

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held remotely with Public Access  
October 8, 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. 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 Jean Ryckman, Commissioner Vicki Gordon, 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.

**Guests:** Scott Musser, Doug Watts, Bill Barlow, Malin Bergstrom-Members of the General Aviation Community

Rusty Cutner

Colin Hastings- Pasco Chamber of Commerce

Ed Ray

Anne Hayden-Ray

**APPROVAL OF AGENDA**

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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. Motion passed unanimously.

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of September 24, 2020.
- b) Vouchers and Warrants #94792-94856 & Direct Deposit #20680-20718 in the amount of \$410,679.49.

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

**Public Hearings and Resolutions**

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**Resolution 1541-CERB Funding Application, Reimann Rail Access-** Mr. Hayden presented, Port staff are planning the beginning of the funding process to build infrastructure for the Reimann Industrial Center. Staff believes it is important to move forward with the initial rail spur since it is usually the longest lead time item of extending industrial infrastructure. Coordination with BNSF and the Washington Utilities and Transportation Commission (for the road crossing) can be an involved process.

Resolution 1541 authorizes the application to the state Community Economic Revitalization Board (CERB) for funding for the Reimann Industrial Center Rail spur. If approved, CERB would provide

\$575,000 of funding in the form of a \$86,250 grant and a \$438,750 loan (2% over a 20-year term). The Port would provide a \$575,00 match.

Commissioner Ryckman moved and Commissioner Gordon seconded to adopt Resolution 1541 authorizing the application to the Washington State Community Economic Revitalization Board for funding the Reimann Industrial Center Rail Spur. Motion passed unanimously.

### **Items for Action/Consideration**

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**The Landing CCR Review-** Mr. Taft presented, Airport staff have been working with Mr. Hawley of The Landing, LLC on their proposed Flex building development plans. The Tri-Cities Airport Business Center Covenants require that building designs and other development details be reviewed by the Architectural Review Committee (ARC), which is defined as the Port Commission unless otherwise designated. The ARC determines if the proposed development will meet the standards set forth in the Covenants.

While there are some discrepancies between the Covenants and the building plans, after thorough staff review, the recommendation is that Commission approve the plans with the following conditions: an ARC approved landscaping plan, sidewalks with a gradual meander, CCR and ARC approval of any signage prior to installation, and staff inspected lighting.

Commissioner Gordon moved and Commissioner Ryckman seconded to accept that the plans for The Landing Flex Building project are with the Covenants as conditioned in the staff report, and further moved to authorize staff to take appropriate actions in conveying this information to Mr. Hawley, as well as, to allow staff to approve minor modifications to the project.

**Preliminary 2021 Budget-** Ms. Watts presented, the 2021 proposed Preliminary Budget which has been completed using the current year's projected expenses and revenues, 2020 budgeted revenues and expenses, 2019 actual revenues and expenses, and management input.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the 2021 Preliminary Budget as presented on Page 2 of the 2021 Preliminary budget workbook. Motion passed unanimously.

### **RECESS**

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The Meeting was recessed at 12:12 for lunch and reconvened at 12:30.

**Tri-Cities Airport Master Plan-** Mr. Taft presented a review of the Tri-Cities Airport Master Plan. The Master Plan addressed the following areas: Airport Inventory, Aviation Activity Forecasts, Facility Requirements, Improvement Alternatives, Land Use compatibility, and Financial Implementation Analysis. Mr. Taft reviewed highlights from the Master Plan process, which included: Runway 13-30 shift and extension, Terminal Expansion, Auto Parking Reconfiguration, General Aviation Expansion, and Non-Aeronautical Development.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the Tri-Cities Airport Master Plan. Motion passed unanimously.

### **Items for Discussion**

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**August Financial Report**- Ms. Watts discussed the August Financial Report.

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

**“Eye on Pasco” Billboard**- Mr. Hayden and Mr. Hastings presented to Commission, the Pasco Chamber of Commerce and Ed Ray are proposing to install a billboard on Highway 395 near the Reimann Industrial Center with the message “Keep Your Eye on Pasco”. This message and the graphics were part of a historic campaign to promote Pasco that Mr. Ray would like to revive.

Ms. Hayden-Ray and Mr. Ray presented the history of the ‘Keep your eye on Pasco’ slogan and its importance to Mr. Ray.

The Commissioners believe the Port, the Chamber and the Ray Family can come to a mutually acceptable agreement.

The Chamber, Mr. Ray and Ms. Hayden-Ray will continue to gather the necessary information in order to move forward with the sign and will keep the Commission apprised.

**Airfield Hangar Lease Discussion**- Mr. Taft presented, Airport staff has recently begun discussion with Dan Reimer, the Port’s legal consultant for airport rules and regulations, on the issue of appropriate lease language for the end-of-term conditions on long term leases. Recently the FAA had ruled that an airport in Shreveport, LA was not handling the end of lease extensions properly. Understanding that the Tri-Cities Airport was going to have some of its long-term leases come due in the next 7-10 years, staff has begun internal discussions on how to best address the FAA concerns, Port interests, and tenant interests. Staff would like to develop a policy/procedure to give the Port and current and future tenants a better understanding of the end of lease procedures.

