

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held at 1110 Osprey Pointe Blvd., Pasco, WA 99301  
May 25, 2017 | 10:30 a.m.

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**CALL TO ORDER**

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Commissioner Reimann called the meeting to order at 10:30 a.m.

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

Guests: Don Faley – Deputy Director of Airports, Kevin Latschaw – FAA; Scott Musser – Musser Auto Auction

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of May 11, 2017
- b) Vouchers and Warrants #87613 – 87739 in the amount of \$1,039,831.82

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

**PUBLIC HEARINGS & RESOLUTIONS**

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**Resolution 1454, Appointing Donna Watts as new Port Auditor effective June 1** – Commissioner Ryckman moved and Commissioner Klindworth seconded to approve Resolution 1454 appointing a Port Auditor. Motion carried unanimously.

**Resolution 1455, Authorizing officers to sign warrants prior to Commission Approval** – Commissioner Klindworth moved and Commissioner Ryckman seconded to approve Resolution 1455 authorizing officers to sign warrants prior to Commission approval. Motion carried unanimously.

**Resolution 1456, Commending Ron Foraker and Linda M. O'Brien for their service** – Commissioner Klindworth moved and Commissioner Ryckman seconded to commend Ron Foraker and Linda M O'Brien for their dedicated service to the Port of Pasco. Motion carried unanimously.

**ITEMS FOR ACTION/CONSIDERATION**

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**Aromatics Lease W6B4** – Mrs. Reyna outlined the Aromatics Lease to Commissioners. Staff has been in negotiations with them for leasing Warehouse 6 Bay 4 with the unique concept that allows them to expand their space at predetermined dates. The attorney for Aromatics reviewed the Port's standard lease and requested number of changes; staff met with Port Counsel and together worked out a mutually acceptable lease. All modifications/changes from the standard lease as presented to the Commission were reviewed and approved by Mr. Hultgrenn.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the lease with Aromatics and to authorize the Executive Director to execute a lease with Aromatics, Inc. for a term

of three years and seven months for Warehouse 6 Bay 4 located at 3499 E Ainsworth and to make minor changes, with approval by the Port attorney, as may be needed to finalize the agreement. Motion carried unanimously.

**City of Pasco Police Department K-9 Unit Training** – Mrs. Reyna presented Commissioners a 3-Day license agreement with the City of Pasco – Police Department granting use of certain premises for K-9 dog training. The premises to be used will be: 904 E Ainsworth, a portion of Warehouse 3 Bay 3, a portion of Warehouse 4 Bay 4, as well as land located on the east end of Big Pasco. Commissioner Ryckman moved and Commissioner Klindworth seconded to approve a license agreement with the City of Pasco Police Department for various buildings to be used for K9 training. Motion carried unanimously.

#### **ITEMS FOR DISCUSSION**

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**TCA Business Center Auto Auction** – Mr. Ballew updated Commissioners on the negotiation process between the Musser Bros and the Port of Pasco. The parties are still in negotiation at the Tri-Cities Airport Business Center for the development of an auto auction. The parties have agreed on the use of the property, the lease rates, and timeline of development. What is holding up the lease is the term of the lease. Mr. Ballew introduced Mr. Musser to Commissioners. Mr. Musser spoke to Commissioners and believes the rate of development at the business center and in the Tri-Cities does not warrant a shorter lease period and that it is unlikely that the Port will have a better use of the land in twenty years. Mr. Musser prefers a 30-year term for the lease he would be willing to entertain a 20-year term lease with a 10-year term lease option. Commissioners directed staff to work with Mr. Musser on a 30-year lease.

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

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**City of Pasco Road 36 Soccer Field & Big Cross Lease** – Mr. Foraker informed Commissioners that the current lease with the City of Pasco for the soccer fields off of Road 36 expires in May 2017. The City has signed a new lease for that area and has incorporated the running track. A disc golf installation will take place on the running track to add additional recreational activities to the area. The new lease includes about 62.5 acres and is effective June 1, 2017. Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the lease with the City of Pasco. Motion carried unanimously.

#### **RECESS**

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

#### **EXECUTIVE SESSION**

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At 12:15 p.m., Commissioner Reimann announced that the board would go into executive session for one hour to consider 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. At 1:15 p.m. the meeting reconvened.

## **ITEMS FOR DISCUSSION**

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**April 2017 Financial Statements** – Mrs. O'Brien discussed the April 2017 Financial Statement.

**Tenant Delinquent List** – Mrs. O'Brien discussed the tenant delinquent list.

### **Airport Director's Report:**

Mr. Foraker reported on:

1. FAA Certification Inspector Mark Gable is at the Tri-Cities Airport for the date of May 24 – 26 for the annual FAA inspection.
2. Loren Watts has modified building plans for his new hangar to comply with new fire codes and will likely start to build June 2017.
3. Staff had a conference call with Lyn Leibowitz and Monica Weddle to apply for a new Passenger Facility Charge project that will collect 10% of all previous AIP projects that the Port has not collected on. In addition, Tri-Cities Airport should be able to collect close to \$3 Million dollars for design work on the terminal building project that was not eligible under AIP.
4. Car Rental Car Wash Facility – the airport is advertising Request for Proposals on a Customer Facility Charge funded Car Rental Wash Facility.
5. GESA Credit union has agreed to contribute to Kids Play area and participate in artwork.
6. Outbound baggage Installation Project. 100% of the design work is now finished on the Outbound Baggage System that was done by Mead & Hunt. Project should begin this fall with funding attached to the 2017 budget. The new system will expedite screening to the baggage area going from 225 bags per hour to over 500 bags per hour. Bid opening will be June 9, 2017.

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

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**EXECUTED LEASE** – Proud Transportation LLC is a local trucking company that transports fresh and frozen products along the west coast in refrigerated trucks. This is a month-to-month lease for approximately 1.4 acres of fenced yard that includes an 1,800 sf carport. The premises are being used as a truck/trailer parking. Lease value is \$815.95 per month.

## **ITEMS NOT ON THE AGENDA**

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1. Mr. Hayden mentioned Doc Hastings efforts to pass federal legislation that would deem the 2014 Biological Opinion as sufficient for ESA protection of salmon in the Columbia-Snake River System.
2. Crane Auction – The Port did not get great bids. The container crane got an offer for \$125,000, staff was looking substantially more. The crane will be placed in another auction for worldwide crane markets.
3. Mr. Ballew returned from a trade show that is in his agreement with the City of Pasco. The conference was the international Council of Shopping Center's Recon in Las Vegas. He has also taken on the role as the Treasurer for the Tri-Cities Hispanic Chamber of Commerce.

## **RECESS**

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At 2:15 p.m., Commissioner Reimann recessed the meeting for five minutes. At 2:20 p.m. the meeting was reconvened.

## **EXECUTIVE SESSION**

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At 2:20 p.m., Commissioner Reimann announced that the board would go into executive session for five minutes 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. At 2:25, Mr. Hultgrenn announced on behalf of the Port of Pasco Commissioners that executive session would be extended another 5 minutes. At 2:30 p.m., Mr. Hultgrenn announced on behalf of the Port of Pasco Commissioners that executive session would be extended another 5 minutes. At 2:35 p.m., Mr. Hultgrenn announced on behalf of the Port of Pasco Commissioners that executive session would be extended another 5 minutes. At 2:40 p.m., Mr. Hultgrenn announced on behalf of the Port of Pasco Commissioners that executive session would be extended another 5 minutes. At 2:45 p.m. the meeting reconvened.


#### **ADJOURNMENT**

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The meeting adjourned at 2:46 p.m.,

Port of Pasco Commission:

  
Ronald Reimann, President

  
Jean Ryckman, Vice-President

  
Jim Klindworth, Secretary