

PORT OF PASCO COMMISSION
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA 99301
March 26, 2015

CALL TO ORDER

The Commission President called the regular meeting to order at 10:30 a.m.

ROLL CALL

The following were:

Present: Commissioner Jim Klindworth, Commissioner Ron Reimann, Commissioner Jean Ryckman, Port Counsel Dan Hultgrenn, Executive Director Randy Hayden, Director of Finance and Administration Linda O'Brien, Director of Airports Ron Foraker, Director of Properties and Development Sam Good, Director of Economic Development & Marketing Gary Ballew, Deputy Director of Airports Buck Taft and Administrative Assistant Audrey Burney

Guests: Kristi Pihl – Tri-City Herald

APPROVAL OF AGENDA

Commissioner Ryckman moved and Commissioner Reimann seconded to approve the agenda. Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting minutes of March 12, 2015.
- b) Vouchers & Warrants 82782 – 82892 in the amount of \$1,579,803.57.
- c) Sewer for Foster wells project – Accept As Complete
- d) Special Meeting minutes of March 20, 2015.

Commissioner Reimann moved and Commissioner Ryckman seconded to approve the consent agenda with changes that will be made to the minutes. Motion carried unanimously.

FINANCIAL

February 2015 Financial Statement – Mrs. O'Brien discussed revenues and expenses.

Tenant Delinquent List – Mrs. O'Brien discussed the delinquent tenants

Investment Funds – Mrs. O'Brien updated the Commissioners that the majority of Port investments are in a money market fund with Umpqua Bank. This account will provide a greater yield for the Port as well as provide more fund security.

ENGINEERING AND CONSTRUCTION

Contract Change Order – Mr. Foraker informed Commissioners that Mr. Robison recently submitted Change Order 3 to the FAA for review and approval. The change order includes:

1. Remove the existing GPU's for re-use – The existing Ground Power Units (GPU's) were removed at a cost of \$4,662. The architect and GCCM coordinated to make this happen as it has the potential to realize a significant cost savings of \$40,000 provided that the GPU's function properly when reinstalled.
2. Roll Up Door Credit – It was determined during review of the drawings that the scope included a redundant roll-up door. The GCCM worked with the sub to secure a credit of \$2,620.

3. Upgrade fabric in the conference room – The airport requested that a darker shade be used in order to block the sun from this east-facing conference room during the heat of the day. The cost of the upgrade is \$159.
4. Replace existing doors with new at the inbound baggage claim – The original specifications called for removing and re-using the existing doors at baggage claim. The airport requested that new doors and operating systems be installed instead to minimize long-term maintenance. Through negotiation, the cost was reduced from \$88,000 to \$57,757.
5. Additional heater in the temporary baggage claim tent – The commissioners requested additional heat in the temporary tent to provide a more pleasing experience to passengers during the winter months. The cost - \$9,532 – is inclusive of winter 2015 and winter 2016.

Concessions – Mr. Foraker informed Commissioners on April 1st, the lower seating area of Florentyna's restaurant will be closed to the public due to project construction. In addition, the walk in cooler will be removed and replaced by four temporary portable refrigeration units.

2015 – 2017 Capital Improvements – The 2015 – 2017 Capital Improvement plan was presented at the March 20 workshop. Commissioner Ryckman moved and Commissioner Reimann seconded to approve the 2015 – 2017 Port of Pasco Capital Facilities plan. Motion passed unanimously. Commissioners will retain authority to approve any construction project that exceeds the Executive Director's delegation of authority amount of \$75,000.00.

AIRPORT

ARFF Contract Update – Mr. Foraker updated Commissioners with the progress of the City of Pasco's interlocal agreement for ARFF services, retroactive to January 1, 2015. The agreement holds a number of changes that were required. Staff has attended a number of meetings with our attorney and insurance representatives. Staff feels we now have an agreement that is ready for acceptance and signature by both entities. Commissioners will review the agreement and make a decision next commission meeting.

Art at the Airport – Ms. White informed Commissioners that the Port of Pasco Art Committee have been working through the process of selecting drawings that will be etched on wall and column tiles and placed in the new terminal building. The artwork will represent agriculture, technology, and the geology of our area. Based upon staff recommendation, Commissioner Ryckman moved and Commissioner Reimann seconded to approve the 18 drawings presented. Motion carried unanimously.

Ms. White also mentioned that the Columbia Center Rotary Club is providing the funding for the wall tile art. In addition, the Art Committee, airport staff and Tim Dacey all agreed that the first rotating art display in the terminal should be the original drawings submitted for the tile work. The Columbia Center Rotary Club is willing to cover the cost of the framing and preparation of the artwork for this display.

