

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 99301
August 11, 2022 | 10:30 a.m.

CALL TO ORDER

Commissioner Gordon 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.

Present: Commissioner Vicki Gordon, Commissioner Jean Ryckman, Commissioner Jim Klindworth, Executive Director Randy Hayden, Port Attorney Heidi Ellerd, Airport Director Buck Taft, Deputy Airport Director Don Faley, Director of Economic Development and Marketing Stephen McFadden, Director of Properties Mayra Reyna, Senior Accountant Diana Newman, and Executive Staff Assistant & Human Resources Lori French.

Guests: James Sexton of JMS Construction, Ben Hoppe of JUB Engineering, Scott Martin of Burns and Mac, Mike Gonzalez of City of Pasco, Michael Kaufman of Black Anvil Capital, Damien Davis of Davis Consulting, Russ Chrisman of McKay Sposito, Franklin County Commissioner Clint Didier.

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of July 28, 2022.
- b) Vouchers and Warrants #98316-98401 and Direct Deposits #22478-22522 in the amount of \$685,830.95.
- c) Accept as Complete- BPIC Warehouse 5 Bay 3 and 4 Overhead Doors.

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

PUBLIC CITIZEN COMMENT

No public citizen comment was received.

PUBLIC HEARINGS AND RESOLUTIONS

Resolution 1584- Changing the Location of the Second August Commission Meeting- Annually, the Port of Pasco Commission holds a regular Commission meeting in Connell, Washington.

Commissioner Ryckman moved and Commissioner Klindworth seconded to move the location of the second August Commission Meeting to be held on August 25th at 10:30 a.m. at the North Franklin Visitor Center, located at 661 S. Columbia Avenue, in Connell, Washington. Motion passed unanimously.

ITEMS FOR ACTION/CONSIDERATION

Gas Line Relocation Agreement- Mr. McFadden presented, the Port's 54 acres of land known as Pasco Industrial Center-395 is dissected by an 8-inch, high pressure Cascade Natural Gas pipeline. When the Port purchased the property in July 2021, the purchase agreement included the establishment of a 30-foot utility easement to allow for the relocation of the gas pipeline. The Port currently has agreements with two companies that intend to purchase a combined 30 acres of PIC-395, both of which require relocation of the pipeline. Both companies have agreed to reimburse the Port for a portion of the relocation expense, each paying for 50% of the line relocation costs associated with the portion of land each company is buying. Once the Port of Pasco and Cascade have executed the relocation agreement. The Port will collect partial reimbursement for the project at the time of closing for each land sale. Cascade's preliminary engineering estimates the project cost at \$702,982. The Port's share, assuming 50% contribution from property purchasers, would be \$351,491.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute the Cascade Natural Gas Pipeline Relocation Agreement. The Executive Director shall also be authorized to make minor changes to the agreement, with approval by the Port Attorney, as may be necessary to finalize the agreement. Motion passed unanimously.

Public Records Act Policy Update- Ms. French presented, the Port's Public Records Act Policy has been reviewed by staff and the Port Attorney and changes have been made to reflect current practices, requirements, and terminology.

Commissioner Ryckman moved and Commissioner Klindworth seconded to accept the proposed changes to the Port of Pasco's Public Records Act Policy. Motion passed unanimously.

Standard Landlord Consent Form- Ms. Reyna presented, there has been an increase in requests made for Landlord Consents over the last few months, and as previously discussed in Commission, staff and the Port Attorney have put together a standard form draft, that may be used proactively when requested by a lessee. Staff will continue to bring nonstandard requests to the Commission for approval.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve a standard Landlord Consent form and to authorize the Executive Director to sign the standard Landlord Consent form when all conditions are met by the Lessee, and to authorize minor changes approved by the Port Attorney as may be needed to finalize the agreement. Motion passed unanimously.

PIC-395 Purchase Sale Agreement- Mr. McFadden presented, the draft Purchase and Sale Agreement with BT-OH, LLC (UPS) has received several updates from the version that staff previously received Commission approval to execute on June 30th. Therefore, staff has brought the final version of the agreement back for confirmation of approval to execute for the purchase of 12.02 acres at the purchase price of \$1,803,00. At the request of UPS, the agreement now provides 24 months to acquire a building permit and 24 months to complete construction, with the possibility of a 12-month extension of time if substantial progress on building construction has been accomplished.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to execute the updated purchase and sale agreement with BT-OH, LLC, a Delaware Limited Liability Company. The Executive Director shall also be authorized to make minor changes to the agreement, with approval by the Port attorney, as may be needed to finalize the agreement. Motion passed unanimously.

Pavement Maintenance Plan- Mr. Taft presented, Mead & Hunt has submitted Work Order 9 for the Airport Pavement Management System Study, associated with AIP 56, which has already been accepted by Commission. Due to the current delegation of authority, staff is requesting Commission approval for this work order as the total accumulated cost of previous work orders exceeds the Executive Director's Authority. The work order is in the amount of \$64,848.19 and has been deemed reasonable by the FAA.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to sign Work Order 9 with Mead & Hunt for the Airport Pavement Management System Study in the amount of \$64,848.19. Motion passed unanimously.

