

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201., Pasco, WA 99301
October 26, 2017 | 10:30 a.m.

CALL TO ORDER

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

Present: Commissioner Jim Klindworth, Commissioner Jean Ryckman, Port Counsel Dan Hultgren, Executive Director Randy Hayden, Director of Airports Buck Taft, Director of Properties Mayra Reyna, Director of Finance Donna Watts, Deputy Director of Airports Don Faley, and Administrative Assistant Audrey Burney

Absent: Commissioner Vicki Gordon

Guests: Rick Patton – CDA Engineers

ITEMS FOR ACTION/CONSIDERATION

Panda Holding Lease – Mrs. Reyna introduced Mr. James Osterloh who discussed his request for a long-term lease on the property that Panda Holding is currently leasing. His vision is to build and operate a micro-brewery using some of the existing infrastructure and remodeling to fit his vision. His current lease is expiring November 15th and would like to extend his current lease an additional three months to negotiate his long term lease with the Port of Pasco.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the three month extension on his current lease to negotiate a long term lease. Motion carried unanimously.

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of October 12, 2017.
- b) Vouchers and Warrants #88740 - 88847 in the amount of \$600,898.26.
- c) Tri-Cities Airport Building 35, Re-siding – Accepted as complete.
- d) Tri-Cities Airport and Airport Business Center Landscaping – Phase 1 – Accepted as complete.

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

ITEMS FOR ACTION/CONSIDERATION

2017 Remaining Employee Benefits – Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the 2017-2018 insurance renewals with Delta Dental of Washington, VSP, and Sun Life Financial, and to approve an increase to the Life Map coverage for the Class A group Life & AD&D insurance to a maximum of \$200,000, and the Life Map coverage for the Class B group at one times their annual salary. Motion carried unanimously.

Snake River Family Fest Funds – Mr. Hayden informed Commissioners the Port of Whitman and several partners put on a successful “Working River” family festival earlier this year to promote the value of the Snake River and the dams. Port of Whitman had \$10,141 of unexpended funds, which they have offered to transfer to the Port of Pasco to put on a similar event in the Tri-Cities Region.

Port staff has been working with the Pasco Chamber of Commerce who has agreed to partner with us on planning and managing the event in the fall of 2018. Staff recommends accepting the funds to hold the event, which would promote the economic development, tourism, navigation, hydropower, irrigation, and recreational benefits of the river system.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the transfer of \$10,141 from the Port of Whitman to the Port of Pasco for a river system event to promote economic development, tourism and other benefits. Motion carried unanimously.

Marine Terminal – Supplemental Closeout Budget – Mr. Hayden updated Commissioners that Ecology had just last week approved the removal of unneeded monitoring wells and staff would like to add that work to the Phase 1 Closeout Budget. Costs for the monitoring removal are \$54,000. The Port's cost, after factoring in our 37% partner share with Crowley Maritime and assuming a 75% Ecology grant, will be \$4,995.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to sign the attached agreement with Golder Associates in the amount of \$54,000 for the 2017 Marine Terminal Cleanup well closure work and to use the funds from the Marine Terminal Reserve Account for the work. Motion carried unanimously.

TSA Inline System Contract Approval – Mr. Taft informed Commissioners that staff received two bids for the TSA inline project. Bouten Construction had the lower bid of \$4,028,000 and Industrial Builders' bid was \$4,577,000. Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to sign the Other Transaction Agreement "OTA" upon receipt from TSA and to award the bid to Bouten Construction in the amount of \$4,028,000 contingent upon the receipt of the OTA from the TSA. Motion carried unanimously.

RECESS

At 11:53 a.m., Commissioner Ryckman recessed the meeting for twenty minutes for lunch. At 12:13 p.m. the meeting was reconvened.

ITEMS FOR DISCUSSION

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

Tenant Delinquent List – Mrs. Watts discussed the Tenant Delinquent List.

Airport Director's Report

Mr. Taft reported:

1. That the Volaire Conference had a total of 10 Airlines, 36 Airports, 89 attendees and he heard great input regarding the dinner cruise and Terra Blanca Winery event. Airport staff met with 8 Airlines and the most promising meeting was with United Airlines.
2. Staff is arranging air service headquarter visits with Delta, American and United airlines in 2018. A schedule will be put together soon.
3. The FAA's ASOS National weather service equipment was down and Horizon Airlines was not able to come in last night, because the visibility portion of the National weather service was down. Airlines will not land or take off if this weather service is not 100% completely working. Staff is working on solutions to provide backup support to the FAA weather station to prevent future flight cancellations.

4. Mr. Steve Horton will be here on November 20th at the Airport and November 21st Commission meeting to discuss 2018 rates and charges.

Executive Director's Report

Mr. Hayden reported:

1. The FAA wants to approve all of our leases that are near or at the Airport. As a result, staff added a clause to the lease agreement with A1 Hospitality making it subject to FAA approval and stipulating that the deposit would be returned if FAA withheld approval.
2. The policy providing insurance for retirees and spouses is being reviewed. Staff will provide an evaluation at the next Commission meeting.
3. The Water Rights purchase/sale agreement is under consideration by the seller.
4. Staff is meeting next Wednesday, November 1st with DNR, and the appraiser for the DNR Property Purchase to go over Port concerns on the appraisal methodology.

Other Reports

Mrs. Reyna reported:

1. She is still working with Gauntt NW on lease negotiations for a new building on the Airport Eastside.

ITEMS FOR DISCUSSION


Executed Items: The Executive Director has signed the following agreements in accordance with the Port's delegation of authority policy as there were no deviations.


1. **Apollo Hangar Lease Amendment** – Apollo leases the south side hangar and office space in Building 72. The Pacific Northwest Aviation Museum group has requested to amend its lease to move to the second floor to continue renovation work. Because of the museum group moving upstairs and building a barrier wall to separate spaces, part of Apollo's leased space around the stairway was removed from its current leased premises. This space will be added into the amendment to the museum lease. The adjustment in square footage is 157 square feet. The lease value is \$9,360 annually.
2. **Inland Empire Distribution Systems** - Current tenant has requested a decrease in space they currently occupy. Lease value is \$1,851.51 per month.

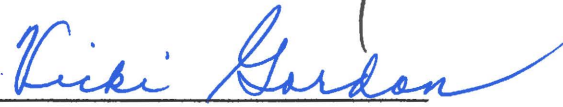
ADJOURNMENT

The meeting adjourned at 1:16 p.m.,

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary

