

PORT OF PASCO COMMISSION
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA 99301
June 25, 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 Airport Ron Foraker, Senior
Accountant Jane Havens, Director of Properties Sam Good, Deputy
Director of Airports Buck Taft, Director of Economic Development &
Marketing Gary Ballew, Airport Business Manager Tara White and
Administrative Assistant Audrey Burney
Excused: Director of Finance & Administration Linda O'Brien
Guests: David Robison – Strategic Management, Ty Beaver – TCH Reporter

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting minutes of June 11, 2015.
- b) Vouchers & Warrants 83338 - 83463 in the amount of \$3,051,524.86.
- c) Electrical Improvements at Osprey Pointe Commons – **Certificate of Completion**
- d) May 11, 2015 Amended Minutes

Commissioner Ryckman moved and Commissioner Reimann seconded to approve the consent agenda with the stated changes to the Regular Meeting minutes of June 11, 2015. Motion carried unanimously.

AIRPORT

Second Phase of Art Tiles – Ms. White informed Commission that a total of 150 artwork submissions were received in response to the call for art for the phase II tiles at the Tri-Cities Terminal. The Art Committee has chosen finalists for Commission approval and Ms. White presented their art submissions. Commissioner Reimann moved and Commissioner Ryckman seconded to approve the presented art drawings to be etched on the wall and column tiles for phase II. Motion carried unanimously. They will be notifying the winners and the tiles will be displayed when phase II of the terminal opens.

SCASD Grant Update/Air Service Development Policy – Mr. Foraker discussed the need to revise the Airline Incentive Policy as we apply for the SCASD grant. The incentives include 100% landing fees being waived for a period of twelve months or one year period. The policy applies to an incumbent airline and any airline not currently serving the Tri-Cities Airport to provide twice daily, five days per week non-stop

service to any daily, direct route not currently available at the airport. Commissioner Ryckman moved and Commissioner Reimann seconded to approve the Airline Incentive Policy. Motion carried unanimously.

Director's Report

1. Mr. Foraker reported that on Tuesday, June 23, 2015 Staff opened the RFP's received for the Non-Exclusive Rental Car Concession space at the Tri-Cities Airport. Three out of four of the rental car agencies that are serving the Tri-Cities Airport submitted their RFP's. A fourth position rental car agency did not respond due to writing down the wrong date. Staff is working with Lynn Leibowitz to follow through the rest of the process.
2. Mr. Foraker informed Commission that staff will be sending out an RFQ for the advertising in the terminal building. The current advertising agreement expires August of 2016 and knowing who the advertising operator will be would be helpful as terminal construction continues. The Airport has had a good relationship with interspace Advertising (Clear Channel) for the past fourteen years but the airport is required to open the contract for competition.
3. Mr. Foraker reported that he had just received a Modification C application to refund \$972,250 to the Port for the VOR Relocation project. Staff requested Commission approval to authorize the Port of Pasco Executive Director Randy Hayden to sign the application when it is received in order to expedite the reimbursement of payment from the FAA. Commissioner Ryckman moved and Commissioner Reimann seconded to authorize the Executive Director to sign the Modification C application when it is received. Motion carried unanimously.
4. Mr. Foraker informed Commission that on September 1, 2015 Alaska Airlines has scheduled a flight leaving Seattle at 6:30 p.m. and arriving in Pasco at 7:15 p.m.
5. Mr. Foraker reported that Mr. Arthur Owen's retirement party is June 30th from 9 a.m. to 11:30 a.m. at the Tri-Cities Airport.
6. Mr. Foraker reported that Gregg Sullivan has been named the new station manager position for Alaska Airline.
7. Mr. Foraker discussed with Commission about naming the new conference room after the late Airport Director Jim Morasch. Commissioners agreed that we should name the conference room, the Morasch Conference room and relocate the plaque to the room when appropriate.

