

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
December 10, 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 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, Director of Economic Development and Marketing Stephen McFadden, Executive Staff Assistant & Human Resources Lori French.

Guests: Kyle Clark, Darren McEuin of Conover Insurance, James Sexton of JMS Construction, Colin Hastings of the Pasco Chamber of Commerce, and Bill Barlow.

APPROVAL OF AGENDA

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the agenda, with the addition of item 8.E., 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

- a) Regular Meeting Minutes of November 12, 2020
- b) Regular Meeting Minutes of November 17, 2020
- c) Special Meeting Minutes of November 30, 2020
- d) Vouchers and Warrants #95006-95114 and Direct Deposit #20799-20835 in the amount of \$1,343,479.37, Vouchers and Warrants #95115-95174 and Direct Deposit #20836-20873 in the amount of \$409,436.05
- e) Big Pasco Industrial Center Christensen Rail Crossing, accept as complete
- f) Big Pasco Industrial Center Crack Seal on Ainsworth, accept as complete

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

Mr. Hayden recognized Mr. Friesz for his work in getting the Ainsworth project completed quickly.

Public Citizen Comment

Kyle Clark, who has a professional and personal background as well as an interest in the local history of aviation, made a request to the Commission for permission to unearth the airplanes/aircraft that are buried at the Tri-Cities Airport. Mr. Clark stated that he has financial support from some members of the community to help pursue this endeavor.

The Commissioners directed Mr. Clark to create a proposal for presentation at a future Commission Meeting that will outline pertinent information for the Commission to make a decision on the request. Staff will assist Mr. Clark in the process as needed.

Public Hearings and Resolutions

Resolution 1545, Cancellation of the Second December Commission Meeting-

The second December Commission Meeting for 2020 falls on the Port Christmas Holiday closure of December 24th. As is customary, this meeting will be cancelled.

Commissioner Gordon moved and Commissioner Ryckman seconded to adopt Resolution 1545, the cancellation of the second December Commission Meeting. Motion passed unanimously.

Resolution 1546, Rental Lease Rates-

Ms. Reyna presented, the rental lease rates for new leases have been updated to reflect the new “published rates”, and the addition of the Tri-Cities Airport Rates to become effective January 1, 2021. Resolution 1546 replaces Resolution 1505 from March 15th, 2019.

Commissioner Gordon moved and Commissioner Ryckman seconded to adopt Resolution 1546, a resolution setting forth Port policy regarding the rental lease rates and related policies of the Port of Pasco. Motion passed unanimously.

The Commissioners thanked Ms. Reyna and the Port staff for the effort they put forth on this item.

Items for Action/Consideration

JMS Letter of Intent Extension- Mr. Hayden presented, JMS has requested a second extension of the Letter of Intent to January 31st, this should be adequate time for City approval of the proposed Waterfront Zoning Code, which will be applied to Osprey Pointe and is a condition of the Letter of Intent.

Mr. Sexton of JMS Construction provided an update of the Osprey Pointe conceptual master plan.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute the Second Amendment to the Letter of Intent as presented or with minor modifications as may be approved by the Port Attorney. Motion passed unanimously.

2021 Airport MAG waiver – Mr. Taft presented; staff is proposing to waive the MAG (Minimum Annual Guarantees) for terminal-based tenants until passenger numbers reach 75% of 2019 numbers. Mr. Taft reviewed the April 2020 Resolution 1531, which was the initial MAG waiver, and the subsequent passenger and traffic trends that will continue to impact the MAG- terminal-based tenants.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Executive Director to suspend the Minimum Annual Guarantee requirements for terminal based tenants until

enplanements reach 75% of 2019 numbers for three consecutive months. Motion passed unanimously.

2021 Excess, Earthquake, Crime, Marine and Airport Liability- Mr. McEuin from Conover Insurance presented the proposal for the 2021 Liability Insurance for the Port of Pasco.

Commissioner Ryckman moved and Commissioner Gordon seconded to accept the 2021 policy year effective January 1, 2021 to December 31, 2021 for Marine Liability, Excess Liability, Airport Liability, Earthquake, and Crime Insurances. Motion passed unanimously.

Commissioner Klindworth thanked Ms. Watts and Mr. McEuin for their good work on the insurance renewals.

2021 Golder Budget for the Marine Terminal- Mr. Hayden presented that Golder Associates has submitted the 2021 budget for the Marine Terminal cleanup project. The total is \$26,790 and the breakdown of funding is: Port of Pasco-\$2,478, Ecology Grant-\$7,434, Crowley Maritime-\$16,878.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to sign the attached agreement with Golder Associates for \$26,790 for the 2021 Marine Terminal Cleanup budget. Motion passed unanimously.

Recess

The meeting was recessed at 11:57 for lunch and reconvened at 12:20.

Items for Discussion

October Financial Report- Ms. Watts discussed the October Financial Report.

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

Reimann Industrial Center Update- Mr. McFadden presented an update on the Reimann Industrial Center. Port staff have been in communication with the City of Pasco, Franklin County and the Franklin PUD regarding infrastructure development.

