

PORT OF PASCO COMMISSION
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201, Pasco WA 99301
October 06, 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 Airports Ron Foraker, Director of Finance & Administration Linda O'Brien, Director of Properties Sam Good, Deputy Director of Airports Buck Taft, Strategic Management David Robison and Administrative Assistant Audrey Burney

Excused: Director of Economic Development Gary Ballew

APPROVAL OF AGENDA

Executive Director notified Commission that the agenda needed to be revised. Item 11 A. 1 regarding Volm Property resolution 1417 was added and item 10.A.2 regarding the DOT SCASD Grant was taken off. Commissioner Reimann moved and Commissioner Ryckman seconded to approve the agenda as adjusted. Motion carried unanimously.

CONSENT AGENDA

- a) Regular meeting minutes of September 24, 2015.
- b) Vouchers & Warrants 84028 - 84108 in the amount of \$3,808,635.85.

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

FINANCIAL

August 2015 Financial Statement – Mrs. O'Brien discussed the August 2015 financials and answered any questions from Commissioners.

2015 Audit – Mrs. O'Brien informed the Commission that the State Auditor has finished the field work on the 2014 Accountability Audit and the Port received a clean report

Tax Levy & Budget, Resolution 1414 – Commissioner Reimann moved and Commissioner Ryckman seconded to approve Resolution 1414 authorizing an increase in limit factor for maximum levy capacity pursuant to section 204 of Referendum 47. Motion carried unanimously.

Resolution 1415 – Commissioner Ryckman moved and Commissioner Reimann seconded to approve Resolution 1415 regarding the Port of Pasco Property Tax Levy and rescinded Resolution 1412 dated the 24th day of September 2015. Motion carried unanimously.

Resolution 1416 – Commissioner Reimann moved and Commissioner Ryckman seconded to approve Resolution 1416 adopting the Port of Pasco Budget for 2016 and rescinding resolution 1413 dated the 24th day of September 2015. Motion carried unanimously.

ENGINEERING AND CONSTRUCTION

Terminal Building Expansion Project: Project update Owners Contingency – Mr. Robison provided an in-depth breakdown of the change orders and owner contingency account expenditures.

Mr. Foraker placed a photo at each Commissioners chair to show demolition of the boarding area in phase II of the Tri-Cities Airport Terminal Building Expansion Project had begun.

AIRPORT

Parking Lot Revenue – Mr. Foraker informed Commissioners that Staff has looked into the alternative of purchasing the Parking Lot Revenue Control System directly from Republic Parking versus purchasing from the supplier of Data Park System from HUB Parking Technologies. The potential savings is over \$17,581.83 by purchasing from Republic due to their volume in the parking industry. There is also a \$9,000 contingency for the installation that will be returned to the Port if not used. HUB Parking Technology, the seller of the parking equipment, does this on a regular basis. Upon installation Republic Parking will provide a reconciliation document to the airport detailing items that may or may not have been needed from the detailed purchase equipment list provided. Port Counsel has reviewed the letter agreement provided by Republic Parking and does not see an issue moving forward. Commissioner Ryckman moved and Commissioner Reimann seconded to accept Republic Parking's proposal of not to exceed \$321,214 that includes purchase, installation, training, freight, tax and contingency and to authorize The Director of Airport to sign the agreement. Motion carried unanimously.

US DOT Radio Grant – Mrs. O'Brien reported that we have received the award letter and package for the Port Security Grant Program. This grant is for radios for the Port of Pasco security, Tri-Cities Airport security and Port of Pasco Police Officers, Franklin County Sheriff department and the City of Connell. The purchase of the equipment will enable these districts to communicate with the rest of Franklin County and Benton County. Port of Pasco is the lead agency on this grant, Franklin County and the City of Connell Police Department are sub-recipients. The amount of the grant is \$633,917. The agencies involved will be expected to contribute matching funds of \$211,306, with total costs of \$845,223.00. The Port's matching fund is approximately \$70,000, which was budgeted \$35,000 in 2015 and \$35,000 in 2016. Commissioner Reimann moved and Commissioner Ryckman seconded to accept grant number EMW-2015-PU-00175 in the amount of \$633,917 for the purchase of the equipment to enable these entities to correspond with the rest of the Franklin County and Benton County, and to authorize the Director of Finance & Administration to sign the agreement with Port Counsel's Review and approval. Motion carried unanimously.

