

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
*Held remotely and partially in person with Public Access*  
March 25, 2021 | 10:30 a.m.

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**CALL TO ORDER**

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Commissioner Klindworth requested that Commissioner Gordon lead the meeting for Thursday, March 25, 2021.

Commissioner Gordon called the meeting to order at 10:49 a.m., with a delay due to technical difficulties. The meeting was attended remotely via Zoom and with Public Access through call in to 1-301-715-8592, meeting ID 6676918983, and in person at a reduced capacity, with standards and guidelines set forth by the Governor's Office.

**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 Properties Mayra Reyna, Deputy Director of Airports Don Faley, Director of Economic Development and Marketing Stephen McFadden, Executive Staff Assistant & Human Resources Lori French, and Senior Accountant Diana Newman.

**Guests:** Colin Hastings of the Pasco Chamber of Commerce, James and Meredith Sexton of JMS Construction, Malin Bergstrom of Bergstrom Aircraft, and Wendy Culverwell of the Tri-Cities Journal of Business, Darren McEuin of Conover Insurance.

**APPROVAL OF AGENDA**

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Commissioner Klindworth moved and Commissioner Ryckman 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 unanimously.

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of March 11, 2021.
- b) Vouchers and Warrants #95656-95732 and Direct Deposit #21103-21141 in the amount of \$822,993.78.

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

**Public Citizen Comment**

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Mr. Hastings commented on the reach and impact of the "Our Rivers Our Life" video that was created for the 2020 virtual Riverfest on the value of the Snake River dams and said that it will be re-broadcast in the Seattle area.

**Public Hearings and Resolutions**

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**Resolution 1550-Scout Wind Energy Resolution-** Mr. Hayden reviewed the Scout Wind Energy proposal and background for Horse Heaven Hills. Commissioners discussed the proposed resolution and their stance on the project, electing to support both summaries in the resolution.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve Resolution 1550 opposing the Scout Clean Energy Horse Heaven Wind Farm Project and recommending that permit approval be shifted from the State to Benton County. Motion passed unanimously.

**Resolution 1551-Leasing Investment Guidelines-** Mr. Taft presented, Resolution 1551 provides guidelines for setting the term of a land lease in consideration of the lessee investment in the property. This amendment replaces Resolution 1457 from June 8, 2017 and adds language for aeronautical leases.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve Resolution 1551. Motion passed unanimously.

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

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**Airport Leasing Policy-** Mr. Taft presented, Airport staff have been working with members of the GA (general aviation) Community to address concerns over the draft airport leasing policy. Scott Musser acted as the representative for the group, and he worked closely with staff to create a plan that worked for both groups.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the Airport Leasing Policy. Motion passed unanimously.

Commissioners expressed their thanks to Mr. Taft and Mr. Musser for their hard work on the Policy.

**Excess Liability-** Mr. McEuin of Conover Insurance presented the excess liability proposal and quote obtained from Lloyds of London. The policy provides \$25M each occurrence and \$25M in aggregate for a premium of \$86,785.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve excess liability insurance with Lloyds of London for \$86,785. Motion passed unanimously.

**Purchase Sale Agreement for Cox Surrounding Property-** Mr. Hayden presented, there are two residential parcels located next to the Cox land purchase and staff would like to discuss potential purchase price in Executive Session.

**Airport Coronavirus Response Grant (ACRG)-** Mr. Taft presented the Airport received the ACRG award for the amount of \$3,206,479. Staff anticipates the money to be used primarily for debt services and is valid for four years.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Executive Director to sign the Airport Coronavirus Response Grant for the amount of \$3,206,479.

**Osprey Pointe Lease-** Mr. Hayden presented updates on the lease for the Osprey Pointe public market and hotel site, which is still in process. Mr. Hayden relayed that the exclusivity period for JMS ends on March 31, 2021 and they would like to extend this period for an additional 60 days. Mr.

Hayden presented the update to the Master Site Plan as prepared by YBA Architects. Mr. Sexton reviewed the plan changes and discussed the progress JMS is making.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive director to execute the Fourth Amendment to the Letter of Intent extending the exclusivity period to May 31, 2021 and with minor modifications as may be approved by the Port Attorney.

Commissioners expressed their thanks to Mr. Sexton for this commitment to the project.

### **Items for Discussion**

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**Reimann Industrial Center-** Mr. McFadden presented an update on the Reimann Industrial Center, the possible sources of funding that have been requested, potential leases, the Master Plan progress, and infrastructure planning.

### **Director Reports:**

1. Executive Director
  - a. Mr. Hayden noted the Tax Increment Financing (TIF) bill appears to be on its way to passage in the state legislature. The size of the TIF areas is being limited, thereby eliminating some of the opposition to it.
  - b. The EDA Road/Stormwater project had a \$90,000 change order, due to damage to old steel water pipes. This amount is within the Executive Director's authority and was approved.
  - c. Port staff will be presenting a Public Hearing and Resolution at a future Commission Meeting in order to pursue Federal funding opportunities that would benefit the Reimann Industrial Center and other projects like Osprey Pointe, should the funding be available.
  - d. The Big Pasco Industrial Center Rail project is out for bid. Commission can expect bids for consideration at the next meeting.
  - e. The Port bonds have been re-rated. Due to the nature of the relationship between the Port of Pasco and the Tri-Cities Airport, and the potential impacts of Airports on Port Agencies.
2. Airport Director
  - a. Mr. Taft noted that the airport has an airline that is interested in being a non-signatory airline and leasing space. They are the first airline to request both accommodations. Staff has created a non-signatory agreement based on the signatory agreement but would like to require a security deposit of 3 months of terminal rent only. The Port Attorney has reviewed the agreement. Commissioners agreed with the plan for the lease and limiting the deposit to terminal rent only.
3. Economic Development and Marketing Director
  - a. Mr. McFadden noted that he has officially competed his service on the Board of Trustees for the Big Bend Community College, after 9 ½ years. He was also honored to be chosen as Trustee of the Year.
4. Senior Accountant

- a. Ms. Newman noted that Accounting Staff is continuing their work on the Annual Report.
- 5. Properties Director
  - a. Ms. Reyna provided the Properties Activity Report.
- 6. Human Resources
  - a. Ms. French noted that the 2020 Census information is projected to be available several months later than needed in order to redistrict in time for the 2021 election. The redistricting will then have to go into effect the following year (2022).

#### **Commissioners Reports:**

Commissioner Ryckman noted the PNWA Virtual Mission to Washington sessions seemed successful. She commented on the upcoming WPPA meetings and that there would likely be a mix of virtual and in person meetings for the coming year.

Commissioner Gordon noted that she met with the new BFCG (Benton Franklin Council of Governments) Executive Director, Michelle Holt, and that the BFCG just approved their first loan. Commission Gordon asked Mr. McFadden to repeat what he told her about the possible Odessa Groundwater Project funding. Mr. McFadden gave the Commission an update on the proposed funding, led by Senator Schoesler.

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

- 1. Bogert Manufacturing Leases- Two new leases with Bogert Manufacturing Inc. for Building 80 at 3606 Swallow and Building 1-91 at 3411 Stearman both located in the airport industrial park became effective December 1, 2020. Both replaced expired leases for the same premises with Bogert International, Inc. At the request of the tenant, both new leases are under Bogert Manufacturing, Inc.

#### **CALENDAR OF EVENTS**

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Commissioners and staff discussed the calendar of events.

#### **Items Not on Agenda**

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Mr. McFadden announced that the State Senate officially published its capital budget with \$7.5M for the Reimann Industrial Center request funded. It will still need to go to conference with the House of Representatives where it received no funding.

#### **Recess**

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At 12:32 p.m., Commissioner Gordon recessed the meeting for lunch, until 12:45 p.m.

#### **Executive Session**

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At 12:45 p.m., Commissioner Gordon announced that Commission would go into executive session until 1:15 p.m., to consider the minimum price at which real estate will be offered for sale and lease, and to consider the acquisition price of real estate for purchase. At 1:15 p.m. the executive session was extended for 10 minutes, until 1:25 p.m. At 1:25 p.m. the executive session was extended until


1:35 p.m., and at 1:35 p.m. the executive session was extended until 1:40 p.m. At 1:40 p.m. the regular session was reconvened.

#### **ADJOURNMENT**

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The meeting was adjourned at 1:45 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Vicki Gordon, Vice-President



Jean Ryckman, Secretary

