

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held at 1110 Osprey Pointe Blvd. Suite 201, Pasco, WA 99301  
November 10, 2016 | 10:30 a.m.

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**CALL TO ORDER**

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Meeting was called to order by Commissioner Ron Reimann at 10:30 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: Rich Cummins – Columbia Basin College, Craig Maloney – Pasco Public Facilities District, Stephanie Siemens – Benton Franklin Council of Governments, Bryan Cole and Paul Harmes – MacKay & Sposito, Jeff Switzer – Tailwinds, David Robison – Strategic Construction Management, and Scott Musser – Musser Brothers Auctions

**APPROVAL OF AGENDA**

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Commissioner Klindworth added item 8.F. Panda Holdings. Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the agenda as corrected. Motion carried unanimously.

**ITEMS FOR ACTION/CONSIDERATION**

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**Consulting Agreement: Barney & Worth** – Mr. Ballew introduced Rich Cummins with Columbia Basin College and Craig Maloney with Pasco Public Facilities District and Stephanie Siemens, members of the Pasco Economic Vision Steering Committee. They discussed that Staff, our partners, and the steering committee selected the Barney and Worth team and they will facilitate the community in developing an economic development vision for the Greater Pasco Area. Barney and Worth were selected because they brought a level of excitement to the project and engagement process that was unmatched by the other teams.

The \$100,000 cost will be paid through the \$50,000 grant from US EDA, \$25,000 from Franklin County (0.09 funds), \$5,000 grant from the Port of Pasco, \$5,000 from City of Pasco and \$5,000 from Columbia Basin College. The remaining \$10,000 will be raised from the private sector through the Pasco Chamber and Hispanic Chamber.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Commission President to execute the consulting agreement with Barney and Worth for the Greater Pasco Area Economic Strategic Vision. Motion carried unanimously.

**OP Suite 106** – Mrs. Reyna informed Commission that MacKay & Sposito has signed a lease for Suite 106. It is a 5-year lease with two options to renew for five years each. The lease rate is at published rate of \$14.00 plus CAM costs that are equal to the other two spaces downstairs (\$3.12psf). Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to execute a 5-year lease with MacKay & Sposito for 2,477 sf, located on the 1<sup>st</sup> floor, west end of the Osprey Pointe building, when all required documentation is received. Motion carried unanimously.

## **PUBLIC CITIZEN COMMENT**

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**Tailwinds** – Jeff Switzer the manager of Tailwinds restaurant at the Airport came in to visit with the Commissioners because he was in town. He mentioned that he is happy to have Tailwinds in the Tri-Cities Airport, their numbers are doing excellent and he can't wait to see where they go when the Terminal Project is done. They are not even running on half of their space. Commissioners and Staff are happy to have them at the Airport as well and Tailwinds staff are great and the food has been consistently good.

## **ITEMS FOR ACTION/CONSIDERATION**

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**Terminal Building Expansion Project: Update & Change Order Approval** – David Robison provided pictures of the Terminal Expansion project and the project is currently on schedule and within budget. He brought forward approval of Change Order #18 for \$114,302.59 and RCAR #16 for \$21,307.32.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approved change order #18 for \$114,302.59 and RCAR #16 in the amount of \$21,307.32. Motion carried unanimously.

## **ITEMS FOR DISCUSSION**

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**Scott Musser** - Scott Musser requested time before the Commissioners to discuss the Airport Business Center and his earlier auto auction proposal. He understands the visual concern that could deter further development but he is open to suggestions. He feels that the Airport Business Center is large enough to allow for a mix of commercial, retail, and light industrial. Commissioners were agreeable to further developing plans for a piece of land at the far west end of the Business Center that may work for his auto auction business.

## **RECESS**

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At 12:15 pm, Commissioner Reimann recessed the meeting for fifteen minutes for lunch. At 12:30 pm the meeting was reconvened.

## **EXECUTIVE SESSION**

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At 12:30 p.m., Commissioner Reimann announced that the board would go into executive session for 1 hour to consider the minimum price at which real estate will be offered for sale or lease, to discuss with legal counsel representing the agency matters relating to Potential Legal Action, and to plan or adopt the strategy or position to be taken by the governing body during the course of any collective bargaining. At 12:30 p.m., Port Counsel came out to announce the meeting has been extended for five minutes. At 12:35 p.m., Port Counsel came out to announce the meeting has been extended for 10 minutes. At 12:45 p.m., Port counsel came out to announce the meeting has been extended for 10 minutes. At 12:55 p.m. the regular meeting was reconvened.

## **CONSENT AGENDA**

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- a) Regular Meeting Minutes of October 20, 2016

b) Vouchers & Warrants 86454 - 86529 in the amount of \$732,681.28

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

#### **ITEMS FOR ACTION/CONSIDERATION**

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**Pre-Approval to award bids for OP Suite 103 & 106** – Mr. Ballew reported that staff published a request for Bids for OP 103 and OP 106 and the Coffee Bar on November 4, 2016. These are the down stair spaces in the Port Office building. Bids are due on November 15, 2016. In interest of moving these tenant improvements forward in an expeditious manner, staff is seeking authorization for the Executive Director to award the bid and enter into a contract with the successful bidder once all necessary documentation is provided.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to award the bid for Suite 103, Suite 106 tenant improvements, including the coffee bar, in an amount not to exceed \$404,620. Also, authorize the Executive Director to enter into an agreement with lowest responsible bidder once the Port receives the bond and insurance certificate. Motion carried unanimously.

#### **ITEMS FOR DISCUSSION**

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**Economic Development Report** – Mr. Ballew discussed his report.

#### **ITEMS FOR ACTION/CONSIDERATION**

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**Old Tower Roofing** – Mr. Foraker reported that the past year, our maintenance crew has spent a significant amount of time and materials trying to take care of the numerous roof leaks over the area where the volunteers are working on the Naval Air Base Traffic Control Tower Museum. The leaks are small, but are bad enough to damage items inside the building. Malin has asked if the Port would partner on putting on a new roof. Commissioners agreed for staff to discuss and research for ways to partner with putting on a roof.

**Panda Holding, LLC** – Mrs. Reyna reported that staff recommends modifications to lease language regarding how the premises leased by Panda Holding LLC will be returned to the Port. The original language had the requirement that the site be returned in the “same condition” as prior to the lease with Green Power, Inc. The revised language provides greater definition and allows some improvements that potentially benefit the Port to remain.

Commissioner Klindworth moved and Commissioner Ryckman moved to authorize Executive Director to sign the lease with Panda Holding LLC for a term of one pre-paid year including the requested changes to the lease. Motion carried unanimously.

#### **ITEMS FOR DISCUSSION**

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**September 2016 Financial Statement** – Mrs. O'Brien discussed the September 2016 Financial Statement.

**Maintenance** – Mrs. Reyna summarized that the warehouses at Big Pasco Industrial Center are undergoing a facelift. This project was started in the spring, and will be continuous throughout the

next few years until all sides are re-sided. The sides facing Ainsworth Avenue will be re-sided first. The cost for the material was approximately \$22,684.30.

**WPPA Committee Meetings** – Mr. Hayden informed Commission and staff that the WPPA meetings are held on November 16<sup>th</sup> from 9 a.m. to noon in association with the annual meeting. He asked to coordinate with Commission and staff to make sure we cover as many of the committee meetings as possible. Linda O’Brien agreed to attend the legal Committee meeting, Mayra Reyna will be attending Economic Development, Jim Klindworth agreed to attend the Aviation meeting, Randy Hayden agreed to attend the Public Relation meeting and Jean Ryckman will be attending Environmental Policy.

#### **Airport Director’s Report:**

1. Mr. Foraker presented two logos for Commissioners to decide on which one they like the best. One had Pasco, WA on it and the other had PSC. Commissioners agreed that they like the one with PSC.
2. Mr. Foraker reported that Loren Watts has started construction on his Hangar.
3. Delta Airlines flight inbound from Minneapolis called an Emergency landing on October 22, 2016, from loss of cabin pressure. The flight crew lowered altitude and landed without incident.
4. Staff met with Kevin Latschaw, Engineer, Jennifer Kandle, Planner, and Kayla Morgan, Environmental Review Officer, from the FAA to discuss the five-year capital plan for upcoming AIP Projects.
5. Carl Adrian, Jack Penning and Ron Foraker will be meeting with Alaska Airlines on January 11<sup>th</sup> to discuss new service under the SCASD program.
6. Tara has been working with Dan Hultgrenn regarding an agreement with UBER that staff would like to present at the December 8<sup>th</sup> meeting.
7. October statistics saw a 7% increase from last October. Maintained 8% growth year to date.

**Corps of Engineers Columbia River System EIS Scoping Process** – Mr. Hayden reported that there will be a meeting on November 21, 2016 from 4 p.m. to 7 p.m. at the Pasco Holiday Inn Express. A local coalition has formed with TRIDEC, Tri-Cities Chamber, Pasco Chamber, Benton PUD, Franklin PUD, Columbia Snake River Irrigators, and the Port of Pasco to raise visibility about the meeting and the value of the river system. We’ll be engaging in a number of public outreach formats and would like Commission participation if available.

#### **ITEMS FOR INFORMATION/ NO DISCUSSION**

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**Property Activity Report** – Mrs. Reyna reported that BNSF has been using Tracks #415 & #405 to store rail cars. Staff has billed them a total of \$26,250 for track usage from 10/20 through 10/31 per the conditions of their rail use agreement.

#### **Executed Items:**

1. **Osterloh & Oleynik Land Lease** – Lease renewal of fenced yard east of SE Road 24 between E Dock and E. Cargo streets, to be used for temporary storage of vehicles, and later for hauling containerized products. They have elected to pre-pay the rent in advance. Published lease rate \$4110.17 for 12 months in advance. Term lease is for 12 months and ends October 31, 2017. Executive Director has signed the lease in accordance with Commission policy delegating authority as there were no lease deviations.

2. **Wilkerson Welding** – This is a new tenant that needed space to expand. They are a specialty fabrication shop that primarily serves the processing plant/facilities industries. This is a 2-year lease and Port Commission approved the lower rate at a previous commission meeting. Published lease rate is \$5250/month and proposed lease rate is \$4,800.00/month. Lease value is \$115,200 per year. Executive Director has signed the lease in accordance with Commission policy delegating authority as there were no lease deviations.
3. **Crown Moving Co., Inc** – Current tenant of Warehouse 1 Bay 1 needs additional storage for approximately 3 months. This additional storage is adjacent to the space they have been leasing since 2014. In complying with our current policy, the lease rate includes a 25% surcharge because they are leasing than ½ of the bay. Lease value is \$5,814.00 for the anticipated 3-month duration of this lease. Executive Director has signed the lease in accordance with Commission policy delegation authority as there were no lease deviations.

## **ADJOURNMENT**

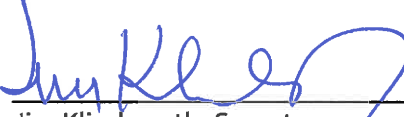
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The meeting was adjourned at 3:44 p.m.

Port of Pasco Commission:

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Ronald Reimann, President

  
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Jean Ryckman, Vice-President

  
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Jim Klindworth, Secretary

