

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
May 14, 2020 | 10:30 a.m.

CALL TO ORDER

Commissioner Klindworth called the meeting to order at 10:38 a.m. The meeting was attended remotely by all participants via Zoom and with Public Access through call in to 1-301-715-8592, meeting ID 6676918983.

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

Guests: Malin Bergstrom-Pasco Aviation Museum

Wendy Culverwell- Journal of Business

Paul Harmsen- Mackay Sposito

APPROVAL OF AGENDA

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the agenda determining that all agenda items were “1) matters necessary and routine, 2) necessary to respond to the outbreak and current public health emergency” per Governor’s Proclamation 20-28.2 Motion carried unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of April 23, 2020.
- b) Vouchers and Warrants #94045-94106 & Direct Deposit #20269-20307 in the amount of \$629,547.20.
- c) Accept as complete Airport Sidewalk Project.

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

Public Citizen Comment

Ms. Bergstrom presented a request to the Commission for rent forgiveness for the Pasco Aviation Museum for the months of April, May, June, and July of 2020. Due to the COVID-19 closure, the museum has not been able to collect admission fees or donations and is not eligible for federal Payroll Protection Program assistance. The total amount requested for rent forgiveness is \$4,107.94.

ITEMS FOR ACTION/ CONSIDERATION

Airport Fueling- Mr. Taft informed the Commission that the airport has recently been contacted by several tenants regarding the price of fuel charged by Bergstrom Aircraft with the consensus being that fuel prices are too high. As a result, some tenants have asked to self-fuel or to be allowed to establish a fueling co-op. Per the FAA Airport Compliance Manual, self-fueling must be allowed, but the airport is not required to permit a fuel co-op.

Staff is currently in discussion with three firms to create rules and regulations and minimum standards for the airport, including fueling operations. These rules and regulations and minimum standards will help ensure the airport and tenants are in compliance with FAA guidance and help ensure the overall success of the airport and more specifically the general aviation operations.

While the new rules and regulations are being developed, staff is requesting consideration of a one-year moratorium on any new fuel tanks or farms being brought onto airport property with the following exceptions: self-fueling as authorized per FAA Order 5190.6B and the expansion of existing facilities.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize a one-year moratorium or until airport rules and regulations and minimum standards are complete, whichever is first, on any new fueling tanks, farms or facilities outside of self-fueling operations as authorized per FAA Order 5190.6B or the expansion of existing fuel facilities.

Republic Parking Deferment Request- Mr. Taft presented the Republic Parking request for additional language in the deferment amendment agreement to retain their right to pursue further relief in the future. This language has been reviewed by Port Legal Counsel.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the Terminal Automobile Parking Concessionaire Agreement for deferral with the additional language, as written, and to delegate signing authority to the Executive Director.

CARES Act Grant- Mr. Taft presented to the Commission, the Tri-Cities Airport has received notice from the FAA that they will be receiving \$5,892,059 in CARES Act funding. The Grant is anticipated to be used towards 2020 debt payments and operating expenses, or as directed by the Commission.

Commissioner Ryckman moved and Commissioner Gordon seconded to accept the CARES Act Grant in the amount of \$5,892,059 and authorized the Executive Director to sign the funding agreement.

Leggari Lease at 2926 E. Ainsworth- Ms. Reyna presented to the Commission that Leggari Products has consistently been growing and has now outgrown their leased warehouse space in Warehouse 5 Bay 2. Staff showed them the previous Parsons building to see if it could be modified to use as a training center. Leggari has proposed to lease 11,265 sf, (1/2 the building) at a rate of \$8 psf/yr for the first 6 months and increasing that to \$9 psf/yr thereafter. They would like to lease the space for 5 years. Staff is still working with Leggari to get a quote for installing an exhaust system, then will proceed to get quotes for removal of the carpets and preparing the floors. Staff is seeking to discuss the proposal with Port Commissioners at a future date.

HDR Agreement for Track 416 Rail- Mr. Hayden presented to the Commission a request to ratify a contract with HDR Engineering in the amount of \$98,516.56 to design the Big Pasco Phase 6 Rail Reconstruction Project.

