

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held at 1110 Osprey Pointe Blvd., Pasco, WA 99301  
September 14, 2017 | 10:30 a.m.

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**CALL TO ORDER**

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

**Officer Elections** – Commissioner Klindworth moved and Commissioner Gordon seconded to elect the following officers to the Port of Pasco Commission: Jean Ryckman, President; Jim Klindworth, Vice-President; and, Vicki Gordon, Secretary. Motion carried unanimously.

**Present:** Commissioner Jim Klindworth, Commissioner Jean Ryckman, Commissioner Vicki Gordon Port Counsel Heidi Ellerd, Executive Director Randy Hayden, Director of Airports Buck Taft, Director of Properties Mayra Reyna, Director of Economic Development and Marketing Gary Ballew, Director of Finance Donna Watts, and Administrative Assistant Audrey Burney

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of August 24, 2017.
- b) Vouchers and Warrants #88506 - 88563 in the amount of \$621,694.95.
- c) Distributed Antenna System – Accept as complete.
- d) BPIC WH2B1 Concrete Dock Phase – Accept as complete.

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

**PUBLIC HEARINGS & RESOLUTIONS**

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**Resolution 1466 – Authorizing the signing of port warrants and authorizing certain officers to sign warrants prior to Commission approval** – Commissioner Klindworth moved and Commissioner Gordon seconded to adopt Resolution 1466 authorizing the signing of port warrants and authorizing certain officers to sign warrants prior to Commission approval. Motion carried unanimously.

**ITEMS FOR ACTION/CONSIDERATION**

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**3<sup>rd</sup> Amendment to Marketing Agreement – BHW1** – Mr. Ballew is recommending Commissioners approve the amendment to the Marketing agreement with BHW1 of Spokane to continue to provide marketing services to the Port. This would extend the agreement through 2018 and an additional cost of \$75,000.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the 3<sup>rd</sup> Amendment to the Marketing Services Agreement with BHW1. Motion carried unanimously.

**Inter-Agency Agreement with WSDOT Aviation** – Mr. Taft informed Commissioners of the US Ninth Circuit Court of Appeal's 2005 decision in Western State Paving Company Inc. v Washington State Department of Transportation that stated airport sponsors were obliged to "conduct a study or other appropriate evidence-gathering process to determine the existence of discrimination or its effects in the sponsor's market." In order to meet this requirement, the Seattle FAA Airports District Office organized a statewide effort among its airports to hire a consultant to conduct this disparity study. Costs to airports are based on enplanements, with the cost to PSC being \$1,550. This

agreement provides a more efficient and affordable way for us to complete this study. In April 2017 we committed to the FAA that we would participate when the agreement was finalized.

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to sign the interagency agreement with the Washington State Department of Transportation in the amount of \$1550.00. Motion carried unanimously.

**Golder Budget for Marine Terminal Clean-up** – Mr. Hayden provided Golder Associates’ “base budget” request of \$98,526 to provide project management, groundwater monitoring, and report preparation for the balance of the 2017 Marine Terminal cleanup work. The Port’s costs, after factoring in our 37% partner share with Crowley Maritime and assuming a 75% Ecology grant will be \$9,114. A second budget request for closeout construction work will be forthcoming.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to sign the agreement with Golder Associates for \$98,526 for the 2017 Marine Terminal Cleanup base budget. Motion carried unanimously.

**Charter Easement** – Ms. Reyna informed Commissioners that Charter Communication has asked the Port to allow them to attach a new 48-count fiber cable over their existing coaxial plant that runs over two railroad tracks at 1810 East Ainsworth. This would allow new and existing tenants to have Charter Communication services in Big Pasco. Charter asked the Port to grant them an irrevocable, unrestricted easement to the Property; however, staff is working with Charter on the wording of the easement. Port Counsel is reviewing the language that was initially proposed.

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to execute an easement with Charter Communications allowing a new 48-count fiber cable to run over two railroad tracks at 1810 E Ainsworth after negotiating language in a form satisfactory to him and the Port attorney. Motion carried unanimously.

**Dura-Shine Agreement for Terminal Custodial** – Mr. Taft informed Commissioners that staff is very pleased with the overall cleanliness of the Tri-Cities Airport facility and the relationship staff has developed with Dura-Shine. In September 2016, Commission approved a one-year agreement with Dura-Shine with four one-year options for custodial services; 2016 - \$400,000., 2017 - \$412,000., 2018 - \$424,360., 2019 - \$437,090., & 2020 - \$450,203. Staff would like to exercise their option for 2017 in the amount of \$412,000.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to sign the 2017 option with Dura-Shine for the Airport Terminal custodial contract and to award the remaining options of the contract on a 1-year basis, each successive year as long as Dura-Shine is performing to staff satisfaction. The contract also includes additional expenses associated with carpet cleaning, window washing and power washing as requested by the Port. Motion carried unanimously.

## **ITEMS FOR DISCUSSION**

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**Commission Redistricting Options** – Ms. Keller briefed Commissioners on the process that the Port would undertake should Commissioners decide to redistrict at this time. Commissioners agreed that rebalancing population figures in the districts would be worthwhile and would like to consider redistricting options in early 2018.

### **Economic Development Marketing Report**

1. EDM Report – July 2017 – Mr. Ballew highlighted:
  - a. Their successful CERB application to support the development of a hangar for Battelle. Port received a 1.5% loan.
  - b. Staff is working on bringing a food truck pod to Osprey Pointe and continuing to work on the program with Marilou Shea, formerly of the Pasco Specialty Kitchen.
2. EDM Report – August 2017 – Mr. Ballew highlighted:
  - a. Total Eclipse of the Port was a success and it was a cool event organized by Audrey Burney.
  - b. Staff worked with Port of Benton and Eric Ffitch from Port of Seattle on final arrangements for visit and tour. Staff spent the evening with the Port of Seattle in Walla Walla. The next morning the Port hosted a community breakfast and toured them through the Tri-Cities Airport. Economic Development accompanied the group on their tour of the B-Reactor and the inland port site. TRIDEC was able to raise the point that we feel there are industrial businesses being displaced in the Port of Seattle that we are losing to other states and that it would be good if we could retain those businesses in Washington.
  - c. Port staff interviewed firms for the property marketing RFQ. We received two good submittals. The interview group selected a team lead by Parametrix. They suggested targeting small and mid-size developers in Puget Sound and other markets.

### **RECESS**

At 12:05 p.m., Commissioner Ryckman recessed the meeting for a fifteen-minute break. At 12:20 p.m. the meeting was reconvened.

### **EXECUTIVE SESSION**

At 12:20 p.m., Commissioner Ryckman announced that the board would go into executive session for five-minutes to discuss with legal counsel representing the agency to consider the minimum price at which real estate will be offered for sale or lease. At 12:25 p.m. Mr. Ballew announced on behalf of the Port of Pasco Commissioners that executive session would be extended an additional 5 minutes. At 12:30 p.m. Mr. Ballew announced on behalf of the Port of Pasco Commissioners that executive session would be extended an additional 5 minutes. At 12:35 p.m. Mr. Ballew announced on behalf of the Port of Pasco Commissioners that executive session would be extended an additional 5 minutes. At 12:40 p.m. the meeting reconvened.

### **ITEMS FOR DISCUSSION**

#### **Airport Directors Report**

Mr. Taft reported on:

1. Enplanements are down 1% for the month. Staff believes this is due to Alaska's 86 cancelled flights. Alaska is very aware of the impacts to Washington airports. Skywest will begin flying regional jets to assist Alaska.
2. In the past Airport maintenance staff has done more for tenants than what their lease agreement states. With heavier demands being placed on airport maintenance staff for other duties, management has directed staff to hold tenants to their lease obligations for performing their own maintenance. Staff is providing a copy of the lease to tenants who are

- dissatisfied with the changes and explaining the provisions about maintenance responsibility. Commissioners and staff may hear complaints as this change is put into effect.
3. The Tri-City Herald had an article showing that the Old Tower has a \$300,000 grant. However, for the Save the Old Tower to accept this grant they need to have a lease with the Port for the second and third floors of the tower. Staff is working on a lease amendment.
  4. Enhanced Acceptable Property Screening – TSA is now requiring that any electronic bigger than a phone must be removed from carry on luggage when going through screening, unless you are a pre-check passenger.
  5. Voltaire conference is October 16 - 18. Evening Activities are: Water to Wine on October 16, and a Terra Blanca Dinner on October 17 from 7 to 10 p.m.

#### **Executive Director Report**

Mr. Hayden reported on:

1. The Port received a very large public records request regarding the Salt Lake Pipeline easement. Columbia East (Tippett) has wanted the pipeline removed and sued the two private groups that put in the pipeline. This spurred the public records request.
2. Upriver Ports (Ports of Whitman/Clarkston/Lewiston) put on a big event earlier this year regarding dams & usefulness of the working rivers and they would like us or a group in this area to host the next event. They have \$10,000 in funds remaining from their event that they could transfer to the next event host.
3. Staff, Kyle Cox, and Commissioner Ryckman will be attending Connell City Council at 6 p.m. on November 6, 2017.
4. Staff has saved approximately \$2500.00 on property insurance by not covering those buildings that are valued at less than our \$250,000 deductible.

#### **Commissioner Report**

Commissioner Ryckman reported on:

1. Attended a local meeting that Matt Watkins and Steve Young invited the Cities and Ports together. The topic was what are we going to do for the community? What should we put in contracts? What are our expectations for the community? Who should the spokesperson/business be for the Tri-City Community?

#### **Director of Finance Report**

Donna Watts reported on:

1. Staff has been working with Auditors and we are having an Exit Interview on Thursday, September 21 at 2:30 p.m. Mrs. Watts invited all Commissioners, and Commissioner Klindworth said that he could make it. Commissioner Ryckman and Commissioner Gordon will be out of town. Ms. Watts also informed Commission that the Port will be receiving a finding on our federal single audit because we did not verify that JUB engineers was not disbarred or suspended from federal contracts before extending their 5-year ongoing contract. (In fact, JUB was not disbarred nor suspended). Staff is putting procedures in place to prevent this situation in the future.

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

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**Executed Leases:** The Executive Director has signed the dockage agreement(s) in accordance with the Port's delegation of authority policy as there were no deviations.

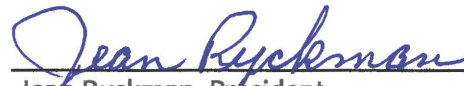
1. Advanced American Construction – Dock usage agreement for temporary use of the container terminal. This agreement was initially for one days' worth of dockage, but they informed staff that the total stay was for 4 days. Proposed agreement rate was \$609.00 per day, valued agreement total \$2,436.00.
2. Adolf (Kurt) Burggraff – Dock usage agreement for temporary use of the container terminal. This agreement was for one overnight stay while Mr. Burggraff worked on the mast of his sailboat. Dockage agreement valued at \$209.00.


## **ADJOURNMENT**

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The meeting adjourned at 1:46 p.m.,

Port of Pasco Commission:

  
Jean Ryckman, President

  
Jim Klindworth, Vice-President

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Vicki Gordon, Secretary

