

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Suite 201., Pasco, WA 99301
July 11, 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 Vicki Gordon, Executive Director Randy Hayden, Port Counsel Dan Hultgrenn, Director of Economic Development Gary Ballew, Director of Properties Mayra Reyna, Director of Finance Donna Watts, Deputy Director of Airports Don Faley and Administrative Assistant Audrey Burney

Excused: Commissioner Jim Klindworth, Director of Airports Buck Taft

Guests: Thomas Kidwell, Steve West and Eric Weinheimer – Farm 2005, Franklin County Commissioner Brad Peck, and Port of Walla Walla Commissioner Mike Fredrickson.

APPROVAL OF AGENDA

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the amended agenda with added items 8.C. Excuse Commissioner Klindworth and 8.D. Warehouse 8 Bay 1 lease proposal. Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of June 14, 2018.
- b) Vouchers and Warrants #90233 - 90307 in the amount of \$436,420.18
- c) Excuse Commissioner Klindworth

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the consent agenda. Motion carried.

ITEMS FOR DISCUSSION

Farm 2005 – Mr. Kidwell, Steve West and Mr. Weinheimer discussed Farm 2005 with Commissioners and staff. They indicated they would be open to providing an avigation easement if the Port would withdraw Resolution 1485. Commissioners agreed to send them a proposed avigation easement. Staff invited them to the next Commission meeting on July 31, 2018.

ITEMS FOR ACTION/CONSIDERATION

Taxiway A Bids – Awarding Bids – Mr. Faley reported that staff received four eligible bids on April 26, 2018 for the Taxiway Alpha Realignment and Rehabilitation Project. The Bids are as follows:

Engineers Est:	\$9,536,350.89
Inland Asphalt:	\$10,298,324.64
Selland:	\$10,835,913.88
Central Washington:	\$11,655,373.75
Granite:	\$12,681,648.80

As the project grew in scope the price continued to grow. Staff elected to remove the high-speed exit alternate from the bids and complete it at a later date. This item reduced the cost by \$965,123.14. The total project cost is now \$9,333,201.50, which brought the project down to the budgeted level.

Commissioner Gordon moved and Commissioner Ryckman seconded to accept the bids from Inland Asphalt Co. for \$9,333,201.50 including Washington Sales Tax and authorize the Executive Director to sign the agreements upon receipt. Motion carried unanimously.

Taxiway A – JUB Agreement – Mr. Faley reported that JUB Engineers was selected under our existing master agreement to provide construction management services for the Taxiway Alpha project in the amount of \$1,069,668.14. Staff used CBRE/Heery Engineering out of Seattle to conduct an Independent Fee Estimate (IFE). Heery submitted the IFE which showed that the fee requested by JUB was acceptable.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the Construction Management Agreement for Taxiway Alpha to JUB Engineers in the amount of \$1,069,668.14. Motion carried unanimously.

Mead & Hunt Master Plan Agreement – Mr. Faley reported that Mead & Hunt was selected on December 7, 2017 to provide Master Plan Services for the Tri-Cities Airport. The scope was submitted and approved by the FAA. Mead & Hunt submitted their fee proposal on February 2, 2018 for \$836,390. A detailed cost analysis was completed on February 8th and fee is considered reasonable.

Staff had been working with the FAA in hopes to get the master plan started earlier in the year, but due to a delay in the grant process we are now just able to get this project started. This agreement is an addendum to our current master agreement with Mead & Hunt, which has been approved by Port Counsel.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Executive Director to sign the agreement with Mead & Hunt for the amount of \$836,390 for the Tri-Cities Airport Master Plan. Motion carried unanimously.

Warehouse 8 Bay 1 proposal – Mrs. Reyna informed Commissioners that staff received a proposal from Apollo Mechanical Contractors to lease ½ of Warehouse 8 Bay 1 for a pipe fitting shop. This bay is partially leased to Mid-Columbia Warehouses, who is leasing 7,200 square feet and they are aware of the possibility of sharing the space.

Apollo Mechanical Contractors is asking for a one-year lease, with the goal of expanding and possibly moving to make it a more permanent solution to their growing operation. They are not requesting modifications to the space, or a discount on monthly rent. However, when we lease a partial bay we do charge a 25% surcharge for partitioning the space. Apollo requested a decreased surcharge of 15%. They are also requesting to pay a 2-month security deposit instead of the 4 months required by a term lease and they are requesting to have the personal guarantee waived. In addition, they have asked for a first right of refusal on the remaining building space that won't be occupied.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute a 1-year term lease with Apollo Sheet Metal for a portion of Warehouse 8 Bay 1 located at 2110 E Ainsworth in the Big Pasco Industrial Center. This lease requires a minimum of two months' rent as a security deposit and allows staff to lower the surcharge from 25% to 15%. Motion passed unanimously.

ITEMS FOR DISCUSSION

May Financial Report – Mrs. Watts presented and discussed the May financial reports.

Tenant Delinquent List – Mrs. Watts presented the current delinquent list.

Director Reports:

1. Economic Development and Marketing Director:
 - a. EDM Report:
 - i. Staff met with Commissioner Gordon and discussed an event called Fermented Frolics. Staff found out that Visit Tri-Cities and a group of Tri-Cities wineries were just starting to talk about a wine carnival event. Staff connected with them to see about combining the two events and hosting the event at Osprey Pointe. The next step is to pitch Osprey Pointe as a potential location.
 - ii. Public Market Update – a meeting will be held in late July for potential vendors. The vendor meeting supports the feasibility study and Tri-Cities Public Market group will host and organize. The meeting location is at Longfellow Elementary School in Pasco, WA.
 - iii. Met with Benton Franklin Council of Governments regarding ozone issues. They are putting together a community meeting and have asked that staff sit on a panel regarding economic impacts. The meeting is July 19th at the Benton PUD from 8:30 a.m. to Noon.
 - iv. Eastern Washington University has created a website bentonfranklintrends.ewu.edu. This website is to serve the informational needs of Benton and Franklin Counties. Tri-Ports was one of many entities that sponsored the site. Staff plans to continue this support partnering with Port of Benton.
2. Deputy Director of Airport:
 - a. Varney Loop – JUB is working on the design for the road connecting Varney to the Airport Loop road.
 - b. Enplanements are flat for the month and for the year.
 - c. East GA Ramp: there was some yellow soil found under the foundation of hangar door. Environmental Specialist is testing.
 - d. Baggage Project is currently on schedule.
 - e. Air Service update – Delta is bringing in a 737 for the Salt Lake City route. This is larger than the plane currently used.
3. Finance Director:
 - a. The State Audit has started, the auditors are in the pre-planning stage and they will be coming on site soon.
4. Properties Director:
 - a. There is an inquiry for approximately 7 acres of land at Foster Wells Business Park. It is a landscaping business and they are checking on irrigation in that area.
 - b. Staff is still working on Teton Gold land inquiry.
 - c. The PCA Lease has been signed and they came in requesting a meeting on Monday, July 16. They are expecting barge numbers to increase quickly.
 - d. Still working with Tri-City Delivery for lease of Warehouse 3 Bay 1.
 - e. The overhead bridge crane has sold for approximately \$12,000. The container crane is still up for auction.

5. Executive Director:

- a. Port of Portland conducted a study that indicates large container vessels will likely not be coming back to Portland.
- b. Attended a Connell meeting in regards to the proposed Visitor's Center with Meier and the City Administrator.
- c. Riverfest – New twist has been added with Energy Northwest. They are providing a tour of Columbia Generating Station to state legislators on the Thursday before. Riverfest will be arranging a tour of Ice Harbor Dam for the legislators that afternoon.

Commissioners Reports:

1. Commissioner Gordon:

- a. Received an email in regards to Hanford's 75th Anniversary presented by Leidos. Commissioner Ryckman moved and Commissioner Gordon seconded to approve Commissioners and staff to attend the reception. Motion carried unanimously.

ITEMS FOR INFORMATION/NO DISCUSSION

Executed Items: The Executive Director has signed the following agreements in accordance with the Port's Delegation of Authority Policy.

1. **Glatthaar Hangar** – Richard Glatthaar entered into an agreement to lease T-Hangar 1-69 #2 effective July 1, 2018. This is a month-to-month lease agreement. Published and proposed lease rate is \$197.51/month, annual lease value is \$2,370.12.

RECESS

At 12:00 p.m., Commissioner Ryckman recessed the meeting for a ten-minute lunch break. At 12:10 p.m. the meeting was reconvened.

EXECUTIVE SESSION

At 12:10 p.m., Commissioner Ryckman announced the board would go into executive session for fifteen-minutes to discuss with legal counsel representing the agency to consider the selection of a site or the acquisition of real estate by lease or purchase. At 12:25 p.m. Mr. Ballew announced on behalf of the Port of Pasco Commissioners that executive session would be extended an additional five-minutes. At 12:30 p.m. the meeting was reconvened.


CALENDAR OF EVENTS


Commissioners and staff discussed the calendar of events.


ADJOURNMENT

The meeting adjourned at 12:30 p.m.

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary