

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
January 28, 2021 | 10:30 a.m.

CALL TO ORDER

Commissioner Gordon 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 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.

Excused: Commissioner Jim Klindworth.

Guests: Diana Carlen of Gordon Thomas Honeywell, Edward DeBroeck and Bruce Erickson of KPFF, Aaron Johnson, and Mitch Gilbert.

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. Motion passed.

CONSENT AGENDA

- a) Regular Meeting Minutes of January 14, 2021.
- b) Vouchers and Warrants #95335-95435 and Direct Deposit #20952-20989 in the amount of \$1,651,806.76.

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

Items for Action/Consideration

Industrial Land Purchase/Sale Agreement: Mr. Hayden presented, Port staff is working with the Tippet Company to broker a potential purchase of 92 acres of land for industrial development, there is no Purchase Sale agreement at this time.

The Port has a buyer’s agency agreement with the Tippet Company for property purchase broker services that was put into place for properties along the east side of the of the Airport as well as the Reimann Industrial Center. This agreement allows other work to be assigned under the agreement and staff would like to include this new industrial land as part of the agreement.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Port staff to add new industrial property acquisition to the existing Buyer's Agency Agreement with the Tippett Company using the institutional client rates and commission schedule.

Items for Discussion

Wharf Rehab Update- Ms. Reyna introduced Mr. DeBroeck and Mr. Erickson from KPFF.

Mr. DeBroeck presented KPFF's recommended Wharf rehabilitation plans. Port staff may use the plans to look for grant opportunities for rehabilitation funding. KPFF will also be working with a cruise line to look at temporary measures that could be implemented to allow the wharf to be used for the 2021 cruise season.

PPC Rail Discussion- Ms. Reyna presented, Port staff are continuing to work with the Pasco Processing Center rail users to come to an agreement for rail maintenance. The Port has had the rail inspected and has attained a report indicating that some relatively major repair work should be done within the next 4 to 5 years to keep the track in good condition for the future. The estimated cost for the rehab repair work is \$696,488.00.

Staff is proposing a plan to pay for the difference between the funds received from the rail users and the cost of the project. The annual maintenance fee and rail car user fees received for the next five years is estimated at \$221,460, which would leave the Port with a projected deficit of \$475,028.

Commissioners indicated they were agreeable to the Port making up the deficit with our capital budget over the next 4-5 years. Staff is continuing to meet with the PPC rail users to work out a possible solution.

Airport Coronavirus Response Grant Program- Mr. Taft reviewed the recently passed Coronavirus Response and Relief Supplemental Appropriation Act of 2021. Staff will evaluate Airport finances and the best ways to utilize grant funding and when notice of the award is received, will return to Commission with the total amount of the grant and how staff anticipates utilizing these funds.

Legislative Update – Ms. Carlen of Gordon Thomas Honeywell presented an update on the legislative session and a brief recap of the meetings that have taken place with Port staff and legislators regarding funding for the Reimann Industrial Center, Tax increment Financing, overtime exemptions for the dairy industry, carbon policy, and other areas of interest for the Port.

Osprey Pointe Lease- Mr. Hayden presented, staff is working with JMS on a lease and purchase option for land at Osprey Pointe for the public market and hotel site. JMS is in possession of the draft version and will be following up on preparing the documents they need to provide. The exclusivity period covered in in Letter of Intent with JMS is set to expire on January 31, 2021 and may be extended while the lease and Master Development Agreement are in development.

Commissioner Ryckman moved and Commissioner Gordon seconded to extend the exclusivity period in the Letter of Intent with JMS to March 31, 2021. Motion passed.

Director Reports:

1. Executive Director
 - a. Mr. Hayden reported that Port staff have been working with Franklin PUD on a broadband grant for our shared rural districts.
 - b. Mr. Hayden and other representatives from Petrichor will be meeting with Sen. Schoesler next week to provide an introduction to Petrichor's mission and services.
 - c. The City has approved the new waterfront zoning code for Osprey Pointe, but it will not be applied until the surrounding land is changed to residential in the City's pending Comprehensive Plan update.
 - d. Michael Jay's in Connell has been put up for sale.
2. Airport Director
 - a. A pay vacate has been issued to Pasco FBO Partners. They currently owe \$8,739.33 and are five months behind. Most recently, Pasco FBO Partners have been issued a pay vacate in March of 2019, February 2020 and now January 2021.
 - b. Recently there has been discussion about the Biden Administration proposing mandatory COVID testing for domestic travel, which if imposed, would have an even more negative impact on passenger traffic. A discussion will likely take place during Monday's AAAE meeting.
 - c. During the last two weeks TSA passenger traffic dropped from 61% to 46% of prior year's levels.
3. Economic Development and Marketing Director
 - a. Mr. McFadden noted the Master Plan for Riemann Industrial Center (RIC) will soon be in its final draft stage after a meeting to receive comments on the draft between Port staff and JUB.
 - b. Staff is continuing to meet with City of Pasco partners to address RIC development needs.
 - c. Mr. McFadden noted that during the legislative meetings, there were questions on Project Ruby and Reimann Industrial Center infrastructure regarding wastewater and roads.
4. Airport Deputy Director
 - a. Mr. Faley noted that a film crew will be out at the Tri-Cities Airport filming footage for a movie, set during the Korean War, for the next two weeks.
5. Finance Director
 - a. Accounting staff are continuing to perform year end transactions.
6. Properties Director
 - a. Ms. Reyna noted that BrandCraft is using an empty Port warehouse to film a PSA for the Tri-Cities Cancer Center today.
 - b. Properties staff are working on a myriad of properties inquires and have several leases awaiting signatures as provided in the Property Activities Report.

- c. A Canadian company that had shown interest in two adjacent warehouse bays, believes them to possibly be too small of a footprint and may be interested in the feasibility of building a facility on Port property.

Commissioners Reports:

Commissioner Gordon noted that the Columbia Basin Development League will be hosting its Spring Conference in March and that there are several good things taking place including progress on the Odessa Groundwater project.

Commissioner Gordon also notes that the Benton Franklin Council of Governments has a new Executive Director.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

Executive Session

At 12:08 p.m., Commissioner Gordon announced that Commission would go into executive session until 12:25 p.m., to consider the minimum price at which real estate will be offered for sale. At 12:25 p.m. the Regular Session was reconvened.

ADJOURNMENT

The meeting was adjourned at 12:33 p.m.

Port of Pasco Commission:

Jim Klindworth, President

Vicki Gordon

Vicki Gordon, Vice-President

Jean Ryckman

Jean Ryckman, Secretary