

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 25, 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 Properties Mayra Reyna, and Human Resources and Executive Staff Assistant Lori French.

Excused: Director of Economic Development and Marketing Stephen McFadden.

Guests: Mike and Michael Christianson of Park Company, Mary Smith and Daniel McConnell of Solgen Power, Ben Hoppe of JUB, Franklin County Commissioner Clint Didier.

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of January 12, 2023
- b) Vouchers and Warrants #99241-99358 and Direct Deposits #22941-23011 in the amount of \$1,861,333.05

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

PUBLIC CITIZEN COMMENT

No public citizens provided comment.

ITEMS FOR ACTION/CONSIDERATION

Airport Farmland Pollution Liability Insurance- Ms. Watts presented the quote for the addition of Airport farmland to the Port's pollution liability insurance, as request by the Commission. The policy will cost a \$8,099.59 for a 3-year period, and will cover cleanup costs for unknown, pre-existing pollution at the site or pollution occurring during the coverage period.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve adding the airport farm ground to the current farmland site pollution liability insurance from Evanston Insurance Company for 3 years for a premium of \$8,099.59. Motion passed unanimously.

UPS PSA Amendment #2- Mr. Hayden presented The Port and BT-OH, LLC (UPS) executed a Purchase and Sale Agreement (PSA) for 12.02 acres of Pasco Industrial Center-395 on September 12, 2022. The

original agreement intended a closing on or around January 10, 2023. The purchase price in the PSA is for \$1,803,000. This Second Amendment addresses an adjustment in price, as allowed in the PSA language. The PIC 395 property includes a 30-foot right of way for a future road and the Second Amendment confirms the reduction in land price for the 12,999.9 square feet of public right of way for the road. Utilizing the \$3.44 per square foot calculation, the 12,999.9 square feet of right of way equals \$44,719.66. The adjusted purchase price is \$1,758,280.40. The PSA investigation period is set to conclude no later than March 11, 2023, followed by a 30-day closing period.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute the BT-OH, LLC Second Amendment adjusting the purchase price to \$1,758,280.40. Motion passed unanimously.

TCABC Sewer Easement- Mr. Hayden presented the City of Pasco has a sanitary sewer line that crosses through a portion of the Tri-Cities Airport Business Center that does not have a dedicated easement. This was discovered during due diligence for the project Scott Musser plans to build on Lot 51A and Lot 51B. The Port engaged Mackay Sposito to complete a survey and prepare a legal description for the easement. The City of Pasco has reviewed the proposed legal description and confirmed it meets city requirements.

Commissioner Klindworth moved and Commissioner Ryckman seconded to approve granting a 20-foot sanitary sewer easement to the City of Pasco for the existing sewer main at the Tri-Cities Airport Business Center. Motion passed unanimously.

WA State Commerce Contract TCA- AIM Center Grant- Mr. Hayden presented, the Port was awarded an Industrial Site Readiness Grant by the WA State Department of Commerce on Dec. 23 for \$416,000. The grant will fund an engineering and design master plan for the proposed Tri-Cities Airport Aerospace Innovation & Manufacturing Center (AIM). This pilot grant requires that all funds be expended no later than June 30, 2023. The Port issued a Request for Proposals on January 10, with a deadline for submittals by Jan. 31. Staff intends to select a consultant in early February and seek Commission approval of a Professional Services Agreement on February 9. The agreement has been reviewed by the Port attorney.

Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to execute the WA State Department of Commerce contract for the Tri-Cities Airport Aerospace Innovation & Manufacturing Center Master Plan Project. The Executive Director shall also be authorized to make minor changes to the agreement, with approval by the Port attorney, as may be necessary to finalize the agreement. Motion passed unanimously.

Warehouse 4 Bay 4 Lease Proposals- Ms. Reyna presented, the Park Company and Solgen Power have both submitted Letters of Intent (LOIs) for Warehouse 4 Bay 4. Ms. Smith and Mr. McConnell from Solgen Power and Mr. Christianson and Mr. Christianson of the Park Company were in attendance to present their requests. Both groups discussed their need for more square footage and staff accommodations. The representatives, Commission and staff discussed the requests.

Commissioner Ryckman moved and Commissioner Klindworth seconded to accept Park Company's proposal for Warehouse 4 Bay 3 and 4. Motion passed unanimously.

ITEMS FOR DISCUSSION

Commercial Aviation Coordinating Commission- Mr. Taft provided an overview of the Commercial Aviation Coordinating Commission's task of finding a location for a new commercial airport in Washington State. The Commission and staff discussed submitting the Tri-Cities Airport for consideration. Mr. Hayden noted, the Port could hold a Public Hearing to consider the idea once more information is gathered, if the Commission so directed. The Commission agreed with staff that it would be a good exercise to go through.

Director Reports:

1. Executive Director
 - a. Mr. Hayden provided an update on the draft EIS for the Scout Energy Project, noting local groups are putting together their responses.
 - b. Mr. Hayden provided an update on the Snake River Dams mediation.
 - c. Mr. Hayden noted that he would be gone from February 3rd- 19th, and that Airport Director Buck Taft is the Director in charge during his absence.
2. Airport Director
 - a. Mr. Taft provided the Airport Activities Report, noting that the airport is down about 40,000 passengers from its peak, and is continuing to grow.
 - b. Mr. Taft noted staff is working with Mead & Hunt to accommodate the changes in Alaska planes.
3. Director of Properties
 - a. Ms. Reyna provided the Properties Activity Report and noted that Properties is keeping very busy on projects.

Commissioner Reports:

Commissioner Ryckman noted that it was great to meet with the WPPA's new Executive Director, and that Port of Kennewick Commissioner Skip Novakovich suggested the Port of Pasco and Port of Kennewick hold a joint meeting at some point.

ITEMS FOR INFORMATION

Pierce Construction- Pierce Construction (Casey Pierce) has entered into a month-to-month lease for approximately 5,000 square feet in the north side of Building 101, located at 3611 Stearman Avenue, in the airport industrial park. The effective date is January 1, 2023. This premises was previously leased by Norman Pierce, who has passed away. The Lease value is \$10,985.64 per year and was signed by the Executive Director in accordance with the Delegation of Authority.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

ADJOURNMENT

The meeting was adjourned at 11:57 p.m.

Port of Pasco Commission:



Vicki Gordon, President



Jean Ryckman, Vice-President



Jim Klindworth, Secretary