

**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*  
*October 7, 2019 | 10:30 a.m.*

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**CALL TO ORDER**

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

**Present:** Commissioner Jim Klindworth, Commissioner Vicki Gordon, Port Counsel Dan Hultgrenn, Executive Director Randy Hayden, Director of Airports Buck Taft, Director of Economic Development Gary Ballew, Director of Properties Mayra Reyna, Deputy Director of Airports Don Faley, Accountant Diana Newman, Administrative Assistant Audrey Burney

Excused: Commissioner Jean Ryckman, Director of Finance Donna Watts

**Guests:** Darren McEuin – Conover Insurance, Kirt Shaffer – Tippett Company - Phone

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of September 26, 2019.
- b) Vouchers and Warrants #92849 – 92901 and direct deposit #DD19630 – DD19673 in the amount of \$599,625.50.
- c) Excuse Commissioner Ryckman.

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

**PUBLIC HEARINGS & RESOLUTIONS**

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Resolution 1515 – Interlocal Agreement with the City of Pasco for funding the Argent Road project – Commissioner Klindworth moved and Commissioner Gordon seconded to approve Resolution 1515 approving the revised interlocal agreement with the City of Pasco and authorizing the Executive Director to execute the document. Motion carried unanimously.

**ITEMS FOR ACTION/CONSIDERATION**

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Property Acquisition

1. Mineral Rights – Mr. Ballew informed Commissioners that the seller of the land is purchasing the mineral rights. The cost to land seller to purchase the mineral rights is \$653 an acre. The Port proposed with a counter offer that the Port would pay \$500 an acre for mineral rights and the seller indicated they would accept the offer.
2. Due Diligence Checklist – Staff discussed the due diligence checklist with Commissioners.
3. Approval of Lease – Staff provided the Farm Lease to lease back the land to Balcom & Moe, Inc.
4. Water Rights Permit Assignment – Staff provided the Water Resources Program application for Commissioner’s review.
5. Map of Encroachments – Discussed the encroachment areas of the property.
6. Waiver of Feasibility Contingency – Commissioners discussed with Kirt Shaffer with Tippett Company on the phone regarding language. Commissioners asked Mr. Shaffer if Balcom & Moe would be okay to strike “which shall be valued at \$1,000/acre.” and to change the second paragraph “Port receiving from seller and equipment list and values of said equipment acceptable to Port.” Balcom and Moe agreed.

7. Land Purchase Pollution Liability Insurance – Darren McEuin discussed the quote he received to provide pollution insurance for the property the Port is acquiring. The premium is \$31,152.00 for 3 years for \$1 Million and \$37,382.00 for 3 years for \$5 Million with a \$100,000 deductible.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the purchase for pollution insurance from Evanston Insurance Company for three years at a \$5,000,000 limit for \$37,382.00. Motion carried unanimously.

Commissioner Ryckman is on vacation during this Commission meeting. Mr. Hayden has been communicating with Commissioner Ryckman via email regarding the property acquisition. He read an email from Commissioner Ryckman describing her thoughts on the mineral rights and land purchase:

*"I am very pleased that Jared continues to be willing to work with us and will pay the \$153/acre difference for the mineral rights purchase. With this last contingency removed, I say it is time to move forward with completing the purchase.*

*If I were at the meeting I would vote to remove all contingencies and complete the purchase of the property.*

*Jean"*

Commissioner Gordon moved and Commissioner Klindworth seconded to approve payment of \$653/acre for 227.41 acres of mineral rights associated with Subject Property (total of \$148,500) in addition to the Purchase price, contingent upon Seller donating the remaining mineral rights associated with the entire subject property,

Further authorize the Executive Director to sign the waiver of Feasibility Contingency for Purchase and Sale Agreement Amendment with Balcom and Moe, contingent upon transfer of the mineral rights as described above and in a form that is acceptable to the Port,

Further authorize the Executive Director to take other actions as may be necessary and to sign all other documents related to the Purchase and Sale Agreement including closing documents for the property purchase,

Further, approve the attached lease between the Port and Balcom and Moe to farm the property and authorize the Executive Director to execute the lease and all associated documents. Motion carried unanimously.

#### **PUBLIC HEARINGS & RESOLUTIONS**

Resolution 1516 – HAEFIC Loan – Commissioner Klindworth moved and Commissioner Gordon seconded to approve Resolution 1516 authorizing the Port of Pasco to borrow monies from the Hanford Area Economic Investment Fund Advisory Committee Public Infrastructure Loan Program to assist with the Purchase of property for future development of an industrial park and to authorize the Executive Director to act on behalf of the Port of Pasco. Motion carried unanimously.

