

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201., Pasco, WA 99301
March 22, 2018 | 10:30 a.m.

CALL TO ORDER

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

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

Guests: Malin Bergstrom – Bergstrom Aircraft & Colin Hastings – Pasco Chamber of Commerce

APPROVAL OF AGENDA

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

ITEMS FOR DISCUSSION

Museum Lease Extension – Malin Bergstrom updated the Commissioners on the Pacific NW Aviation Museum. The Museum was awarded \$300,000 grant from Washington State and in order to secure the funding they need a long term lease of 10 years. Malin Bergstrom is asking for a 15 year lease with two 5 year extensions.

Commissioners asked questions regarding the plans for the museum and the conditions of the grant. Port attorney Dan Hultgrenn stated a lease longer than 5-years may have potential conflicts with FAA requirements for aviation uses of the facility. Commission announced they would discuss further in Executive session.

CONSENT AGENDA

- a) Regular Meeting Minutes of February 22, 2018.
- b) Vouchers and Warrants #89613 - 89715 in the amount of \$388,387.53
- c) TSA Baggage OTA Amendment – Accepted as complete

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

PUBLIC CITIZEN COMMENT

Mr. Colin Hastings, a Board Member of the Tri-Cities Waterfollies reported that the Tri-City Waterfollies has taken on the “River of Fire” on July 4th. He wanted to inform the Port that they will be talking with Tidewater, because they donate the barge every year and they would likely request use of the Dock in our Container Terminal area for loading the fireworks.

Mr. Hastings also updated Commissioners and staff on the Riverfest event that will be held at Columbia Park on September 8, 2018 from 11 a.m. to 3 p.m. to provide awareness about the benefits of the Columbia/Snake River system. This is also the date for the fiery foods festival.

ITEMS FOR DISCUSSION

Resolution 1481 – Changing the Date of the First Commission Meeting in May 2018 – Commissioner Gordon moved and Commissioner Klindworth seconded to change the date of the first commission meeting on May 10, 2018 to May 7, 2018. Motion carried unanimously.

ITEMS FOR ACTION/CONSIDERATION

Big Pasco Industrial Center Paving: Warehouse St, Ainsworth Ave, Road 18 and etc. – Mr. Ballew informed Commissioners that three bids were received for the Big Pasco Industrial Center Paving E. Warehouse St., E. Ainsworth St. E. Ainsworth Ave, Rd 18, 21, 24 & 33 project, and were opened in accordance with the Contract Documents. The lowest bidder was Inland Asphalt with a bid of \$244,350, including sales tax. All required bidding forms from Inland Asphalt Co. were fully completed and included: Bid Bond with the proposal and Addenda's 1 & 2 were enclosed and acknowledged.

Commissioner Klindworth moved and Commissioner Gordon seconded to award the contract and all alternates to Inland Asphalt Co. as they appear to have submitted the lowest, responsible, responsive bid in accordance with the contract documents. The total contract price, including sales tax, is \$244,350.00. Motion carried unanimously.

Port of Pasco Redistricting – Ms. Keller discussed the redistricting process. She stated that if Commissioners want to redistrict, it would be best to complete now because:

- The 2017 population numbers provided by the State to Franklin County will likely not change enough to warrant waiting an additional 12 months for updated numbers; and
- The legal deadline for the delivery of the 2020 census information to Franklin County Auditor is April 1, 2021, which will not allow Port staff enough time for the new district boundaries to be used in the 2021 elections. Per RCW 53.16.015: "The new commissioner districts shall be used at the next election at which a port commissioner is regularly elected that occurs at least one hundred eighty days after the redrawn boundaries have been submitted."

Commissioners reviewed 3 proposed redistricting maps and all agreed on option #3 to be the best for the new boundary lines.

Commissioner Gordon moved and Commissioner Klindworth seconded to adopt the new Commission District boundary lines as outlined in Option 3 at the March 11, 2018 public hearing. Motion carried unanimously.

Personnel Policy 2200 – Ms. Keller informed Commissioners that the Port's Big Pasco Facility Manager has moved to Walla Walla. In accordance with Port policy, he currently drives a Port provided vehicle between home and the Port. Commuting between Walla Walla and the Port with a Port provided vehicle is not cost effective for the Port and is outside the allowed 15-mile radius.

Staff is recommending to modify the Personnel Policy 2200 automobile usage to add the position of Big Pasco Facilities Manager to receive a monthly vehicle allowance of \$500.00 per month in lieu of a Port-provided vehicle. The Facilities manager would then be responsible for providing his own vehicle to drive to/from home and for the Port business during work hours. If approved, the Facilities

Manager's current vehicle would be used as a replacement guard truck saving the Port an expenditure of approximately \$24,000.

Commissioner Klindworth asked to defer for further discussions until later in the day.

Battelle Hangar lease – Port Counsel Mr. Hultgrenn provided an update to the Battelle Hangar lease negotiations. Battelle has commented back:

- The frequency of CPI adjustments – They are asking for a 5 year CPI adjustment instead of a 3 year CPI adjustment.
- They are asking to waive the late charge and fee's provision
- Waive - paying 18% of any delinquencies, however there is a 12% statutory rate for contracts
- Allow certain types of research animals in the building
- Accept their self-insurance (the Port of Pasco needs to have the proof that they are self-insured)

Commissioner Klindworth moved and Commissioner Gordon authorize the Executive Director to sign the Battelle Hangar lease with the changes discussed. Motion carried unanimously.

ITEMS FOR DISCUSSION

February 2018 Financial Statement – Mrs. Watts discussed the February 2018 Financial statement

RECESS

At 12:00 p.m., Commissioner Ryckman recessed the meeting for a fifteen-minute lunch break. At 12:15 p.m. the meeting was reconvened.

EXECUTIVE SESSION

At 12:15 p.m., Commissioner Ryckman announced that the board would go into executive session for twenty 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 likely to become, a party. At 12:35 Mr. Ballew announced on behalf of the Port of Pasco Commissioners that the executive session would be extended an additional 5 minutes. At 12:40 p.m. the meeting reconvened.

ITEMS FOR ACTION/CONSIDERATION

Personnel Policy 2200 (Continued) – Commissioner Klindworth moved and Commissioner Gordon seconded that owing to extenuating circumstances, the Executive Director is authorized to approve a \$500/month vehicle allowance to the Big Pasco Facilities Manager starting May 1, 2018 in lieu of a Port provided vehicle. Motion carried unanimously.

ITEMS FOR DISCUSSION

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

Director Reports:


1. Executive Director reported:
 - a. He attended PNWA in Washington D.C. He reported there was strong support for robust funding for the Corp of Engineers for maintenance and operation of coastal harbors and the Columbia/Snake river system
 - b. He spoke with Brooke Chapman who manages the Small Community Air Service Development program for USDOT. Extending our grant for an additional year appears to be very likely.
 - c. The appeal of the Judge Simon's decision ordering increased spill on the Columbia/Snake system was heard by the 9th Circuit Court of Appeals. A ruling is expected in early April.
2. Director of Airport reported:
 - a. The TSA funded project to install automated baggage handling equipment is doing well
 - b. The contractor working on the East GA Apron project found old sewer lines that were shallower than what was shown on the plans. A change order will be prepared to repair the pipes.
 - c. Taxiway A extension project will take about two years and the grant money should be available in June or July 2018.
 - d. The Hotel Lease has been signed by both Parties and the project is moving forward. The design phase has started and breaking ground should start in June/July 2018.
3. Economic Development and Marketing Director Gary Ballew reported:
 - a. The brochure for Somos Pasco has been distributed pretty heavily.
 - b. Staff has marked a location for the new Entry way sign for the Port of Pasco. Next meeting Commissioners should see activity at the new location.
 - c. The Port of Pasco submitted a census tract which includes Osprey Pointe, part of downtown Pasco, and the Commercial Avenue industrial park for the new "Opportunity Zone" program. Opportunity zones is a new program where newly developed properties have reduced capital gains taxes and other incentives.
4. Properties Director Mayra Reyna reported:
 - a. There has been a flurry of activity these last few months.
 - b. She was contacted by Family Resource Center who was looking for space to hold their annual fundraiser and carnival. They had booked the Benton Franklin Fair Grounds, but were bumped to to construction. Commissioners and staff feel that this would be a good cause, but there is not enough time to work through the logistics of holding this event at the Port.
 - c. TerraGraphics Lease is executed and they are moving into the former Parsons office building today.
 - d. Gauntt Lease Amendment is signed.
 - e. Les Schwab lease is executed.
5. Commissioners Report:
 - a. Jim Klindworth reported that Columbia Pulp, a company that uses cellulose from straw to create pulp for paper, cardboard and other products, used New Market Tax Credits in constructing their plant in Columbia County, near Dayton Washington. He requested staff investigate the applicability of New Market Tax Credits in supporting Port of Pasco projects.
 - b. Commissioner Gordon has been appointed to the Columbia Basin Development League Board of Directors.

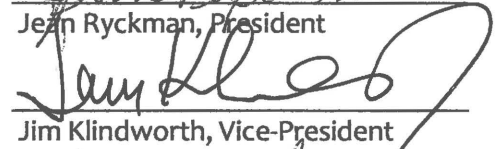
- c. Commissioner Ryckman reported that Washington Public Ports Association had their Executive Committee Meeting at the Port of Pasco. The group had discussions on Collective Bargaining for Port staff, Campaign Contribution Limits bill, interest in the Rail Corridor – Ellensburg to Lind, the state Voting Rights Act, and new applications for Freight Mobility Board projects.

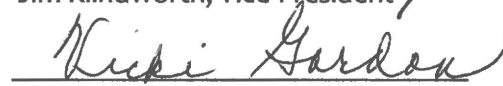
ADJOURNMENT

The meeting adjourned at 1:53 p.m.

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary