

PORT OF PASCO COMMISSION
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA 99301
August 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, Executive Director Randy Hayden, Director of Airports Ron Foraker, Director of Finance & Administration Linda O'Brien, Director of Properties Sam Good, Director of Economic Development Gary Ballew, Deputy Director of Airports Buck Taft, and Administrative Assistant Audrey Burney

Excused: Port Counsel Dan Hultgrenn

Guests: Darren McEuin – Conover Insurance, Joanne Bisquera – Enduris Insurance, Kris Watkins and Kim Shugart – Visit Tri-Cities, Jay Decker & Nona Didaker – HDR Engineering Inc., Jed Crowther – City of Connell and Jim Cach and Craig Nelson – Coleman Oil

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular meeting minutes of July 23, 2015.
- b) Vouchers & Warrants 83642 - 83698 in the amount of \$1,838,273.06.

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

FINANCIAL

Enduris Insurance Renewal –Mr. Darren McEuin with Conover Insurance and Ms. Joanne Bisquera with Enduris attended the meeting and presented the 2015 Insurance program for the fiscal year September 1, 2015 through August 31, 2016. The coverage includes liability coverage (excludes the airport liability which will renew in February), property loss coverage-real and personal property, equipment breakdown coverage (boiler and machinery), vehicle comprehensive and collision coverage and employee dishonesty coverage. There is a \$20,684 increase in the property coverage premiums due to updated building valuations. Commissioner Reimann moved and Commissioner Ryckman seconded to renew the Enduris Insurance policy as presented. Motion carried unanimously.

GENERAL ADMINISTRATION

Community Wayfinding Fund Request – Kris Watkins and Kim Shugart from Visit Tri-Cities introduced themselves and presented the Tri-Cities Wayfinding System proposal. The purpose of the wayfinding system is to create a sense of place, to enhance the visitor's experience, and to help people to find their way around the Tri-Cities. Benefits for the Port of Pasco will be to assist airport travelers in navigation around the Tri-Cities, complements recent airport

expansion, identifies gateways to Osprey Pointe, and improves economic activity in the Port district. Kris and Kim asked if Commissioners will help support the wayfinding system. Commissioner Ryckman moved and Commissioner Reimann seconded to approve the expenditure of \$12,000 for the wayfinding system and authorized the Executive Director to sign the Memorandum of Understanding when received. Motion passed unanimously.

ENGINEERING AND CONSTRUCTION

Terminal Building Expansion Project: Project update – Mr. Foraker reported the updates of the Tri-Cities Airport Project and presented some pictures to Commission.

Temporary Concession Seating Layout – Mr. Foraker reported that the new kitchen and grab n' go counter will not be finished for Tailwind Concessions and public use until October 20th. Mr. Foraker provided a diagram that shows a temporary seating and serving area to serve passengers in the boarding concourse during Phase 2 construction. The space will provide seating, a coffee counter, a cold sandwich case and an area to accommodate a small bar. Discussions are proceeding with Tailwinds to finalize costs and owner/tenant responsibilities.

ECONOMIC DEVELOPMENT

HDR Dairy Processing in Connell – Mr. Ballew introduced Jay Decker and Nona Didaker from HDR Engineering Inc., and Jed Crowther from City of Connell. Mr. Decker presented his analysis on the target industry for dairy processing. The study identified the capability of the community to locate a dairy processing facility in Connell. A number of factors went into the analysis, including density and travel times of dairies in a sixty minute drive time around Connell, the potential of a publicly owned industrial waste water treatment facility, analysis of other utility needs, transportation analysis of consumables and a transportation analysis of final product delivery. The results of the study will be developed into a focused marketing statement provided to specific targets, increasing likelihood of successful recruitment.

RECESS

At 12:30 p.m., Commissioner Klindworth recessed the meeting for twenty minutes for lunch. At 12:50 p.m. the regular meeting was reconvened.

EXECUTIVE SESSION

At 12:50 p.m., Commissioner Klindworth announced that the board would go into executive session for thirty minutes to discuss with legal counsel representing the agency to consider the selection of a site or the acquisition of real estate by lease or purchase and to consider the minimum price at which real estate will be offered for sale or lease. At 1:20 p.m. Mr. Taft reported that Commissioner Klindworth extended executive session for fifteen minutes. At 1:35 p.m., the regular meeting was reconvened.

PROPERTY MANAGEMENT

Coleman Oil Lease Request – Ms. Good introduced Jim Cach and Craig Nelson from Coleman Oil. Coleman Oil has purchased Wondrack Distributors assets. Wondrack first signed a lease with the Port of Pasco in August 1987, but has been in a month-to-month lease since 2008. Jim Cach asked for a multi-year lease on the .6 acre lot where the former Wondrack card lock is located. He explained to Commission that they are part of the Commercial Fueling Network Distribution System (CFN), and he discussed the aesthetics of Coleman Oil card lock station and gas retail stations. At the Port, they are proposing to remove the commercial looking sign and replace it with a nice Coleman Oil sign, adding similar landscaping that the Port has near the opposite corner to look consistent throughout Osprey

Pointe, and to take out the asphalt and add more landscaping around the perimeter of the lot. Commissioners directed staff to continue discussions with Coleman Oil.