Allegiant Passenger Loading – Mr. Foraker informed Commissioners that staff was recently contacted by Allegiant Airlines regarding a recent DOT audit that found that Allegiant Airlines did not have an agreement with its airports in relationship to 14 CFR Part 382. Section 14 CFR 382 is Nondiscrimination on the basis of disability in air travel. Port Counsel Dan Hultgren has reviewed and approved the agreement that Allegiant Airlines sent. Commissioner Reimann moved and Commissioner Ryckman seconded to authorize the Executive Director to sign the agreement relating to 14 CFR 382 with Allegiant Airlines. Motion carried unanimously.

Director's Report

1. Mr. Foraker reported that Tailwind Concessions received their Washington State Liquor Control Board License on September 25, 2015. Their kitchen should be finished October 20, 2015 and patrons will be able to order food from their new adjoining service counter. Staff reported that they have received positive comments regarding concessions and the construction of the Terminal.
2. Mr. Foraker reported that Mr. Taft put on a table top exercise of September 28th with the Office of Emergency Management, airlines, and Pasco Fire Department. This satisfies the Part 139 annual requirement and sets us up for the full Annual Emergency Exercise next September 2016. This meeting brings agencies

together to discuss emergency scenarios that could happen at the airport and how other agency responsibilities of the Emergency Plan are met.

3. Mr. Foraker informed Commissioners and staff that the Airport Website (www.flytricity.com) went live Monday, October 5, 2015. Mr. Ballew and BHW-1 will continue to add features.

RECESS

Commissioner Klindworth recessed the meeting at 11:50 a.m. for a twenty five minute break.

EXECUTIVE SESSION

At 12:15 p.m., Commissioner Klindworth announced that the board would go into executive session for fifteen minutes to consider the minimum price at which real estate will be offered for sale or lease. At 12:30 Mr. Taft announced on behalf of the Commission that executive session would extend 15 minutes. At 12:45 p.m., the regular meeting was reconvened.

PROPERTY MANAGEMENT

Volm Property, Resolution 1417 – Ms. Good reported that Volm is ready to purchase Lot 12 at the Foster Wells Business Park for \$1.92 square foot, which calculates to \$418,250. In addition, \$16,547.50 will be a finder's fee that will go to the realtor who has been working with Volm for 2.5 years. Commissioner Reimann moved and Commissioner Ryckman seconded approving Resolution 1417 the declaration of Property as Surplus and Authorization of Land Sale. Motion carried unanimously.

Fed Ex – Effective October 1, 2015 the current lease with FED EX was modified to add 13,600 square feet for an additional parking lot. The rent was also adjusted using the CPI of 4.5%. The new monthly rent that includes the new space is \$1,170.46.

Bergstrom Lease Modification – Three long term leases with Bergstrom Aircraft have been adjusted using the CPI increase, as per standard policy of the Port and are effective October 1, 2015. The Executive Director signed all three of the Bergstrom lease modifications.

ENVIRONMENTAL

Remedial Action Grant, Marine Terminal Cleanup – Executive Director Randy Hayden informed Commission that the current grant from the Department of Ecology to fund the Marine Terminal Cleanup (aka "Pasco Bulk Fuels Terminal") expired on June 30, 2015. A new grant must be approved to fund costs over the 2015-2017 biennium. The grant amount of \$329,581 will enable the Department of Ecology to continue funding our clean-up project at a 75% reimbursement rate. The Port will be responsible for a 25% match of \$109,860. Commissioner Ryckman moved and Commissioner Reimann seconded to accept the grant and to authorize the Executive Director to sign the Remedial Action Grant for the amount of \$329,581 to fund the Pasco Bulk Fuels Terminal Clean-up project over the 2015-2017 biennium. Motion carried unanimously.

ITEMS NOT ON AGENDA

1. Executive Director informed Commission of property to be sold that is no longer needed for the District purpose. The section of dock removed from Warehouse 8, Bay 1 because of excessive deterioration, section is approximately 14' X 20'.

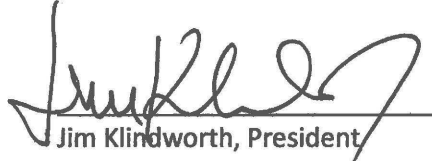
NEXT MEETING

Regular Commission Meeting – Thursday, October 22, 2015.

ADJOURNMENT

The meeting was adjourned at 1:08 p.m.

Port of Pasco Commission:


Jim Klindworth, President

Ronald P. Reimann, Vice-President


Jean Ryckman, Secretary