

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held at Port of Pasco, 1110 Osprey Pointe Blvd, Suite 201, Pasco, WA 99301  
March 12, 2020 | 10:30 a.m.

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**CALL TO ORDER**

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

**Present:** Commissioner Jim Klindworth, Commissioner Vicki Gordon, Commissioner Jean Ryckman, Executive Director Randy Hayden, Port Counsel Dan Hultgrenn, Director of Airports Buck Taft, Director of Economic Development Gary Ballew, Director of Finance Donna Watts, Deputy Director of Airports Don Faley, Executive Assistant & Human Resources Lori French, and Administrative Assistant Audrey Burney

Excused: Director of Properties Mayra Reyna

**Guests:** Thomas Kastner - Meier Architecture Engineering

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of February 27, 2020.
- b) Vouchers and Warrants #93693-93784 & Direct Deposit #20107-20149 in the amount of \$1,431,938.94.

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

**ITEMS FOR ACTION/CONSIDERATION**

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**Resolution 1528 Declaring Property as Surplus and Authorization of Sale of Lands** – Mr. Hayden informed Commissioners that port staff has been working with Callies Welding and Fabrication LLC on negotiating and finalizing a Purchase and Sell Agreement for 2 lots equaling 5.1 acres located at Foster Wells Business Park. The purchase price has been established at \$2.00 per square foot for a total of \$450,654.00.

Commissioner Gordon moved and Commissioner Ryckman seconded to adopt Resolution No.1528 declaring the Parcel 1 and Parcel 5 of Binding Site Plan #2011-07 in the Foster Wells Business Park as surplus and authorizing the sale of lands. Motion carried unanimously.

**Purchase Sale Agreement (PSA) for Foster Wells Land Sale** - Mr. Hayden reported that a Draft Purchase and Sell Agreement has been reviewed by Port Attorney and staff is continuing to work on the requested language changes and verifying the change in purchaser name to AJC Realty LLC.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute the Agreement to Purchase and Sell Real Estate with AJC Realty, LLC for Parcel 1 (2.41 acres) and Parcel 5 (2.75 acres) at Foster Wells Business Center with \$8,500 earnest money at

\$2.00/psf (\$450,654.00) after minor modifications are approved by Port Attorney and to execute other documents as required to complete the sale. Motion carried unanimously.

## **ITEMS FOR DISCUSSION**

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**January 2020 Financial Statement** - Ms. Watt discussed the January 2020 Financial Statement.

**Tenant Delinquent List** - Ms. Watt discussed the Tenant Delinquent List.

**Draft December 2019 Financial Statement** - Ms. Watt presented a draft version of the December 2019 Financial Statement, staff is still working on outstanding Journal Entries, Pension and Retirement, and to meet GASB and GAAP requirements.

Commissioner Ryckman moved and Commissioner Gordon seconded to transfer \$105,853.00 to the Airport Operating Reserve Fund. Motion carried unanimously.

Commissioner Gordon moved and Commissioner Ryckman seconded to transfer \$550,025.00 from the General Fund into the Economic Development Opportunity Fund. Motion carried unanimously.

Commissioner Ryckman moved and Commissioner Gordon seconded to transfer the net proceeds from the AJC Realty Land sale into the Economic Development Opportunity Fund. Motion carried unanimously.

**2010 Limited Tax General Obligation Bonds (LTGO) refunding** - Ms. Watts discussed the opportunity to refinance the 2010 LTGO Bonds at a more favorable interest rate, as well as repaying the HAEIF loan with a new bond. Commission asked staff to continue preparations to refinance the bond/loan and to inquire about adding in a repayment bond for the Port funds used to purchase the Reimann Industrial Center land.

**Columbia River Snake Operations (CRO) Draft EIS** - Mr. Hayden discussed the 45-day comment period and that staff would prepare a letter to submit on behalf of the Port.

**Christensen Update** - Mr. Hayden discussed the tenant's requested improvements to be made by the Port for their leased property at the Big Pasco barge slip to support their propane distribution. The improvements could cost up to \$75,000. Currently their lease is approximately \$36,000/year, and with the projected expansion there could be additional revenue of up to \$36,000/year with a 20-year lease. This would equate to a recuperation of improvement investment within the first two years.

## **RECESS**

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At 11:50 a.m., Commissioner Klindworth recessed the meeting for lunch. At 12:15 p.m. the regular meeting was reconvened.

### **Director Reports:**

1. Executive Director
  - a. Washington D.C. Meetings - PFC increase and other mechanisms for airport funding that airports should look for.
  - b. Met with Representative Larsen's staff (Rep. Larsen was called away to discuss COVID-19). Mr Taft informed staff that airlines don't pay fees on baggage.
  - c. Met with Rep. Dan Newhouse.

