

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
July 12, 2023 | 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, 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, and Human Resources and Executive Staff Assistant Lori French.

Excused: Deputy Airport Director Don Faley.

Guests: Michael Clayton, Wendy Culverwell of the Tri-Cities Herald, Sara Shilling of Tri-Cities Journal of Business, Bevan Davis of the Connell Chamber of Commerce, Shelly Harper of the North Franklin Heritage Museum, Kirt Shaffer of Tippet Company, Karl Dye of TRIDEC, Clint Didier of the Franklin County Commission.

APPROVAL OF AGENDA

Commissioner Ryckman moved, and Commissioner Klindworth seconded to approve the agenda with the addition of Item 9.A., North Franklin Heritage Museum Project. Motion passed unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of June 28, 2023.
- b) Vouchers and Warrants #100312-100394, and Direct Deposits #23493-23535 in the amount of \$4,033,360.26.

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

PUBLIC CITIZEN COMMENT

No public citizen comment was provided.

ITEMS FOR ACTION

Award of Contract for 2nd Phase of Airport Landscaping- Mr. Taft presented, bids were opened on June 27, 2023, for the Tri-Cities Airport Phase 2 Landscape Improvement Project. Bagley Landscape Construction Inc. was the sole bidder for this project and the apparent low bidder with a bid of \$503,441.85, including Washington State Sales, which was significantly below the Engineer's Estimate of \$652,434.74. The bids were reviewed by MacKay Sposito, for compliance and accuracy. MacKay Sposito found no errors in the bids and recommend that the project be awarded to Bagley Landscape Construction Inc. Staff has discussed using the remaining money that was set aside for this project towards installing additional security cameras and increasing security footage storage capabilities. This application will be discussed with the Commission at a later date.

Commissioner Klindworth moved and Commissioner Ryckman seconded to award the Tri-Cities Airport Phase 2 Landscape Improvement Project to Bagley Landscape Construction Inc. for \$503,441.85, including Washington State Sales Tax. Motion passed unanimously.

TRIDEC Agreement- Mr. Dye was in attendance to discuss the 2023/2024 Economic Development Agreement between the Port of Pasco and TRIDEC. Mr. Dye provided a presentation on the Port of Pasco and TRIDEC partnership, and some of the impacts of the Port's recent project on the area. Mr. Dye discussed diversification of the Port projects, the potential application of the state's local property tax exemption for future projects, the need for increased power for projects, and supporting work for projects like the Tri-Cities AIM Center.

The Agreement for the 2023/2024 year is for \$35,000 and will expire on March 31, 2024. Commissioner Klindworth thanked Mr. Dye and TRIDEC for their assistance in bringing Darigold to the Reimann Industrial Center. Commissioner Ryckman and Mr. McFadden noted their thanks for Mr. Dye and TRIDEC's team for their partnership and stepping up to meet the needs of the Port.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute the 2023/2024 Economic Development Agreement between the Port of Pasco and TRIDEC. Motion passed unanimously.

Mid-Columbia Lease Request- Ms. Reyna presented, Mid-Columbia is in the process of signing a new lease for Warehouse 1 Bay 4, the area recently vacated by KIS. This initial lease will be a month-to-month lease until their customer indicates whether they will sign a term lease of one year or two years. Mid-Columbia also asked for the deposit to be waived on the pending term lease. The proposed lease rate, after a 10% discount (for 8 full warehouse leases), is \$11,955.60/mo. The original lease bond Mid-Columbia provided in 2006 was reviewed to verify that all of the leases that Mid-Columbia Warehouses holds would be covered by the existing bond. Upon review, it was determined that only a portion of the leases are covered by the bond and staff will be working with MCW to update the bond's description of coverage to include all existing leases and the new lease.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive director to execute a lease with Mid-Columbia Warehouses for Warehouse 1 Bay 4 with 2 months security deposit as a part of the existing lease bond in the amount of \$209,831.97. The Executive Director shall also be authorized to make minor changes to the leases, with approval by the Port attorney, as may be needed to finalize the agreement. Motion passed unanimously.

IEDS Lease W2B1- Ms. Reyna presented, IEDS has been in Warehouse 2 Bay 1 since 2016. In September of 2022, they began sharing ½ of the bay with Solgen Power. IEDS reached out to staff requesting to lease the rest of the warehouse bay for a term of 3 years. As Solgen had only signed a month-to-month lease, staff terminated their lease and has been working on the term lease with IEDS at current published rates (with a 4% discount for a 2-year term lease). The proposed lease rate for a two-year lease with one, one year extension, is \$13,179.80/mo. Staff is working with IEDS and the Port attorney on finalizing lease language.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to execute a two-year lease with Inland Empire Distribution Systems Inc. for 43,200 square feet of Warehouse 2 Bay 1 with a 4% discounted rate of \$13,179.80 per month. The Executive Director shall also be authorized to make minor changes to the leases, with approval by the Port attorney and insurance broker, as may be needed to finalize the agreement. Motion passed unanimously.

ITEMS FOR DISCUSSION

North Franklin Historical Museum Project- Commissioner Klindworth presented the re-roof project for the North Franklin Historical Museum, after providing a brief history of the Franklin County Bank building. Ms. Harper was in attendance and provided information on the plans for the building and the cost of the re-roof project, which is approximately \$106,000. The North Franklin Heritage Museum is requesting community help in raising the funds. Commissioners and staff discussed the Port's budget and will take the project into consideration. Mr. Hayden noted that there would be further discussion and staff would get back to Ms. Harper towards the middle of August to let her organization know if the Port would be able to sponsor any of the project.

Land Search Update- Mr. Shaffer was in attendance to discuss the potential purchase of land for the Port. The discussion took place in Executive Session regarding purchase price.

Colima Trade Mission- Mr. McFadden provided an overview of the Colima Pasco Cooperation and Friendship Association (COPA) trade and cultural mission to Colima Mexico, that will take place from October 30th through November 5th. Mr. McFadden will participate in the trip and staff asked if any of the Commissioners would be interested in going. The Commissioners will not be able to attend, but encouraged Ms. Reyna to go as well, due to her involvement with COPA.

Director Reports:

1. Executive Director
 - a. The Yakama Nation will be visiting with Port and City representatives on the 19th of July. This is a meeting for introductory purposes. He requested that a Commissioner join the meeting and Commissioners agreed that Comm. Gordon would attend.
 - b. Mr. Hayden noted that PNWA has extended an offer of employment to an Executive Director candidate.
 - c. Mr. Hayden provided a .09 Fund update. As a follow-up to a meeting with the County Treasurer and Deputy Treasurer, staff spoke with Port bond attorney Bill Tonkin and Lee Marchisio about approaches that could be used to limit the County's risk in bonding out the funds. There were a couple of options that appeared useful that staff will be sharing with the County.
2. Airport Director
 - a. Mr. Taft provided an overview of what a Fixed Base Operator (FBO) is and how they function. Mr. Taft noted that Bergstrom is currently the airport's sole provider since Sullins Air ended operations, but he believes the Tri-City Airport could support two. Staff is working on an RFP for a second provider which will be released in the near future.

- b. Mr. Taft updated the Commission on Kyle Clark's request to recover Navy aircraft that are believed to be buried at the airport. During his last Commission visit, the Commissioners requested that Mr. Clark obtain permission from the US Navy prior to the beginning of any excavation work. Mr. Clark received the permission and will be working with staff to develop an agreement for the excavation.
 - c. Mr. Taft noted that June was the first month that the airport's passenger enplanement numbers have exceeded pre-covid levels of 2019.
- 3. Economic Development and Marketing Director
 - a. Mr. McFadden provided the EDM Report.
 - b. Mr. McFadden noted the waterline at the Reimann Industrial Center is on track.
- 4. Director of Properties
 - a. Ms. Reyna noted staff has been approached by someone who has an interest in the Wheelhouse (Bldg. 300) at the Big Pasco barge slip for establishing an events center.

Commissioner Reports:

Commissioner Ryckman noted she has had discussions with the PUD Commissioners about the need for land for the Reimann Center substation. Mr. Hayden will follow up with the PUD Director.

ITEMS FOR INFORMATION

Premier Excavation Change Order #6: Change Order 3 for the Reimann Waterline Extension Project is to provide compensation for materials not provided or incorrect materials, including copper pipe, blind flanges, and tapping saddles. The total for these items is \$6,291.51, including Washington State sales tax, and was executed per the Commission's Delegation of Authority Policy.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

RECESS

At 11:44, Commissioner Gordon recessed the meeting for lunch until 12:00. At 12:03, the meeting was resumed.

EXECUTIVE SESSION

At 12:03 Commissioner Gordon announced that the Commission would go into Executive Session until 1:00 to discuss minimum sale price, minimum lease price, and potential litigation that the agency may become a party of. At 1:00 the Executive Session was extended until 1:05, and at 1:05 the Executive Session was extended until 1:10. At 1:10, the regular meeting was resumed.

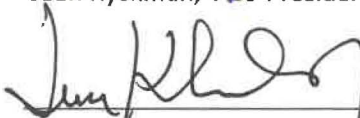
ADJOURNMENT

The meeting was adjourned at 1:45 p.m.

Port of Pasco Commission:


Vicki Gordon, President


Jean Ryckman, Vice-President


Jim Klindworth, Secretary

