rates and with the deviations as presented with the exception of changing the time to cure for fire damage from 30 days to 90 days. The Executive Director was authorized to make minor changes to the lease, with approval by the Port Attorney, as may be needed to finalize the agreements. Motion carried unanimously.

ITEMS FOR DISCUSSION

Financial Statement –

- June 2019 - Mrs. Watts presented and discussed the June financial statement with Commissioners.
- 2nd Quarter 2019 – Mrs. Watts presented and discussed the 2nd Quarter of 2019 financials.

Quarterly Credit Card report – Mrs. Watts presented and discussed the Credit card report.

RECESS

At 12:00 p.m., Commissioner Ryckman recessed the meeting for twenty minutes for lunch. At 12:20 p.m. the meeting was reconvened.

ITEMS FOR DISCUSSION (Cont'd)

Director Reports:

1. Executive Director
 - a. Cost Estimate for the Connell Visitor Center for 1,200 sq. ft. building is approximately \$300,000. This is down from the 1,500 sq. ft. building for \$500,000. Commissioners, Staff, and City of Connell have been researching ways to get additional funds for the visitor center. Commission stated they would like the Port to cover the increased costs and asked staff to see if we had funds available for the increase.
 - b. There are efforts underway by some Ports in Washington State to form a broadband group that could help develop and manage more accessible and affordable broadband across the state. The Port of Pasco has been asked to join. Staff will present more information at the next meeting.
2. Airport Director
 - a. Scott Musser would like to extend his lease towards the airfield. This was discussed with Commissioners at a previous meeting. FAA released the land and Scott has agreed to the same price as the front land. Staff is working on a lease amendment and hope to have it at a future meeting.
 - b. Enplanements are up 10 percent for the month and 13 percent for the year.
 1. Alaska is down 3 percent
 2. Allegiant is up 12 percent
 3. Delta is up 15 percent
 4. United is up 16 percent
 - c. The average load factor was 82 percent up from 78 percent last year. Available seats were up 4 percent for July and 12 percent year to date.
 - d. Police Department update
 1. New officer Omar Rodriguez will start August 18th
 2. Schedules should go back to normal with an additional officer
 3. October Polos – Officers are wanting to wear pink polos for breast cancer awareness month.
 - e. Air Service Trip - Met with Allegiant in Las Vegas. It was a great meeting. Allegiant said all is going well in PSC, there are no new routes are on the radar. Staff believes an Oakland flight might be successful.
Met with Skywest in St. George, UT. Discussed what they are doing and their operations at PSC and a potential Phoenix market.
3. Deputy Airport Director
 - a. Ordering a plow runway broom – won't arrive until next year.
4. Finance Director
 - a. Working on budget schedule.
5. Director of Properties
 - a. Pending sale for Global Track, staff is waiting to hear back on the survey regarding the boundary line adjustment.

- b. Zen-Noh hay is interested in a portion of 2926 E Ainsworth office building. TerraGraphics is in a corner of this building.


Commissioners Reports:

- 1. Commissioner Gordon spoke to Lisa Brown the chancellor at WSU in Spokane. She had some knowledge of opportunity zones. Commissioner Gordon also attended the Dam Tour and reception.
- 2. Commissioner Ryckman participated in the interview process to find the next Chief of Police for the City of Pasco, and participated in the Executive Director interview selection process for WPPA. She provided a presentation at the Pasco Rotary Club.

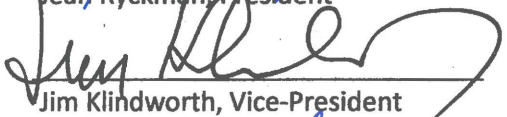
ADJOURNMENT

The meeting adjourned at 1:18 p.m.


Port of Pasco Commission:



Jean Ryckman, President



Jim Klindworth, Vice-President



Vicki Gordon, Secretary