

**Port of Pasco Commission**  
**Minutes of Regular Meeting of Port Commission**  
Held at 1110 Osprey Pointe Blvd., Pasco, WA 99301  
March 09, 2017 | 10:30 a.m.

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**CALL TO ORDER**

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Commissioner Reimann called the meeting to order at 10:30 a.m.

Present: Commissioner Ron Reimann, Commissioner Jean Ryckman, Commissioner Jim Klindworth  
Port Counsel Dan Hultgrenn, Executive Director Randy Hayden, Director of Airports Ron Foraker,  
Deputy Director of Airports Buck Taft, Director of Finance & Administration Linda O'Brien, Director of  
Economic Development and Marketing Gary Ballew, Director of Properties Mayra Reyna, and  
Administrative Assistant Audrey Burney

Guests: Doug Akers – PNNL Contracts, Jon Ray – PNNL Pilot Aviation Safety, Beat Schmid – PNNL  
Manager Aerial Facility, Kevin Grubbs – PNNL Contracts, Franklin County Commissioner Brad Peck,  
Scott & Jake Musser – Musser Brothers, & Carl Adrian - TRIDEC

**APPROVAL OF AGENDA**

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Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the agenda as  
presented. Motion carried unanimously.

**ITEMS FOR DISCUSSION**

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**Battelle Hangar** – Mr. Jon Ray, Beat Schmid, Doug Akers and Kevin Grubbs from PNNL Atmospheric  
Research Facility shared their economic impact on the community. PNNL is one of the Tri-Cities'  
largest economic entities, employing 4,400 employees of which approximately 436 live in Franklin  
County. PNNL has \$1.6M in direct expenditures to Pasco businesses and spends \$11M-\$12M/year in  
airfare expenses for travel via Tri-Cities Airport. In 2015 there were approximately 5,672 out of town  
visitors to PNNL with an estimated 42,273 total visited days and an estimated \$6M in estimated  
tourism expenditures to the local area. The team has a huge commitment to area students. They  
invest nearly \$300,000 a year in STEM education programs for local students in Benton & Franklin  
Counties. PNNL & Battelle also support Delta High School (STEM High School) through Battelle cash  
donations of \$1.5M and PNNL in-kind support of \$2.0M totaled \$3.5M during FY 2007 – FY2015.

A new Battelle Hangar is needed for new aircraft for Battelle (Office of Science, Battelle – AAF), the  
current hangar will not fit the new aircraft. Office of Science, Battelle will be the tenants for the new  
hangar that the Port will have built by a General Contractor. Expected tenancy is long-term, the new  
hangar aligns with our vision “to support vibrant business development.” Office of Science budget is  
approximately \$10K - \$12K/month lease. Battelle has another alternative which would be the large  
WWII hangar (north of current AAF hangar). The Richland airport would embrace AAF operating  
from there, but the infrastructure at that site is insufficient. AAF could use a “soft hangar” on the  
east ramp. However PSC Business Center is by far the preferred site for AAF base of operations.

Commissioners indicated that they would review the lease rate during Executive Session.

**RECESS**

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At 11:19 a.m., Commissioner Reimann recessed the meeting for five minutes. At 11:24 a.m. the  
meeting was reconvened.

## ITEMS FOR DISCUSSION

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**Musser Brothers** – Staff has been working with Scott Musser with Musser Bros, Inc. regarding two potential leases at the Airport Business Center. Scott Musser provided a site plan for his proposed Car Auction business. He would landscape the area with a 3-foot berm with trees and bushes, a gravel parking area for staging cars and customers. In addition to the car auction business, he is proposing to build a new hangar so that his business would be closer to the car auction site. He would sell his other hangar to a private party. Commission indicated that they would be discussing the lease rate during Executive session.

## CONSENT AGENDA

- a) Regular Meeting Minutes of February 23, 2017
- b) Vouchers & Warrants 87204 - 87256 in the amount of \$1,266,870.90
- c) W2B1 Lighting Project: Accept As Complete

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the consent agenda as presented. Motion carried unanimously.

## PUBLIC CITIZEN COMMENT

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Franklin County Commissioner Brad Peck reported that Franklin County staff believes that Glade Road will open soon. Staff has been working hard to get the damaged roads fixed.

## PUBLIC HEARINGS & RESOLUTIONS

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**Resolution 1444- Reaffirm Adoption Supporting compatible land use planning to enable future growth of the Tri-Cities Airport** – Commission Reimann moved and Commissioner Klindworth seconded to Reaffirm Resolution 1444 to support appropriate land use protection controls on the runway approach zones to the northwest corner of the airport and to oppose the UGA request on those approach zones. Motion carried unanimously.

