

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission

Held at Port of Pasco, 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA 99301
July 07, 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 Airports Ron Foraker, Director of Finance & Administration Linda O'Brien, Director of Marketing and Economic Development Gary Balley, Property Manager Mayra Reyna, Deputy Director of Airports Buck Taft, and Executive Assistant Vicky Keller

Guests: Chuck Larson (via telephone), Carl Adrian, Chep Gauntt, David Robison, Mike White, Loren Watts, Shaun Heublein, Brandt Crider, Daniel Bergstrom, Malin Bergstrom, Tom Mitchell, Robert Peterson

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 June 09, 2016
- b) Vouchers & Warrants 85590 – 85758 in the amount of \$1,386,885.67
- c) Warehouse 7, Bay 1 Reroof Project – Accept as Complete
- d) Credit Card Only Lane Project – Accept as Complete

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

ITEMS FOR ACTION/CONSIDERATION

Loren Watts Hangar Ground Lease – Based upon the feedback received during the June 9th Commission meeting, Mr. Foraker presented and discussed a second option for siting the proposed hanger further south creating greater open space between Hangar 72 and the proposed hangar for large commercial jet aircraft access. Based upon extensive discussion with staff, Mr. Chuck Larson and Malin Bergstrom, Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize site approval and land lease with Loren Watts to construct the proposed hangar as described, and to authorize the Executive Director or the Director of Airports to execute the aforementioned lease once the lease requirements have been met. Motion carried unanimously. Commissioners thanked everyone in the audience for their participation and the valuable feedback that was provided during Port deliberations over the past 1 ½ months.

ITEMS FOR DISCUSSION

Chep Gauntt Proposal – Mr. Gauntt addressed Commission to share his desire to construct up to four commercial industrial storage buildings on the west end of the Tri-Cities Airport Business Center. Each building would be approximately 7,000 sf or larger with four bays each containing a finished office area, meeting room, shop and restroom. He will continue to work with the Airport staff to finalize this project.

Terminal Building Expansion Project Update – Mr. Robison stated that Change Order #14 in the amount of \$45,793.36, and the risk contingency account (RCAR) #13 have been executed. The change order includes the play area revisions, additional hose bibs, additional light for the airlines at Gate 5 and credit for a floor drain that is no longer necessary, and the RCAR includes the engineering fees to resolve a surveying error at the front stair tower. Mr. Robison stated that the contract is on schedule to complete in January 2017.

May 2016 Financial Statement - Mrs. O'Brien reviewed the May financial statement and highlights.

Tenant Delinquent List - Mrs. O'Brien handed out and discussed the current delinquent list.

RECESS

Commissioner Reimann recessed the meeting at 11:54 a.m. for twenty minutes for lunch.

EXECUTIVE SESSION

At 12:15 p.m., Commissioner Reimann announced that the board would go into executive session for thirty minutes to consider the minimum price at which real estate will be offered for sale or lease and pending or potential litigation. At 12:45 p.m., on behalf of the Commission president, the Airport Deputy Director informed all present that the Executive Session would be extended an additional 15 minutes. At 1:00 p.m., the regular meeting was reconvened.

ITEMS FOR ACTION/CONSIDERATION – cont.

Tri-City Delivery – Following executive session, Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the waiver of two month's rent for Tri-City Delivery in T2-75, if they are willing to relocate and sign a three-year lease, and Tri-City Delivery will be responsible for the payment of the leasehold tax based on the published rate of the building during the 2-month incentive period. Motion carried unanimously.

ITEMS FOR DISCUSSION – cont.

Economic Development Report - Mr. Ballew reported that a marketing campaign for the airport is underway that uses on-line ads, radio spots and Facebook ads. He also stated that he met with representatives of the group interested in creating a public market and showed them the Cable Bridge property as an option to site the market. He also reported that the City of Pasco has yet to execute the lease for the OP 1011 Wagenaar facility.

Airport Director's Report - Mr. Foraker informed Commission that the Airport's recent law enforcement emergency exercise, attended by several multi-jurisdiction agencies, went well. He also stated that June enplanements were up 10% and enplanements year to date were up 11%.

Mixed Use Property Marketing – Mr. Ballew stated that staff is preparing to hire a consultant to prepare materials and financial information on the Port's Osprey Pointe, Tri-Cities Airport Business Center and Cable Bridge property to make them more attractive to developers, to identify potential developers, to provide connections to developers and assist in closing deals with developers.

TRIDEC – Mr. Adrian discussed the activities undertaken at TRIDEC to improve the economic health and development opportunities of the Tri-City region.

Budget Schedule – Mrs. O'Brien handed out and discussed the schedule of proposed dates for the planning and completion of the 2017 budget process for the Port of Pasco.

EXECUTED ITEMS

In accordance with the Port's delegation of authority policy, Commissioners were informed that the following leases were executed:

FBO Lease Amendments – A lease amendment with Bergstrom Aircraft and Pasco FBO Partners, LLC DBA SullinAir Jet Center reducing the leased space and monthly rent.

Battelle – Lease Supplement #17 with Battelle which extends the long-term lease for Building 71 through September 30, 2018 at the published lease rate of \$1,984.16 per month.

North Coast Electric Company – A month-to-month lease with North Coast Electric Company for temporary storage space in Building #201 at the Tri-Cities Airport at the published lease rate of \$1750.00 per month.

King City – A month-to-month lease with King City, LLC for 43,200 sf of space in Warehouse 5, Bay 3 in the Big Pasco Industrial Area at the published lease rate of \$8,169.47 per month.

Inland Empire Distribution Systems, Inc. – A lease amendment with Inland Empire Distribution Systems, Inc. for 43,200 sf of space in Warehouse 2, Bay 2 in the Big Pasco Industrial Center at the published lease rate of \$10,890.72 per month.

ITEMS NOT ON THE AGENDA

Mr. Hayden reported that the Inland Ports and Navigation Group (IPNG), an organization that we are a member of and which is an intervener in the Columbia River Biop lawsuit, will offer an opportunity to all entities with river interests along the Columbia and Snake Rivers to become a member of the group..

Mr. Hayden also stated that the Port of Pasco IPNG 2017 membership dues have been decreased to \$9,000 in anticipation of IPNG gaining new members.

Mr. Hayden reported that the Department of Ecology has authorized the Port of Pasco to move the Bulk Fuel Cleanup site to monitored natural attenuation.

Mr. Hayden informed Commissioners that he was re-appointed to the Community Economic Revitalization Board (CERB) for a second 3-year term.

Mr. Hayden reported that he will be on vacation July 12-28, 2016 and during his absence he will delegate authority to the Airport Director, Ron Foraker to act on behalf of the Port of Pasco.

Mrs. O'Brien informed Commissioners that the Washington State Auditor has begun the annual audit of the Port of Pasco on Tuesday, July 5, 2016.

Commissioner Klindworth believes that the rental rate for land in the general aviation area may be below market rate. Staff agreed that it would be prudent to perform a rental rate study on land rates and tariffs and return with the results at a future commission meeting.


NEXT MEETING

Regular Commission Meeting – Friday, July 29, 2016 at 10:30 a.m.

ADJOURNMENT

The meeting was adjourned at 2:51 p.m.

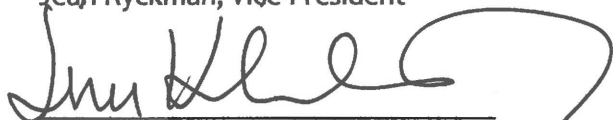
Port of Pasco Commission:



Ronald Reimann, President



Jean Ryckman, Vice-President



Jim Klindworth, Secretary