

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
September 24, 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.

A Public Hearing for the Comprehensive Scheme of Harbor Improvement Amendments was advertised in the Tri-City Herald for 10:35 a.m., and participation was available through Zoom by virtual attendance or by call in to 1-301-715-8592, meeting ID 6676918983.

Present: Commissioner Jim Klindworth, Commissioner Jean Ryckman, Executive Director Randy Hayden, Port Counsel Dan Hultgrenn, 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, Airport Business Manager Tara White.

Guests: James Sexton-JMS Construction
Mitch Hooper, Kelly Maddoux, Damon Smith-Mead & Hunt
Sam Nielson- Parametrix
Matt Brown-YBL Architects
Rick White- City of Pasco
Dave Zabell-City of Pasco
Nicole Stickney-AHBL
Mitch Gilbert
Taylor Hillo
Aaron Johnson

Excused: Commissioner Vicki Gordon

APPROVAL OF AGENDA

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the agenda with the addition of item 9.C., 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, and to excuse Commissioner Gordon. Motion passed.

CONSENT AGENDA

- a) Regular Meeting Minutes of September 10, 2020.
- b) Vouchers and Warrants #94720-94791 & Direct Deposit #20640-20679 in the amount of \$357,409.80.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the consent agenda as presented. Motion passed.

Public Hearings and Resolutions

Comprehensive Scheme of Harbor Improvements Amendments- Mr. Hayden presented proposed amendments to the CSHI, which included the addition of the Reimann Industrial Center, significant changes to Osprey Pointe, Tri-Cities Airport, and the Wharf (previously referred to as the marine terminal) properties. The Port has fulfilled State Environmental Policy Act (SEPA) requirements and review process.

Commissioner Klindworth opened the Public Hearing at 10:35. No members of the public offered comment, and Commissioner Klindworth closed the Public Hearing at 10:39.

Commissioner Ryckman moved and Commissioner Klindworth seconded to adopt Resolution 1540 amending the Port Comprehensive Scheme of Harbor Improvements. Motion passed.

Items for Action/Consideration

Great Basin Ag Land Lease- Ms. White presented, Corey Bitton, owner of Great Basin Ag, LLC, seeks a lease for hangar lot #2 in the Tri-Cities Airport Business Center to construct an airplane hangar. Staff has reviewed Resolution 1457, which requires an investment of a minimum of \$500,000 for the 30-year lease with a 10-year option to extend. Staff and Commissioners discussed potential lease components.

Commissioners recommended moving forward with modifying the lease language.

Hyster/Toploader Bid- Ms. Reyna presented, Port staff held the bid for the 1994 Hyster/Toploader, per prior Commission direction. The bid was advertised in the Tri-City Herald and posted on the Port website and Facebook page. Only one bid was received, in the amount of \$9,120, by the same person who had previously made an offer for \$20,000. Instead of rejecting the bid, staff countered with the original offer price made by the bidder. He offered to meet the Port halfway with a price of \$14,560 (before tax).

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute all documentation necessary to sell the 1994 Hyster/Toploader for the offered price of \$14,560. Motion passed.

TCABC The Landing Lease Amendment- Ms. White presented, staff has been working with John and Fraser Hawley to help move The Landing project in the airport business center forward. Due to financing reasons, Mr. Hawley requested the lease agreement between the Port and The Landing be restructured into two separate leases reflecting the Flex Building (Phase I) and the Retail Building (Phase II). He also requested an increase of approximately 10,019 square feet be added to the area that will be in the Phase I lease. The original leased premises were 2.05 acres and the new, combined leased premises in both leases is 2.28 acres. In addition, the original lease had language regarding the removal of an irrigation line for this project and that language is no longer in the two new leases as that has been resolved. No other terms of the previous lease have been changed.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute the Phase I and Phase II leases with The Landing, LLC, as presented. Motion passed.

Aluminum Stair Order for Warehouses- Mr. Hayden presented, the Port maintenance crew has been removing the existing deteriorated wood docks and concrete piers at various warehouse bays. Once the structures are removed, there is a need for an emergency egress and pedestrian access through the existing man door locations and access to the existing fire system valve house requiring stairs at the five locations at a typical warehouse bay. Aluminum stairs are being placed at these locations to defer any long-term maintenance. The PO for this order is 78 sets of stairs. The order will replace the remaining stairs required as progress through removal of the existing wood docks and canopies at the various warehouses is made.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to award Upside Innovations the material order for the required number of stairs for the remainder of docks being removed for the contract price of \$177,506.70, including tax. Motion passed.

Items for Discussion

Osprey Pointe Update- Mr. Hayden presented, James Sexton with JMS Construction was in attendance to provide an update of his plans for Osprey Pointe. Mr. Sexton has been refining the layout and appearance of the buildings and has made further revisions to the site plan to address past comments provided by the Port.

