

**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, Washington, 99301*  
*May 24, 2023 | 10:30 a.m.*

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**CALL TO ORDER**

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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, Port Executive Director Randy Hayden, Attorney Heidi Ellerd, Airport Director Buck Taft, Finance Director Donna Watts, Director of Economic Development and Marketing Stephen McFadden, Director of Properties Mayra Reyna, Leasing Associate and Administrative Assistant Audrey Burney, and Human Resources and Executive Staff Assistant Lori French.

**Excused:** Deputy Airport Director Don Faley.

**Guests:** James Sexton of JMS Construction, Paul Harmsen, Michael Clayton, Nathan Clayton, Colin Hastings, Franklin County Commissioner Clint Didier, Aaron Johnson, Bill Barlow of Ben-Franklin Transit, Sara Schilling of Tri-Cities Journal of Business, Wendy Culverwell of the Tri-Cities Herald, and Mitch Gilbert.

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Regular Meeting Minutes of May 10, 2023.
- b) Vouchers and Warrants voided #99978-100051, and #100052 - 100130 in the amount of \$550,872.99 and Direct Deposits #23376-23412 in the amount of \$98,569.92.

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

**PUBLIC CITIZEN COMMENT**

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No public citizens provided comment.

**ITEMS FOR ACTION**

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**Project Hawk Purchase Sale Agreement-** Mr. McFadden presented, staff has provided the final version of the Purchase and Sale Agreement (PSA) with APG Land Acquisitions, LLC. The per acre price for the land is \$150,000, or \$3,750,000. The PSA's timeline leading up to closing is driven by an initial inspection period for the Purchaser's due diligence of 270 days and allows three (3) 30-day extensions. Each 30-day extension comes with a non-refundable fee of \$15,000. The Port has agreed to sell the minimum amount of water rights necessary to meet the city's requirements for \$1,750 per acre foot, which is the current price the City of Pasco charges. The Port proposed a rescission clause of 12 months to secure

building permits; 24 months for substantial construction progress, and a 12-month extension with Seller's consent.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to execute the Purchase and Sale Agreement with APG Land Acquisitions, LLC, and to authorize the Executive Director to execute the agreement with minor changes following review by the Port attorney. Motion passed unanimously.

**Musser Lease Amendment** - Mr. Hayden presented, staff provided the First Amendment to the Lot 51A Lease between the Port and Scott Musser at the Tri-Cities Airport Business Center. The original lease agreement includes a shared access, 35-foot commercial driveway off Morasch Lane, the majority of which lies inside the boundary of Lot 51A which is being developed by the Musser family. The remainder of the driveway lies on Lot 50, which is currently vacant. Mr. Musser requested permission to build the entire driveway to have a completed entrance into the property which will negate the need for future reconstruction of the driveway once Lot 50 is leased. Mr. Musser is making the improvement at his own expense and does not intend to seek future reimbursement for the improvements made within Lot 50 but does want maintenance of the driveway to be shared by the future tenant of Lot 50.

Commissioner Ryckman moved and Commissioner Klindworth seconded to ratify Amendment 1 to the Musser Lot 51A lease. Motion passed unanimously.

**Osprey Pointe Update** - Mr. Hayden presented, he and Ms. Ellerd have been meeting regularly with Mr. Sexton and his attorney, Mr. Walker, to move forward with the Master Development Agreement (MDA). The property appraisal is scheduled to be completed on June 20<sup>th</sup>, and there are several items in the MDA that are in discussion. Mr. Hayden provided an overview of the agreement documents that were provided to the Commission, and Mr. Sexton, the Commissioners, and staff discussed project timelines, parking, and building. Mr. Hayden noted that good progress was being made on the MDA.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve Amendment #10 to the JMS LOI, extending the exclusivity period until July 26, 2023. Motion passed unanimously.

County .09 Economic Development Funds – Mr. Hayden mentioned that with the recent extension of the Rural Economic Development legislation, the Franklin County .09 Committee is considering a recommendation to bond out funds. They will be meeting with the County Treasurer and other agency financial staff to work through questions and concerns before presenting a recommendation to the Franklin County Commissioners.

