

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Pasco, WA 99301
April 10, 2017 | 10:30 a.m.

CALL TO ORDER

Commissioner Reimann called the meeting to order 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
Economic Development and Marketing Gary Ballew, Director of Properties Mayra Reyna, and
Administrative Assistant Audrey Burney

Guests: Bryan Cole – McKay & Sposito

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 March 23, 2017
- b) Special Workshop Minutes of March 29, 2017
- c) Vouchers & Warrants 87379 - 87432 in the amount of \$984,752.15
- d) OP 103 & 105, & Coffee Bar – Accept as Complete
- e) LYFT Agreement March 22, 2017
- f) BPIC Mobile Vendor Electrical – Accept as Complete

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

ITEMS FOR DISCUSSION

Authorization to Award Bid Airport/Business Center Landscaping – Mr. Ballew reported that the Commission approved Capital Improvement Plan has two projects regarding landscape and new signs at the Tri-Cities Airport Business Center. The entryway sign at the airport and the business center signs were already awarded. The landscaping bids will be coming in on April 13, 2017. The landscaping project is for a portion of the Terminal Loop Road and landscaping around the business center signs at the Airport Business Center. It would be beneficial to the Port to coordinate the landscaping project with the construction of the entryway sign and the business center signs.

Staff requested that Commission authorized Mr. Hayden, Executive Director to award the landscaping projects, and that the authority be in an amount up to 10% above the Engineers estimate. Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to award bids for landscaping at the Tri-Cities Airport and Tri-Cities Airport Business Center in an amount not to exceed \$299,750. Motion carried unanimously.

Apollo Sheet Metal Inc. – Approve Lease – Mrs. Reyna has been in negotiation with Apollo Sheet Metal. They have been looking for a location to expand their current specialty fabrication shop. Building 102 located at 3404 Swallow Ave in the Tri-Cities Airport Industrial Park provides them with enough space to be able to expand their warehouse needs comfortably. They were looking for a

space that would also serve as a central office for this endeavor. Apollo feels the office space is dated and will be making a sizeable investment in bringing the office to their standards.

Mrs. Reyna informed Commissioners that this is a hybrid lease, it is a term for the first three months, then becomes a month to month lease. It requires a security deposit of 2 months since the majority of the lease will be month to month. Apollo requested a waiver of the first three months of rent while they complete modifications such as re-flooring of office space, replacement of facility lighting & miscellaneous electrical updates, patching and painting of walls, ceilings and trim work, installation of fiber optic internet service and security to buildings & installation of signage. They are estimating that they will be investing about \$40,000. During the time of the improvements, they will still be required to pay the full leasehold tax due. They also requested a release of liability from contamination that may have existed on the underground storage tank & pipe prior to the term of the lease. Our attorney provided acceptable language that was inserted into the lease to this effect.

Commissioner Klindworth moved and Commissioner Ryckman seconded to ratify the Executive Director's execution of Apollo Sheet Metal Inc.'s lease for Building 102 located at 3404 Swallow Ave in the Tri-Cities Airport Industrial Park. This lease includes three months of rent waived and holds lessee harmless from contamination that may have existed on the premises prior to the term of the lease. Motion passed unanimously.

House of Representative "Representative Jenkins 16th District" lease approval – Mrs. Reyna brought forward a proposed lease for an office that would house the 16th legislative District's Pasco Office. The primary tenant would be the Legislative Aide for Representative William "Bill" Jenkin, but will potentially be used by Senator Walsh and Representative Nealey. The space is located in the Port's office at Osprey Pointe, Suite 238. Lease rate is at published rate of \$14.00 plus CAM costs that are equal to the other three spaces downstairs (\$3.12psf).

Washington State House of Representatives' Counsel has requested two changes to the standard lease:

- Requested Port Commissioners waive the required deposit, as allowed by RCW 53.08.140 for a public agency. The Port made a similar accommodation to the City of Pasco for OP1011 (Wagenaar).
- The lease to include the following language: "This agreement shall automatically terminate should the legislative position become vacant due to death, resignation, or removal from office. Rent pre-paid on an annual (or other) basis shall be returned in an amount prorated through the remainder of the month in which the vacancy occurs."

Commissioner Ryckman moved and Commissioner Klindworth seconded to lease Suite 238 to Washington State Representative William "Bill" Jenkin, Washington State House of Representatives, to waive the deposit requirement, and to insert the additional language required by Washington State House of Representative Counsel, and further to authorize the Executive Director to take such actions as necessary to execute the lease. Motion carried unanimously.

