

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at Osprey Pointe, 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA 99301
September 08, 2016 | 9:00 a.m. / Meeting called to order by Commissioner Ron Reimann

CALL TO ORDER

Present: Commissioner Ron Reimann, Commissioner Jean Ryckman, Commissioner Jim Klindworth, Executive Director Randy Hayden, Director of Airports Ron Foraker, Deputy Director of Airports Buck Taft, Director of Finance & Administration Linda O'Brien, Director of Marketing and Economic Development Gary Ballew, Property Manager Mayra Reyna, and Administrative Assistant Audrey Burney

Guests: David Robison – Strategic Construction 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 August 25, 2016
- b) Vouchers & Warrants 86118 - 86177 in the amount of \$717,536.74

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

ITEMS FOR ACTION/CONSIDERATION

Preliminary Budget Workshop – Mrs. O'Brien, Mr. Foraker and Mr. Ballew provided information and answered questions regarding the preliminary budget for 2017. Mrs. O'Brien provided copies of the preliminary budget to the Commission. There will be copies made available to anyone who would like to view them on the website and at the front desk at the Port of Pasco. Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the preliminary budget as presented. Motion carried unanimously

BHW1 2nd Amendment to Marketing Agreement – Mr. Ballew informed Commission that our agreed amount for BHW1 Marketing is close to being fully expended. Mr. Ballew brought forward and proposed an amendment that would extend the contract through 2017 and add an additional \$50,000 to the agreement. Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the 2nd amendment to the marketing services agreement with BHW1. Motion carried unanimously.

TSA Outbound Baggage Contract Modification – Commissioner Ryckman moved and Commissioner Klindworth seconded to approve and execute Modification #2 to the Other Transaction Agreement with TSA for an increase of \$278,455.10 for a total cost of \$426,550.20. Motion carried unanimously.

ITEMS FOR DISCUSSION

Cyber Security - In response to a Commissioner question at a previous meeting, Mrs. O'Brien reported that the Port currently has a \$10,000,000 for computer fraud and funds transfer fraud through Zurich North America, in addition to the \$2,000,000 provided by Enduris. She asked

Commissioners if they would like the Port of Pasco to have additional insurance coverage. Commissioners agreed that the Port of Pasco has enough coverage.

Terminal Building Expansion Project Update - Mr. Robison informed Commissioners that Port staff and Bouten construction have been working with TSA on requested revisions to their new office space in the expanded terminal. Bouten has a change order request to perform the work for \$155,042 and needs approval from the Port to move ahead by September 9th to stay within the project schedule and budget. Mr. Hayden stated that the Port would like to provide the changes for TSA and strongly encouraged them to provide a signed lease or other commitment to pay for the added work but had received nothing yet to provide to Commission. Without the commitment, staff did not recommend approving the change order. Further discussion ensued about how likely TSA was to eventually sign the lease and whether they had other options for leasing space outside of the terminal. After discussion, Commissioner Ryckman moved to approve the change order with Bouten Construction for the additional TSA office work. The motion failed for a lack of a second. Staff will inform TSA of the Commission's decision to not pursue the added work and explore other options to meet their needs.

RECESS

At 12:32 PM, Commissioner Reimann recessed the meeting for 28 minutes for lunch. At 1:00 PM the meeting was reconvened.

Economic Development Marketing Report - Mr. Ballew highlighted the airport enplanements market share analysis using ARC Software's Market Locator tool. The data search provided market capture for six markets, Tri-Cities, Yakima, Lower Yakima Valley, Grant/Adams, Northeast Oregon and Walla Walla from January 1, 2015 through July 31, 2016.

Marine Terminal Update - Mr. Ballew reported that staff, Crowley Maritime and Golder Associates met with the Department of Ecology to discuss the steps necessary to move the Marine Terminal site into monitored natural attenuation and what environmental covenants will be required on the site.

Airport Director's Report:

1. Mr. Foraker reported that Denise Thatcher that works at Columbia Basin College (CBC) has created an Aviation Curriculum in Minneapolis and Kansas that is taught in a surplus Airbus jet. She is wanting to create a similar program in the Tri-Cities for student from 3rd to 12th grade and believes that locating the airplane at the Tri-Cities Airport near the planned Pacific Northwest Aviation Museum would be an ideal location. Staff will explore other options for siting the aircraft with Ms. Thatcher and invite her to a future Commission meeting for further discussion.
2. Mr. Foraker informed Commissioners that another potential sponsor came out to look at the children's play area at the airport and they seemed interested in possibly making a contribution toward the cost of the area.
3. Mr. Foraker reported that he is working with McKay & Sposito to design a new entrance sign and landscaping to make the entrance of the airport more appealing.
4. Mr. Foraker reported to Commissioners that staff has researched a suggested name "Tri-Cities Regional Airport" for the new name for the Tri-Cities Airport. However, staff has found that another airport that is in Tennessee already has that name and it would be confusing to have an identically named airport.
5. Mr. Foraker reported that September enplanements are up 3% for the month of August and an 8% growth year-to-date.

ITEMS FOR INFORMATION/NO DISCUSSION

Ray Poland & Sons Dockage Agreement – This is a Dock Usage Agreement for temporary use of the container terminal. This agreement was for one-day use to transfer a tugboat from water to a truck using Ray Poland's equipment and personnel. Dock agreement total value is \$100.00.

ITEMS NOT ON THE AGENDA

Linda O'Brien reported that the Audit is done and is the closing interview will be held on September 13th at 1:30 p.m.

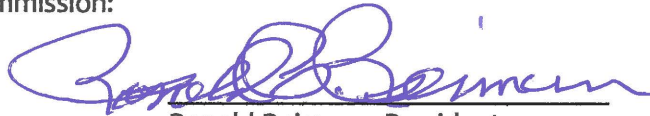
NEXT MEETING

Regular Commission Meeting – Thursday, September 22, 2016 at 10:30 a.m. at the Tri-Cities Airport.

ADJOURNMENT

The meeting was adjourned at 2:30 p.m.

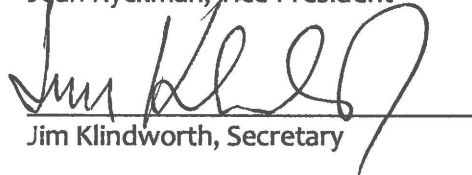
Port of Pasco Commission:

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Ronald Reimann, President

A handwritten signature in black ink, appearing to read "Jean Ryckman", written over a horizontal line.

Jean Ryckman, Vice-President

A handwritten signature in black ink, appearing to read "Jim Klindworth", written over a horizontal line.

Jim Klindworth, Secretary

