

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely with Public Access
August 27, 2020 | 10:30 a.m.

CALL TO ORDER

Commissioner Klindworth called the meeting to order at 10:30 a.m. The meeting was attended remotely by all participants via Zoom and with Public Access through call in to 1-301-715-8592, meeting ID 6676918983.

Present: Commissioner Jim Klindworth, Commissioner Vicki Gordon, Commissioner Jean Ryckman, Executive Director Randy Hayden, Port Counsel Dan Hultgrenn, Director of Airports Buck Taft, Director of Finance Donna Watts, Director of Economic Development, Gary Ballew, Director of Properties-Mayra Reyna, Deputy Director of Airports Don Faley, Executive Assistant & Human Resources Lori French.

Guests: Roberta Gabbard-Banner Bank

APPROVAL OF AGENDA

Commissioner Ryckman moved and Commissioner Gordon seconded to approve the agenda with the addition of Items 8.C., determining that all agenda items were “1) matters necessary and routine, 2) necessary to respond to the outbreak and current public health emergency” per Governor’s Proclamation 20-28.2 Motion passed unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of August 13, 2020.
- b) Vouchers and Warrants #94565-94654 & Direct Deposit #20557-20597 in the amount of \$421,361.74.

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

Public Hearings & Resolutions

Resolution 1538- Incidental Fund Increase- Ms. Watts presented to the Commission; the current incidental expense fund limit is \$5,000 and was set in 1985 by Resolution 772 as part of the Revolving Fund, which includes the Petty Cash at the Port and Airport, the Advance Travel Fund, and Incidental Expense Fund. The Incidental Expense Fund is used for requests under \$5,000.00 for items like a permit fee, a recording fee, staff lunch, etc. where there is often no invoice, but the expense needs to be paid without waiting for the next Commission meeting. Permitting fee costs have increased over the years and staff requests an increase in the Incidental Expense Fund. Resolution 1538 delegates the Auditor as the Custodian and gives authority to the Executive Director to develop procedures guiding the internal controls related to these accounts.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve Resolution 1538, changing the amount of the Incidental Expense Fund. Motion passed unanimously.

Items for Action/Consideration

Airport Letter of Agreement -Mr. Faley presented to the Commission; the Airport has been working with FAA ATC, City of Pasco Fire and Benton County Emergency Services to update the Emergency Services Letter of Agreement. This Letter of Agreement establishes procedures for alerting emergency equipment in the event of an aircraft emergency. The current LOA was put in place in 2000. This update was needed due to the changes in the airfield layout and the move from Franklin County to SECOMM for dispatching emergency services. All parties have reviewed this Letter of Agreement and agree to the language. The Port's Attorney has also reviewed this document and had no comments.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Airport Director to sign the Emergency Services Letter of Agreement between the Airport, FAA ATC, Pasco Fire and Benton County Emergency Services. Motion passed unanimously.

Battelle Hangar Final Change Order- Mr. Faley presented, Battelle Hangar Change Order #8 is for work associated with two items that the City of Pasco had identified that need to be corrected for certification of occupancy; an issue with thermostats requiring low voltage power that initially called for high voltage by the manufacturer, and electrical work for door open position switches. This Change Order is in the amount of \$14,019.17, including Washington State Sales Tax. The contract amount after the previous Change Orders was \$3,915,987.69, the new contract amount will be \$3,930,006.86, including Washington State Sales Tax.

Meier has agreed to rebate the Port for \$2,500.00 to offset part of the cost for the low voltage thermostats. After discussions with DGR Grant, they agreed to pay for half of the original cost for the door open position switches, which brought them down from \$8,592.00 to \$4,296.00 for the Port.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to sign Change Order #8, in the amount of \$14,019.17, including Washington State Sales Tax, for the Battelle Hangar project.

Argent Road ILA- Mr. Taft presented to Commission, the Port has been working with the City of Pasco and approved an Interlocal Agreement for the expansion of Argent Road. The final piece of phase one was getting WSDOT right of way certification on the project. Through this certification process it was identified that the City needed the right of way on the east side of 20th street. The Port had previously identified this in the land release process with the FAA and has already received approval to release this area. The City is asking to amend the current Argent road ILA to reflect this additional land release. The only change to the agreement updates the acreage for the project.

Commissioner Ryckman moved and Commissioner Gordon seconded to authorize the Executive Director to sign the Interlocal Agreement Amendment with the City of Pasco for the added right of way for the Argent Road Project.

Items for Discussion

Bond Issue Recap- Ms. Watts presented, the Port issued their 2020 Bonds. The total bond issued was for \$3,630,000 with a premium of \$632,241.55. The proceeds from the bond sale will be used to pay off the remaining 2010 bonds of \$2,660,000 plus interest, the Port's outstanding \$1.5 million City of Pasco loan for Argent Road and closing fees. Total savings on refunding the listed debt above was \$722,616.

Commissioners thanked Ms. Watts and Port Staff for their excellent work on the Bond Sale.

Osprey Pointe Design Charette - Mr. Ballew presented the revised conceptual plan from JMS Construction to the Commission. Once the Commission approves the Site Plan, the clock will be started on the Developer's obligations, which include the Marketing Plan, Financial Plan and Development Plan. Port Staff believes that before the Site Plan is approved, it would be beneficial to discuss creating a sense of place and has enlisted Parametrix and YBA Architects to help in this process.