Old Airfield Generator Set, Request to Surplus – Mr. Foraker reported to Commissioners that Daniel Bergstrom asked if he could purchase the "old airfield generator" as he would like to see if he could get it running. Mr. Foraker believes that the generator was last used for back-up power on airfield lighting prior to the new terminal being built in 1966.

Mr. Bergstrom would like to display the generator in the "Old Tower" Airport museum. Staff has not placed value on the unit, but wanted to discuss the topic with Commissioners. The executive director stated that the item is no longer needed for Port District purposes, has a value less than \$10,000, and will be surplus per resolution no 1446.

ITEMS FOR DISCUSSION

Economic Development Report – Mr. Ballew highlighted a few topics:

- Staff created the Port of Pasco Facebook page. The first post was a video of a couple of Osprey building a nest. The second post was to promote the Pasco Vision – Somos Pasco Survey.
- There is a lot of press coverage on the Public Market. This coverage occurred after presenting the concept to Pasco City Council.
- We have received over 1000 responses to the Somos/Pasco Vision survey. We are planning to get more responses at events like Cinco De Mayo. There are several repeating themes in the survey responses, focus group meetings and one-on-one interviews.
- CERB grant for Battelle Hangar – CERB notified staff that there was a record number of submittals, which normally are first come, first served. May 18th is the next CERB meeting date. It looks like the Port grant portion will be reduced to \$100,000 instead of the \$300,000 that we requested in the application. Staff is determining the best course of action, proceeding with the May 18 CERB meeting or delaying until the July 20 meeting.

Airport Director's Report:

Mr. Foraker reported on:

1. ASOS – FAA tied to VOR Power. It's being fed by a commercial power source. Having a hard time finding the fault. Staff has gotten a few phone calls from people that were on the planes that got diverted back to where they flew out from. They are wanting to be paid back for their flights, hotel, and food. Staff directed them to their airlines and the FAA.
2. Staff and Malin Bergstrom are still in discussion about the roof for the Old Tower Museum. Malin has gotten a quote from Gillespie roofing in Walla Walla. The quote did not include prevailing wage. She will get a quote that includes prevailing wage.
3. Staff has extended an employment offer to our new Deputy Director Don Faley. He accepted and will start May 22. He has 23 years of experience and is currently working at the Dayton Ohio airport with about one million enplanements.
4. A group has made a "Freedom of Speech Request" for space in the Airport terminal beginning April 13th and continuing for a two week period. They will be out in the lobby area a couple times per day. Per Port policy they cannot verbally interact with people passing by unless initiated by the passerby.
5. March Activity is up six percent over last year. Year to date is up one percent. Mr. Taft predicts that the airport will be at a five percent growth at the end of the year.

ITEMS FOR INFORMATION/NO DISCUSSION

CATS Report – Mrs. O'Brien discussed the Certification Activity Tracking System Report that is filed with the FAA to prove that all monies collected by the Airport stays at the Airport. Based on the report for 2016 the cost per enplaned passenger is \$6.00, which is still well under the national average for airports our size.

RECESS

At 12:00 p.m., Commissioner Reimann recessed the meeting for fifteen minutes. At 12:15 p.m. the meeting was reconvened.

EXECUTIVE SESSION

At 12:15 p.m., Commissioner Reimann announced that the board would go into executive session for One 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, and to review the performance of a public employee. At 1:15 p.m. the meeting reconvened.

ITEMS NOT ON THE AGENDA

1. Mr. Hayden reported that Mr. Zabell with the City of Pasco announced that they were listed for \$2M for the Lewis overpass in both the House and Senate state capital budgets.
2. Mr. Ballew mentioned that MacKay & Sposito will have their open house on May 4th from 5:00 to 6:00 p.m.
3. Linda reported that the FEMA Audit will be held on April 11, 2017.
4. Commissioner Klindworth asked about the status of the UGA expansion request near the airport. Mr. Hayden replied that the request has been sent by the City of Pasco to Franklin County where it is currently being reviewed. It will likely come before the County Planning Commission in May.

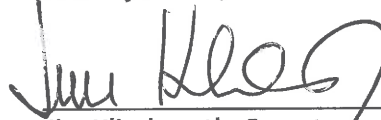
ADJOURNMENT

The meeting adjourned at 1:31 p.m.,

Port of Pasco Commission:


Ronald Reimann, President

Jean Ryckman, Vice-President



Jim Klindworth, Secretary