

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
December 17, 2025 | 9:30 a.m.

CALL TO ORDER

Commissioner Ryckman called the meeting to order at 9:30 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 Vicki Gordon, Commissioner Hans J. Engelke, Executive Director Adam Lincoln, Attorney Heidi Ellerd, Airport Director Buck Taft, Deputy Airport Director Don Faley, Deputy Executive Director Stephen McFadden, Properties Director Mayra Reyna, Finance Director Donna Watts, Director of Human Resources and Administration Lori French, Economic Development Program Manager Rohana Carmichael, Project Manager Jaime Vera, Office Manager Sabrina Melendrez.

Guests: Andrew Flabetich (HUB), John Hawley (The Landing LLC), David Reeploeg (TRIDEC), Karl Dye (TRIDEC), Commissioner Elect Matt Watkins, Ben Hoppe (JUB), Ty Beaver (Journal of Business), Wendy Culverwell (Tri-City Herald), Blake Loftus (Retter & Company), Dave Retter (Retter & Company), Celest Carlson Stanley (Carlson Stanley, LLC) Rick Berry (Absolute Power), Eric Culverhouse, David Arnold (Tri-Cities Rowing Association), Eric Otterman, Louise Calibu, Cole Crapps (Field Group), Russ Christman (McKay Sposito), David Cortinas (La Voz), Susanne Ayala (Ciao Trattoria).

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of December 12, 2025.

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

PUBLIC CITIZEN COMMENT

Mr. Dave Retter of Retter Sotheby spoke on behalf of James Sexton. Mr. Retter previously represented a client from Bend, OR who also took 5 years to put all the pieces together in order to complete a master development. Mr. Retter expressed disappointment over the Port's decision to terminate the project plans with Mr. Sexton.

Mr. David Arnold of Tri-Cities Rowing Association (TCRA) provided comment, explaining that it is TCRA's mission to expand recreational activities on the river. Mr. Arnold shares the vision for a master plan that includes community-oriented activities and simply wishes to introduce the organization and hopes to be part of the growing community.

Rick Berry of Absolute Power spoke, expressing his plans to contract for much of the work with Mr. James Sexton. He and his company have invested time and effort into Mr. Sexton's project, turning

down other work in the process. Mr. Berry was disheartened, concerned for the families impacted by the decision to terminate the project.

Ms. Celeste Carlson Stanly provided comments. Her family has been farming locally since 1942, and the idea of master development often clashes with farming. She was however in favor of the Osprey Pointe project, which she felt would help with reducing crime and homelessness in the area. She encouraged commissioners to keep their focus on the people of the community and expressed that we need more businesses that would benefit the entire community.

Ms. Susanne Ayala of Ciao Trattoria shared that she had plans for two businesses to open within the Osprey Pointe master project. She agreed with the previous statement made by Ms. Carlson Stanly and the impact the Port's termination of the project has on downtown Pasco. After reviewing the Port's mission and values, Ms. Ayala disagreed with the stated conflict regarding the project's focus on residential housing. Ms. Ayala asked how long it would take if the Port started all over again, noting that Pasco is known as the worst place to develop because of the roadblocks developers encounter.

Commissioner Ryckman thanked everyone for taking the time to attend the meeting and for providing comments, assuring them that the commissioners do listen to them.

PUBLIC HEARINGS AND RESOLUTIONS

Resolution 1660 Amended – CERB Resolution – Mr. McFadden presented the amended Resolution 1660. The original resolution, approved by Commission in August 2025, supported the Port's submission of a Community Economic Revitalization Board (CERB) Committed Private Partner Loan/Grant application to fund the Reimann North Waterline Project. In that resolution, staff only included the loan amount of \$3,750,000. CERB has since requested that the resolution include both the loan and grant amounts, respectively. The amended resolution now details the loan amount of \$3,750,000 and grant amount of \$1,250,000.

Commissioner Engelke moved and Commissioner Gordon seconded the motion to adopt amended Resolution 1660, authorizing the Port to apply for a CERB loan/grant for the Reimann North Waterline Project Committed Private Partner Project. Motion passed unanimously.

Resolution 1667 – 2026 Airport Fee Schedule Ms. White presented Resolution 1667, highlighting general user fees that are charged at the Tri-Cities Airport. These fees are updated annually, and Resolution 1667 replaces Resolution 1643, approved in December 2024. Additionally, Mr. Taft noted that following the general parking rate modifications approved at the previous commission meeting, rates for handicapped stalls in short-term parking would be reduced to the long-term rate, allowing users of handicapped stalls to park immediately adjacent to the terminal at the reduced rate.