AIRPORT

Art Tile Selection – Mr. Foraker reported that one of the small art tile drawings that were selected for Phase II of the terminal expansion project needs to be replaced. Nancy Thurston who is part of the art committee and the Columbia Center Rotary has not been able to get in touch with the artist to move forward with the process of etching the drawing on the tile. Mr. Foraker presented an alternate drawing for approval. The drawing had the next highest number of votes during the evaluations. Commissioner Ryckman moved and Commissioner Reimann seconded to approve the alternate piece of art. Motion passed unanimously.

State Emergency Planning – Mr. Foraker recapped that staff had earlier introduced a request from Washington State Military Department to work toward an agreement with the Port on catastrophic event planning, a worst case scenario of an earthquake occurring along the Cascadia Subduction Zone. The state sent us their “Memorandum of Understanding” (MOU) agreement that would allow them to use the airport and facilities in such an event. Dan Hultgrenn offered a rewrite of certain paragraphs in the MOU that would better protect the position of the Port. The state accepted the proposed revisions. Commissioner Reimann moved and Commissioner Ryckman seconded to approve the Memorandum of Understanding and authorized the Executive Director to execute the MOU with the State of Washington. Motion passed unanimously.

Director’s Report

1. Mr. Foraker reported that he received good news that our Transportation Security Baggage System has been moved up the TSA capital funding list and he is hoping the design will be completed by next year. Design costs are approximately \$300,000.
2. Mr. Foraker reported that Arthur Owen received a call from the Coast Guard that Franklin County, Port of Pasco and City of Connell have been approved for a security improvements grant. They will be able to purchase radios for all the law enforcement and guards at the Port.
3. Mr. Foraker reported that he met with Alex Peloquin, a boy scout who would like to install a flagpole set near the Old Navy Tower. Ron presented a photo of where the flag poles will be located. Commissioner Ryckman moved and Commissioner Reimann seconded the approval of the location for the flag poles. Motion carried unanimously.
4. Mr. Foraker reported that the Port wrote a letter to SKIDATA telling them that we are canceling the contract to upgrade the airport parking lot revenue control equipment. The Port will be pursuing new equipment with an alternate provider.
5. Mr. Foraker reported that he attended a Franklin County Commission meeting regarding the City request to add approximately 73 acres of ground northwest of the Airport to the City’s urban growth area. No action was taken and the item was postponed to a later date.

ENVIRONMENTAL

Marine Terminal – Mr. Hayden reported that he and representatives from Crowley Marine and Golder Associates (“the Group”) met with the Washington State Department of Ecology last week to discuss future cleanup efforts at the Marine terminal site. Ecology wanted continued monitoring for another year. The Group did not want to continue with the treatment or monitoring due to the minimal results observed. Department of Ecology and Port staff compromised and will continue with monitoring for an additional six months then decide on the future course of action.

GENERAL ADMINISTRATION

Resolution 1411, changing the date of the first meeting in October – Commissioner Reimann moved and Commissioner Ryckman seconded to approve Resolution 1411 changing the date of the first regularly scheduled Commission meeting from October 8, 2015 to October 6, 2015. Motion carried unanimously.

ITEMS NOT ON AGENDA

1. Ms. Good reported that Bogert Aviation was in arrears last meeting, however, they have paid in full.
2. Ms. Good reported that she spoke to Randy Nunamaker and discussed why they were no longer interested in leasing the BPA facility and they have decided that their needs would fit in a much smaller space.
3. Ms. Good reported that we have received proposed changes from Volm's attorney regarding the sales agreement. Staff is reviewing.
4. Ms. Good reported that Kenyon Cold Storage has finished phase 2 and that we are still working on an acceptable rail use agreement.

EXECUTIVE SESSION

At 3:25 p.m., Commissioner Klindworth announced that the board would go into executive session for 15 minutes to discuss the Performance of a Public Employee. At 3:40 p.m., the regular meeting was reconvened.

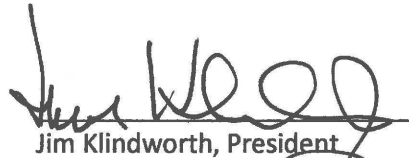
NEXT MEETING

Regular Commission Meeting – Thursday, August 20, 2015.

ADJOURNMENT

The meeting was adjourned at 3:40 p.m.

Port of Pasco Commission:


Jim Klindworth, President


Ronald P. Reimann, Vice-President


Jean Ryckman, Secretary