

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Pasco, WA 99301
July 28, 2017 | 9:00 a.m.

CALL TO ORDER

Commissioner Reimann called the meeting to order at 9:00 a.m.

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

Guests: Tom Kidwell – Burke Realty, David Robison – Strategic Construction Management, Nick Gonzales – Bouten Construction & Roger Wright

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of July 12, 2017.
- b) Vouchers and Warrants #88204 - 88335 in the amount of \$754,558.87.
- c) Taxiway A Pavement Maintenance – Accept as complete.

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

PUBLIC HEARINGS & RESOLUTIONS

Resolution 1460, Support for H.R. 3144 – Commissioner Ryckman moved and Commissioner Klindworth seconded to approve Resolution 1460 expressing support for H.R. 3144, Federal legislation addressing the Federal Columbia River Power System Biological Opinion. Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

Gazebo Bid Results – Commissioner Ryckman moved and Commissioner Klindworth seconded to award the contract to construct a gazebo at the Osprey Pointe Commons to Banlin Construction in the amount of \$134,678.12 (includes W.S.S.T). Motion carried unanimously.

W4B4 Lease – Mrs. Reyna presented a proposal from Evans Enterprise for Warehouse 4 Bay 4 located at 2999 E. Ainsworth in the Big Pasco Industrial Center. This building is 43,200 square feet and has a working overhead crane. Lease value is \$151,956 per year. Commissioner Ryckman moved and Commissioner Klindworth seconded to approve a five-year lease with Evans Enterprise for Warehouse 4 Bay 4 in the Big Pasco Industrial Center. This lease includes the initial 3 months of rent waived and a two-month cash security deposit. Motion carried unanimously.

License Agreement Pasco Chamber – Mr. Ballew presented to Commission a license agreement for

the Pasco Chamber of Commerce that fully amends and restates their original license with the Port originally executed in 1993. The license allows for non-exclusive use of warehouse storage space as part of the consideration for their lease of office space at OP-1110.

Commissioner Klindworth moved and Commissioner Ryckman Seconded to Authorize the Executive director to sign and execute the amended and restated license agreement between the Pasco Chamber of Commerce and the Port of Pasco. Motion carried unanimously.

T-131 Proposal – Mrs. Reyna received an offer from Hancock Sandblast & Paint LLC to rent building T-131 for a 4-6-month project at the lower Goose Dam.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute a lease with Hancock Sandblast & Paint at a rate of \$0.26/SF/MO provided that tenant take responsibility for certifying and repairing the crane & all associated costs. Motion carried unanimously.

ITEMS FOR DISCUSSION

Terminal Building Expansion Project Closeout – Messrs. Robison and Gonzales reported to Commission that due to the diligent efforts throughout the project by the entire team (Bouten Construction, Strategic Construction Management, Mead & Hunt and the airport staff) there is a project savings of \$459,000 over the original project budget.

ITEMS FOR ACTION/CONSIDERATION

Equipment & Furniture Purchase for Terminal – Mr. Taft requested Commission approval to purchase additional equipment and furniture for the expanded airport terminal, including A/V equipment for the new conference room, seating, and signage. Funds would come project savings on the terminal expansion project. Commissioner Klindworth moved and Commissioner Ryckman seconded to approve staff to move forward with these miscellaneous terminal projects for a not to exceed amount of \$135,000.00. Motion carried unanimously.

ITEMS FOR DISCUSSION

June 2017 Financial Statement – Mrs. Watts discussed the June 2017 financial statement.

Tenant Delinquent List – Mrs. Watts discussed the tenant delinquent list.

Airport Directors Report:

Mr. Taft reported on:

1. Mead & Hunt was selected for the Car wash facility design.
2. Stripe Right signed the agreement for seal coating the Bergstrom parking lot and Runway 3 Right/21 Left.
3. Bids on the Airport Industrial park drainage project were received and will be executed by the Executive Director under the Delegation of Authority Policy.
4. The Airport Director signed the contract with Leibowitz & Horton for preparation of PFC – 11 dealing with the 2017 airline rates and charges.
5. Due to the Alaska Airline Pilot shortage, approximately 17 inbound and 18 outbound flights have been cancelled to date in July. More cancellations are expected in August. Staff is working with our Air Service consultant to see if there is a way to reduce the number of future flight cancellations.

CERB Update – Mr. Hayden and Mr. Ballew reported that the Community Economic Revitalization Board awarded the Port of Pasco was awarded a grant of \$300,000 and a 20-year loan of \$1,700,000 at a 2% interest rate for design and construction of the Battelle Hangar project. The Port has 6 months to complete the CERB pre-contract conditions, including a signed lease with Battelle.

RECESS

At 10:55 a.m., Commissioner Reimann recessed the meeting for a five-minute break. At 11:00 a.m. the meeting was reconvened.

ITEMS FOR DISCUSSION

Water Rights Discussion – Executive Director Hayden introduced Mr. Roger Wright who discussed the benefits of purchasing water rights for industrial development and the process for transferring water rights to other locations.

EXECUTIVE SESSION

At 11:27 a.m., Commissioner Reimann announced that the board would go into executive session for fifteen minutes to consider the minimum price at which real estate will be offered for sale or lease. At 11:42 a.m. Mr. Taft announced on behalf of the Port of Pasco Commissioners that executive session would be extended an additional 5 minutes. At 11:47 a.m. the meeting reconvened.

RECESS

At 11:48 a.m., Commissioner Reimann called a recess for the annual Port Tenant Appreciation BBQ. At 1:30 p.m. the meeting was reconvened. Commissioner Ryckman was excused from the remainder of the meeting.

ITEMS FOR DISCUSSION

Airport Tower TRACON – Mr. Taft informed Commissioners that the Tri-Cities Airport Terminal Radar Approach Control (TRACON) has been selected by the FAA to be consolidated with the Spokane TRACON. On July 17, 2017 the FAA officially published the report in the Federal Register recommending the Pasco/Spokane consolidation. Mr. Taft sent notification letters about the proposed change to other airports and aviation users in our TRACON coverage area.

Marine Terminal Draft Consent Decree Amendment – Executive Director Randy Hayden updated the Commissioners on the progress at the Marine Terminal Site. Staff and legal counsel have been working on an amendment to the consent decree for the Marine terminal cleanup. The amendment is one of the three documents needed to move the site into monitored natural attenuation. Staff will bring the amendment back for commission approval at a later date once it has been approved as-to-form by Ecology.

ITEMS NOT ON THE AGENDA

1. Mr. Hayden reported:
 - a) The container crane did not sell at auction. Staff recommends holding onto the crane until market conditions improve.

- b) Ms. Burney has been assigned some of the routine property department functions to assist Ms. Reyna.

Mrs. Reyna reported:

- a) The Department of Ecology called and said they have been contacted by parties concerned about the odor coming from the former Greenpower plant. Mr. Jim Osterloh, who was awarded the Greenpower assets as part of Panda Holdings, is dismantling the plant and expects any odor to dissipate soon. The dismantling of the plant should be complete by the end of August 2017.
- b) Mr. Osterloh has discussed opening a micro-brewery in the location he is leasing near T131 at Big Pasco.
- c) Small buildings at the Port are at a premium and we no longer have small spaces to rent out.

Mr. Taft reported:

- a) The Executive Director signed AIP 44, a grant of \$5.6 Million to reconstruct the 2nd phase of the East GA ramp and to design the Taxiway A relocation. Commission had provided grant approval at a prior meeting.

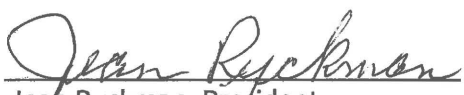
Mr. Ballew reported:

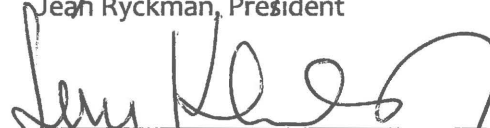
- a) The Pasco Planning Commission approved the Zone change at the east end of the Airport Business Center from residential to industrial. The item will go to the City Council for final approval in August.
- b) Mr. Musser has an offer on his hangar. He is interested in building a hangar closer to the property where his auto auction will be located.
- c) He met with representatives from Tribotex, a Colfax company that developed a lubricant based on nanotechnology. The company is growing and looking for potential locations, including the Port of Pasco.

ADJOURNMENT

The meeting adjourned at 2:31 p.m.,

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President