## ITEMS FOR ACTION/CONSIDERATION

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**FAA Traffic Control Tower Lease** – Mr. Foraker reported on the FAA Air Traffic Control Tower (ATCT) lease and TRACON Ground lease. The FAA has pulled the ATCT/TRACON lease out of the Master Agreement and prepared a new land lease for the Tower as a stand-alone agreement. The agreement calls out a legal description for the Tower including ingress and egress, utilities to the building and employee parking. Staff is uncertain why real estate is pulling this lease from the Master agreement but we suspect it could be that this action allows some flexibility should the FAA contract the operation out and perhaps the future transfer of the TRACON to Spokane.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve and execute two sets of agreements to be returned to the FAA. Motion carried unanimously.

**Airport Signage Bids – Recommendation of Award** – Mr. Taft reported that on February 28, 2017 staff received bids from three contractors for the installation of signage at the terminal entrance and airport business park. This project will enhance the entrances to the airport loop and the airport business park, giving each a more modern look. The engineer's estimate was \$127,720.24, the three companies that we received the bids from were Baldwin Signs at \$181,254.49, Bestebreur Bros at \$162,566.60 and Quality Signs \$121,720.74.

Commissioner Klindworth moved and Commissioner Ryckman seconded to award the Terminal Loop Road Sign project to Quality Signs in the amount of \$121,890.70 including sales tax. Motion carried unanimously.

**DAS System – Recommendation of Award** – Mr. Taft reported that in order to receive a final certificate of occupancy for the terminal building the City of Pasco Fire Marshal is requiring the airport to install a Distributed Antenna System or DAS for emergency responders. The Port was required to test the frequency strength of the facility once it was complete. The system will boost the radio frequency strength in the facility for emergency responders. This system was something that we were not aware of until our final inspection. The City Fire Marshall even stated that this system is coming as a surprise to everyone.

Staff spent several hours researching and discussing our options with our team, the City and installers. Staff was able to research and reduce the amount of this project from an initial bid of \$323,700.

Bids that came in were from Interwest Technology Systems at \$95,758.00, System Tech at \$195,020.62 and Day Wireless at \$196,796.71.

Commissioner Ryckman moved and Commissioner Klindworth seconded to award the Distributed Antenna System Installation to Interwest Technology Systems in the amount of \$95,758.00 including sales tax.

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## **RECESS**

At 12:18 p.m., Commissioner Reimann recessed the meeting for 17 minutes for lunch. At 12:35 p.m., the meeting was reconvened.

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## **EXECUTIVE SESSION**

At 12:35 p.m., Commissioner Reimann announced that the board would go into executive session for Fifty-five minutes to consider the minimum price at which real estate will be offered for sale or lease; and to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party. At 1:30 pm, the meeting reconvened.

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## **ITEMS FOR DISCUSSION**

**TRIDEC Marketing Agreement** – Mr. Carl Adrian, the President/CEO of TRIDEC presented their 2017 Work Plan Executive Summary and updated the Commissioners on activities that were undertaken by TRIDEC over the past year. The workplan is the foundation of the Economic Development Agreement between TRIDEC and the Port of Pasco, which also includes a requirement for TRIDEC to support enhancing air service at the Tri-Cities Airport by managing the Air Service Taskforce, attending one air service related trade show and other travel as may be requested by the Port.

Commissioners did bring up that TRIDEC is well respected for its work on Federal issues on the community's behalf, and that protecting the Snake River Dams is of particular concern to the community and should be well reflected in TRIDEC's federal agenda.

**January 2017 Financial Statement** – Mrs. O'Brien discussed the January 2017 Financial Statement.

**Enduris Insurance** – Mrs. O'Brien informed Commissioners staff is in the process of providing information to Enduris for next year's insurance renewal. They need updated information from each member for rates to be accurate and fairly distributed throughout the membership. In the event a member does not provide the requested information, a 10% increase is added into their liability contribution for the 2018 policy year. Darren McEuin, with Conover Insurance has requested quotes

on lowering both property and auto deductibles. He is also compiling the increased deductible savings over the years so that we will have that information as well.

#### **Airport Director's Report:**

1. Mr. Foraker informed Commissioners that the City of Pasco leases the soccer field on Road 36 and Argent. It is the end of a 25 year agreement. A group came in to consider a new soccer field lease to include Big Cross running track and adding disc golf into a combined lease. This will help to promote activities and provide for broad use liability coverage. Staff will be preparing a new lease for Commission consideration.
2. February 2017 Statistics: 2 percent down, making the first two months of 2017 with a decrease of 3 percent due to the winter weather experienced in the Tri-Cities.