Members of the GA (General Aviation) Community were in attendance to comment. Mr. Musser and Mr. Watts shared comments with the Commission regarding their leases and expectations. The GA community has a vested interest in being a part of the lease renewal process and would like to be involved in the policy development at the earliest possible stage. Mr. Taft expressed that this is his desire as well.

Commissioners welcome GA involvement in the process and appreciate the positive attitude and desire for collaboration they have presented. The Commission looks forward to finding a suitable solution for all.

### **Director Reports:**

1. Executive Director

- a. The Osprey Pointe waterfront zoning code proposal was approved by the City of Pasco Planning Commission, and presented at workshop session of the City Council. The council appeared supportive of the new code and had good feedback for City staff and the Port. James Sexton from JMS Construction has been reviewing the code and feedback and will be meeting with the Port and City to propose additional changes to the code to fit his current development plans.
- b. An agreement with the Army Corps of Engineers has been reached for the easement, without a new appraisal, for \$2,500.
- c. Mr. Hayden will give a State of the Port presentation at the Pasco Chamber of Commerce Meeting on Monday, October 12.
- d. Thank you to Ms. Watts and her team for all their hard work in putting the budget together.
- e. The Port has received an email regarding a meeting on Rattlesnake Mountain on the 14<sup>th</sup> of October at 12 p.m. with Representative Newhouse.
- f. The Osprey Pointe Design Charrette takes place Friday, October 9<sup>th</sup>.
- g. The Port continues to receive interest on RIC (Reimann Industrial Center) land for purchase.

2. Airport Director

- a. Airport Statistics for September
  1. Alaska is down 66%
  2. Allegiant is down 31%
  3. Delta is down 64%
  4. United is down 59%
  5. September numbers are down 61%, which is a 1% increase over August
  6. The Airport is down 57% for the year to date, which is still within the estimated range
- b. TSA checkpoint numbers are at -1% over the last two weeks, with an average of 530 people per day. Over the same two-week period in 2019, the Airport averaged 1255 people per day.
- c. Tailwind has adjusted the restaurant hours on Tuesdays and Saturdays to close at 2 p.m. During the rest of the week, they will remain open until the last flight's departure. Jump Off Joe will also remain open to provide services until the last departure. Tailwind is doing everything they can to provide the highest level of service possible.

3. Deputy Airport Director Report

- a. The Tri-Cities Airport Annual Emergency Table-Top took place on September 25<sup>th</sup> via Zoom and had a good turnout.

4. Finance Director

- a. The State Auditor's Office has completed the following audits for the 2019 fiscal year: The financial statement audit, the federal single audit, the accountability audit and the passenger facility charges audit. All audits were issued an unmodified opinion. Port staff was able to submit to EMMA for the reporting deadline on the Port's general obligation and revenue bonds.

Commissioner Klindworth commented that the audits looked very clean and congratulated Ms. Watts and the Port.

5. Properties Director
  - a. IEDS is leaving their warehouse at the end of the month.
  - b. Properties staff is still in discussion with the Canadian company that is looking to expand into this area.
  - c. Kingdom Logistics is looking to grow in the Port.
  - d. The Properties department is receiving small 10,000-15,000 sq/ft space requests.
  - e. The Properties staff are gearing up for lease renegotiations.

#### **Commissioners Reports:**

Commissioner Ryckman noted, she has been attending the PNWA Annual meeting, and they have presented Danny Heck with the 2020 Legislator of the Year Award.

Commissioner Ryckman also noted that the WPPA Executive Committee has recently met and the preliminary budget is in process.

Commissioner Gordon commented that the Columbia Basin Development League annual meeting takes place on November 5<sup>th</sup>.

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

1. ~~Building 71 Lease-Dan Hatch~~-Dan Hatch entered into a month to month agreement for the south side of Building 71, previously leased by Battelle. The lease became effective October 1, 2020. The square footage for the lease is 11, 945 and the lease value is approximately \$23,810 for one year.
2. 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.
3. 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 was executed on October 2, 2020, and Avis-Budget MAG waiver and rent deferral agreement is in process.

#### **CALENDAR OF EVENTS**

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Commissioners and staff discussed the calendar of events.

#### **EXECUTIVE SESSION**

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At 1:15 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, and to discuss with legal counsel potential litigation to which the agency is likely to become a party. At 1:45 p.m. the meeting was reconvened.

**ADJOURNMENT**

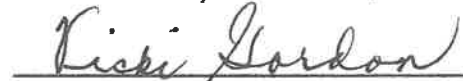
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The meeting adjourned at 1:45 p.m.

Port of Pasco Commission:

  
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Jim Klindworth, President

  
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Vicki Gordon, Vice-President

  
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Jean Ryckman, Secretary