Commissioner Ryckman moved and Commissioner Gordon seconded to ratify the approval of Agreement Supplement No. 1 with HDR Engineering for the Big Pasco Phase 6 Rail Reconstruction Project in the amount of \$98,516.56.

Pasco Aviation Museum Rent Request- In response to Ms. Bergstrom’s request for rent forgiveness for the Pasco Aviation Museum, the Commission gave direction to the Museum to formally submit a rent deferral application.

ITEMS FOR DISCUSSION

March Financial Report- Ms. Watts presented the March Financial Report.

Tenant Delinquent List- Ms. Watts presented the Tenant Delinquent List.

Quarterly Credit Card Statement- Ms. Watts presented the Quarterly Credit Card Statement.

Osprey Pointe Update- Mr. Ballew presented an update on Osprey Pointe. Work is being done at Osprey Pointe on two, interrelated fronts. The first is the effort to create a new waterfront mixed-use zone within the City of Pasco code and have that code applied to Osprey Pointe. The second is the continued efforts with JMS Development to pursue their mixed-use concept for Osprey Pointe. Staff continues working with Leland Consultants to review the JMS proposal to determine overall viability. There were several calls to understand Leland’s initial review and recommendations for the Osprey Pointe development. Leland believes that a development with more townhomes and less commercial space would be more viable. Staff is working to balance this with the Port’s requirements and desires. Mr. Ballew informed the Commission that there will likely be a request for an extension of the Letter of Intent with JMS at a future Commission Meeting.

Update on Port COVID-19 Response- Mr. Hayden presented a review of current Port operations in regard to COVID-19. The Port continues to operate under “Emergency Operations” as specified in the Port’s Infectious Disease Plan. The Port is planning for the Port to shift operations in alignment with Washington’s Phased Approach. During Phase 1 the Port will remain in “Emergency Operations”. During Phase 2 the Port will move from “Emergency Operations” to “Reduced Operations”. Outside one-on-one business meetings may resume if essential. Maintenance staff can interact within their sub-groups. Telecommuting will move from mandatory to optional. Social distancing will remain in effect. During Phase 3 the Port will remain in “Reduced Operations.” In-person Commission meetings and public access to offices will resume with social distancing. Telecommuting remains optional. Travel will be allowed but discouraged. Maintenance crews can rejoin into a single location. During Phase 4 the Port will move from “Reduced Operations” to “Normal Operations.” Activities will be restored to normal with social distancing and good hygiene practices remaining in place. Telecommuting will end and all employees will be expected to report to the office, travel may resume.

RECESS

The meeting recessed from 12:10 p.m. to 12:30 p.m.

Director Reports:

1. Executive Director
 - a. An agreement with Wave Architects was signed for the North Franklin Visitors Center design.
 - b. Diana Carlen informed Staff that the State is likely to move to a special session this Summer due to COVID-19 and budget deficits.
 - c. The Washington State Department of Ecology is for the first time requiring the U.S. Army Corps of Engineers to address water temperature issues at the federal dams on the Columbia and Snake Rivers.
 - d. Port Newsletter, formerly called The Beacon, due out in June.
 - e. Wallula's Cold Connect facility (previously Railex) has been closed permanently.
2. Airport Director
 - a. For April year-over-year, enplaned passengers at all airlines are down by:
 - Alaska -96%
 - Allegiant -90%
 - Delta -94%
 - United -97%
 - b. The total for April 2020 was 1,756 passengers compared with 32,743 April, 2019.
 - c. We have begun the environmental process for next year's AIP project. FAA environmental specialist is retiring in June and we want to get the project through the Categorical Exclusion process or at least have it underway before she leaves.
 - d. DOT issued new guidance on requirements for carriers to continue serving points under the CARES Act. It will now allow each carrier to select either five points, or 5% of its points, for service suspension. It will be allowed to suspend all its requested points, unless it's the last carrier serving that point.
 - e. American, Delta and United will be able to remove 11 cities from each of their networks. Smaller carriers will be able to remove as many as five cities. In cases where all carriers serving a point request to suspend flights, the requests will be judged by the ranking of that point by the carrier until one carrier remains to provide service. If the exemption points are ranked the same, the largest carrier serving that point on March 1, 2020 will be required to stay. Delta would be required to stay at TCA if the other carriers request exemptions. Requests are due May 18th.
 - f. Airport Staff is working with Tailwinds to reopen in compliance with Washington's Phased Approach.
 - g. The Airport has ordered sneeze guards for counters and floor decals for 6-foot distancing.
3. Economic Development & Marketing Director (EDM)
 - a. The Port has been issuing bi-weekly Constant Contact updates to Port Tenants, Audrey Burney has been doing an excellent job putting together these releases.

- b. Staff participated in the Working in Washington Small Business Emergency Grant ‘s review committee. TRIDEC received 600 applications and estimates being able to award 25-30.
 - c. The Port’s application to CERB for a \$50,000 planning grant, to be used for RIC Master Plan, is set to go before the CERB Board on May 21, 2020.
 - d. The application to FEMA for the \$75,000 security grant has been submitted.
4. Deputy Airport Director Report
- a. Taxiway A project is still moving along, they are practicing social distancing.
 - b. Progress on Battelle Hangar has begun, and the end of the project is near, with a final change order likely.
5. Finance Director
- a. Accounting Staff is finishing the Annual Financial Report and getting started with the State Auditor.
 - b. Port staff is closely monitoring the Port’s financial situation as regards to COVID related impacts.
6. Properties Director
- a. Aromatics is temporarily using 7,200 sq. feet in Warehouse 6 Bay 4.
 - b. Tri-City Delivery has requested to install an additional loading dock at W3B1.
 - c. Twin City Foods is looking to retrofit their building’s lighting.
 - d. Potential new tenant to share W2B3; they are looking to lease 14,000 sq. ft.
 - e. Port conducted a Virtual Open House last week to update tenants on the upcoming BPIC road and stormwater project.
 - f. The Port is close to 90% occupancy.
7. Commissioners Reports
- a. Commissioner Gordon reported that the Benton Franklin Council of Governments has met twice regarding grant money for Economic Development and will be meeting tomorrow to discuss the \$1.4 million revolving loan and the \$400,000 Economic Development Grant.
 - b. Commissioner Gordon noted that the EDA had been given \$250 Million for development.
 - c. Commissioner Ryckman reported that the WPPA Executive Meeting has been postponed until June.
 - d. Commissioner Ryckman will be participating in TRIDEC’s “Coffee with Carl”.
 - e. United Way has asked Commissioner Ryckman to participate in the COVID Response Grant Review Committee.

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

1. Rental Car Gravel Lot Use- The Port has entered into extension agreements with the car rental companies for usage of that gravel lot to coincide with the duration of the deferral period (through the end of June 2020, at no charge.) The Executive Director has executed these agreements in accordance with the Commission’s delegation of authority policy.
2. Deferment Approvals- As of May 8, 2020, the Executive Director has executed agreements to defer with the following tenants: Tailwind, EAN Enterprise, EAN National Alamo.

- Herr Lease Agreement- Mr. Paul Herr, a tenant of the Port's, passed away at the beginning of 2020. He had a land lease with the Port and owned a private airplane hangar. As a result of his passing, his family has decided to sell his hangar. Mr. Jamie Washburn has purchased Mr. Herr's hangar and, thus, will be the new Assignee on Mr. Herr's land lease with the Port.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

EXECUTIVE SESSION

At 1:05 p.m., Commissioner Klindworth announced the board would go into executive session for 25 minutes to discuss the minimum price at which real estate will be considered for lease, and 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 1:30 Executive Session was extended for 20 minutes until 1:50 p.m. At 1:50 the Executive Session was extended for 5 minutes until 1:55 p.m., at 1:55 the meeting was reconvened.

ADJOURNMENT

The meeting adjourned at 1:56 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Vicki Gordon, Vice-President



Jean Ryckman, Secretary