## **ITEMS FOR DISCUSSION**

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**April 2023 Financials-** Ms. Watts presented the April Financials for discussion.

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

**December 2022 Financials-** Ms. Watts presented the December 2022 Financials for discussion.

**2022 Annual Report-** Ms. Watts presented the 2022 Annual Report for discussion. Commission congratulated Ms. Watts and her staff on an excellent report and presentation and thanked her for her efforts on maintaining the Port's sound financial structure.

**Cash Reconciliation-** Ms. Watts presented the reconciliation of 2023 actual vs. projected cash available for capital construction. The actual values were close and slightly higher than projections.

**Director Reports:**

**1. Executive Director**

- a. Mr. Hayden noted his appreciation for Ms. Watts' hard work in putting each of the reports together. He also noted that Ms. Brandt of Enduris had expressed their appreciation of everything Ms. Watts does for the Enduris board.
- b. Mr. Hayden noted that the Yakama Nation is hosting a History of Treaty Rights Informational Meeting today. Since the Port was not able to attend, staff has extended an invitation for an introduction meeting with the Port Commissioners.
- c. Mr. Hayden provided an update on Petrichor, LLC. The group has reached \$1 billion dollars in funding for broadband projects across Washington State. The Organization is planning on refunding \$75,000 to each of its six contributing Ports this year, with additional distributions planned for the next two years.
- d. The Port of Whitman will be holding the Snake River Family Fest on June 10<sup>th</sup> from 11 am to 3 pm at Boyer Park.

**2. Airport Director**

- a. Mr. Taft provided an overview of the Airport Activities Report.
- b. Mr. Taft noted that he enjoyed attending the WPPA Spring Meeting.
- c. Taxiway G pavement repair is in progress, runway 12-30 will be reopening on June 2<sup>nd</sup>.
- d. A meeting is set up for next month with the car rental companies to discuss the car wash and vacuum area and increasing the CFC to cover the costs of the project and future car rental projects.
- e. WSU is rolling out a customer service course and Mr. Taft participated in the creation of the content and is considering the application of the course for customer service at the Airport.

**3. Finance Director**

- a. Ms. Watts noted that she attended an Enduris Board Meeting last week.
- b. Ms. Watts discussed insurance rates and will work with Mr. McEuin on what is necessary for coverage.

**4. Director of Properties**

- a. Ms. Reyna noted that the Park Company has signed their lease agreements for Warehouse 4 Bays 1 & 2.
- b. Received vacate letter from Mid-Columbia Warehouses for Warehouse 4 Bay 1 and Bay 2.
- c. COPA provided the Commission with a photo book and a signed Cooperation and Friendship Agreement, in thanks for their support.

### **Commissioner Reports:**

Commissioner Klindworth discussed Commission workshops and the Washington State Voting Rights Act.

Commissioner Ryckman discussed the Wharf property, her attendance at the Clover Island Dedication, and the partnership between the Tribes and Port of Kennewick in the project.

Commissioner Gordon attended a groundbreaking for Swampy's brick and mortar restaurant, and that she will be attending the Columbia Basin Development League meeting tomorrow in Moses Lake.

### **ITEMS FOR INFORMATION**

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**Executed Items:** The Ferguson Waterworks Purchase Agreement Amendment was provided for the Commission, however, more changes are to follow, so those will be provided to the Commission at a later date.

### **CALENDAR OF EVENTS**

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Commissioners and staff discussed the calendar of events.

### **RECESS**

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At 11:55 a.m. Commissioner Gordon recessed the meeting for lunch until 12:15 p.m. At 12:15 p.m. the meeting resumed.

### **ADJOURNMENT**

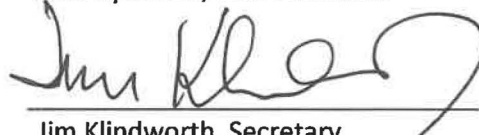
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The meeting was adjourned at 1:43 p.m.

Port of Pasco Commission:

  
Vicki Gordon, President

Jean Ryckman, Vice-President

  
Jim Klindworth, Secretary