Mr. Hayden noted, he will be requesting this type of work order approval to be added to his delegation of authority in 2023, as well as forms like the Landlord Consent form.

AWC Sponsorship Request to the City of Connell- Ms. French presented, Port staff have recently learned that the Port is eligible for the Association of Washington Cities (AWC) Employee Benefits Trust, which provides medical insurance to cities and eligible affiliated, non-city entities. In order to apply for Trust membership, the Port must obtain the support of a member city through resolution. The Port has prepared a draft letter of request and resolution for consideration by the Connell City Council at the August 15th Council Meeting, to be submitted upon approval by the Port Commission. If the Resolution is approved by the City, the Port will submit an application for Trust membership.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve a letter of request to the City of Connell for sponsorship of the Port of Pasco into the AWC Employee Benefit Trust. Motion passed unanimously.

Commissioner Klindworth will attend the August 15th Connell City Council Meeting on behalf of the Port.

Marine Terminal- 2022 Golder Budget- Mr. Hayden presented, Golder Associates submitted a budget request of \$25,503 to provide project management, groundwater monitoring for the 2022 Marine Terminal cleanup project. The Port's costs, after factoring in our 37% partner share with Crowley Maritime will be \$9,436. There is no Washington State Department of Ecology grant contribution since moving into monitored natural attenuation (MNA) and routine groundwater monitoring.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to sign the agreement with Golder Associates for \$25,503 for the 2022 Marine Terminal Cleanup budget. Motion passed unanimously.

ITEMS FOR DISCUSSION

Osprey Pointe Development Update- Mr. Sexton was in attendance to present a proposal to change the plans for Phase 1 of the Osprey Pointe Master Development. Previously, Phase 1 was for the completion of the Public Market, but the new state energy codes have added costly requirements to the construction of the public market. Due to the drastic increase in cost to complete the Public Market, Mr. Sexton proposed Phase 1 be comprised of other buildings in the development. Mr. Sexton, Port staff and the Commissioners discussed the current status of the project, the change in energy codes, and the proposed/potential options for a new Phase 1.

Mr. Sexton will provide a revised exhibit based on the Commission's feedback, a draft lease, and supporting documents in order for the Commission to take action at the August 25th Commission Meeting, for a revised Phase 1 of the Osprey Pointe Development and/or an extension of the Letter of Intent.

Director Reports:

1. Executive Director
 - a. Mr. Hayden noted, the presiding judge for the Snake River Dams lawsuit has extended the stay until September of 2023, IPNG agreed with this decision, however, they did not agree with some of the exhibits included in the stay.
 - b. Mr. Hayden noted, several Tribes have taken out advertising in the Tri-City Herald calling for the breaching of the Snake River Dams and would like to discuss further in Executive Session under potential litigation.
 - c. Mr. Hayden confirmed the receipt of the Darigold Groundbreaking invitation, the event is set for September 8th at 10:00 a.m., Commission previously discussed moving the September 8th Commission Meeting to the 9th and will do so by resolution at the upcoming meeting.
 - d. The Franklin County Commission has issued a moratorium on challenges to the UGA.
2. Airport Director
 - a. Mr. Taft noted, the Airport has received a grant for establishing a direct flight from PSC to DFW and is in the planning process for making a presentation to American Airlines to provide this flight.
3. Director of Economic Development and Marketing
 - a. Mr. McFadden provided the EDM Report.
4. Director of Properties
 - a. Ms. Reyna noted, COPA will be meeting with Governess Colima and her staff tomorrow online.
 - b. A dedication of the new CBC sports center will be held on September 22nd from 4-6 p.m., official invitations to follow.

Commissioner Reports:

Commissioner Klindworth requested to move the first November Commission Meeting on the 10th to the following week, Thursday, November 17th. Staff will provide a resolution to move the meeting at a later meeting.

Commissioner Klindworth noted that Sun County has added back its charter flight to Laughlin, Nevada.

RECESS

Commissioner Gordon recessed the meeting at 11:35 for a 5-minute break, until 11:40 a.m. The meeting was resumed at 11:40 a.m.

Commissioner Gordon recessed the meeting at 12:04 for 21 minutes, until 12:25 p.m. for lunch. The meeting was resumed at 12:25 p.m.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

EXECUTIVE SESSION

At 12:41 p.m., Commissioner Gordon announced that Commission would go into executive session for 19 minutes, until 1:00 p.m., to consider discuss potential litigation involving the Port. At 1:00, the Executive Session was extended for 5 minutes until 1:05 p.m. At 1:05 p.m. the regular meeting was resumed.

ITEMS NOT ON THE AGENDA


Commission and staff discussed the ongoing waterfront reconveyance efforts in partnership with the Tribes and TRIDEC.

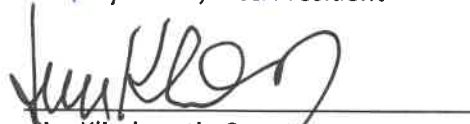
ADJOURNMENT

The meeting was adjourned at 1:10 p.m.

Port of Pasco Commission:


Vicki Gordon, President


Jean Ryckman, Vice President


Jim Klindworth, Secretary