**Long Term Parking Rates** – Mr. Foraker updated Commissioners regarding the passenger who complained of having to pay the full day rate on his third day parking in the long-term parking lot. He was charged \$10.00 for 45 minutes and feels that we should have pro-rated daily rates as we do in short-term parking. The current long-term rate policy is \$10.00 per 24 hours of parking with the exception of the first day “10 minutes free then up to 1 hour \$2.00”. After a one-hour stay, the rate goes to \$10.00.

Teresa Newell from Republic Parking provided the results of a survey she conducted on commercial service airports around the northwest. The Tri-Cities Airport, Wenatchee and Yakima have flat daily rates, while Bellingham, Medford, Eugene, and Missoula charge a per hour incremental rate for long-term parking up to the daily rate. If the Tri-Cities Airport went to a per hour incremental rate the Tri-Cities Airport would be losing over \$100,000 per year in revenue. Commission did not take action to change the long term parking rates.

**Airport Tower TRACON** – Mr. Foraker informed Commissioners that he will be traveling to WA DC to meet with the FAA regarding consolidation of the Pasco TRACON service to Spokane and to meet with delegation members about the TRACON.

**DNR Meeting** – Mr. Hayden informed Commissioners that staff had a telephone meeting with Senator Mark Schoesler and Representative Mary Dye about providing assistance with the Port's efforts to purchase DNR ground for a new industrial park. After a call from Senator Schoesler's office, DNR's legislative director contacted the Port. There will be a meeting on Friday, March 10<sup>th</sup> with the Port to look at solutions for a property purchase in lieu of possible legislative involvement. Depending on the outcome, staff may or may not seek additional follow-up with Senator Schoesler.

#### **ITEMS FOR INFORMATION**

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**2014 Revenue Bond Rating** – Mrs. O'Brien informed Commission that the Port Bond rating was reaffirmed at A-/Stable rating.

#### **ITEMS NOT ON THE AGENDA**

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1. Mr. Ballew provided an update on Somos Pasco (the Pasco Vision project) to Commission and staff. There is a survey available that can be reached through a link at the website [somaspasco.org](http://somaspasco.org). In addition Mr. Ballew is attending Somos Pasco focus group meeting with students tonight at CBC on Thursday, March 9.
2. Ron, Buck, and Tara attended a meeting at Bergstrom Aircraft with approximately 15 supporters of the Pacific Northwest Aviation Museum located in the old airport tower. They

met in regard to the condition of the lower roof over the area where building improvements are being made. The Port suggested helping in the project by purchasing roofing materials while the group could find a contractor to install and provide a warranty.

3. Mrs. O'Brien informed Commission that the Port had signed a TSA Amendment for Terminal space amending the date of occupancy for March 3. We will also be requesting \$250,000 for buildout as described in the lease.
4. Mrs. Reyna reported that approximately this time next month there will be new tenants moving in down stairs. Staff is excited to fill the space.

#### **EXECUTIVE SESSION**

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At 3:13 p.m., Commissioner Reimann announced that the board would return to Executive session for forty-five minutes to consider the minimum price at which real estate will be offered for sale or lease; and to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party. At 3:58 pm, the meeting reconvened.

#### **ITEMS FOR ACTION/CONSIDERATION**

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Staff has received 2 proposals from Apollo Mechanical Contractors. One is for Bldg 201 at 3404 Swallow Avenue in the Airport Industrial Park and the other is for 2/3's of Warehouse 4 Bay Bay4 in Big Pasco.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve staff recommendation for building 201 and to reject the proposal for Warehouse 4 Bay 4. Motion Carried unanimously.

**Musser Bros** – Commissioner Klindworth moved and Commissioner Ryckman seconded to approve in principal the proposal by Musser Bros. to lease approximately 4.6 acres at the Tri-Cities Airport Business Center for the development of an auto auction and directed staff to prepare a lease consistent with staff recommendations. Motion carried unanimously.

#### **ADJOURNMENT**

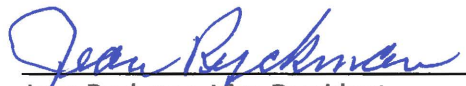
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The meeting adjourned at 4:03 pm

Port of Pasco Commission:



Ronald Reimann, President



Jean Ryckman, Vice-President



Jim Klindworth, Secretary