## **ITEMS FOR ACTION/CONSIDERATION (Cont'd)**

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City Of Pasco Easement at Marine Terminal – Mr. Hayden reported that the City of Pasco has requested a 30-foot wide easement on the east side of their sewage lift station at the intersection of 9<sup>th</sup> and Washington at the Port Marine Terminal. The easement would be used for maintenance vehicle access to the lift station. Port counsel Dan Hultgrenn prepared an easement for Commission consideration. The easement use is limited solely to access the lift station and is revocable at the Port's discretion with 90-days' notice.

Commissioner Klindworth moved and Commissioner Gordon seconded to grant an easement to the City of Pasco for access to the City lift station at 9<sup>th</sup> and Washington Street, and to authorize the Executive Director to execute the easement. Motion carried unanimously.

## **ITEMS FOR DISCUSSION (Cont'd)**

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August 2019 Financial Statement – Mrs. Newman discussed the August 2019 Financial Statements.

Delinquent List – Mrs. Newman discussed the Delinquent list.

Airport Master Engineering Agreement – Mr. Taft reported that every five years the airport advertises for an engineer to assist with the management of our FAA CIP and other airport services as needed. This year staff received submittals from JUB Engineers and Mead & Hunt. Upon conclusion of the interviews, staff discussed the proposals and interviews and determined that Mead & Hunt was the lead candidate. The decision was unanimous. Staff is negotiating an agreement with Mead & Hunt which will be brought back to Commission for approval at a future meeting.

## **ITEMS NOT ON AGENDA**

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Basin Disposal – Mrs. Reyna informed Commissioners that Basin Disposal is interested in the office space that Scoular is currently leasing.

## **RECESS**

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At 11:52 a.m., Commissioner Klindworth recessed the meeting for twenty-eight minutes for lunch. At 12:20 p.m. the meeting was reconvened.

## **ITEMS FOR DISCUSSION**

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### Director Reports:

1. Executive Director
  - a. Port of Pasco land sale for PECCAS closed on Friday, October 4, 2019.
2. Airport Director
  - a. Received an official quote from Mamava for the nursing mother pod. Quote was \$25,000 plus shipping, tax and installation. Staff recommends holding off at this time and instead may look at adding additional signage directing nursing mothers to the family restroom.
  - b. Allegiant Conference – Mr. Taft attended the Allegiant air service conference in Las Vegas. Allegiant ranked the Tri-Cities Airport 57 out of 107 airports on cost. Mr Taft is pleased with that ranking. He believes Allegiant will maintain its current level of service next year with no major changes.

Economic Development & Marketing

- a. Mr. Ballew reported that the Port of Pasco was invited to attend a joint meeting to promote opportunity zones to local and out of town developers.
  - b. Mr. Ballew provided a short video regarding the Port of Pasco and Tri-Cities Airport. The video was produced by Devfuzion as part of our marketing efforts.
  - c. Mr. Ballew traveled to Colima Mexico from October 2 to October 6, 2019. He will be working with his counterparts that traveled with him to Colima to create a presentation that will be presented at the next Commission meeting.
3. Deputy Airport Director
- a. Taxiway Alpha Phase II construction will be stopping for the winter. They will resume early spring and they hope to be done by summer of 2020.

**ITEM FOR INFORMATION/NO DISCUSSION**

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Executed Items – The Executive Director has signed the following agreement in accordance with the Port’s Delegation of Authority Policy.


- 1. Goodwill Industries of the Columbia – This is the 3<sup>rd</sup> lease we have with Goodwill in Warehouse 3 Bay 3. It is for a partial warehouse space adjacent to what they already have leased in Warehouse 3 Bay 3. This lease is for 4,800 square feet in the north central portion of the building and is on a month-to-month basis. Lease value is \$1,084.24 per month. They have an additional lease at TCAIP.

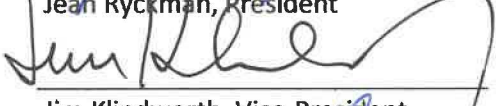
**ADJOURNMENT**


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The meeting adjourned at 1:05 p.m.

Port of Pasco Commission:

  
Jean Ryckman, President

  
Jim Klindworth, Vice-President

  
Vicki Gordon, Secretary