Director's Report

1. Mr. Foraker informed Commissioners that as a result of meeting with Senator Cantwell in Washington DC, that she had put together a support letter for the Tri-Cities Airport "outbound baggage system" and presented this request at a senate hearing.
2. Mr. Foraker reported to the Commissioners that the TSA has included the Tri-Cities Airport for a trial TSA Pre-Check program. The Tri-Cities Airport has already shown high number of pre-check flyers at approximately 30% of early morning travelers.
3. Mr. Foraker updated Commissioners that on March 25, 2015 at 6 p.m. the water to the terminal building was shut off for the water pipelines to be worked on. At about 3:30 a.m. on March 26, 2015 the water was turned on. It was a smooth transition, and only interrupted the inbound overnight flights.
4. Mr. Foraker also informed Commissioners that Ronda with Alaska Airlines will be stepping down from being the manager. A new manager will be assigned to Pasco in May.

PROPERTY MANAGEMENT

Airline Agreements – Mr. Foraker updated Commission that due to the Tri-Cities Airport Terminal building project Port staff and Steve Horton felt it best to simply amend this operating agreement to extend the term through the end of December 2016. Mr. Foraker presented the three airlines that have agreed to extend the term. The extension of the term is through 12/31/2016. Commissioner Reimann seconded and Commissioner Ryckman moved to approve to sign and to execute Delta, Allegiant and United airline agreements amendment to extend the term. Motion passed unanimously. Alaska Airlines agreement is expected at the April Commission meeting.

KIS Lease Amendment – Ms. Good reported that this amendment reduced the leased premises in Warehouse 2 from 86,400 square feet down to 43,200 square feet. The rent was reduced accordingly. All other terms of the lease remain unchanged. The annual lease value is \$106,153.20.

RECESS

At 11:50 a.m. Commissioner Klindworth recessed the meeting for twenty minutes for lunch. At 12:10 p.m. the meeting was reconvened.

EXECUTIVE SESSION

At 12:15 p.m., Commissioner Klindworth announced that the board would go into executive session for forty-five minutes to discuss with legal counsel representing the agency to consider; the minimum price at which real estate will be offered for sale or lease, and to review the performance of a public employee. At 1:00 p.m. the regular meeting was reconvened.

MARINE TERMINAL

Marine Terminal Update – Mr. Ballew reported the results are in from the enhanced remediation technology that was deployed on site in August 2014. Golder & Associates is preparing the report and based on sampling the enhanced remediation technology does not appear to be aiding in the remediation of the Marine Terminal site. Golder & Associates is preparing the final report, which will be provided to Department of Ecology. The partners will be recommending the active remediation is no longer effective in removing residual contamination and that the portions of the site still contaminated above clean-up standards undergo monitored natural attenuation. Ecology will review the report and recommendation and determine the final action.

GENERAL ADMINISTRATION

2015 Strategic Plan – Commissioner Ryckman moved and Commissioner Reimann seconded to adopt the 2015 Port of Pasco Strategic plan. Motion passed unanimously.

Calendar of Events – Dates were discussed.

1. Resolution 1405, Commissioner Reimann moved and Commissioner Ryckman seconded to change the first regularly scheduled commission meeting in May 2015 to Monday, May 11, 2015. Motion passed unanimously.
2. Resolution 1406, Commissioner Reimann moved and Commissioner Ryckman seconded to change the first regularly scheduled commission meeting in August 2015 to Thursday, August 6, 2015. Motion passed unanimously.

TRANSPORTATION

Legislative Transportation Revenue Proposal – Executive Director Randy Hayden, informed Commissioners the Washington State Senate has passed a transportation revenue package that would increase the state gas tax by 11.7 cents over three years to pay for transportation maintenance and new road projects across the state. The senate bill would help fund local projects, for example the Lewis street overpass in Pasco and the Connell rail interchange. Commissioner Ryckman seconded and Commissioner Reimann moved to execute the letter in the form given to support the state wide transportation system improvements and increased gas tax to fund the projects. Motion passed unanimously.

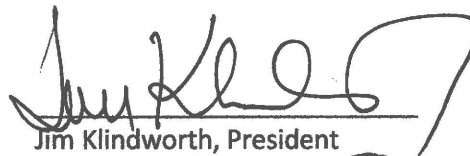
NEXT MEETING

Regular Commission Meeting – Thursday, April 9, 2015.

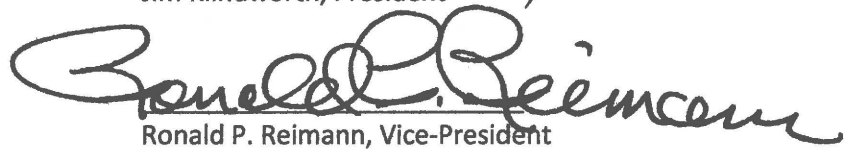
ADJOURNMENT

The meeting was adjourned at 2:02 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Ronald P. Reimann, Vice-President



Jean Ryckman, Secretary