

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
March 13, 2024 | 10:30 a.m.

CALL TO ORDER

Commissioner Ryckman 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 Jean Ryckman, Commissioner Jim Klindworth, Commissioner Vicki Gordon, Executive Director Randy Hayden, Attorney Heidi Ellerd, Airport Director Buck Taft, Deputy Airport Director Don Faley, Finance Director Donna Watts, Director of Properties Mayra Reyna, and Human Resources Director and Executive Assistant Lori French.

Excused: Director of Economic Development and Marketing Stephen McFadden.

Guests: Wendy Culverwell of the Tri-City Herald, Russ Chrisman of MacKay Sposito, Cole Crapps of Field Group, Ben Hoppe of JUB Engineering, Colin Hastings of the Pasco Chamber of Commerce.

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of February 28, 2024.
- b) Vouchers and Warrants #101755-101834, and Direct Deposits #24149-24189 in the amount of \$966,510.47 for the General Fund.
- c) Accept as Complete- TCAIP Hazardous Materials Removal.

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

PUBLIC CITIZEN COMMENT

No public citizens provided comment.

ITEMS FOR ACTION

TCAIP Award of Buildings to be Demolished- Mr. Taft presented, bids were received on March 7th for the 13 Building Demolishment Project at the Tri-Cities Airport Industrial Park. Five bids were received, and the low bidder was Andrist Enterprises, of Kennewick, WA with a bid of \$195,611.63, including sales tax. Andrist will have approximately 9 months to complete the demolition, and will begin soon after the bid is awarded.

Commissioner Gordon moved and Commissioner Klindworth seconded to award the Contract to Andrist Enterprises as they appear to have submitted the lowest, responsible, responsive Bid in accordance with the Contract Documents. For the Total Contract Price, including sales tax, of \$195,611.63. Motion passed unanimously.

Economic Development Opportunity Fund Transfer- Ms. Watts presented, the Port has received the proceeds from the *PIC395 Industrial Center Land sale to Amazon.com Services LLC* on February 24th, 2024. The net proceeds were \$3,979,757.04 and were deposited into the General Fund. The Commission has also approved the sale of land at PIC395 to Old Dominion Freight Line, Inc., with the sale scheduled to close this week, for approximately \$2,769,099 not including recording fees. Staff recommends moving the land sale proceeds from both sales from the General Fund to the Economic Development Opportunity Fund, based on the Commission's past practices for land proceeds.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the transfer of \$3,979,757.04 from the General Fund into the Economic Development Opportunity Fund, and to approve the transfer of sale proceeds from the Old Dominion Freight Line, Inc into the Economic Development Opportunity Fund, once it closes. Motion passed unanimously.

Baxter Auto Parts Lease- Ms. Reyna presented, Bill and Mike Astley have sold their auto parts business, AAW Auto Parts, to Jim and Ken Moore of Baxter Auto Parts, located in Building #107. As a result of this sale, the new owners of AAW Auto Parts seek to enter a new month-to-month agreement with the Port for this space, effective March 1, 2024. Ms. Reyna presented the lease deviations, and the proposed lease value is \$39,360 per year.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the month-to-month lease with Baxter Auto Parts for Building #107, as presented. Motion passed unanimously.

Franklin County Facilities Lease- Ms. Reyna presented, Franklin County Facilities Department currently occupies Building #68, located at 3508 Stearman Avenue and the yard directly behind that building. Their current lease has expired, and the county seeks to continue leasing the two areas separately. The building and yard are two separate leases and are effective March 1, 2024. Lease value is \$15,894.48 per year, for both leases.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the term lease with Franklin County as presented for Building # 68, located at 3508 Stearman Avenue, and the month-to-month lease with Franklin County for the yard space located behind Building #68, as presented, and to further authorize the Executive Director to execute both of the agreements. Motion passed unanimously.

