

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
February 25, 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: Colin Hastings of the Pasco Chamber, Darren McEuin of Conover Insurance.

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 February 11, 2021.
- b) Vouchers and Warrants #95498-95596 and Direct Deposit #21028-21064 in the amount of \$645,306.09.

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

Public Hearings and Resolutions

Resolution 1548-Approval of User Fees at the Tri-Cities Airport- Mr. Taft presented, Resolution 1548 updates the fee structures for the Tri-Cities Airport. This Resolution outlines the following fees: \$710.06 Airport Turn Fee, \$.07/gallon Fuel Flowage Fee, and \$69.93/mo + tax for taxi licensure. Staff will update the attached, Exhibit A, on an annual basis to ensure that the Port has the most current rates reflected, going forward.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve Resolution 1548, regarding the approval of airport fees. Motion passed.

Items for Action/Consideration

New Property Purchase-Co-Purchaser Agreement- Mr. Hayden presented the final Co-Purchaser agreement for Reser's Fine Foods in connection with the Purchase Sale Agreement that was approved on February 11th, for a portion of the 92 acres that the Port is purchasing from Cox Family Land, LLC.

Commissioner Ryckman moved and Commissioner Gordon seconded to execute the Co-Purchaser Agreement with Reser's Fine Foods, and to take other such actions as many be necessary to complete the agreement.

Excess Liability Insurance-Mr. McEuin of Conover Insurance presented a review of the excess liability insurance market, and quotes for potential coverage options for the Port, as the current excess liability coverage expires March 1st, 2021. Ms. Watts reviewed the Port's potential liability and the high costs to obtain excess liability insurance. Mr. Hayden commented that the Port may get more favorable quote from Alliant Insurance in October of 2021 and recommended waiting until that time to purchase excess liability unless something more reasonable can be found. Due to the high cost for excess liability, Commission agreed to forgo purchase of excess liability insurance at this time. Mr. McEuin noted that he will continue to look for suitable options, as the Commissioners elected not to renew excess liability insurance for the Port at this time.

Commissioner Ryckman moved and Commissioner Gordon seconded to accept the excess marine liability policy from Lloyd's of London for \$26,035.50, effective March 1, 2021 to March 1, 2022.

Items for Discussion

Osprey Pointe Update- Mr. Hayden presented, the Port is waiting for JMS to return certain documents that are needed to move forward with the lease of land for the Osprey Pointe Market development. Staff will continue to work with JMS to make progress.

Return to Partial In-Person Meetings-Ms. French presented, due to Proclamation 20.28-14, and the South-Central Region of Washington State moving to Phase 2 of the Healthy Washington-Roadmap to Recovery plan, the Port of Pasco is eligible to return to partial in-person meetings. As long as the Port is able to meet the requirements outlined in the Proclamation and accompanying documents and the area stays in Phase 2, the Port Commission can begin meeting in person if the Commissioners so desire. Requirements include maintaining a virtual attendance option and health safety measures such as social distancing and mask wearing.

The Port Commissioners would like to return to in-person meetings beginning at the March 11th, 2021 Commission Meeting, as long as all the requirements can be met.

Reimann Industrial Center Update- Mr. Hayden presented, Port Staff are continuing to work with State legislators to gain support for funding opportunities to build the necessary infrastructure to accommodate the industries that are interested in the Reimann Industrial Center.

Director Reports:

1. Executive Director
 - a. The State Legislative TIF (tax increment financing) Bill is still alive but has recently received pushback from two large Washington State Ports. WPPA and the TIF coalition are working on solutions to address those concerns.
 - b. The Port is in the 90-day contingency period of the Cox Family land purchase, and staff is doing their due diligence to evaluate all aspects of the property for feasibility.
 - c. Mr. Hayden thanked Port staff and commissioners for their support in the success of the Regional Chambers State of the Ports presentation.
2. Airport Director
 - a. Mr. Taft reported, an agreement with Mead & Hunt has been signed for miscellaneous services for an amount not to exceed \$10,000.
 - b. During last week's snowstorm, there were two slip and fall incidents and one Port vehicle accident at the Airport.
 - c. The Airport received the grant applications for the second round of airport stimulus money. The grant amounts are estimated to be \$3,206,479 for operations/debt service and \$93,811 for concessions. Airport staff is working on a plan for funding distribution.
 - d. Staff is working on putting together the application for this year's AIP project, which includes the design of the new taxiway G.
 - e. Over the last two weeks, TSA passenger numbers are trending up, and are at 55% of last year.
3. Economic Development and Marketing Director
 - a. Mr. McFadden noted that Port staff have submitted an application for capital budget requests related to Reimann Industrial Center infrastructure funding, through a request by Senator Murry for entities in her constituency with economic development recovery needs.
 - b. Mr. McFadden commented that the Port is working on five separate industry site selection projects, all of which are interested in conducting business on Port property.
4. Airport Deputy Director
 - a. Mr. Faley noted, FEMA has visited the Tri-Cities Airport and surrounding business/resources for emergency planning.
 - b. The Airforce will be using the Airport for training that will include the use of three C-17s, on March 11th.
5. Finance Director
 - a. Ms. Watts noted that Delta Airlines has paid their outstanding balance.
 - b. Port staff is continuing the review process for the Insurance Broker RFP that will be put out on March 5th.
 - c. Accounting staff members are continuing to work on year end transactions.
6. Properties Director
 - a. Ms. Reyna presented the Properties Activity Report and noted that the Port has received a notice of bankruptcy from Easterday Farms, LLC.
 - b. Properties staff have been working with tenants during the scheduled stormwater and road improvements.

- c. Ms. Reyna notes she has reached out to American Empress regarding their previous interest in utilizing the Wharf. Her calls have not been returned at this time.
- d. Properties staff will be working with Kurt Schaffer and the Tippet Company to conduct a market lease rate survey for the Port properties.
- e. Properties staff are working on new leases, and maintenance issues brought about by the winter storm last week.

Commissioner Reports:

Commissioner Ryckman commented to Mr. Hastings that she would like to see the Pasco Chamber members informed about the Broadband legislative initiatives. She believes they should be aware of the issues that would impact them and the community.

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

- 1. **Deferment for Avis-Budget:** Avis-Budget has executed an amendment to waive MAGS/ defer rent from 4/1-12/31/2020 as of 2/16/2021, in accordance with the expanded deferment program.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

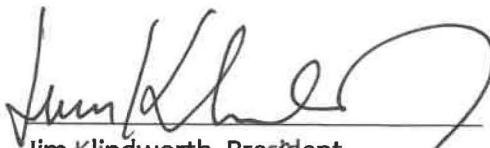
EXECUTIVE SESSION


At 11:35 a.m., Commissioner Gordon announced that Commission would go into executive session until 11:50 a.m., to consider the minimum price at which real estate will be offered for sale and lease, and to discuss potential litigation to which the agency may be a part of. At 11:50 a.m., the Executive Session was extended until 12:00 p.m. At 12:00 p.m. the Regular Session was reconvened.


ADJOURNMENT

The meeting was adjourned at 12:01 p.m.

Port of Pasco Commission:


Jim Klindworth, President


Vicki Gordon, Vice-President


Jean Ryckman, Secretary