

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA 99301
February 11, 2016 | 10:30 a.m. | Meeting called to order by Commissioner Ron Reimann

CALL TO ORDER

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

Excused: Director of Economic Development Gary Ballew

Guest: David Robison – Strategic Management

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of January 14, 2016
- b) Vouchers & Warrants 84693 - 84900 in the amount of \$2,459,482.45
- c) 3R-2-1L Crack Seal Project **Accept as Complete**

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

RECESS/PUBLIC HEARING

Commissioner Reimann recessed the meeting at 10:35 a.m. and opened the Public Hearing regarding the Comprehensive Scheme of Harbor Improvements. Mr. Hayden explained the amendments made to the Port's Comp Scheme. Commissioner Reimann invited public comment, but none was received. Commissioner Reimann closed the Public hearing at 10:41 a.m. and reopened the Commission meeting at 10:41 a.m.

GENERAL ADMINISTRATION

Resolution 1422 – Commissioner Ryckman moved and Commissioner Klindworth seconded to approve Resolution 1422 updating the Port's Comprehensive scheme of Harbor Improvements. Motion carried unanimously.

FINANCIAL

December 2015 Financial Statement- Mrs. O'Brien discussed the December 2015 financials and answered any questions from Commissioners. She informed the Commissioners that the financial statements are a preliminary version due to the GASB journal entry on pension liability.

ENGINEERING AND CONSTRUCTION

Terminal Building Expansion Project: Project Update – Mr. David Robison informed Commissioners that the Airport Terminal Project is currently on schedule. Change Order #11 is ready for approval and consists of a number of items that includes; removal of asbestos piping, infill of existing underground duct work, TSA requested in concrete electrical floor boxes, two additional months for rental car trailers, structural upgrades to existing conditions for HVAC at Tailwinds, and walk off carpet mats at airline. Commissioner Klindworth moved and Commissioner Ryckman seconded the approval for the Change Order #11 in the amount of \$80,310.00 that includes sales tax. Motion carried unanimously.

David Robison also informed Commissioners that the Executive Director Mr. Hayden approved Risk Contingency #10 in the amount of \$28,430 including sales tax. Mr. Foraker and Mr. Robison showed some current construction pictures of the Terminal Expansion project.

FINANCIAL

Tenant Delinquent List – Mrs. O'Brien discussed and answered questions from Commissioners regarding the tenant delinquent list.

ENGINEERING AND CONSTRUCTION

Contract Extension for Strategic Construction Management (SCM) – Executive Director Randy Hayden summarized that Strategic Construction Management has a contract to provide construction management of the Tri-Cities Airport Expansion project through July 9, 2016. Staff is recommending the Commission approval to extend the SCM's services to December 31, 2016., the new projected date for the end of construction. SCM's services have been a crucial component of keeping the project on budget, on schedule, and user friendly. Port staff would not be able to provide the same level of construction oversight. On a per month basis, the additional fee is slightly less than the original contract, \$13,126/month versus \$13,555/month (not including reimbursable expenses). Funds for the contract extension will come from the Owner Contingency account. Commissioner Ryckman moved and Commissioner Klindworth seconded to approve a contract extension with Strategic Construction Management in the amount of \$91,563.55 for construction management services at the Tri-Cities Airport Terminal Expansion project through the close out of the contract. Motion carried unanimously.

RECESS

Commissioner Reimann recessed the meeting at 11:55 a.m. for twenty minutes for lunch. Meeting was reconvened at 12:15 p.m.

EXECUTIVE SESSION

At 12:15 p.m., Commissioner Reimann announced that the board would go into executive session for an hour to consider the minimum price at which real estate will be offered for sale or lease and 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 1:15 p.m., the regular meeting was reconvened.

