

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held remotely with Public Access  
January 14, 2021 | 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, Director of Economic Development and Marketing Stephen McFadden, Executive Staff Assistant & Human Resources Lori French, Airport Business Manager Tara White.

**Guests:** Dan Reimer, Scott Musser, Chep Gauntt, Bill Lampson, Brad Green, Tim Bush, Brad Peck, Doug Watts, Larry Whitten, Bill Barlow, Fraser Hawley, Wendy Culverwell.

**APPROVAL OF AGENDA**

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Commissioner Ryckman moved and Commissioner Klindworth 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. Motion passed.

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of December 10, 2020.
- b) Vouchers and Warrants #95175-95250 and Direct Deposit #20874-20912 in the amount of \$379,145.53, Vouchers and Warrants #95251-95334 and Direct Deposit #20913-20951 in the amount of \$1,773,198.31.
- c) Accept as complete-North Franklin Visitor’s Center in Connell, WA.

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

**Public Hearings and Resolutions**

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**Resolution 1547, Sale of Property No Longer Needed-**

Commissioner Ryckman moved and Commissioner Gordon seconded to approve Resolution 1547, Sale of Property No Longer Needed, and to extend the Executive Director’s authority to sell and convey Port district property of ten thousand dollars or less in value for another calendar year. Motion passed unanimously.

## **Items for Action/Consideration**

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### **Economic Development Corporation Meeting-**

At 1:00 p.m., Commissioner Klindworth recessed the regular meeting and called the Economic Development Corporation Meeting to order.

At 1:08 p.m., Commissioner Klindworth adjourned the Economic Development Corporation Meeting, and the Regular Meeting was resumed.

**City of Pasco Sewer Easement-** Mr. Hayden presented, the City of Pasco requested a permanent easement and a temporary construction easement through Osprey Pointe for the installation of a new sewer outfall pipe. The easement would be located along the western edge of Osprey Pointe and it does not interfere with the current development plans for Osprey Pointe.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to execute a permanent easement and a temporary construction easement for the City of Pasco for installation of a new sewer outfall pipe, with such minor changes as are approved by the Port attorney.

**Committee Assignments-** Commissioners reviewed the 2021 Committee Assignments and determined that Commissioner Gordon would act as a Commission representative for the Downtown Pasco Development Association (DPDA), as well as a Port staff member who is yet to be determined.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the 2021 Committee Assignments as presented with the addition of Commissioner Gordon as a representative for the DPDA. Motion passed unanimously.

**Agreement with Amplifi-** Mr. McFadden presented the 2021 agreement with Amplifi, formerly known as BHW1. The 2020 agreement carried a not to exceed amount of \$123,000, and staff requests a 2021 not to exceed amount of \$70,000 due to the downturn of marketing activities in light of COVID-19. Staff will request an increase if the marketing expenses change.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the 2021 agreement with Amplifi for a “not to exceed” amount of \$70,000. Motion passed unanimously.

**Extension of Commencement of Rent for The Landing –** Ms. White presented, Mr. Hawley has requested an extension of commencement on both of his leases relating to The Landing, LLC. Mr. Hawley was in attendance and made a request to the Commissioners to extend the commencement of his leases for three months, due to the delays and hardships that COVID-19 has caused.

Commissioner Ryckman moved and Commissioner Gordon seconded to extend the rent commencement date on both leases for The Landing, LLC to April 1, 2021. Motion passed unanimously.



**Big Pasco Rail Project-Construction Engineering Agreement-** Mr. Hayden presented, Port staff conducted interviews with the four companies who responded to the Request for Qualifications regarding the Big Pasco Phase 6 Rail Reconstruction. Staff selected HDR Engineering as the most qualified consultant for the project and will negotiate with them for the work. Once the consultant contract is approved, the project will be put out to bid, with the consultant managing the bidding process, project inspection, and management. Fees for the construction management services are estimated at \$250,000.

Commissioner Ryckman moved and Commissioner Gordon authorized the Executive Director to execute the construction management agreement for the Big Pasco Intermodal Rail Reconstruction project with the selected consultant for an amount not to exceed \$250,000, with the contract form as approved by the Port Attorney. Motion passed unanimously.

#### **Items for Discussion**

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

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

**Airport Leasing Policy-** Mr. Taft presented, staff have worked with Dan Reimer to create an Airport Leasing Policy that meets FAA rules and regulations, as well as Port objectives. The Policy has is still in draft format with room to make changes. The Policy draft was sent to the airport tenants for review and comments, and members of the GA community were in attendance to express their opinions on the Policy.

Mr. Reimer commented on the FAA rules and regulations, industry standards, and the Airport's objectives in making the policy.

Mr. Musser, Mr. Gauntt, Mr. Lampson, Mr. Peck, and Mr. Green gave feedback on the content of the policy, and a number of other GA community members were in attendance. Members expressed their concern with section 7 of the Policy regarding reversionary clauses for leases, and collectively hope to come to an agreement that is beneficial to both the Airport and its tenants.

Commissioner Klindworth commented that he trusts that the right answer will be found through the work of good employees, the community, and outside expertise. Commissioner Gordon commented that she believes the group is on a good path to both satisfy the needs of the community and meet FAA requirements. Commissioner Ryckman expressed thanks to the tenants for their collaborative actions.

Mr. Taft expressed that he would continue to work with Mr. Musser and the GA community members to work out issues in the Policy. Mr. Musser expressed thanks to the Commission for the opportunity to share.

## **Recess**

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The meeting was recessed at 11:55 for lunch and reconvened at 12:20.

**Reimann Industrial Center Update-** Mr. McFadden presented an update on the Reimann Industrial Center Master Plan Draft and legislative handouts that include a Fact Sheet and Marketing Flyer. Port staff continue to work with the City of Pasco, Franklin County and the Franklin PUD regarding infrastructure development and funding.

Mr. Hayden presented the estimated Reimann development costs, and Ms. Watts reviewed the potential funding sources.

The Commission is considering up to 10 million dollars in General Obligation Bonds and a Local Tax Increment Financing Bond, which would be coordinated with community partners.

**Potential Property Purchase-**Mr. Hayden presented; the Port is considering the purchase of additional Industrial zoned land.

## **Director Reports:**

1. Executive Director
  - a. Mr. Hayden and Ms. Reyna will be meeting with the American Queen Cruise Line to consider allowing them to use the Wharf, and if they are willing to contribute to making improvements to it.
  - b. Mr. Hayden and Mr. McFadden participated in a City Council Workshop regarding the waterfront zoning code for Osprey Pointe. The City will meet on Monday for action.
  - c. Progress is being made on the stand-alone lease for the Public Market and Hotel portion of the Osprey Pointe Development.
  - d. Mr. Hayden asked the Commissioners if they were interested in doing the presentation for the upcoming State of the Ports, Regional Chamber Meeting. The Commissioners declined in favor of Mr. Hayden representing the Port.
  - e. Columbia Snake River Irrigators Association may challenge the Columbia-Snake River Operations EIS.
  - f. Commissioner Klindworth will not be in attendance for the January 28<sup>th</sup>, and possibly the February 11<sup>th</sup> Commission Meetings.
2. Airport Director
  - a. November Airline Statistics compared to prior year:
    1. Alaska is down 64%
    2. Allegiant is down 44%
    3. Delta is down 45%
    4. United is down 61%
    5. December is down 55%. Year to date numbers are down 57%.
    6. Seats are down 25% for December and 35% for the year to date.



- b. TSA checkpoint traffic was up to 57% and 61% in the last two weeks, the highest levels since the pandemic began.
  - c. Maintenance staff will be removing the tree at the airport's entrance because of damage it sustained in the most recent windstorm.
- 3. Economic Development and Marketing Director
  - a. Mr. McFadden discussed his Economic Development Report, highlighting the work that has been happening on the Reimann Industrial Center and Project Ruby, and his introductions to local leaders and Port community partners.
- 4. Airport Deputy Director
  - a. Mr. Faley presented photos of the new snow removal equipment that the Airport has recently received.
- 5. Finance Director
  - a. Accounting staff are performing year end transactions.
- 6. Properties Director
  - a. Ms. Reyna reviewed the Building Occupancy Report which is at the highest level in her memory.
  - b. Ms. Reyna noted that Port staff and representatives for the Pasco Processing Center businesses will be meeting to discuss the outcome of the PPC Rail maintenance inspection.
  - c. Properties Department is working on several expansions for current tenants.

#### **Commissioners Reports:**

Commissioner Gordon noted that there were not many meetings held over the holidays, and that there would be a Benton Franklin Council of Governments meeting held on Friday.

Commissioner Klindworth noted that he would be "out of commission" for the second January meeting, and likely the first February meeting.

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

- 1. Whitten Lease Amendment-Personal Guarantee: The lease amendment reduces the bond amount to the standard required amount of 6 times the monthly rent with leasehold tax and includes the personal guarantee signatures.

#### **CALENDAR OF EVENTS**

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Commissioners and staff discussed the calendar of events.

#### **Executive Session**

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At 2:40 p.m., Commissioner Klindworth announced that Commission would go into executive session until 3:15 p.m., to consider the minimum price at which real estate will be offered for sale and to consider the selection of a site and acquisition of real estate by purchase. At 3:15 p.m., the executive Session was extended until 3:20 p.m. At 3:20 p.m. the Regular Session was reconvened.

## **ADJOURNMENT**

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The meeting was adjourned at 3:23 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