Commissioner Engelke moved and Commissioner Gordon seconded the motion to adopt Resolution 1667, adopting the 2026 Airport Fee Schedule. Motion passed unanimously.

Resolution 1668 – 2026 Published Lease Rates – Ms. Reyna presented updated rental lease rates for all new leases at the Port and Airport. The proposed rates have been updated to include a Consumer Price Index adjustment of 3.48% starting in January 2026. The CPI used is based on the data index of the Bureau of Labor Statistics of the United States Department of Labor for all items in West – Size Class B/C, all urban consumers, not seasonally adjusted. This resolution also includes recent market studies for two

properties in its portfolio, including the Tri-Cities Airport Business Center and the Administration Building in Osprey Pointe.

Commissioner Gordon moved and Commissioner Engelke seconded the motion to adopt Resolution 1668, setting forth Port policy regarding the rental lease rates and related policies of the Port of Pasco. Motion passed unanimously.

Resolution 1669 – Recognizing and Commending Commissioner Jean Ryckman for her Dedicated Service to the Port of Pasco – Commissioner Gordon presented Resolution 1669, expressing the Port of Pasco’s deep appreciation for the time and devotion Commissioner Ryckman gave to her role as Port Commissioner.

Commissioner Gordon moved and Commission Engelke seconded the motion to adopt Resolution 1669, recognizing and commending Commissioner Jean Ryckman for her years of service as Port Commissioner. Motion passed.

ITEMS FOR ACTION

North Franklin Heritage Museum Agreement Extension — In October 2023, the Port of Pasco entered into an agreement with the North Franklin Heritage Museum (NFHM) to promote economic development and tourism. Through this agreement, NFHM and the Port of Pasco partnered to complete the “C Street Vault” project, rehabilitating and renovating the Jesse L. Colley American Legion Post 195 building for a multi-use building that will enhance economic development, trade and tourism in Connell. A significant portion of the allocated funds have been spent, and the project continues to progress. Mr. Lincoln presented an extension request made by Shelly Harper, Executive Director for NFHM, which would extend the current agreement by one year. The Port’s financing obligation in the agreement was scheduled to be completed by December 31, 2025.

Commissioner Engelke moved and Commissioner Gordon seconded the motion to authorize the Executive Director to extend the agreement with the North Franklin Heritage Museum to provide funding for the C Street Vault building renovation and to promote economic development in the Port district, from December 31, 2025 to December 31, 2026, with minor changes to the Agreement as may be approved by the Port attorney. Motion passed unanimously.

Interlocal Agreement for Northwest Seaport Alliance — Mr. Lincoln presented an Interlocal Agreement (ILA), formalizing a collaborative “Inland Logistics Hub Working Group” between the Ports of Benton, Pasco, and Walla Walla and the Northwest Seaport Alliance (NWSA). This Working Group will coordinate planning, marketing, and pursuit of grant and funding opportunities to advance an inland logistics hub concept in the Tri-Cities that connects directly to the NWSA marine terminals. The ILA does not commit any party to capital investment, and there is no direct financial contribution or capital obligation associated with this ILA.

Commissioner Gordon moved and Commissioner Engelke seconded the motion to authorize the Executive Director to execute the Interlocal Agreement between the Northwest Seaport Alliance and the Port of Pasco, and further to authorize the Executive Director to make minor changes to the agreement as approved by the Port Attorney. Motion passed unanimously.

2026 Insurance Renewal — Ms. Watts introduced the topic of renewing the Port of Pasco’s insurance policy for 2026, covering General Excess Liability, Crime, Marine Liability, Marine Excess Liability, and Airport Liability. Mr. Andrew Flabetich of HUB International Northwest was available to discuss rate changes and answer any questions.

Commissioner Gordon moved and Commissioner Engelke seconded the motion to approve the 2026 insurance policies for policy year effective December 31, 2025, to December 31, 2026, for General Excess Liability, Crime, Marine Liability, Marine Excess Liability, Pollution Liabilities, and Airport Liability not to exceed \$325,000. Motion passed unanimously.

Landing LLC Construction Deadline Extension — Ms. White presented an extension request for The Landing LLC. The original land leases between the Port of Pasco and The Landing LLC required the Lessee to complete the construction of two 10,000 square foot buildings within 6 months of the rent commencement date of the leases, one tenant flex building and one tenant retail building. While the multi-tenant flex building has been completed, construction on the retail building has not yet begun. Lessee, Mr. John Hawley, was in attendance to present his extension request to the commission, detailing the reasons for the delays. At this time, financing for the retail building has been secured with funding available in January 2026, to be followed by an 8-month construction period. When asked if this was his final extension request and if there were suggestions for non-performance, Mr. Hawley assured commissioners that yes, this was the last request, and a suggestion for non-performance could be the Port getting the property returned. However, Mr. Hawley also assured commissioners that their next interaction would have progress photos from the construction site. Staff recommended approving the extension request.

Commissioner Gordon moved and Commissioner Engelke seconded the motion to approve the completion date for both the multi-tenant flex building and the multi-tenant retail building referenced in two leases with The Landing LLC be extended to December 31, 2026. Motion passed unanimously.

Airline Rates and Charges — Mr. Taft presented the 2026 Airline Rates and Charges, as well as the 2024 Rates and Charges Reconciliation, which were previously presented as draft to Commissioners at the November 12, 2025, meeting and have since been discussed with the airlines.

Commissioner Engelke moved and Commissioner Gordon seconded the motion to approve the 2026 Airline Rates and Charges as presented. Motion passed unanimously.

Airline Incentive Policy — Mr. Taft presented proposed modification to the Airline Incentive Policy, which was originally adopted in 2019 and was designed to incentivize airlines wishing to start new service at the Tri-Cities Airport. The current policy provides funds for marketing and advertising of services on any new route without current service, during the first 12 months of service. However, if marketing does not begin until the start date of the new route, the market may not start out as successful, due to a lack of community knowledge. Beginning marketing efforts closer to the announcement date allows the new route to gain momentum prior to starting service. Staff recommends changing the language in the policy to begin the incentive upon service announcement and run for 12 months after the first flight. The total amount of the incentive policy remains unchanged.

Commissioner Gordon moved and Commissioner Engelke seconded the motion to approve the Airline Incentive Policy change as presented. Motion passed unanimously.

Cold Summit Purchase and Sale Agreement for RIC Lot #1 — Mr. McFadden presented a Purchase and Sale Agreement (PSA) with Cold Summit for Reimann Industrial Center (RIC) Lot #1.

On September 24, 2025, the Port Commission authorized the Executive Director to execute a short-term Letter of Intent (LOI) with Cold Summit Development, LLC for the development of a cold storage facility at the RIC. Cold Summit's original LOI expires on December 24, 2025. Staff and the Port attorney have been working with Cold Summit on the terms of a PSA and believe it can be achieved and executed by December 24, 2025. Mr. McFadden clarified that a Port Rail Maintenance and Operation Agreement would be signed separately, as other tenants are anticipated to share use of the rail.

Commissioner Gordon moved and Commissioner Engelke seconded the motion to authorize the Executive Director to execute the Purchase and Sale Agreement with Cold Summit Development, LLC for Lot #1 at the Reimann Industrial Center for \$6,195,000, and further to authorize the Executive Director to approve minor changes to the agreement as approved by the Port attorney. Motion passed unanimously.

HDR Engineering Last Mile Second Amendment — Mr. McFadden presented a second amendment to an agreement with HDR Engineering, originally executed in October 2022 and first amended in February 2024. This agreement relates to the preliminary design of the Reimann Industrial Center Last Mile Rail Project. This second amendment will cover out of scope work related to the project at the Port's request, due to BNSF and Federal Rail Administration requirements. This second amendment is for \$154,943.00, increasing the not-to-exceed amount of the agreement to \$485,043.00.

Commissioner Engelke moved and Commissioner Gordon seconded a motion to approve the HDR Track Design and Engineering Services Amendment #2 for a not-to-exceed amount of \$485,043.00, and to further authorize the Executive Director to execute the amendment with minor changes as accepted upon review by the Port attorney. Motion passed unanimously.

New Lampson Lease Term & Rate — Mr. McFadden presented new Lampson International lease term and rates. The current lease with Lampson International, who has been an anchor tenant at the Port's Big Pasco Industrial Center for 43 years, will expire in 2027. Following a November discussion with Port Commission, staff continued discussions with Lampson International's representatives regarding a request to implement a new lease and establish lease rate increases across the length of the new lease term and extensions. Since then, new lease terms, extensions, and rate increases have been negotiated, and Lampson International has expressed their desire to have the new lease replace the remainder of the existing lease as soon as possible.

New lease rates will take effect on January 1, 2026, and the new lease agreement will be executed by both parties prior to the end of February 2026, contingent upon Commission approval.

Commissioners and staff discussed the proposed rates. McFadden noted that Lampson International has been with the Port for over 40 years, through the lean times, adding that the Port is fulfilling its mission while honoring negotiations made by our fathers and grandfathers.

Commissioner Gordon moved and Commissioner Engelke seconded a motion to allow Port staff to implement the new lease rate for Lampson International, to take effect January 1, 2026, and to authorize Port staff to negotiate the remainder of the lease to bring back to Commission for final

approval prior to February 27, 2026. Motion passed 2-1 with Commissioners Gordon and Ryckman in favor, and Commissioner Engelke opposed.

ITEMS FOR DISCUSSION

Shoreline Reconveyance Update – Mr. Lincoln introduced the topic and its presenters, guests David Reeploeg and Karl Dye of TRIDEC, who provided a brief history of the Shoreline and its ownership transfer to Corps of Engineers following several flooding events. While the Corps of Engineers currently maintains ownership, discussions about transferring ownership back to local governments are underway. Mr. Reeploeg discussed building relationships with and working with the Tribes and local partners.

Petrichor Update – Mr. Lincoln presented an update on the Port of Pasco’s Petrichor investment. In 2023, Petrichor Broadband, LLC, of which the Port of Pasco is one of the five founding members, received sufficient funding to begin paying back the founding agencies for their initial investments. The Port of Pasco, whose investment totaled \$200k was paid back the initial investment amount and will receive a disbursement of \$50k for 2025. A presentation from Petrichor will be given at a 2026 Port Commission Meeting.

October Financials – Ms. Watts presented the October financial statements for discussion

Tenant Delinquent List- Ms. Watts presented the Tenant Delinquent List.

DIRECTOR REPORTS

1. Executive Director
 - a. Mr. Lincoln expressed his sincere gratitude towards Commissioner Ryckman, followed by a summary of the successes of the year, including significant property additions, expanded partnerships, new staff members and community support events.
2. Airport Director
 - a. Mr. Taft provided the airport’s activity report, noting that overall load factors are doing well and the announcement of a new Orange County flight has been well received.
3. Deputy Airport Director
 - a. Mr. Faley provided a construction update.
4. Director of Human Resources and Administration
 - a. Ms. French thanked Ms. Melendrez and staff for their efforts related to the Tenant Appreciation event
5. Deputy Executive Director & Director of Economic Development & Marketing
 - a. Mr. McFadden discussed a pending meeting with Connell’s incoming and outgoing council members. A full report for Connell’s Economic Development will be provided in January. Mr. McFadden also thanked the Economic Development team for their efforts on releasing two major Requests for Proposals.
6. Properties Director
 - a. Ms. Reyna provided the 2025 Occupancy Report.

Commission Report— The Commissioners discussed their non-Port meeting attendance at WPPA. Commissioner Engelke appreciated the New Commissioner Seminar in Tacoma, while Commissioner Gordon expressed excitement for Commissioner Elect Watkins to join.

ITEMS FOR INFORMATION

Lanter Delivery Lease Amendment – Lanter Delivery Systems, LLC is amending their current lease, keeping existing rates but modifying their extension term, replacing their single, two-year option with two one-year options. The lease is valued at \$64,272.52/year. The Executive Director has signed the lease amendment in accordance with Commission policy delegating authority.

Schoonover Farms Lease Amendment – The Schoonover Farms lease has been amended to include additional land and rail. It is a month-to-month lease with a lease value of \$981.44/mo. The Executive Director has signed the lease amendment in accordance with Commission policy delegating authority.

Inland Empire Distribution Systems Lease – Inland Empire Distribution Systems (IEDS) has agreed to a new lease term at Big Pasco Industrial Center through October 2026, with a lease value of \$213,200.00. The Executive Director will sign the lease amendment in accordance with Commission policy delegating authority.

TSA Lease Amendment – In accordance with the terms of the lease, a rate increase has been applied to the lease with TSA that will become effective January 1, 2026. This is a 20-year lease that began on 1/1/2017 and the original term is not modified by this amendment. The amended lease value is \$190,261.08 for 2026. The Executive Director has signed the lease amendment in accordance with Commission policy delegating authority.

Unable Direct T-Hanger Lease – Unable Direct LLC entered into a month-to-month T-Hanger lease agreement for building 1-69 #4, effective December 1, 2025. The lease value is \$3,073.68/mo. The Airport Director has executed the agreement, per the Commission’s Delegation of Authority policy.

EXECUTIVE SESSION

At 11:28 a.m., Commissioner Ryckman called for an Executive Session to discuss potential litigation for 10 minutes, until 11:38 am. At 11:38 a.m., the regular meeting was resumed.


ADJOURNMENT

At 11:39 a.m., the meeting was adjourned.

Port of Pasco Commission:



Hans J. Engelke, Vice-President



Vicki Gordon, Secretary