

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, 99301
January 12, 2023 | 10:30 a.m.

CALL TO ORDER

Commissioner Gordon 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 Vicki Gordon, Commissioner Jean Ryckman, Commissioner Jim Klindworth, Executive Director Randy Hayden, Port Attorney Heidi Ellerd, Airport Director Buck Taft, Deputy Airport Director Don Faley, Finance Director Donna Watts, Director of Economic Development and Marketing Stephen McFadden, Leasing Associate Audrey Burney, and Human Resources and Executive Staff Assistant Lori French.

Excused: Director of Properties Mayra Reyna.

Guests: Ben Hoppe of JUB, Diana Carlen of Gordon Thomas Honeywell, Kirt Shaffer of Tippet Company, and James Sexton of JMS Construction.

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of December 15, 2022
- b) Vouchers and Warrants #99129-99240 in the amount of \$1,370,116.40, Direct Deposits #22852-22891 in the amount of \$94,232.54, and Direct Deposits #22892-22931 in the amount of \$121,307.22
- c) Accept as Complete- BPIC WH6B2 Raise Sprinkler Lines Project
- d) Accept as Complete- Battelle Hangar Fall Protection
- e) Osprey Pointe Room Rental Users

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

ECONOMIC DEVELOPMENT COMMITTEE MEETING

At 10:35 a.m. Commissioner Gordon recessed the Regular Commission Meeting in order to hold the Economic Development Committee meeting.

At 10:40 the Regular Commission Meeting was resumed.

PUBLIC CITIZEN COMMENT

No public citizens provided comment.

PUBLIC HEARINGS AND RESOLUTIONS

Resolution 1598- Sale of Property No Longer Needed- Ms. Watts presented the annual resolution authorizing the Executive Director's authority to sell and convey port district property of ten thousand dollars or less in value for per RCW 53.08.090, as well as the 2022 list of property no longer needed for district purposes.

Commissioner Ryckman moved to approve Resolution 1598- Sale of Property No Longer Needed. Motion passed unanimously.

Resolution 1599- Delegation of Authority- Mr. Hayden presented the suggested changes to the Delegation of Authority Policy, changes included License Agreements, Landlord Consent Agreements, Architect/Engineer Master Agreements, and the implementation of Leases and Contracts.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve Resolution 1599, adopting a new Delegation of Authority Policy.

Resolution 1600- Changing the Date of the Second January Commission Meeting- Due to the scheduling conflict of Tri-Cities Day at the Capitol, staff requested to move the second January Commission Meeting to Wednesday, January 25th, 2023.

Commissioner Klindworth moved and Commissioner Ryckman seconded to change the date of the second January Commission Meeting to Wednesday, January 25th, 2023. Motion passed unanimously.

Resolution 1601- Published Rental Lease Rates- Ms. Burney and Mr. Taft presented the proposed "published" lease rates for 2023. Staff and Commission discussed the rates and the impact of the spring 2022 market rate analysis, and the current CPI (Consumer Price Index) impacts on new leases.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve Resolution 1601, a resolution setting forth Port policy regarding the rental lease rates and related policies of the Port of Pasco. Motion passed unanimously.

Commissioner Gordon noted the amount of hard work that was put into applying the information from the market rate analysis by the Properties Department.

ITEMS FOR ACTION/CONSIDERATION

2023 Committee Assignments- Ms. French presented the proposed 2023 Commission Committee Assignments. Commission and staff discussed the changes.

Commissioner Ryckman moved and Commissioner Klindworth seconded to approve the 2023 Committee Assignments as presented. Motion passed unanimously.

Room Rental Policy- Ms. French presented the updated Port of Pasco Osprey Pointe Room Rental Policy for Commission Consideration. Major changes include redefining who may use the room, a change in rental hours, updated payment methods, and removal of the Reservation Form and other documents for renter information. The policy has been updated to streamline the room rental process for staff and renters. The Commission and staff discussed the policy and determined to add the term "for business purposes" to the second paragraph.

Commissioner Klindworth moved and Commissioner Ryckman moved to adopt the Port of Pasco Conference Room Rental Policy. Motion passed unanimously.

Osprey Pointe Development Update- Mr. Sexton of JMS was in attendance to provide an update to the progress of the Osprey Pointe Development. Mr. Sexton and the Commission discussed the project's progress, but staff had not yet received the updated documents from Mr. Sexton. Mr. Sexton requested to move forward with one of three options: begin lease negotiations; begin work on the Master Development Agreement; or allow a paid extension of the LOI (letter of intent). Commission requested staff feedback and staff recommended a paid LOI extension while leases are negotiated. Staff noted that lease price could be discussed in Executive Session.

After Executive Session, the following motion was made:

Commissioner Ryckman moved and Commissioner Klindworth seconded to extend the Letter of Intent (LOI) for a period not to exceed 3 months, for the amount of \$1,000 per month. Motion passed unanimously.

State Government Relations Contract- Ms. Carlen of Gordon Thomas Honeywell was in attendance to provide the Port of Pasco Draft 2023 Legislative Priorities. Ms. Carlen gave a brief overview of state level major issues, revenue sources, and pending bills for the current session. For the Port, Ms. Carlen presented the primary areas of support including the Reimann Industrial Center, Ag. Innovation Center, City of Pasco's Process Water Reuse Facility, and SR 12 Safety Improvements, as well as the Port's secondary support items and issues to monitor. Ms. Carlen, staff and the Commissioners discussed the items.