AIRPORT

SCASD Update – Mr. Foraker reported that he, Jack Penning, and Carl Adrian visited with United Airlines last week at their headquarters office in Chicago. The meeting with United's Network Planners went

well and while new air service to LAX is getting support, the bottom line is the uncertainty of aircraft and pilot availability. As new aircraft enter the system in the spring of 2017 SkyWest will likely provide airlines equipment for new routes and LAX could be one of them. It was good information for the United team to hear about our growth and future business opportunities as they continue to serve the Tri-Cities with Denver and San Francisco markets.

Director's Report

1. Mr. Foraker informed Commissioners that he has received indication through email that the OTA agreement will be sent shortly and Executive Director Randy Hayden has already been given permission to sign the agreement through the approval of the Commissioners.
2. Mr. Foraker reported Commissioners that he had a discussion with Jack Penning and Carl Adrian about the Tri-Cities Airport logo. Both mentioned that the logo looks outdated and for timing it would be good to update the logo with the Tri-Cities Airport Expansion project.
3. Mr. Foraker reported that the month of January showed a positive growth of 10 percent in passenger boarding's year-to-date.

PROPERTY MANAGEMENT

The following leases were signed by the Executive Director in accordance with the Delegation of Authority policy.

Chemical Waste Management Land Lease – Land lease with rail license is for another one-year period to demonstrate that the use will be compatible with other tenants in Big Pasco. The first year there were no rail cars delivered; but they paid rent. Staff feels we need another year to determine whether or not this will be a good fit with other tenants. If the operation performs well and safely, and if both parties desire, a 3-year lease may be entered into after this lease. Lease value is \$46,680.00 for one year.

Inland Empire Distribution Systems (IEDS) – IEDS recently moved from Warehouse 6 Bays 1 and 2 into Warehouse 2 Bay 1, hoping that they would be able to consolidate into only one warehouse. During the lease negotiations, one of their main concerns was being in a warehouse that would have adjacent space available in case they needed to expand. They completed their move at the end of January, but also realized they needed quite a bit more space and have signed a month-to-month lease for a portion of W2B2 to complement their recent term lease. Lease value is \$32,672.16 per year.

GENERAL ADMINISTRATION

Personnel Policy 110, EEO – Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the Port of Pasco Personnel Policy 110, Equal Employment Opportunity (EEO). Motion passed unanimously.

House Bill 2618 Work Force Training – Executive Director Randy Hayden reported that he received an email with an attached memo from WPPA Executive Director Eric Johnson. Eric Johnson is asking for feedback on Port of Seattle sponsored House Bill 2618. The bill would expand Port powers to enable Ports to partner with non-profit agencies for job training and placement, pre-apprenticeship training, and educational programs. Currently, the Port of Seattle is the only Port that has such powers and the bill would expand those powers to all Ports. Commissioner Klindworth moved and Commissioner Ryckman seconded to remain in a neutral position for House Bill 2618. Motion carried unanimously.

Calendar 2016:

Resolution 1423 – Commissioner Klindworth moved and Commissioner Ryckman seconded to change the start time of the second regularly scheduled meeting on February 25, 2016 to 9:00 a.m. Motion carried unanimously.

Resolution 1424 – Commissioner Ryckman moved and Commissioner Klindworth seconded to change the date of the first regularly scheduled Commission meeting in May to May 9, 2016. Motion carried unanimously.

ITEMS NOT ON AGENDA

Mrs. O'Brien reported that they are still working on the Health insurance regarding retired employees' spouses.


NEXT MEETING

Regular Commission Meeting – Thursday, February 25, 2016 at 9:00 a.m.

ADJOURNMENT

The meeting was adjourned at 2:13 p.m.

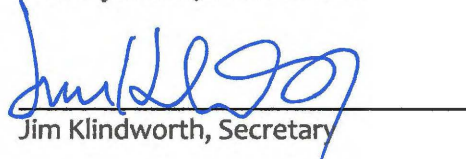
Port of Pasco Commission:



Ronald Reimann, President



Jean Ryckman, Vice-President



Jim Klindworth, Secretary