

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
June 25, 2020 | 10:30 a.m.

CALL TO ORDER

Commissioner Klindworth called the meeting to order at 10:30 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, Property Leasing Associate and Administrative Assistant Audrey Burney.

Guests: Karl Dye- TRIDEC

Wendy Culverwell- Journal of Business

Paul Giever-Meier Engineering

APPROVAL OF AGENDA

Commissioner Ryckman moved and Commissioner Gordon 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

CONSENT AGENDA

- a) Regular Meeting Minutes of June 11, 2020.
- b) Vouchers and Warrants #94268-94366 & Direct Deposit #20394-20433 in the amount of \$641,419.10.

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

ITEMS FOR ACTION/ CONSIDERATION

TRIDEC 2020 Agreement- Mr. Ballew presented, Port Staff does not prepare the Port’s TRIDEC agreement until the completion of the TRIDEC Work Plan, the plan was delayed due to the retirement of Carl Adrian, the hiring of the new TRIDEC President, Karl Dye, and the COVID-19 pandemic. The Work Plan has been adjusted to account for the response to COVID-19. Mr. Dye presented the 2020 Work Plan to the Commission. Comm. Klindworth commented that more attention should be devoted to the economic impacts of preserving the Columbia / Snake River Dams and expansion of the Columbia Basin Project. Both of these projects provide some of the highest economic development potential in our region.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute the 2020 Economic Development Agreement with TRIDEC. Commissioner Klindworth abstained from the vote and cited his desire to see an emphasis in the Work Plan on dam preservation and Columbia Basin Project expansion. Motioned passed.

Delta and Allegiant Airline Agreements - Mr. Taft presented to the Commission that as a result of the airline agreements expiring on December 31, 2019, airlines were sent an extension amendment, initially in the summer of 2019 and then again with the rates and charges/reconciliation packets in November 2019. The extension amendment extends the term of the airline operating agreement for 3 years (expiring on December 31, 2023) and adds required FAA non-discrimination language. Delta and Allegiant executed and returned the amendments, and though it has been the practice of staff to wait for all the amendments to present for approval at the same time, Alaska and United still have not returned a signed amendment. Staff is working to remedy this, but many airlines have put these types of agreements on hold due to COVID-19.

Mr. Buck requested to get the two received amendments fully executed and returned to Delta and Allegiant and requested approval for the Executive Director to execute the extension amendments with United and Alaska, once they are received, since the language is the same as the language in the amendments presented at the June 25, 2020 Commission Meeting.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute the Airline Agreement Extension Amendments, with the language presented, with Allegiant and Delta today, and with United and Alaska when the agreements are received. Motion passed unanimously.

Second Harvest Restrictive Covenant Variance Extension- Mr. Hayden presented to the Commission, in March, the Port Commission approved a variance allowing Second Harvest to distribute food products directly to the consumer or end user at their Foster Wells facility through June 30, 2020. The variance was necessary because of restrictive covenants the Port put in place when it sold the land to Second Harvest. Second Harvest is now requesting that the variance be extended through December 31, 2020 because of the ongoing food emergency related to COVID. Staff has verified with the City that traffic is being adequately controlled and that the City has no other concerns with continuing the food distribution. Staff recommends approval of the variance extension.

Commissioner Gordon moved and Commissioner Ryckman seconded to grant Second Harvest of the Inland Northwest a temporary variance extension to the restrictive covenant recorded on January 18, 2012 under Auditor's File Number #1777322, such variance to allow emergency food distribution to individuals seeking food assistance in response to the pandemic outbreak of COVID-19. Distribution will be allowed to take place at the Second Harvest Inland Northwest facility at 5825 Burlington Loop, Pasco and will remain in effect through December 31, 2020 and may be extended if the parties agree at the time of the variance expiration. Motion passed unanimously.

Aircraft Hangar LOI- Mr. Taft presented, Loren Watts has signed a Letter of Intent, effective June 23, 2020 through September 30, 2020 for the land adjacent to building 69 on the airfield, as indicated in the Letter of Intent. Mr. Watts is planning to build a large aircraft hangar in this location but would like to complete a feasibility study before entering into a lease agreement. Mr. Watts has submitted a check for \$1,500, as part of the Letter of Intent, if Mr. Watts enters into a lease agreement with the Port for this property before September 30, 2020, this money will go towards the lease. If he does not, the money will be forfeit.

Commissioner Ryckman motioned and Commissioner Gordon seconded to execute the Letter of Intent, as written, between the Port of Pasco and Loren Watts.

Director Reports:

1. Executive Director
 - a. North Franklin Visitor Center plans are close to being ready for approval, the Port is seeking to amend the Comprehensive Scheme at the next Commission Meeting, this will be a Public Hearing.
 - b. The State Lobbyist has been speaking with Port and City of Pasco Staff regarding funding for wastewater infrastructure and the Reiman Industrial Center. The Port and City are working together in hopes of creating a plan that benefits both entities.
 - c. WPPA Commissioner John Love is retiring.
2. Airport Director
 - a. TSA numbers are slowly trending up, averaging less than 400 passengers a day, with the last two weeks being over 300 a day.
 - b. Commissioners were briefed last Meeting regarding the City Fire Fighters wanting to place a bus on the airfield for training purposes. Once they were informed that an agreement would have to be signed first, they expressed they are no longer interested.
 - c. The following flights are expected in August:
 1. Alaska- SEA four times a day
 2. Delta- MSP daily
 3. Delta- SEA three times a day
 4. Delta- SLC three times a day
 5. United- DEN two times a day
 6. United- SFO frequency unknown
 7. United- ORD frequency unknown
3. Economic Development & Marketing Director (EDM)
 - a. RIC Master Planning is in process: The Port, BNSF and JUB Rail Engineers are working on the rail plan. The Port is in contact with the Department of Ecology for wastewater possibilities, Franklin PUD on power requirements, and also reaching out to large industries for interest.
 - b. The Airport survey is going well with approximately 450 responses. Responses indicate about 40% plan to travel in the next 1-3 months, and 8% have not reduced travel at all.
 - c. Presented Triumphant Traveler video.
4. Deputy Airport Director Report
 - a. Taxiway A paving scheduled to start July 6th and is estimated to take 5-7 days. Possible change order as a deduction.
 - b. The Battelle Hangar is awaiting a security door/fire system tie in, and on the City's permit for a tamper switch.
5. Finance Director

- a. On schedule for the Bond Refinancing, the draft has been put out for review, and the sale date is August 18, 2020.
 - b. Accounting Staff is working on account balances for Deferral Agreements.
6. Properties Director
- a. Leggari Products' Lease was signed, and the carpets have been taken up with cleaning scheduled. Leggari is expected to move in July 1, 2020.
 - b. Additional leases are in process.

Commissioners Reports:

Commissioner Ryckman noted that James Thompson from the WPPA is working on setting up virtual Commissioners Seminar sessions.

Commissioner Gordon noted that she attended the Columbia Basin Development League meeting last week.

Commissioner Gordon noted that she has not been able to make the call in meetings for the PNWA, and verified that the Executive Director is receiving the information.

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

1. Deferment Approvals- As of June 11, 2020, the Executive Director has executed agreements to defer with the following tenants: Tailwind, EAN Enterprise, EAN National Alamo, Republic Parking, Delta Airlines, A-1 Hospitality and Pacific Northwest Aviation Museum and Historical Association.
1. IEDS- Inland Empire Distribution Systems, Inc. entered a month-to-month building lease that increases their leased space from 21,600 square feet to 43,200 square feet in Warehouse 2 Bay 2. The Lease value is \$11,891.00 per month.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

RECESS

Commissioner Klindworth recessed the meeting from 11:47 a.m. to 11:50 a.m.

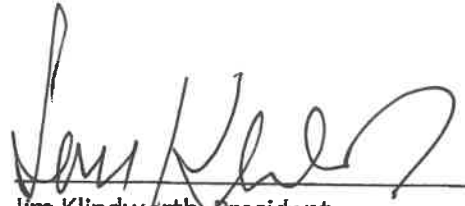
EXECUTIVE SESSION

At 11:50 a.m., Commissioner Klindworth announced the board would go into executive session for 15 minutes to discuss the planning or adoption of the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings or reviewing the proposals made in the negotiations or proceedings while in progress. At 12:05 p.m. regular session was reconvened.

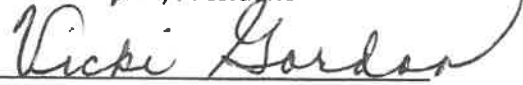
ADJOURNMENT

The meeting adjourned at 12:05 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Vicki Gordon, Vice-President



Jean Ryckman, Secretary