Tri-Cities Mattress Lease- Ms. Reyna presented, Tri-Cities Mattress moved into the Airport Industrial Park in 2015. The business was negatively affected by the recent water damage in their current space. They have requested to lease the usable portion of 6,400 sf in Building #201 (3406 Swallow) in the Tri-Cities Airport Industrial Park. The move request is due to the recent water damage issues in their current space. Ms. Reyna presented the request and lease deviations in their entirety to the Commission. The lease value is \$106,022.40 for the 5-year term of the lease before the 3-yr CPI increase.

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to enter into a lease agreement with Tri-Cities Mattress for the premises situated at 3406

Swallow Avenue, at an amended rate of \$.2761 per square foot for a term of 5 years. This lease shall include a Consumer Price Index (CPI) increase after the third year. This amendment to the published rate is influenced by the unique condition of the building, characterized by reduced usable space caused by *water seepage, the necessity of accommodating access for neighboring tenants, absence of restroom facilities, and lack of access to the back dock, among other factors.* Furthermore, the Executive Director is granted authority to make minor adjustments to the lease, subject to approval by the Port attorney, as necessary for finalizing the agreement. Motion passed unanimously.

American Airlines Rate- Mr. Taft presented, American Airlines is currently operating using temporary ticket counter space and a temporary, American-owned kiosk. The counter space is not comparable to that of the other airlines and staff feels a discounted rate applies in this instance. Administration has a project in place to create a comparable ticket counter space in this location, which is slated to take approximately 9 months. Staff would like to recommend a 25% discount for the temporary ticket counter space, until the new permanent ticket counter space is ready.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the rate of 75% of the 2024 Signatory Airline rate for American Airlines for their 375 square feet of exclusive ticket counter space until the new construction of comparable ticket counter space is complete, at which time the rate will change to 100% of the Signatory Airline rate. Motion passed unanimously.

ITEMS FOR DISCUSSION

Director Reports:

1. Executive Director
 - a. Mr. Hayden provided an overview of his visit to Washington DC with Commissioner Ryckman and Mr. Taft for the PNWA Mission to Washington. Mr. Hayden noted the group heard from presenters on waterway issues, and met with the Washington State delegation on the two Airport projects, moving the FAA Tower, and Phase 1 of the Terminal Update.
 - b. Mr. Hayden discussed Northwest River Partners and the increase in membership fees. The Commission agreed at this point they would like to remain a part of this group.
 - c. Mr. Hayden noted the M84 Meeting on May 6th that will take place at the Pasco Red Lion.
 - d. The Airport's old Navy Tower has been designated as a Historical Landmark.
 - e. The Port will be celebrating its 85th year since incorporation this year.
2. Airport Director
 - a. Mr. Taft noted the stats are not posted yet for February but so far are continuing the growth trend.
 - b. Mr. Taft discussed the BioFiltro pilot project to treat deicing glycol.
3. Airport Deputy Director
 - a. Mr. Faley provided an update on the Taxiway G Project and the Runway 12-30 shift.
4. Human Resources Director
 - a. Ms. French provided a report on Public Records Requests for the Port and Airport showing the dramatic increase in requests over time.

5. Finance Director
 - a. Ms. Watts noted Accounting is working on adjusting journal entries for the 2023 annual report.
 - b. Ms. Watts noted GASB 87.
6. Director of Economic Development and Marketing
 - a. The EDM Report was provided for the Commissioners.
7. Director of Properties
 - a. Ms. Reyna provided the Properties Activities Report and noted the upcoming Hispanic Chamber Gala issuing an invitation to the Commissioners.

Commissioner Reports:

Commissioner Ryckman commented on the PNWA Mission to Washington.

ITEMS FOR INFORMATION/EXECUTED ITEMS

R3T Ventures, LLC- R3T Ventures LLC has entered into a land lease for aviation hangar lot #5 in the Tri-Cities Airport Business Center, effective March 1, 2024. The lease value is \$13,234.44 per year, and the Executive Director has executed the lease as per the Commission's Delegation of Authority policy.

CALENDAR OF EVENTS

The Commission was provided the Calendar of Events.

ADJOURNMENT

At 11:57 am the meeting was adjourned.

Port of Pasco Commission:


Jean Ryckman, President

Jim Klindworth, Vice-President


Vicki Gordon, Secretary