Staff recommends a Port team, including Port staff and Commissioner(s) meet with the JMS team (virtually) to hold a ½ day design charrette facilitated by YBA Architects to assist in creating a sense of place at Osprey Pointe.

Due to interest in participation of more than one Commissioner, a Special Meeting will be arranged to accommodate the Charrette and will be held at a future date.

Director Reports:

1. Executive Director
 - a. The first WPPA Carbon Policy Committee Meeting took place. Committee members believe it is likely that the State will approve of a Carbon Tax, and the WPPA is in the beginning stages of forming their stance. Follow up meetings are to come.
 - b. The Port received a copy of a letter the CSRIA (Columbia-Snake Rivers Irrigators Association) issued regarding the EIS, advocating for deep drawdowns of the upper Snake River Dams to help with rising river temperature concerns.
 - c. Port Staff has been receiving interest in the Reimann Industrial Center land.
 - d. Mr. Hayden thanked Mr. Ballew for his time with the Port of Pasco and for the great successes he brought to the Port. Staff and Commission wished him well for his new position in Spokane.
2. Airport Director
 - a. The Governor's office removed the potential requirements for temperature checks from the list of possible airport operator COVID mandates. Some of the items that remain on the list and may become a requirement for Washington Airports are: barriers, social distancing markers, face coverings, specific signage, frequent disinfection of high touch areas, and hand sanitizer. The Airport is already following these guidelines.
 - b. The Courtyard Marriot has placed four flag signs around the hotel. They are similar to what Musser Auction had last year, and Staff is considering a 90-day or six-month window for use.

Commissioner Ryckman and Gordon are in support of helping them garner business during the COVID crisis and would like to give the hotel a 6-month time frame.

- c. TSA passenger screening numbers are down 25% in the last two weeks. The average passenger number was 479 last week, down from a peak of 600.
3. Economic Development & Marketing Director
 - a. Noted that the Courtyard Marriot's back patio is open, following COVID restrictions and is a nice place to enjoy an evening.
 - b. Mr. Ballew shared parting words as this meeting is his last Commission Meeting with the Port of Pasco.
4. Deputy Airport Director Report
 - a. The Department of Natural Resources operations have been staged at the Tri-Cities Airport this week.
 - b. Ground maneuver training has been scheduled for the rest of the week at the Airport.
5. Finance Director
 - a. Ms. Watts attended a portion of the Enduris Board Zoom Meeting. The board noted that reinsurance fees have gone up 50% and 25% for the liability in excess of \$10 million.
 - b. The Port staff is in the process of creating the 2021 budget.
 - c. SAO entrance conference took place on Wednesday the 26th. The cost of the Audit has increased this year due to two Federal Grant programs being audited.
6. Properties Director
 - a. Ms. Reyna reviewed the Properties Activity Report.

Commissioners Reports:

Commissioner Gordon noted that the Benton Franklin Council of Governments is losing its Executive Directory and Director of Transportation. Commissioner Gordon recommended the Council hire an external firm to fill both of the positions.

Commissioner Gordon noted that she is part of the Nomination Committee for the Columbia Basin Development League, and that there is a lot of interest in the open positions.

Commissioner Ryckman noted she is in conversations with the WPPA regarding the possible carbon tax, and has been put in contact with Doug Ray of PNNL, who she would like to speak to the WPPA. She also noted that the December WPPA meeting that takes place in Bellevue will be moved to a virtual meeting.

Items for Information

Executed Items: The Executive Director has signed the following agreements in accordance with the Port's Delegation of Authority Policy.

1. Deferment Approvals- For April, May and June, the Executive Director has executed agreements to defer with the following tenants: Tailwind, EAN Enterprise, EAN National

Alamo, Republic Parking, Delta Airlines, A-1 Hospitality and Pacific Northwest Aviation Museum and Historical Association.

2. Expanded Deferral Approvals- As of July 23, 2020 the Executive Director has executed agreements to defer with the following tenants: Pacific Northwest Aviation Museum and Historical Association, Tailwind (MAG waived), and Hertz (MAG waived), Republic Parking (MAG waived), United Airlines, Delta Airlines, EAN Enterprise (MAG waived), EAN National Alamo (MAG waived), Pasco Chamber of Commerce. A-1 Hospitality MAG waiver agreement is in process, and Avis-Budget MAG waiver and rent deferral agreement is in process.
3. Taxiway A Change Order #5- Through Delegation of Authority the Executive Director signed change order 5 for the TWY A Project. This change order was in the amount of -\$28,659.88 including Washington State Sales Tax. This change order was related to the deletion of a trench drain on TWY E4 and replacing it with a catch basin and connecting to an existing drywell. The previous contract amount was \$9,586,003.82 and the revised contact amount with Change Order #5 is \$9,557,343.95, including Washington State Sales Tax. This Change Order has been reviewed by the FAA ADO and stated that it is AIP eligible.

CALENDAR OF EVENTS

Commissioners and staff discussed the calendar of events.

RIC Dedication scheduled for September 15th will be rescheduled.

Recess

Commissioner Klindworth recessed the meeting at 11:53 for 7 minutes.


EXECUTIVE SESSION

At 12:00 p.m., Commissioner Klindworth announced that Commission would go into executive session for 20 minutes to consider the minimum price at which real estate will be offered for sale or lease. At 12:20 p.m. the regular session was reconvened.

ADJOURNMENT

The meeting adjourned at 12:20 p.m.

Port of Pasco Commission:


Jim Klindworth, President


Vicki Gordon, Vice-President


Jean Ryckman, Secretary