

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at Tri-Cities Airport, 3601 N. 20th Avenue, Pasco, WA 99301
October 6, 2016 | 9:00 a.m. |

CALL TO ORDER

Meeting was called to order by Commissioner Ron Reimann at 9 a.m.

Present: Commissioner Ron Reimann, Commissioner Jean Ryckman, Commissioner Jim Klindworth, Port Counsel Dan Hultgrenn, 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, Dave Gyll – Conover Insurance, Jim Osterloh – Panda Holdings

APPROVAL OF AGENDA

Executive Director Randy Hayden informed Commissioners that two items have been added to the agenda. Items 8.H Tri-Cities Airport Parking Rates and 8.I. Pasco Jaycees License Agreement. Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the agenda as corrected. Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of September 22, 2016
- b) Vouchers & Warrants 96279 - 86349 in the amount of \$1,577,118.74
- c) W2B1 and Road 18 Asphalt – accepted as complete

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

PUBLIC HEARINGS & RESOLUTIONS

Resolution 1438, Change the date of the 2nd meeting in October – Commissioner Klindworth moved and Commissioner Ryckman seconded to adopt the resolution to change the date of the second meeting to October 20, 2016. The meeting will begin at 10:30 a.m. at the Port of Pasco Administrative Office, 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA, 99301. Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

Suite 103 Recommendation to reject all bids / Term Lease Suite 103 / Temporary Lease Suite 103 –

Mr. Ballew is requesting to reject all bids for Suite 103 and to have staff re-bid at a later date when it can be incorporated into a larger project and the bidding environment is more acceptable. Bid results for this space had a square foot cost of \$121.38. Previous tenant improvement spaces were \$90.98/sf (Pasco Chamber) and \$81.33/sf (Scoular Company).

Mrs. Reyna informed Commissioners that Schroeder Measurement Technologies (SMT) is interested in leasing the suite 103 space in the Osprey Pointe Building when it becomes available. SMT does cosmetology license testing for the State of Washington and requires a minimum amount of space one day a week. They have signed 9-year agreement with the State of Washington to continue doing this testing, preferring this location as it is central and easily accessible from both Yakima and Spokane, eliminating the need for current students to drive all the way to Olympia to get licensed.

SMT has signed a lease for Suite 103, It is a 5-year lease with two options to renew for two years each. The lease rate is at \$14.00 plus CAM costs that are equal to the other two spaces downstairs.

They signed the lease under the assumption that the space could be completed by December 1st. The contract with the state requires they begin testing in November, so as an alternative they will also be signing a month to month lease on alternative office space upstairs.

Commissioner Klindworth moved and Commissioner Ryckman seconded to reject all bids for suite 103, to authorize the Executive Director to sign the term lease with Schroeder Measurement Technologies for Osprey Pointe –Suite 103 (downstairs) when all documents and payments are received, and to authorize the Executive Director to sign the month to month lease with Schroeder Measurement Technologies for the Osprey Pointe –Suite 103 (temporarily located upstairs) when all documents and payments are received. Motion carried unanimously.

Zen-Noh Hay Toploader Agreement – Mrs. Reyna informed Commissioners that Zen-Noh Hay requested to be able to use the Port's Hyster Toploader 2 to 4 hours per month and in return, shall provide general maintenance services to the Toploader. Commissioner Klindworth moved and Commissioner Ryckman moved to authorize Executive Director to sign the Hyster Toploader Agreement with Zen-Noh Hay when required documentation has been provided. Motion carried unanimously.

Franklin County Planning Department Building 58 – Mrs. Reyna notified Commission that the Franklin County – Planning Department would like to relocate to the recently-vacated building #57 located at 502 Boeing Street in the Tri-Cities Airport Industrial Park. Franklin County has asked the Port Commissioners: To waive the required deposit as allowed by RCW 53.08.140, if the Port would be able to split the costs of modifying the entryway to make the building suitable to the planning department, and the cost to the port would not exceed \$6,200. In addition, there are two existing subleases in this building, the Franklin County Noxious Weed Board and the Franklin County Pest Board. Staff has prepared a letter authorizing both of these subleases. Commissioner Klindworth moved and Commissioner Ryckman moved to waive the deposit requirement for the Franklin County Planning Department Lease, authorize staff to pay for half of the improvements to Building 57 (not to exceed \$6200), approve the subleases with Franklin County Noxious Weed Board and the Franklin County Pest Board, and authorize the Executive Director to take such actions as necessary to execute the lease. Motion carried unanimously.

PUBLIC HEARINGS & RESOLUTIONS

Public Hearing, Adopt Excess Levy, Tax Levy 2016 and Final Budget for 2017, Resolution 1439, 1440, & 1441 – At 9:15 a.m. Commissioner Reimann recessed the regular meeting and opened the public hearing on the Excess Levy, Tax Levy and Budget for 2017.

Notice of this hearing was published in the Tri-City Herald on September 22 and September 29, 2016. The Commission discussed the Excess Levy 2017 tax levy, and the budget for 2017 has not changed from the preliminary budget that was discussed at the September 22, 2016 Commission meeting.

Commissioner Reimann asked members of the public to comment or present written comments on the proposed Excess Levy, tax levy and budget. There was no one who wished to provide any public comments.

Commissioner Reimann declared the public hearing closed and reconvened the regular meeting at 9:16 a.m.

Commissioner Klindworth moved and Commissioner Ryckman seconded to adopt Resolution 1439 authorizing an increase in limit factor to 1% for maximum Levy Capacity for substantial need in the Port's 2017 budget, Resolution 1440 authorizing a property tax levy increase in the amount of \$1,937,093.98, and which is a percentage increase of 1% from the previous year and in addition any new construction. Motion carried unanimously.

Commissioner Ryckman moved and Commissioner Reimann seconded to approve Resolution 1441, adopting the 2017 Port of Pasco Budget. Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

Terminal Building Expansion Project: Project Update – Mr. Robison provided pictures of the Airport Terminal project. He also requested approval for Change Order # 16 for \$88,241.84 and RCAR #15 for \$23,140.48, including sales tax. Executive Director Hayden reported that the amount previously approved for Change Order #17 for the TSA Office revisions, \$155,042, was incorrect and should have been \$167,599.12 including sales tax. The contract with TSA provides reimbursement to the Port for the \$167,599.12 figure. Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize Change Order #16 and RCAR #15 as provided, and to authorize the corrected amount of \$167,599.12 for Change Order #17 and to add \$167,599.12 to the Owner Contingency account. Motion carried unanimously.

Medical Insurance – Dave Guyll from Conover Insurance informed Commissioners that he met with Port of Pasco staff to get their experiences and feedback regarding medical and dental insurance. He also provided information regarding three different medical and dental carriers for Commissioner consideration. Commissioner Ryckman moved and Commissioner Klindworth seconded to award the medical and dental insurance to Premiera Farm Bureau and Delta Dental for the 2017 fiscal year and to continue with the same providers for vision, short term disability, long term disability and life insurance. Motion carried unanimously.

Wilkerson Welding and Fabrication – Mrs. Reyna summarized Wilkerson Welding and Fabrication is a local small manufacturing business that started in 2004 and has outgrown their current space. They are a specialty fabrication shop that primarily serves the processing plant/ facilities industries. They currently employ 6 full-time employees, but do not have the capacity to expand at their current facility. Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to sign a lease with Wilkerson Welding at the reduced rate of \$.32 per square foot for building 85 at the Airport Industrial Park, located at 3508 Swallow Ave, Pasco, WA. Motion carried unanimously.

Parking Rates – Mr. Taft reported that on May 29, 2014 Commission approved a motion to increase the long term and short term parking rates \$1.00 a day effective January 1, 2017. By increasing the daily rates to \$10.00 a day in long term and \$13.00 a day in short term we need to increase the hourly parking rates proportionately. Republic Parking is in favor of increasing the hourly parking rate from 1.50 to \$2.00 an hour. Commissioner Klindworth moved and Commissioner Reimann seconded to approve the increase in the hourly parking rate from \$1.50 an hour to \$2.00 an hour. Motion passed 2 to 1 with, Commission Ryckman voting against.

Pasco Jaycees – Mrs. Reyna informed Commissioners that the Pasco Jaycee's have put on the Haunted forest in Sacajawea Park during Halloween time yearly and still have utilized property at Big Pasco for parking. This year Mrs. Reyna drew up a license agreement, that outlines a set of rules they would need to comply with. For example, the Port is asking them to have portable restrooms, security, fencing, parking needs to be supervised at all times, etc. The license is for 1.5 acres to be used only on those evenings when the event is open. License Agreements are not under the delegation of Authority and staff is asking for the Executive Director to sign the license agreement. Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to sign the license agreement for the Pasco Jaycee's. Motion carried unanimously.

RECESS

At 10:30 am, Commissioner Reimann recessed the meeting for 10 minutes.

ITEMS FOR DISCUSSION

August 2016 Financial Statement – Mrs. O'Brien discussed the August 2016 Financial Statement.

Panda Holdings – Jim Osterloh attended the meeting requesting a new lease for one more year for his Big Pasco Property. He informed Commissioners and staff that he is signing a contract with a company out of Chicago that will be trying to sell the plant in its entirety for the first 6 months. If this is not successful, the company will have the last six months of the contract to dismantle and remove/sell the plant off in sections. Staff will bring the lease back for Commission consideration at a later meeting.

Economic Development Marketing Report – Mr. Ballew highlighted the improvements to the Wagenaar Facility Fire Alarms, and the new Port of Pasco and Tri-Cities Airport Logo pointing out that the coloring of the new logo is the same as the Tri-Cities Airport. Commission asked if the airport logo could be modified to include an indication of Pasco.

Director's Report - Mr. Foraker reported that September enplanements are up 10% or 27,035 passengers over last September 2015 and an 8.02% growth year-to-date.

ITEMS NOT ON THE AGENDA

Mrs. Reyna passed around pictures of Volm Industries new building. They have broken ground and are in the initial phase of construction at the Foster Wells Business Center.

Mrs. Reyna provided pictures of the railroad cars that the Washington Railroad Historical Society has on Port railroad track.

RECESS

At 12:00 am, Commissioner Reimann recessed the meeting for twenty minutes for lunch. At 12:20 pm the meeting was reconvened.

EXECUTIVE SESSION

At 12:20 p.m., Commissioner Reimann announced that the board would go into executive session for 35 minutes to consider the minimum price at which real estate will be offered for sale or lease. At 12:25 p.m., the regular meeting was reconvened.

NEXT MEETING

Regular Commission Meeting – Thursday, October 20, 2016 at 10:30 a.m. at the Port of Pasco.

ADJOURNMENT

The meeting was adjourned at 12:55 p.m.

Port of Pasco Commission:



Ronald Reimann, President



Jean Ryckman, Vice-President



Jim Klindworth, Secretary