

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
November 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 Economic Development and Marketing Stephen McFadden, Office Administrator Shannon Kruiswyk

Guests: Tanya Bowels, Kellee Balcom, Russ Christman of MacKay Sposito, Colin Hastings of The Pasco Chamber of Commerce, Wendy Culverwell of the Tri-City Herald, Cole Crapps of Field Group, Nick Wright Resident of Pasco, Diana Carlen of Gordon Thomas Honeywell, Jim Darling from Leeward Strategies, and Steve Horton from Liebowitz & Horton.

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of October 23, 2024
- b) Special Meeting Minutes of October 22, 2024
- c) Special Meeting Minutes of October 25, 2024
- d) Vouchers and Warrants #103166 – 103236 and Direct Deposits #24835-24877 in the amount of \$1,046,613.76 for the General Fund.
- e) Accept as Complete- Big Pasco Industrial Center W4B1 Re-Roof

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

PUBLIC CITIZEN COMMENT

No citizens provided a comment.

PUBLIC HEARINGS AND RESOLUTIONS

Public Hearing for the 2025 Budget - At 10:37 am, Commissioner Ryckman opened the public hearing to consider and adopt the proposed 2025 Port of Pasco budget. Ms. Watts provided a brief overview of the 2025 budget.

Mrs. Bowels asked where she could find the budget on the website. Ms. Watts showed her where she could locate it on the Port of Pasco website. With no further questions or comments on the proposed budget, Commissioner Ryckman closed the hearing at 10:44 am.

Resolution 1638 –2025 Tax Levy - Ms. Watts presented, Resolution 1638 adopts the 2025 tax levy for the Port of Pasco. The tax levy includes additional property taxes resulting from new construction plus a 1% increase from last year's property taxes and includes language to cover the TIF areas.

Commissioner Gordon moved and Commissioner Klindworth seconded to adopt Resolution 1638 - A Resolution of the Port of Pasco Commission Adopting the Port of Pasco's Tax Levy Increase for 2025. Motion passed unanimously.

Resolution 1639- 2025 Port of Pasco Budget- Ms. Watts presented, Resolution 1639 adopts the 2025 budget for the Port of Pasco, including a regular property tax levy for collection in 2025.

Commissioner Klindworth moved and Commissioner Gordon seconded to adopt Resolution 1639 - A Resolution of the Port of Pasco Commission Adopting the Port of Pasco's Budget for Calendar Year 2025, and approve the Port of Pasco's regular property tax levy for collection in the calendar year 2025. Motion passed unanimously.

Resolution 1640- Changing the Day of the First December Commission Meeting- Mr. Hayden presented, the upcoming Port meeting falls on the same day as the WPPA Annual Conference. Commission elected to move the meeting day to Monday December 9, 2024, at 10:30am

Commissioner Gordon moved and Commissioner Klindworth seconded to adopt Resolution 1640 - Changing the Day of the First December Meeting to Monday December 9, 2024, at 10:30 am, at the Port of Pasco. Motion passed unanimously.

ITEMS FOR ACTION

Change Order #1 TCA ARFF Building Fluid Applied Roofing project – Mr. Faley presented, that upon work beginning on the application of Fluid Applied Roofing at the Tri Cities Airport ARFF Building, the contractor noticed that there were holes and penetrations that had occurred in the TPO membrane from ice dropping on the roof in the past winters from the metal barrel roof section.

The contractor proposed installation of new snow/ice guards to this metal roof area to prevent these penetrations from ice happening in the future. The modification is needed for the manufacturer to issue a 20-year labor and material warranty for the Fluid Applied Roofing material that is being installed. The cost of \$15,022.97 including WSST is over the Executive Directors 10% authority of contract amount.

Commissioner Gordon moved and Commissioner Klindworth seconded to accept Change Order #1 and authorize the Executive Director to sign the change order in the amount of \$15,022.97, including sales tax. Motion passed unanimously.

2025 Strategic Plan – Mr. Hayden Introduced Mr. Darling from Leeward Strategies. Mr. Darling presented the 2025 Strategic Plan based on input received from staff and Commission interviews and the workshop session held on Oct. 22nd. The plan captures updates to ROI targets for the Port's cost centers and new planned strategies for the short, medium, and long term planning horizons.

After Mr. Darling's presentation Commission and Staff asked for some changes to be made to the Mission Statement and other minor modifications. Mr. Darling will make the changes, and the final version will be presented at the December 9, 2025 commission meeting for approval. No Action was taken

The Commissioners thanked Mr. Darling for the presentation.

2025 - 2027 Capital Budget - Ms. Watts presented the 2025-2027 Capital Budget for consideration with discussion from Mr. Hayden, Mr. Taft, Mr. McFadden, and the Commission.

Commissioner Gordon moved and Commissioner Klindworth seconded to set the operating reserve balance for the Port at 8 months of 2025 operating expenses, and the Airport at 4 months of 2025 operating expenses. Motion passed unanimously.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the 2025-2027 capital budget as presented. Motion passed unanimously.

PCI Airport Parking Operation Agreement Amendment #2 – Mr. Taft presented that the Management Agreement with PCI for parking operations at the airport calls for an annual negotiation of the credit card processing fee and the labor hourly rate for employees each October.

The labor hourly blended rate includes a \$0.75 premium above minimum wage and a specified higher pay rate for the current manager.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the Parking Lot Management Agreement Amendment #2 with Parking Concepts Incorporated, as presented, and authorize the Executive Director to execute the agreement. Motion passed unanimously.

Reimann Industrial Center Letter of Intent – Mr. McFadden presented that the Port staff has been working for several months with a client interested in land at Riemann Industrial Center. Following recent discussions, the company has provided the Port with a letter of intent (LOI) for Commission consideration.

This project meets the Port's mission regarding economic development. This includes substantial private investment, significant job creation and improving the Franklin County tax base.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to execute the Letter of Intent with Cold Summit Development and to authorize the Executive Director to execute the LOI with minor changes following review by the Port attorney. Motion passed unanimously.

ITEMS FOR DISCUSSION

Job Description for Commissioner – Mr. Hayden presented that the staff has prepared a draft Commissioner job description for consideration. The job description is being provided per Commission

request and will also be provided to candidates applying for the upcoming Commission District 3 vacancy.

Commissioner Klindworth asked if they will have a section about Economic Development experience of the new commissioner. Mr. Hayden explained that there was no specific line item for that, but it would be included in the long- term and short- term goals like other functions of the Port.

State Legislative Priorities – Ms. Carlen with Gordon Thomas Honeywell was in attendance to discuss the Port's 2025 draft legislative agenda with the Commission.

Mr. Hayden provided additional background on some of the key priorities.

Director Reports:

1. Executive Director
 - a. Mr. Hayden presented that the Port of Kennewick's groundbreaking of the new Kuki Izakaya Japanese Restaurant at Vista Field was taking place on Friday for those that wanted to attend.
 - b. Mr. Hayden discussed that the Commissioner Vacancy was posted on the website and other media sources in both English and Spanish and will remain up till January 3, 2025.
 - c. Mr. Hayden went over the Executive Director transition process and interview process.
2. Airport Director
 - a. Mr. Taft discussed the Airport Digital Activity Report, he mentioned that he likes the new format from Field Group.
 - b. Mr. Taft discussed the September Airport Activities Report.
 - c. Mr. Taft mentioned that the new Home 2 Suites has begun and there will be an official groundbreaking ceremony tentatively scheduled for Monday November 25th in partnership with A-1 Hospitality and the Pasco Chamber.
 - d. Mr. Taft discussed that they are in the process of hiring 2 new maintenance staff after a recent retirement.
3. Airport Deputy Director
 - a. Mr. Faley noted that the Credit Card Parking Lot light poles have been delayed till December 6th.
4. Office Administrator
 - a. Mr. Hayden commented that the 85th dinner was wonderful and thanked Mrs. Kruiswyk for a job well done. Commissioner Gordon agreed, she loved that the mood was set from the second you walked in the door.
5. Finance Director
 - a. Ms. Watts noted the Accountability Audit Report and Passenger Facility Audit Report are published.
6. Director of Economic Development and Marketing
 - a. Mr. McFadden discussed the EDM Report.

Commissioner Reports:

Commissioner Gordon commented that she attended the Port of Benton Intermodal Rail presentation with Michelle Holt.

Commissioner Gordon mentioned that she has started transitioning out of the position of the Chair of the Ben Franklin Council of Governments.

Commissioner Gordon mentioned that Columbia Basin Development League had their annual meeting and she commented that it was well attended.

Commissioner Klindworth commented on the 85th dinner and how he and Jill really enjoyed it and what was said.

Commissioner Ryckman commented on the 85th dinner and how she really enjoyed hearing the stories.

ITEMS FOR INFORMATION

Credit Card Lot Expansion Project Change Order #5- Through Delegation of Authority the Executive Director signed change order 5 for the Credit Card Expansion Project. This change order was in the amount of \$975.74 including Washington State Sales Tax. This change order is related to adding an access point for the Port's larger vehicles that may need to access the lot for maintenance or emergency response by the City of Pasco Fire Department.

The previous contract amount for this project was \$1,489,377.17. The revised contract total, with this change order, is \$1,490,352.91, including Washington State Sales Tax.

Pasco School District Amendment - Pasco School District requested to the remove 3 acres that were included in its most recent land lease at the TCAIP. The current lease is for a total of 19.41 acres and is a combination of all of the PSD land leases that have been executed to this point.

The original use for the 3 acres the district would like removed was to expand the bus parking lot off of Stearman Avenue. Due to environmental and building requirements, expanding the parking lot has become unfeasible for the school district. As a result, Port staff removed the 3 acres at the rate of \$406.36/acre via a lease amendment. No other core lease terms were changed.

CALENDAR OF EVENTS

Commission and staff discussed the calendar of events.

RECESS AND EXECUTIVE SESSION

Commissioner Ryckman recessed the meeting at 12:07 pm until 12:15 for lunch.

At 12:15, the meeting was resumed and Commissioner Ryckman announced that Commission would go into Executive Session for 20 minutes, until 12:35 pm to discuss minimum lease price.

The regular meeting was resumed at 12:35 pm and Commissioner Ryckman recessed the meeting for 7 minutes. At 12:43, the regular meeting was resumed.

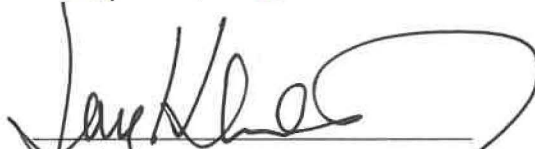
At 2:45 Commissioner Ryckman announced that Commission would go into Executive Session for 5 minutes, until 2:50 pm to discuss potential land purchase. The regular meeting was resumed at 2:50 pm.

ADJOURNMENT

At 2:50 pm the meeting was adjourned.

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary