

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely and partially in person with Public Access
June 24, 2021 | 9:00 a.m.

CALL TO ORDER

Commissioner Klindworth called the meeting to order at 9:00 a.m., 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 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.

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 unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of June 10, 2021.
- b) Vouchers and Warrants #96082-96151 and Direct Deposit #21339-21377 in the amount of \$472,859.18.
- c) Accept as complete- BPIC Concrete Pier Crushing.

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

ITEMS FOR ACTION/CONSIDERATION

Lampson Big Pasco Lease- Ms. Reyna presented, staff informed Lampson International of the Commissioners' decision to not sell the land that Lampson is currently leasing, and the proposed rate for a new lease. Lampson has decided they will continue to review their options and staff will keep the Commission apprised of any additional responses or requests.

PPC Rail Agreements- Ms. Reyna presented, staff has continued to work with the rail users at the Pasco Processing Center to get agreements in place for Rail Usage and Maintenance. Of the four users, Americold, Twin City Foods, Kenyon Zero, and 3E Properties, staff has received signed agreements from Americold, Twin City Foods, and Kenyon Zero. The Agreement with 3E Properties was executed earlier this year.

Commissioner Ryckman moved and Commissioner Gordon seconded to ratify the Executive Director's execution of the Rail Track Usage and Maintenance Agreements with Americold, Twin City Foods, and Kenyon Zero Storage. Motion passed unanimously.

ITEMS FOR DISCUSSION

Cox Property Purchase- Mr. Hayden presented, the Port's purchase of 54.7 acres of industrial ground from Cox Family Land, LLC closed on June 18th, 2021, for a purchase price of \$80,000 per acre and a total cost of \$4,579,345 after closing costs and broker fees. Staff will prepare an amendment to the Port's Comprehensive Scheme of Harbor Improvements and the associated SEPA permit, to add the property to the Port's planned developments.

Commissioners and staff discussed potential names for the property, and the Commissioners deferred to Port staff to find a suitable name.

COVID Update- Ms. French provided an update on Port procedures in relation to current COVID health and safety guidelines. The Port office is now considered "open to the public" and the majority of Airport and Port staff have returned to their respective offices. Staff continues to monitor compliance to guidelines and will update the Commission with any changes that impact how the Port is able to do business.

Purchase Sale Agreement for the Reimann Industrial Center- Mr. McFadden presented, Port staff and legal counsel reached general agreement with Project Ruby on the terms of the Purchase and Sale Agreement, for up to 150 acres of the Reimann Industrial Center. Mr. McFadden and Mr. Hayden discussed some of the terms of the agreement with the Commissioners. Staff requested a Special Meeting be called for July 1st, to review the final language of the Purchase and Sale Agreement and to authorize the Executive Director to sign the Agreement.

Commissioner Klindworth called for a Special Meeting to take place on the morning of July 1st, with the time to be determined as agreed upon between the Port and Project Ruby representatives.

EXECUTIVE SESSION

At 9:40 a.m., Commissioner Klindworth announced that Commission would go into executive session until 9:50 a.m., to consider the minimum price at which real estate will be offered for sale. At 9:50 a.m., executive session was extended for 10 minutes, until 10:00 a.m. At 10:00 a.m., the regular session was reconvened.

Director Reports:

1. Executive Director
 - a. Maria Peña, City Administrator and the Connell City Treasurer have both announced their upcoming resignations from their positions at the City of Connell.
 - b. Port Staff is hoping to coordinate the annual Commission Meeting that is held in Connell with the Visitor Center ribbon cutting that will be scheduled to take place later this summer or early fall.

- c. The PNWA Summer Conference held a session on the Cruise Industry and presented relevant information for the Port and how staff may work with companies like American Empress going forward.
 - d. Petrichor staff and members are meeting with Senator Murray's staff so they can participate in her promotion of the Digital Equity Act. Representatives of the Franklin PUD and Colesville Tribe will join the meeting with Senator Murry that is scheduled for next week.
- 2. Airport Director
 - a. May Airline Statistics compared to the 2019 year:
 - 1. Alaska is down 10%
 - 2. Allegiant is down 22%
 - 3. Delta is down 16%
 - 4. United is down 35%
 - 5. May is down 15%, and year to date numbers compared to 2019 are down 34%.
 - b. May Airline Statistics compared to the 2020 year:
 - 1. Alaska is up 686%
 - 2. Allegiant is up 83%
 - 3. Delta is up 597%
 - 4. United is up 1172%
 - 5. May is up 552%, and year to date numbers are up 28%.
 - c. TSA statistic-June 6-12 averages 1114 passengers a day versus 1443 in 2019, June 13-19 averages 1402 passengers a day versus 1571 in 2019.
 - d. Mr. Taft met with Battelle to discuss a potential relationship regarding airport projects.
 - e. Mr. Taft provided a presentation of the COVID Grants that the Tri-Cities Airport has received. The presentation included a breakdown of how the funds have been used and future plans for the remaining and additional funds.
- 3. Economic Development and Marketing Director
 - a. Mr. McFadden reviewed the Economic Development Report.
 - b. Commissioner Klindworth asked about solar farm opportunities at the airport. Mr. McFadden noted that he would research past efforts into implementing those opportunities. Mr. McFadden also noted that along with community partners he is continuing to look into industries for Pasco and the Tri-Cities to expand into.
- 4. Human Resources
 - a. The first set of staff photos have been taken with the second scheduled for next week.
- 5. Finance Director
 - a. Airport 2020 Financials Form 5100-127 and 5100-126 have been completed.
 - b. Staff is waiting on the final decision from the leasehold audit.
 - c. Budget season will begin after the May Financials are completed.
- 6. Economic Development and Marketing Director

- a. Mr. McFadden and Mr. Hayden met with Mike Gonzales, the newly hired Economic Development Director for the City of Pasco. The Port will continue to provide support for the City in Economic Development.
 - b. Mr. McFadden attended the Regional Chamber meeting in person this week.
 - c. A large developer reached out to the Port about a large amount of property, but their power needs exceeded what this area is able to provide.
7. Properties Director
- a. Ms. Reyna reviewed the Properties Activity Report, noting that the EDA project is continuing to experience delays.
 - b. The Market Rental Survey is in process, and Ms. Reyna gave Mr. Schafer a tour of the Big Pasco properties.
 - c. Leggari is still considering their building plans.
8. Airport Deputy Director
- a. The fire department is doing live burns at the airport, local partners are involved.
 - b. The FAA annual airport inspection noted discrepancies in the forms used for routine airfield inspections. The FAA would like the forms to be updated so they are more accurate. The software system used by the airport will allow for this kind of adjustment so the request can be fulfilled. Mr. Hayden thanked Mr. Faley and Mr. Taft for their hard work in keeping our airport in compliance with FAA requirements.

Commissioner Reports:

Commissioner Ryckman and Commissioner Gordon have been attending the PNWA Virtual Summer Conference.

Commissioner Klindworth noted that he attended the Regional Chamber meeting in-person.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

ADJOURNMENT

The meeting was adjourned at 10:38 a.m.

Port of Pasco Commission:


Jim Klindworth, President


Vicki Gordon, Vice-President


Jean Ryckman, Secretary