Mr. Sexton presented the Osprey Pointe presentation and conceptual Master Plan.

Mr. Hayden commented that the goal of the upcoming Design Charrette is to develop an approved site plan, after which JMS will be able to move forward with their Marketing Plan, Finance Plan, Development Plan, as well as, development schedule and individual phase lease/sale for the land.

Airport Master Plan Update- Mr. Taft presented, Mitch Hooper, Kelly Maddoux and Damon Smith from Mead & Hunt were in attendance to present the highlights of the updated Master Plan to the Commission. Staff will ask for formal Master Plan for Commission acceptance at a later date, this presentation was for information only.

Mr. Hooper, Mr. Maddoux and Mr. Smith presented the updates to the Airport Master Plan.

RECESS

The Meeting was recessed at 12:06 for lunch and reconvened at 12:25.

Reimann Industrial Center- Mr. Hayden commented that the Reimann Industrial Center has been receiving interest in property for purchase. The potential minimum sale price will be discussed in Executive Session.

Director Reports:

1. Executive Director

- a. Port staff has extended an offer for the Director of Economic Development and Marketing position and the offer has been accepted. The selectee will begin on November 2nd, and more information will be available once they have given the proper notice to their current employer.
- 2. Airport Director
 - a. Pacific Northwest Aviation Museum (PNAM) received CARES Act funding through Franklin County and will be paying off its deferred rent to the Port.
 - b. WSDOT has reached out to the Tri-Cities Airport as a beta testing site for Electric Aircraft. The expectations of joining the beta testing is the pursuit of airside and landside infrastructure, participation in the Electric Aircraft Working Group, and actively advocating for e-aircraft on a statewide level. Mr. Taft has a high level of interest in having the Tri-Cities airport participate as a testing site. Commission expressed support.
 - c. TSA has averaged 475 passengers a day, which is 37% of “normal” traffic.
 - d. In the next 10 years, the Airport will start to have many long-term leases expire. Staff is working with attorneys Dan Reimer and Dan Hultgrenn to outline the process for renewing these leases to meet FAA requirements and expects several hangar owners to attend the next Commission Meeting.
 - e. Nick Streuli with the Governor’s office announced that the Governor will be presenting airport COVID requirements today. Their goal is to highlight the great work happening across Washington to keep travelers safe. They are proposing requirements, that the Tri-Cities Airport is already observing, to keep travelers safe.
- 3. Deputy Airport Director Report
 - a. The Tri-Cities Airport Annual Emergency Table-Top meeting is taking place tomorrow.
- 4. Finance Director
 - a. The 2021 preliminary tax assessment for Franklin County has come in and is at \$9.75 billion, up from \$9.18 billion.
 - b. The Airport Revenue Bond Credit rating has changed to a BBB+, which is a reflection of the market conditions and economic outlook of the air travel industry.
 - c. The audit is close to being finished.
- 5. Properties Director
 - a. Presented the Properties Activity Report.
 - b. The McGregor company has purchased property outside of the Port.
 - c. A Canadian company that produces fire resistant building materials is interested in moving to the area and has reached out to the Port for property information.

Commissioners Reports:

Commissioner Ryckman noted that the WPPA has both the Environmental and Small Ports meetings coming up, both will be held online. She also noted that she sat in on the Legislative Committee and the potential carbon tax is still in discussion.

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

1. Deferment Approvals- For April, May and June, 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.
2. Expanded Deferment Approvals- As of July 23, 2020 the Executive Director has executed agreements to defer with the following tenants: Pacific Northwest Aviation Museum and Historical Association, Tailwind (MAG waived), and Hertz (MAG waived), Republic Parking (MAG waived), United Airlines, Delta Airlines, EAN Enterprise (MAG waived), EAN National Alamo (MAG waived), Pasco Chamber of Commerce. A-1 Hospitality MAG waiver agreement is in process, and Avis-Budget MAG waiver and rent deferral agreement is in process.
3. Goodwill Industries of the Columbia- A lease has been executed with Goodwill Industries of the Columbia; this is the 4th lease the Port holds with them. It is a month-to-month lease for 7,200 sf of warehouse space in the Northwest corner in Warehouse 8 Bay 2. They are currently unsure of the duration of the lease. The Lease value is \$1,857.60 per month.
4. T-Hangar Lease for Scott Knight- Scott Knight entered into a month to month agreement to lease T-hangar 1-76 #14. The lease became effective September 4, 2020. The Lease is 1,200 square feet and \$207.91 a month. The lease value is approximately \$2,494.92 for one year.

EXECUTIVE SESSION

At 1:30 p.m., Commissioner Klindworth announced that Commission would go into executive session until 1:45 p.m., to consider the minimum price at which real estate will be offered for sale or lease. At 1:45 p.m. the meeting was reconvened.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

ADJOURNMENT

The meeting adjourned at 1:47 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Vicki Gordon, Vice-President



Jean Ryckman, Secretary