Director Reports:

1. Executive Director
 - a. Mr. Hayden discussed the Port of Pasco's current cyber/computer security set up in light of the recent breach of cyber security at the Port of Kennewick.
2. Airport Director
 - a. November Airline Statistics compared to prior year:
 1. Alaska is down 63%
 2. Allegiant is down 26%
 3. Delta is down 60%
 4. United is down 61%

5. November is down 57% which is down from 55% in October. Year to date numbers are down 57%.
 - b. TSA checkpoint traffic is down approximately 16% over the last two weeks.
 - c. The Tri-Cities Airport was not selected as a beta test site for electric aircraft. WSDOT completed a feasibility study and the following airports were selected:
 - Spokane Felts Field
 - Chehalis – Centralia Airport
 - Boeing Field/King County International
 - Yakima Air Terminal
 - Grant County International Airport
 - Olympia Regional Airport
 - d. Tailwind will be closing the Columbia Express on Friday until restaurants are able to provide full service again. Jump Off Joe will remain open to provide food service for the passengers.
3. Economic Development and Marketing Director
 - a. Mr. McFadden discussed his first month at the Port and the new and ongoing projects that he is working on.
4. Airport Deputy Director
 - a. The Airport will be receiving its new equipment for snow removal next week.
5. Properties Director
 - a. Ms. Reyna reviewed the Properties Activity Report.
 - b. Ms. Reyna noted that the Port has broken its 90% occupancy barrier and is currently working with several potential clients.

Commissioners Reports:

Commissioner Ryckman noted that last week was the WPPA Annual meeting, and that she has formally turned over the reigns as WPPA President. She noted that it has been a great tenure and she is happy to move on. She will also be attending the WPPA meetings for the next two years as the “past president”.

Commissioner Gordon congratulated Commissioner Ryckman on her time as WPPA President and said that she “represented us well, as you always do”.

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

1. Signed Agreement with USDA- Mr. Taft has signed the 2021 work/financial plan with USDA for \$14,935. This plan covers all of the wildlife mitigation actions the Tri-Cities Airport takes as well as the annual wildlife training that is required by the FAA.
2. T-Hangar Lease for Ironside Custom Grinding- Emmett Booth of Ironsides Custom Grinding entered into a month-to-month agreement to lease T-Hangar 1-76 #10. The lease became effective November 15, 2020. The value of the lease is approximately \$2494.92 for one year.
3. Lease Amendment, Pasco Golfland to NJ Vermulm LLC-Bill McIntyre of Pasco Golfland has sold the business to his granddaughter and her husband, Justine and Nicklaus Vermulm. They have formed an LLC and will continue to operate the golf course as Pasco Golfland. A lease was prepared to assign the lease from Pasco Golfland (McIntyre) to NJ Vermulm LLC.

4. Lease, Tri-City Cab LLC- Tri-City Cab LLC has begun airport operations again after terminating their agreement earlier this year. A new agreement has been executed that is effective December 3, 2020. The lease value is approximately \$839.16 for one year.
5. Lease, Tri-City Delivery- This is a month-to-month lease renewal at the Marine Terminal for a building and land that is located at 619 West River Street. They have been a tenant since 2010. Lease value is \$712.46 per month.
6. Washington State House of Representatives- Due to the end of Term for Representative William (Bill) Jenkins, he has decided to end his lease as of December, 31, 2020 as his non-standard lease allows.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

Executive Session

At 1:32 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 lease. And that at 1:45 p.m., the Commission would go into executive session for 20 minutes to review the performance of a public employee. At 2:05 p.m., Port Counsel announced on behalf of the Port of Pasco Commissioner's that the executive session would extend and additional 10 minutes. At 2:15 the Regular Session was reconvened.

Items for Action/Consideration Continued

Performance Evaluations for the Executive Director and Director of Finance/Auditor-

Commissioner Gordon and Commissioner Ryckman seconded to approve the Executive Director's salary adjustment to \$207,200, with an additional deferred Compensation of \$15,000 in addition to any standard DCP match provided by Port policy, effective January 1, 2021. Motion carried unanimously.

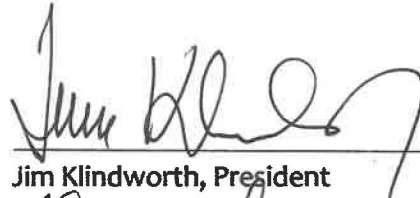

Commissioner Gordon moved and Commissioner Ryckman seconded to approve increasing the Finance Director/Auditor's salary to \$135,000.00, effective January 1, 2021. Motion carried unanimously.

The Commissioners thanked Mr. Hayden and Ms. Watts for a job well done during difficult times.

ADJOURNMENT

The meeting adjourned at 2:20 p.m.

Port of Pasco Commission:


Jim Klindworth, President
Vicki Gordon, Vice-President
Jean Ryckman, Secretary