Mr. Hayden presented the request to extend the contract with Gordon Thomas Honeywell for state lobbying services to assist with ongoing and upcoming capital budget items and for support on issues of importance to the Port. Staff requested a new agreement with Gordon Thomas Honeywell for 2023 and a retroactive extension of the agreement that was in place until October 31, 2021, as their services were paid for and used since that time.

Commissioner Klindworth moved and Commissioner Ryckman seconded to authorize the Executive Director to extend the contract with Gordon Thomas Honeywell for state lobbying services for the 2023 calendar year, retroactive to November 1, 2021.

City of Pasco Sewer Easement at Osprey Pointe- Mr. Hayden presented the City of Pasco request for a temporary construction easement through Osprey Pointe for the 2nd phase of installation of a new sewer outfall pipe. The Commission has already approved a permanent easement for the pipe, but the temporary easement is needed during the construction period to accommodate construction equipment and staging. The temporary easement would expire June 30, 2024. The City has agreed that the easement will not interfere with the Osprey Pointe development plans.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute a temporary construction easement for the City of Pasco for installation of a new

sewer outfall pipe, with such minor changes as approved by the Port attorney. Motion passed unanimously.

ITEMS FOR DISCUSSION

November Financials- Ms. Watts presented the November Financials for discussion.

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

Land Purchase Survey- Mr. Shaffer of the Tippet Company was in attendance to discuss the land purchase survey process and presented a map of potential areas of interest for the Port. Mr. Shaffer will present survey results at a future meeting for Commission consideration.

Director Reports:

1. Executive Director
 - a. Mr. Hayden noted that he would not be in attendance at the first Commission meeting in February.
 - b. The Colvilles have sent a draft letter of support and requested that the Port sign the letter to support their Fee to Trust application.
 - c. Mr. Hayden commented that Representative Stephanie Barnard is focused on pursuing funding opportunities for potential projects, and the Port will be working with her on these opportunities.
2. Airport Director
 - a. Mr. Taft noted that the airport is just shy of 2018 enplanement numbers, but the parking lots have been very full. This may reflect a change in travel practices.
3. Airport Deputy Director
 - a. Mr. Faley commented on the FAA system outage and impacts.
 - b. Mr. Faley also noted that the pay vouchers will be high for Two Rivers Terminal for purchase of runway deicer. This is due to the heavy snow and cold weather in December.
4. Finance Director
 - a. Ms. Watts provided a brief update on the pollution insurance requirements for farmland at the Tri-Cities Airport. It does not appear to be a large increased cost to add this land to our coverage. Staff will bring information for action to an upcoming Commission Meeting.
5. Director of Economic Development and Marketing
 - a. Mr. McFadden noted the tradeshow booth and pop-up that were set up for the Commission to see.
 - b. Mr. McFadden discussed the Washington State Department of Commerce Grant for the Airport Innovation and Manufacturing (AIM) Center.
6. Leasing Associate
 - a. Ms. Burney noted, the 2022 Building Occupancy Report was provided for Commission review.
 - b.

Commissioner Reports:

Commissioner Klindworth discussed using language that better encompasses the Port district, such as "Pasco and North Franklin County" instead of Pasco and Connell. He also discussed making sure the Port provides services and value to Eltopia, Mesa, and Basin City.

Commissioner Ryckman noted that she will not be able to attend the first June Commission Meeting.

ITEMS FOR INFORMATION

CHS, INC- The Port's rail license with CHS, Inc has been updated to reflect the 80-car train with fertilizer storage. The purpose will be to sell the fertilizer for agricultural use and there will be no transloading of material or emptying of rail cars on the premises. The term of the agreement is two months with a license value of \$15,000 per month. The Rail License has been signed by the Executive Director in accordance with Commission delegated authority.

NorthBank Civil & Marine, Inc- Hancock Sandblast & Paint, a Port tenant, is out of space and has referred their client to the Port to store steel fabrications for up to six months or until Hancock Sandblast and Paint has the available space to store the steel. The term of the lease is month to month for up to 6 months, and the lease value is \$823.34 per month. The lease has been signed by the Executive Director in accordance with Commission delegated authority.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

RECESS

Commissioner Gordon recessed the meeting at 12:00 p.m. until 12:15 p.m. for lunch. The meeting was resumed at 12:15 p.m.

EXECUTIVE SESSION

At 1:11 p.m., Commissioner Gordon announced that Commission would go into Executive Session until 1:41 p.m. to discuss selection of site real estate for purchase, minimum lease price, and potential litigation involving the agency. At 1:41 p.m., the Regular Session was reconvened.

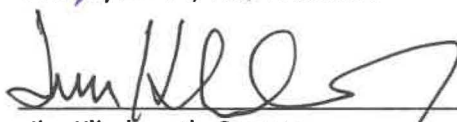
ADJOURNMENT

The meeting was adjourned at 1:45 p.m.

Port of Pasco Commission:


Vicki Gordon, President


Jean Ryckman, Vice-President


Jim Klindworth, Secretary