

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
*Held remotely and in person with Public Access*  
*Port of Pasco 1110 Osprey Pointe Blvd., Ste. 201, Pasco, WA*  
*November 19, 2021 | 9:30 a.m.*

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**CALL TO ORDER**

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Commissioner Klindworth called the meeting to order at 9:30 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, Finance Director 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:** Ben Hoppe of JUB Engineers, Franklin County Commissioner Clint Didier, Steve Horton of Leibowitz and Horton.

**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 October 28, 2021.
- b) Special Meeting Minutes of October 28, 2021.
- c) Vouchers and Warrants #96777-96858 and Direct Deposits #21696-21738 for the total amount of \$518,759.73.
- d) Vouchers and Warrants #96859-96961 for the total amount of \$608,546.71.
- e) Vouchers and Warrants #96962-96965 and Direct Deposits #21739-21777 for the total amount of \$849,880.31.

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

**PUBLIC HEARINGS AND RESOLUTIONS**

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**Resolution 1566-CERB Application for Funding-** Mr. McFadden presented Resolution 1566 which is a pre-condition that must be completed prior to the pursuit of CERB loan/grant funding for the Tri-Cities Airport Business Center. The CERB loan/grant funding will construct roads, taxiway, water, and sewer mains that will make it possible to serve a large-scale private project. The total project estimate is \$3,684,993. The Port's required match is \$736,998. The CERB loan/Grant will provide \$2,947,999. This will be 75% loan and 25% grant.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve Resolution 1566, authorizing the Port to submit an application for a CERB loan/grant for the Tri-Cities Airport Business Center Committed Private Partner Project. Motion passed unanimously.

**Resolution 1567-Moving the Date of the First December Commission Meeting-** Due to scheduling conflicts during the month of December, the Port Commissioners found it desirable to move the date of the first December Commission Meeting from December 9<sup>th</sup> to December 16<sup>th</sup>, 2021.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve Resolution 1567, changing the date of the first December Commission Meeting from December 9, 2021 to December 16, 2021 at 10:30 a.m., to be held at the Port of Pasco, 1110 Osprey Pointe Blvd., Suite 201, Pasco, WA. Motion passed unanimously.

#### **ITEMS FOR ACTION**

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**Airport Exit Lane Art Sculpture-** Mr. Taft presented the Columbia Center Rotary Club art proposal for the Airport Exit Lane. Commission had previously approved the art piece selection, but the budget for the Port contribution has increased from \$18,000 to \$22,500. Staff requested that the Commission re-affirm approval of the art piece, approve the increased budget, and authorize the Executive Director to execute the Memorandum of Understanding between the Port and Columbia Center Rotary.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve “Ode to Rooster Tails”, to be located outside the exit lane windows, the Port contribution of \$22,500 in partnership with the Columbia Center Rotary Club, and to authorize the Executive Director to execute the Memorandum of Understanding with the Columbia Center Rotary Club regarding this project.

**Rental Car Concessions Agreement-** Mr. Taft presented, the current Rental Car Concession and Lease Agreements expire on December 31, 2021. Staff and Port consultants, Leibowitz and Horton, issued an RFP at the end of August for Rental Car Concessions and received 4 qualifying bids from Avis-Budget, Enterprise, National-Alamo, and Hertz-Dollar. The new agreement will be effective January 1, 2022-December 31, 2024. The RAC companies will pay 10% of gross sales and also the same terminal counter rent as the signatory airlines, as has been the Port’s practice in the last few agreement cycles.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the Rental Car Concession and Lease Agreement (at the same terminal rates as signatory airlines) and to authorize the Executive Director to execute the agreements. Motion passed unanimously.

**2022-2024 Capital Budget-** Ms. Watts presented the Capital Budget for consideration with Port staff and Commission discussion.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the transfer of \$1,500,000 from the Passenger Facility Charge Fund to the Airport General Fund. Motion passed unanimously.

Commissioner Ryckman moved and Commissioner Gordon seconded to leave the Port Operating Reserve Fund at \$2,680,000 and increase the Airport Operating Reserve Fund to \$2,300,000 for the fiscal year, 2022. Motion passed unanimously.

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the 2022-2024 Capital Budget, as presented. Motion passed unanimously.

The Commissioners thanked Ms. Watts and staff for a great presentation.

## **RECESS**

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At 11:23 a.m., Commissioner Klindworth recessed the meeting for 5 minutes. The meeting was resumed at 11:30 a.m.

## **ITEMS FOR DISCUSSION**

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**Darigold Update-** Mr. McFadden provided an update on the Darigold project in the Reimann Industrial Center. Design and permitting is moving forward, with Darigold expecting to reach substantial completion at the end of December of 2023. Port staff and Darigold are continuing to work through the due diligence items before closing on the purchase sale agreement. The Tax Increment Financing District is also moving forward, with local leaders from Franklin County and the City of Pasco having been briefed, and the required Public Briefings held on the 28<sup>th</sup> of October and the 17<sup>th</sup> of November. Staff and Commission discussed the progress on the project.

**Airport Rates and Charges-** Mr. Horton of Leibowitz and Horton was in attendance to discuss the 2020 reconciliation and the 2022 rates and charges. The reconciliation of 2020 showed that we were overpaid in the terminal by \$276,197 and were underpaid on the airfield by \$370,103. This results in the airlines paying the airport \$93,906. The proposed 2022 rates and charges were discussed in executive session.

**Tenant Delinquent List-** Ms. Watts presented the tenant delinquent list.

**September Financials-** Ms. Watts presented the September Financials.

**PTO Plan Draft-** Ms. French presented a draft of the PTO (Paid Time Off) plan. Commission and staff discussed the draft, and the Commission was in support of moving towards a final version with the existing components of the draft plan.

**Quarterly Credit Card Report-** Ms. Watts presented the quarterly credit card report.

## **Director Reports:**

1. Executive Director
  - a. Mr. Hayden noted that the recently attended PNWA and IPNG conference was an excellent meeting, was well attended and provided good information.
2. Airport Director
  - a. Mr. Taft noted, the TSA and Airlines are expecting a heavy holiday travel season.

- b. The TSA is not lacking in employees, in spite of the recent vaccine mandates.
- 3. Airport Deputy Director
  - a. Progress is being made on the building at The Landing.
- 4. Finance Department
  - a. Ms. Watts noted that she was officially appointed to the Enduris Board and attended her first meeting as a board member yesterday.
- 5. Economic Development and Marketing Director
  - a. Mr. McFadden reported that the third site visit for Project Kane is set for the beginning of December.
  - b. The first tier application for the CERB funding for the Airport Business Center was submitted on Monday and the second tier is due on November 29<sup>th</sup>.
  - c. Mr. McFadden and Mr. Taft met with an airport business owner about a potential project.
  - d. IEDC has confirmed Mr. McFadden's certification as an Economic Development Professional for the next 3 years.
- 6. Properties Director
  - a. Ms. Reyna noted that the EDA project has reached substantial completion and gave kudos to Mr. Friesz for his work on the project.
  - b. There are currently 5 pending leases at Big Pasco.

#### **Commissioner Reports:**

Commissioner Ryckman noted that she attended the Pasco Chamber of Commerce meeting on Monday and that there is a very high level of community interest in the Osprey Pointe Project.

#### **EXECUTED ITEMS**

**Musser Auto Auction Lease Amendment-** Mr. Musser signed a lease amendment to add 1.43 acres to the car auction site to increase the parking area. This lease amendment became effective on November 1, 2021, and the lease value is approximately \$798,285.60 for the initial term of the lease.

**Cart and Can, LLC-** Cart and Can, LLC has leased 3,654 square feet in Building 58, located at 3420 Swallow, and the adjacent concrete pad (2,750 square feet). This lease replaced the lease with Terry's Dairy. Cart and Can, LLC purchased Terry's Dairy's business earlier this fall. This is a month-to-month lease effective October 1, 2021. The tenant is interested in exploring future options for improving the space and would then be interested in a long-term lease. This lease will not exceed 9 months and the lease value is approximately \$8,330.76.

**Easterday Lease Assignment to Blue Tag Farms-** Monday, November 6, 2021, Port staff received the executed Easterday Ranches and Easterday Farms Lease Assignment to Blue Tag Farms, LLC dated September 23, 2021.

#### **CALENDAR OF EVENTS**

Commissioners and staff discussed the calendar of events.

## **RECESS**

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At 12:10 p.m., Commissioner Klindworth recessed the meeting for lunch for 20 minutes, the meeting was resumed at 12:30 p.m.

At 1:45 p.m., Commissioner Klindworth recessed the meeting for a 5-minute break, the meeting was resumed at 1:50 p.m.

## **EXECUTIVE SESSION**

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At 11:41 a.m., Commissioner Klindworth announced that Commission would go into executive session for 19 minutes, until 12:00 p.m., to discuss minimum lease price. At 12:00 p.m. the executive session was extended for 10 minutes. At 12:10 p.m., the regular session was reconvened.

At 1:50 p.m., Commissioner Klindworth announced that Commission would go into executive session for 30 minutes, until 2:20 p.m., to discuss with legal counsel potential litigation to which the agency is likely to become a party and minimum lease price. At 2:20 p.m. the executive session was extended for 10 minutes. At 2:30 p.m., the regular session was reconvened.

## **ADJOURNMENT**

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The meeting was adjourned at 2:33 p.m.

Port of Pasco Commission:



Jim Klindworth, President



Vicki Gordon, Vice-President



Jean Ryckman, Secretary