ENGINEERING AND CONSTRUCTION

Terminal Building Expansion Project, Concession Update – Mr. Robison informed Commissioners that he will be joining Tailwind on a conference call on Friday, June 26, 2015 to discuss their budget for the concessionaire space. He also stated that bids received for the Port's portion of the tenant improvements came in just over \$351,000. He will work with the Contractor to bring that amount under the \$351,000 previously discussed with Commission and bring a change order back at the next meeting.

In addition, Messrs. Foraker and Taft presented updated photos of the Terminal Building Expansion Project and stated the project is going well.

Franklin County PUD Charges – Mr. Taft stated that the current electrical service is not large enough to handle the load of the new Terminal. This was discovered during the design of the Terminal Expansion and the Port was given an estimate in March 2014, from the Franklin PUD of \$275,000. This estimate was included in the cost of the project and accounted in the project budget. The estimate price has increased \$55,000 to \$330,000.

The reason for the increase are inflation and design change requiring more cable to serve a 2500kVA transformer at a cost of \$111,698. The Franklin PUD has requested a purchase order before they will move forward with the project.

Commissioner Reimann moved and Commissioner Ryckman seconded to approve the increase to the electrical service at the Airport Terminal Project in an amount not to exceed \$330,000, and authorized the Executive Director to issue a purchase order to the Franklin PUD to proceed with the work. Motion carried unanimously.

FINANCIAL

May 2015 Financial Statement – Mrs. Havens discussed and answered any questions from Commissioners.

ECONOMIC DEVELOPMENT

Wagenaar Army Reserve Center Excess Land Purchase offer – Mr. Hayden informed Commissioners that the final purchase offer and quit claim deed has been prepared and the Army is asking for a Port Resolution authorizing the purchase offer along with an earnest money deposit of \$44,000. Commissioner Ryckman moved and Commissioner Reimann seconded to approve Resolution 1408 authorizing the Executive Director to enter into and sign the purchase offer with the USA for the 4.56 acres of land at the Wagenaar Center. Motion carried unanimously.

PROPERTY MANAGEMENT

Tri-City Delivery – located 619 West River Street and 5,000 square feet of land in what we refer to as the marine terminal. This exercise of option will extend his lease until June 30, 2016 and includes three year CPI increase. Lease value is \$5,507.24 per year.

ENVIRONMENTAL

Marine Terminal Clean-up – Mr. Hayden reported that he will be meeting with Ecology in July to discuss the results and the next steps.

GENERAL ADMINISTRATION

Calendar of Events – Commissioners moved the location of the July 6, 2015 Commission Workshop from the Port of Pasco to the Tri-Cities Airport Conference room located at 3601 N. 20th Ave., Pasco, WA 99301.

Resolution 1407 – Commissioner Reimann moved and Commissioner Ryckman seconded to approve Resolution 1407 changing the date and location of the second regularly scheduled commission meeting in August; the time of the first regularly scheduled commission meeting in September; and the location of the second regularly scheduled meeting in September. Motion carried unanimously.

RECESS

At 12:05 p.m. Commissioner Klindworth recessed the meeting for forty-five minutes for lunch. At 12:50 p.m. the meeting was reconvened.

EXECUTIVE SESSION

At 12:50 p.m., Commissioner Klindworth announced that the board would go into executive session for twenty minutes to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become a party. At 1:10 p.m., Mr. Hultgren announced on behalf of the Commission that executive session would extend 30 minutes. At 1:40 p.m. the regular meeting was reconvened.


NEXT MEETING

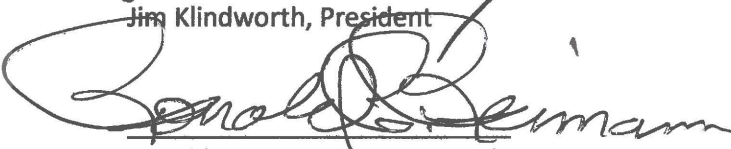
Special Commission Workshop – Monday, July 6, 2015
Regular Commission Meeting – Thursday, July 9, 2015.


ADJOURNMENT

The meeting was adjourned at 1:40 p.m.

Port of Pasco Commission:


Jim Klindworth, President


Ronald P. Reimann, Vice-President


Jean Ryckman, Secretary