- d. Received and shared letter from Carl Holder, a member of Pasco Community Forum, letter was addressed to Port of Pasco staff and Commission.
  - e. Port of Pasco is working on COVID-19 preparedness in possible policy changes.
2. Airport Director
- a. Conference was good, COVID-19 concerns took over towards the end.
  - b. Met with Ben Franklin Transit to discuss Airport stop/route, VIA option to take people from their home to the Airport.
  - c. Airline Update Statistics:
    - 1. February Passengers are up 6% for the month and 5% for the year.
      - 1. Alaska is up 18% for the month.
      - 2. Allegiant is down 14% for the month.
      - 3. Delta is up 12% for the month.
      - 4. United is down 24% for the month.
    - 2. February Airline seats are up 4% for the month and 1% for the year.
      - 1. Alaska is up 22% for the month.
      - 2. Allegiant is down 22% for the month.
      - 3. Delta is up 7% for the month.
      - 4. United is down 25% for the month.
  - d. Cleaning and disinfection efforts increased.
  - e. Landscape project for 2020 on pause.
3. Economic Development & Marketing Director
- a. January EDM Report
    - 1. EDA Grant Officer Tobey Clarkin has gone above and beyond to support the Port as we seek to amend our grant agreement on the Big Pasco Road and Stormwater Project.
  - b. February EDM Report
    - 1. Grimmway is now supplying all of Costco's baby carrots and exporting to China. They process 10,000,000 lbs. a day in all their plants.
    - 2. Rundown of Osprey Pointe, Wharf (Marine Terminal), and Reimann Industrial Center consultants.
    - 3. JMS is working with Leland to put together a plan to preserve the view corridor at Osprey Pointe and provide the square footage JMS needs to pay for the project.
    - 4. JMS requested to lease the previous Port of Pasco Administration building for \$1,000/month during the LOI period. Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the lease of the previous Port of Pasco Administration office building at 904 E Ainsworth for \$1,000/month to JMS during the LOI period of the agreement. Motion carried unanimously.
    - 5. Grant for COVID-19 email has been sent to tenants to see if they are having impacts during this period. There is a form that can be filled out and sent to the State, this will allow businesses to apply for an SBA loan.
4. Administrative Assistant Report

Port staff was contacted by St. Patrick Catholic School to rent the Board Room for a faculty retreat on March 20<sup>th</sup>, 2020. The use of the conference room is made available to Organizations on the Port Affiliations list, that is approved by Commissioners. The school requested the use of the Board room on the 20<sup>th</sup> of March for the Saint Patrick's Staff Retreat. Commissioner Gordon moved and Commissioner Ryckman seconded to allow St. Patrick's staff to use the Board Room on March 20<sup>th</sup>, 2020. Motion passed unanimously.

5. Deputy Airport Director Report
  - a. The Battelle Hangar contract deduct change order in the amount of \$14,337.
  - b. Fire suppression system relief needed; vent system installation will offset the deduct.
6. Finance Director
  - a. Working with other Port Finance Directors through the WPPA Finance Committee on implementing GASB 87.

**Commissioners' Reports** - Commissioner Ryckman noted that the Coronavirus was a top item of discussion in DC, and that there would possibly be a cancellation for the Spring Meeting of the WPPA. Commissioner Ryckman also noted that hydropower (from the Dams) should be listed as a renewable energy source. Commissioner Gordon who spoke on behalf of the Port of Pasco in response to the EIS, felt that the meeting went well, and that good work was being done.

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

1. Musser Land Lease Agreement-Scott Musser – Mr. Musser has signed a lease amendment to add 1.2 acres to the car auction site to increase his parking area and potentially build a car and airplane detailing building in the future. This lease amendment became effective on March 1, 2020. The lease value is approximately \$510,048 for the initial term of the lease.
2. INFAX Flight Information Display Systems (FIDS) – The Port selected INFAX during the terminal expansion project and has been extremely happy with the product. The original cost of the agreement for the data feed and support was \$16,536 a year for five years. That is a contract total of \$82,680. For this five-year cycle, INFAX has separated the FIDS data from the flight tracking map data. The annual fee for the FIDS data is \$11,250 a year for a total contract amount of \$56,250. The Flightview data for the flight tracking maps is \$7,129.08 a year for a total contract amount of \$35,645.40. This brings the total of both agreements to \$91,895.40.

## **CALENDAR OF EVENTS**

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Commissioners and staff discussed the calendar of events.

## **RECESS**

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At 1:03 p.m., Commissioner Klindworth recessed the meeting for a five-minute break. At 1:08 p.m., the regular meeting was reconvened.

## **EXECUTIVE SESSION**

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At 1:10 p.m., Commissioner Klindworth announced the board would go into executive session for 15 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, or is likely to

become, a party. At 1:25 p.m., the meeting was reconvened.

**ADJOURNMENT**

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The meeting adjourned at 1:25 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Vicki Gordon, Vice-President



Jean Ryckman, Secretary