

**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*  
*July 10, 2024 | 10:30 a.m.*

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**CALL TO ORDER**

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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 Economic Development and Marketing Stephen McFadden, Director of Properties Mayra Reyna, and Human Resources Director and Executive Assistant Lori French.

**Guests:** Russ Chrisman of MacKay Sposito, Wendy Culverwell of the Tri-Cities Herald, Colin Hastings of the Pasco Chamber of Commerce, Sean Gordon of Banner Bank, Cole Crapps of Field Group, and Zahra Roach.

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

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- a) Corrected Regular Meeting Minutes of June 12, 2024.
- b) Regular Meeting Minutes of June 16, 2024.
- c) *Vouchers and Warrants #102455-102534, and Direct Deposits #24482-24528 in the amount of \$704,190.39 for the General Fund.*

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

**PUBLIC CITIZEN COMMENT**

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No public citizens provided comment.

**PUBLIC HEARINGS AND RESOLUTIONS**

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**Resolution 1630- Changing the Time of the Second July 2024 Commission Meeting-** Commissioner Klindworth moved and Commissioner Gordon seconded to adopt Resolution 1630- Changing the Time of the Second July 2024 Commission Meeting to 2 pm on July 24<sup>th</sup>. Motion passed unanimously.

**ITEMS FOR ACTION**

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**Pasco Chamber of Commerce Promotional Placement Marketing Requests-** Mr. Hastings, Executive Director of the Pasco Chamber of Commerce was in attendance to discuss the 2025 Ag Hall of Fame Awards Banquet, the 2024 Crawfest, and the 2024 RiverFest. He provided an overview of the events and

the Port's past support of them, respectively. Mr. Hastings requested continued support for the upcoming events. Staff discussed that the Port has previously included the Ag Hall of Fame and RiverFest events in the budget under promotional placement marketing, but the Crawfest has been part of the Commission directed marketing funds, if so chosen by the Commission. The Chamber is requesting a \$3,000 sponsorship amount for 2024 Crawfest.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the Promotional Placement Marketing request for the 2024 Crawfest, in the amount of \$3,000. Motion passed unanimously.

**B-17 LOI Request-** Mr. McFadden presented, during a May meeting, the Commission approved a lease agreement with Great Basin Land Company, LLC/B-17 Pasco, LLC for a project at the Tri-Cities Airport Business Center. Based on the Port's process, the lease was not immediately executed as the Lessee needed to provide proof of insurance, security deposit, and a completed and approved FAA Air Space Study. The FAA notified the Port on June 18 that the air space study was complete and that it had no objections or concerns over the planned height of the B-17 Pasco, LLC building. While in the approval process, B-17 notified the Port that the project had missed its construction window and would not be dried prior to winter. B-17 Pasco, LLC requested that the Port reserve the site for the project until they could begin a lease next year. Staff and the lessee have been in negotiations over a timeline for the Letter of Intent and a deposit on the site. Staff would like to discuss the item in Executive Session.

Upon return to open session: Commissioner Klindworth moved and Commissioner Ryckman seconded to approve the 180 day Letter of Intent with B-17 Pasco, LLC, for a non-refundable fee of \$5,000 and authorize the Executive director to execute the LOI with minor changes as approved by the Port attorney. Motion passed.

Commissioner Gordon abstained from the vote.

**Airport Credit Card Expansion Project-** Mr. Faley presented, on Thursday, June 27, 2024, the bids were opened for the Airport Credit Card Lot Expansion Project. The Bid for the Airport Credit Card Lot Expansion Project included a Base Bid and 3 additive Bids. Seven companies provided bids for this project and the apparent low bidder was Central Washington Asphalt, with a bid of \$1,475,000.01 for the base bid schedule and all additives, including Washington State Sales Tax on required Bid Schedules. Bids were reviewed and no errors were found.

Commissioner Klindworth moved and Commissioner Gordon seconded to award the Airport Credit Card Lot Expansion Project to Central Washington Asphalt for \$1,475,000.01, including Washington State Sales Tax, for the Base Bid and all 3 Bid Additives. Motion passed unanimously.

**FAA Grant Acceptance (BIL AIG #62)-** Mr. Taft presented, the Port received BIL AIG 62 grant from the FAA, for signatures, for the East GA Apron Phase 3 Reconstruction Project and partial funding for the FAA Reimbursable Agreement 2 for the Runway 12-30 Shift. BIL AIG 62 grant is in the amount of \$5,484,132.00 and is a 90% Federal 10% local split. The grant will fund the reconstruction of the north end of the East GA Apron and additional taxilanes for the future hangar development north and south of

the current East GA Apron, as well as for two thirds of the cost of the FAA Reimbursable Agreement Amendment 2, for the Runway 12-30 Shift Project.

- FAA Share of the Grant - \$4,935,719.00
- PORT Share of the Grant - \$548,413.00

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to sign BIL AIG 62 Grant with the FAA, for the East GA Apron Phase 3 Reconstruction Project and two thirds of the amount for FAA Reimbursable Agreement Amendment 2 for the Runway 12-30 Shift Project. Motion passed unanimously.

**Mead & Hunt Construction Management Services Agreement-** Mr. Faley presented, Mead & Hunt has provided a proposal for the Construction Management Services East GA Apron Reconstruction for the Airport's BIL-AIG 62 Project. The FAA has reviewed Mead & Hunt's fees and has approved them and found them to be eligible for Federal funding through the BIL-AIG 62 Grant. Mead & Hunt's proposed fee for Construction Management Services is \$1,078,269.75. The eligible fees for the BIL-AIG 62 Grant will total \$853,320.00. The Port will be responsible for 10% of the eligible fees, which is \$85,332.00. The Port will also be responsible for the ineligible fees for this project, which will be \$224,949.75.

Commissioner Gordon moved and Commissioner Klindworth seconded to award the East GA Apron Reconstruction Construction Management Services, for BIL-AIG 62 Project, to Mead & Hunt for \$1,078,269.75. Motion passed unanimously.

**Building T1-79 Lease Proposal-** Ms. Reyna presented, staff has been in negotiations with Sonilex Industries LTD, who is moving their operations to Big Pasco and adding a retail component. Sonilex received floor plans and building access to compile a more comprehensive list of desired improvements. They have requested a 10% adjustment to the published rental rate to account for the investments they will be making in the building, instead of pursuing credit or reimbursement for any upgrades. During the process of negotiation for the lease, Sonilex reached out to the supplier they will be purchasing the racking from, however, the racking system that they need is on back order for 45-60 days. Sonilex asked for a month of free rent since they will not be able to install the racking system until it arrives, but still begin office upgrades in August. The leasehold tax would still be billed during this time and the proposed rate of \$.3618 psf is 13.03% higher than what the previous tenant was paying, which was \$11,523.05 or \$.32008 per square foot per month.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to enter into a lease agreement with Sonilex Industries LTD for the premises located at 2440/2490 E Ainsworth in the Big Pasco Industrial Center. The lease will be at an amended rate of \$.3618 per square foot for a term of 3 years, with the first month's rent waived to accommodate tenant improvements and the arrival of the tenant's racking system. Additionally, 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.

## **ITEMS FOR DISCUSSION**

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**May 2024 Financial Report-** Ms. Watts presented the May 2024 Financial Report for discussion.

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

### **Director Reports:**

1. Executive Director
  - a. Mr. Hayden noted that he attended the Port of Benton Commission Meeting this morning to provide information on the Ag Innovation Center. Port of Benton has expressed interest in participating in the project. Additionally, the Center's feasibility study is in process, and the consultant for the project estimates completion in November or December.
  - b. Mr. Hayden discussed the 1+1 County Agencies meeting that took place on July 1<sup>st</sup>, noting that it was a positive meeting. The County has interest in being part of the .09 Fund project selection at the earlier stage of committee project selection. The group also discussed the county's power deficit, and the Colville's fee to trust process. Commissioner Ryckman commented that she thought the meeting went well.
  - c. Mr. Hayden informed the Commission that the Port of Pasco would be hosting a tour for the WPPA Commissioners Seminar on the 22<sup>nd</sup>.
  - d. There has been progress made on the Columbia River Treaty between the US and Canada.
2. Airport Director
  - a. Mr. Taft will be leaving for Seattle this evening to participate in the State's working group for aviation.
  - b. Mr. Taft noted that construction season is in full swing at the Airport.
  - c. The TCA June Digital Marketing Reports were provided.
3. Airport Deputy Director
  - a. Mr. Faley noted that bids for the new ARFF vehicle will be opened on the 18<sup>th</sup> and will likely need to be awarded at the next Commission Meeting. It will be part of the 2025 funding, but due to long lead times will be ordered in 2024.
4. Finance Director
  - a. Ms. Watts noted the audit is in process.
5. Director of Economic Development and Marketing
  - a. Mr. McFadden provided an overview of the visit from the Colima Delegation and the COPA activities that took place at the end of June.
  - b. Mr. McFadden provided the EDM Report.
  - c. The PoP June Digital Marketing Report was provided.
6. Director of Properties
  - a. Ms. Reyna commented on the success of the Colima Delegation visit.

### **Commissioner Reports:**

Commissioner Klindworth noted a presentation from a solar company to the City of Connell.

**ITEMS FOR INFORMATION**

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**Rad Cab Taxi Agreement:** Rad Cab has changed owners. JHAB Enterprises LLC has purchased Rad Cab and seeks to continue operations at the airport. A new Taxi License Agreement has been signed with the new owners, effective July 1, 2024. The license value is for \$997.80 per year and the Executive Director has executed the license agreement per the Commission’s Delegation of Authority.

**CALENDAR OF EVENTS**

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Commission and Staff discussed the Calendar of Events.

**RECESS**

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At 12:05, Commissioner Ryckman recessed the meeting until 12:30 for lunch, with Executive Session to follow immediately after for 10 minutes. At 12:30, the meeting was resumed.

**EXECUTIVE SESSION**

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At 12:30, Commissioner Ryckman announced that the meeting would go into Executive Session for 10 minutes, to consider the minimum lease price.


At 12:40, the regular meeting was resumed.

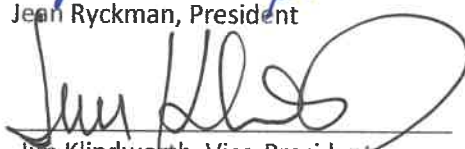
**ADJOURNMENT**


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At 12:43 pm the meeting was adjourned.

Port of Pasco Commission:

  
Jean Ryckman, President

  
Jim Klindworth, Vice-President

  
Vicki Gordon, Secretary

