

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
*Held remotely and partially in person with Public Access*  
*Port of Pasco 1110 Osprey Pointe Blvd., Ste. 201, Pasco, WA*  
*October 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 in person and remotely via Zoom with Public Access through call in to 1-301-715-8592, meeting ID 6676918983, and in person, 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 Attorney Dan Hultgrenn, Airport Director Buck Taft, Director of Finance Donna Watts, Director of Properties Mayra Reyna, Director of Economic Development and Marketing Stephen McFadden, Deputy Airport Director Don Faley, and Executive Staff Assistant & Human Resources Lori French.

**Guests:** Jack Kelly, Ben Hoppe of JUB Engineers, Wendy Culverwell of the Tri-Cities Journal of Business.

**APPROVAL OF AGENDA**

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Commissioner Gordon 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. With the addition of item 15.A. Executive, Executive Session to discuss Port staffing matters. Motion passed unanimously.

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of September 23, 2021.
- b) Vouchers and Warrants #96607-96686 and Direct Deposits #21620-21658 for the total amount of \$432,213.26.

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

**PUBLIC HEARINGS AND RESOLUTIONS**

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**Resolution 1560-Addressing the Legislative Drafting Mistake in the 2020 Amendment to RCW 53.21.260-** The WPPA (Washington Public Ports Association) prepared a resolution to address a potential conflict in recent changes to State law regarding Commission Salaries. The proposed Resolution has been reviewed and modified for the Port of Pasco, and staff recommends adopting Resolution 1560 to ensure that the current Port Commission approved salary and per diem rates are maintained.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve Resolution 1560, restating Commissioner compensation. Motion passed unanimously.

**Resolution 1561-Changing the Time and Date of the First November Commission Meeting-** Due to the 2021 Veteran's Day Holiday, the first Commission Meeting of November 2021 will be moved from the 11<sup>th</sup> of November at 10:30 a.m. to the 17<sup>th</sup> of November 2021, at 9:30 a.m.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve Resolution 1561, moving the first November Commission Meeting from November 11<sup>th</sup> at 10:30 a.m. to November 17<sup>th</sup>, 2021, at 9:30 a.m. Motion passed unanimously.

**Resolution-1562-CERB Financial Offer-** Mr. McFadden presented, the Port pursued a loan/grant from the Community Economic Revitalization Board (CERB) in 2020, to fund the Reimann Industrial Center Rail Access Project. Resolution 1562 is a Repayment Resolution and is a pre-condition that is required before the Port may enter into a final contract with CERB.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve Resolution 1562, for the CERB loan/grant for the Reimann Industrial Center Rail Access Project. Motion passed unanimously.

Commission expressed their thanks to Mr. McFadden and Port staff for their work on the Reimann Industrial Center and Darigold projects.

#### **ITEMS FOR ACTION**

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**2022 Proposed Preliminary Budget-** Ms. Watts presented the 2022 proposed budget. Commission and Port staff discussed the proposed budget, top tenants, tax levy, and marketing budget.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the 2022 Preliminary Budget as presented on page 2 of the 2022 Preliminary Budget Workbook. Motion passed unanimously.

Commission expressed their thanks to Ms. Watts and Port staff for their hard work on the budget.

**Pat Funk Land Lease 4330 and 4410 Stearman-** Mr. Taft presented, Mr. Funk's leases have expired for 4330 and 4410 Stearman, the buildings have been inspected and the leases have been modified to reflect the current leasing policy.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the lease with Mr. Funk and authorize the Executive Director to execute the lease agreement. Motion passed unanimously.

**Pat Funk Lease Amendment 4404 Stearman-** Mr. Taft presented, Mr. Funk requested that with the updates made to the 4330 and 4410 Stearman leases that his 4404 Stearman lease be updated to also reflect the current leasing policy. This update will lead to the reduction of the size of this lease to include just the footprint of his hangar building.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve a lease amendment to reduce the premise size of Mr. Funk's hangar, located at 4404 Stearman avenue to 12,360 square feet and to authorize the Executive Director to execute the amendment once it is prepared. Motion passed unanimously.

#### **ITEMS FOR DISCUSSION**

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**Northwest River Partners Dues-** Mr. Hayden presented, Northwest RiverPartners (NWRP) is a hydropower advocacy group whose members include power utilities, agriculture, ports, and

transportation sectors. Historically, the utility groups have been the largest portion of the membership and have shouldered the largest portion of the dues. Other members, like the Port of Pasco, have had “associate memberships” at reduced dues. NWRP is now proposing to do away with the associate member class and establish a minimum dues level, and with this change, the Port’s dues would increase from \$625 to \$5,000.

The Commissioners noted that while they would like to stay involved with this organization, they would like staff to try and negotiate a smaller increase and/or continued lower-level memberships.

## **RECESS**

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At 12:20 p.m., Commissioner Klindworth recessed the meeting for lunch for 20 minutes, the meeting was resumed at 12:46 p.m.

## **ITEMS FOR DISCUSSION CONT.**

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**August Financials-** Ms. Watts presented the August 2021 Financial Statements.

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

**Big Pasco Lease Corrections-** Ms. Reyna presented, during a comprehensive review of leases in October of 2019, staff discovered 18 leases were more than 1 year behind in scheduled CPI rent increases. Staff corrected the lease rate of 15 of those leases to account for the missed CPI increases but did not back bill for rent. Three of the leases were flagged for additional analysis because of their complexity and long history with multiple amendments and changes, these belong to Lampson and Mid-Columbia Warehouses. Commissioners and staff discussed, and staff would like to discuss potential legal action in Executive Session.

After Executive Session, the Commission directed Port staff to continue to work with the Big Pasco tenants to reach an agreement on the amounts to back bill, and to adjust the current rates.

## **Director Reports:**

### **1. Executive Director**

- a. Mr. Hayden provided an update on the City’s UGA (Urban Growth Area) expansion. The Port has hired a land use attorney to represent the Port’s interests, and they have requested that the Port be considered an intervenor.
- b. The City is considering an LID (Local Improvement District) for the Reimann Industrial Center and surrounding area and is looking to the Port and other developers to help shoulder the costs.
- c. Commissioner Gordon, Mr. Hayden, and Mr. McFadden met with the Colville Tribe to discuss their Pasco project.
- d. Mr. Hayden displayed the updated federal congressional redistricting proposals prepared by the State Redistricting Commission and noted the changes to districts in Franklin County. The proposals are open for comment.

### **2. Airport Director**

- a. The Airport has not received final enplanement numbers for September, but currently the numbers look to be just down slightly from 2019.

- b. The Airport received \$375,049 in a second concessions grant from the American Rescue Plan Act. The funds will be distributed based on the amount of rent paid during a set amount of time. The Commissioners noted they are in support of this Grant.
  - c. Aha! Airlines will have their inaugural flight on Sunday, October 24<sup>th</sup>, and ribbon cutting will take place at 3:30 p.m.
  - d. Mr. Taft noted that an agreement with Leibowitz and Horton has been signed for 2022 rates and charges, and they will be in attendance at the November 17<sup>th</sup> Commission Meeting.
  - e. US Representative Rick Larson of Washington's 2<sup>nd</sup> District and Chair of the House Aviation Subcommittee is visiting the Pasco Airport today and will be meeting with Commissioner Ryckman and staff for discussion.
- 3. Airport Deputy Director
  - a. The new Airport Facilities Manager has gotten started and is doing well so far.
  - b. Mr. Faley noted he attended the Washington Airport Managers Conference and that it was nice to be in person.
  - c. Progress is being made on The Landing and Chep Gauntt's building.
- 4. Finance Department
  - a. Staff is working on the Capital Budget.
- 5. Economic Development and Marketing Director
  - a. Mr. McFadden reviewed the EDM Report.
- 6. Properties Director
  - a. The EDA project is close to completion. Once completed, the Port will have additional warehouses to rent out and is already working with potential tenants.
  - b. The Lampson sponsored Cable Bridge Run is being organized, they are working with the Port and City on the route.
- 7. Human Resources
  - a. The Port has received opt out instructions for employees for the Long-Term Care Act.

#### **Commissioner Reports:**

Commissioner Gordon provided an overview of the meeting with the Consolidated/Colville Tribe and their Pasco Development Project. The Commission expressed their support for the Tribe's plans.

Commissioner Gordon noted that the Ben Franklin Council of Governments is working on CPI increases and adjustments to the budget that will allow the organization to best support its members.

Commissioner Ryckman noted that she will be attending the WPPA Small Ports Conference and will also be attending the PNWA Conference on Tuesday night to see the Distinguished Service Award presented to Mr. Hayden.

Commissioner Klindworth commended Mr. Hayden for his service and offered congratulations on the award.

#### **ITEMS FOR INFORMATION/NO DISCUSSION**

**Help U Move-** Help-U-Move, Inc. has entered into a new long- term lease for 2,500 square feet in Building #59, located at 3416 Swallow Avenue. The previous lease for that space with Help-U-Move has

expired and was being held over in a month-to-month status. The lease became effective October 1, 2021. The lease value is approximately \$27,900 for the base term of this lease.

**Saenz Family Transport-** Saenz Family Transport, LLC has entered into a month-to-month land lease for 3/4 acre in the Tri-Cities Airport Industrial Park (corner of Rockwell and Stearman) effective October 1, 2021. The lease value is approximately \$4,876.56 for one year.

#### **CALENDAR OF EVENTS**

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Commissioners and staff discussed the calendar of events.

#### **RECESS**

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At 1:55 p.m., Commissioner Klindworth recessed the meeting for a 5-minute break, until 2 p.m.

#### **EXECUTIVE SESSION**

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At 1 p.m., Commissioner Klindworth announced that Commission would go into executive session for 30 minutes, until 1:30 p.m., to discuss with legal counsel potential litigation to which the agency is likely to become a party. At 1:35 p.m., the regular session was reconvened.


#### **ADJOURNMENT**

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The meeting was adjourned at 2:36 p.m.

Port of Pasco Commission:

  
Jim Klindworth, President

  
Vicki Gordon, Vice-President

  
Jean Ryckman, Secretary