

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held at 1110 Osprey Pointe Blvd., Pasco, WA 99301
January 26, 2017 | 10:30 a.m.

CALL TO ORDER

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

Present: 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 Property Mayra Reyna, and Executive Assistant Vicky Keller

Excused: Administrative Assistant Audrey Burney

Guests: Matthew Branson

APPROVAL OF AGENDA

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

CONSENT AGENDA

- a) Regular Meeting Minutes of January 12, 2017
- b) Vouchers & Warrants 86875 – 86994 in the amount of \$617,849.65
- c) Terminal Loop Road Project – Accept as complete

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

ITEMS FOR ACTION/CONSIDERATION

Pipeline Easement Release – Mr. Hayden stated that in accordance with the October 2016 agreement with Columbia East and Lampson Inc. the Port has notified Crowley Marine and Tidewater of the Port's intent to release the easement for the Petroleum pipeline. Commissioner Ryckman moved and Commissioner Klindworth seconded to authorize the Executive Director to sign the Release of Right-of-Way across the Columbia East and Lampson, Inc. property. Motion passed unanimously.

Airline Operating Agreement - Mr. Foraker reported that the Airport did not receive the operating agreements from Allegiant Air or United Airlines for review and approval at this meeting.

Chemical Waste Management Lease – Ms. Reyna presented a non-standard lease for commission consideration. Commissioner Klindworth moved and Commissioner Ryckman seconded to approve a 3-year lease with Chemical Waste Management for 1.25 acres of land north of Crane Street plus 890 linear feet of rail on Track #401 at the published lease rate of \$3,993.01 per month, which equates to Land: \$958; Rail Tariff: \$2,975. Motion carried unanimously.

ITEMS FOR DISCUSSION

Terminal Building Expansion Project Event Update – The Tri-Cities Airport dedication event is set for 11:00 a.m. on Friday. Senator Maria Cantwell and Senator Sharon Brown will participate in the

program. The Port is expecting a large turnout for this event. There has also been a large request for public tours that afternoon.

JUB Airport Master Service Agreement Task Orders – Mr. Taft presented the following list of task orders that are on the approved 2017 Capital Improvement Plan. They include Employee Parking Lot Construction, project estimate: \$509,000; Varney Loop Road Design, Engineering Fees: \$44,990; GA Runway 3R-21L Phase 3, project estimate: \$58,000; Stearman Avenue Drainage Improvements, project estimate: \$39,845; Bergstrom Lot Seal & Paint, project estimate: \$26,900; and, Runway Intersection and Underdrains, project estimate: \$67,000. Commissioner Klindworth inquired about what looked like higher than average engineering fees. Mr. Hayden explained that the engineering fees included both the design and construction management fees for the projects, which is why they look higher than normal. Mr. Taft informed Commission that the Executive Director has approved these projects in accordance with the Delegation of Authority policy.

Airport Director’s Report:

1. Mr. Foraker reported that he and Commissioner Ryckman had a follow-up meeting with Alaska Airlines to discuss air service to LAX. Mr. Foraker stated that Alaska is very interested in this route but with the recent merger with Virgin Air, it would be 2018 before Alaska would be ready to consider operations between Pasco and Los Angeles.
2. Mr. Foraker reported that for safety the Tri-Cities Airport had to shut down several times during this last weather system. Several flights were cancelled and he expects January enplanements to be down significantly due to the cancelled flights.
3. Mr. Foraker reported that the City of Pasco has tabled the decision on the Urban Growth Boundary until a public meeting could be scheduled with the Washington State Department of Transportation Aeronautics and the Washington State Department of Commerce.
4. Dept. of Natural Resources Land Discussion – Mr. Hayden reported that Port staff along with Commissioner Reimann are scheduled to meet with the new Washington State Lands Commissioner, Hillary Franz, on February 10th to discuss the DNR property in East Pasco. During this meeting, the Port will outline its interest to purchase some of the property for a new industrial park as well as issues with DNR land ownership in the City of Pasco’s Urban Growth Area.

ITEMS NOT ON THE AGENDA

1. Commissioner Klindworth inquired about the changes to City and County codes that would limit large dairy operations near City boundaries. Mr. Hayden reported that the Port had been working with the Franklin Conservation District and area dairies to prepare draft code revision to present to Franklin County for consideration. The Port will take the lead in reinitiating the discussions.
2. Commissioner Klindworth stated that an article in the Forbes magazine that indicated interest rates would be increasing and suggested agencies should look at bonding options to capture the low financing rate. Mr. Hayden will organize a March Commission workshop to identify potential projects that could be completed through bonding.
3. Mr. Ballew stated that the Pasco Vision Project is conducting a steering committee meeting on February 3, 2017.
4. Mrs. O’Brien informed Commission and staff that effective January 1, 2017, the new IRS mileage rate is 53.5 cents per mile.

5. Mrs. O'Brien stated that Mr. McEuin, Conover Insurance, talked with Enduris about obtaining a higher deductible for the Airport Liability Insurance. Enduris does not provide a higher deductible than \$250,000 but has agreed to reduce the premium rate from 9.73 cents to 6.02 cents. Mr. Hayden reported that staff is reviewing the appropriate overall valuation for the Airport Terminal to include the building and the specialized equipment.
6. Commissioner Reimann stated that the Columbia Snake River Irrigators Association is closely following a proposed injunction to stop all operations and maintenance to Snake River Dams.

RECESS

At 12:15 p.m., Commissioner Reimann recessed the meeting for fifteen minutes for lunch. At 12:30 p.m., the meeting was reconvened.

EXECUTIVE SESSION

At 12:30 p.m., Commissioner Reimann announced that the board would go into executive session for forty-five minutes to consider the minimum price at which real estate will be offered for sale or lease; to discuss with legal counsel representing the agency matters relating to Potential Legal Action; and to evaluate the qualifications of an applicant for public employment. At 1:14 p.m., Mr. Ballew announced on behalf of the Port of Pasco Commissioners that executive session would be extended an additional 10 minutes. At 1:24 pm, Mr. Ballew announced on behalf of the Port of Pasco Commissioners that executive session would be extended another 10 minutes. At 1:35 pm, the meeting reconvened.

ITEMS FOR ACTION/CONSIDERATION – Cont.

Resolution 1448 - Container Crane Surplus & Auction Agreement – Commissioner Klindworth moved and Commissioner Ryckman seconded to approve Resolution 1448, Declaration of Property as Surplus and Authorization to sale the Manitowoc 4100 Crane and Overhead Crane, and authorized the Executive Director to execute the Service Agreement with Ritchie Bros. Equipment One, and use his discretion to set the minimum sale price at which the equipment will be sold. Motion carried unanimously.

ADJOURNMENT

The meeting adjourned at 1:40 pm

Port of Pasco Commission:



Ronald Reimann, President



Jean Ryckman, Vice-President

Jim Klindworth, Secretary

