

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
April 10, 2024 | 10:30 a.m.

CALL TO ORDER

Commissioner Ryckman 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 Jean Ryckman, Commissioner Vicki Gordon, Executive Director Randy Hayden, Attorney Heidi Ellerd, Airport Director Buck Taft, Deputy Airport Director Don Faley, Finance Director Donna Watts, Director of Economic Development and Marketing Stephen McFadden, Director of Properties Mayra Reyna, Airport Business Manager Tara White, and Human Resources Director and Executive Assistant Lori French.

Excused: Commissioner Jim Klindworth

Guests: Russ Chrisman of MacKay Sposito, and Cole Crapps of Field Group.

APPROVAL OF AGENDA

Commissioner Ryckman moved, and Commissioner Gordon seconded to excuse Commissioner Klindworth from the Commission Meeting. Motion passed unanimously.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the agenda with the additions of items 8.I. and 8.J. Motion passed unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of March 13, 2024.
- b) Vouchers and Warrants #101835-101926, and Direct Deposits #24190-24228 in the amount of \$1,759,187.33 for the General Fund. Warrant 7504 in the amount of 308.50 for the Travel Advance Fund. Vouchers and Warrants #101927-102000, ACH002, and Direct Deposits #24229-24269 in the amount of \$1,692,492.74.
- c) Port of Pasco Conference Room and Osprey Pointe Commons Events Rental Policies.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the consent agenda. Motion passed unanimously.

PUBLIC CITIZEN COMMENT

No public citizens provided comment.

PUBLIC HEARING AND RESOLUTIONS

Resolution 1629- Changing the Time of the Second April Commission Meeting- Ms. French presented, due to the conflict of the Tri-Cities Regional Chamber State of the Counties luncheon with the second April Commission Meeting, staff is proposing the Commission Meeting be moved to 9:30 am to accommodate Commission and staff attendance at both meetings.

Commissioner Gordon moved and Commissioner Ryckman seconded to adopt Resolution 1629- Changing the Time of the Second April Commission Meeting, changing the April 24th Commission Meeting to 9:30 am. Motion passed unanimously.

ITEMS FOR ACTION

Taxiway G Project- Accept as Complete- Mr. Faley presented, the final inspection was performed on the Taxiway G Project, and work has been completed as set forth in the contract documents. The final cost, including 3 Change Orders and sales tax is \$7,251,544.48.

Mr. Faley discussed with the Commission, with the completion of the Taxiway G Project and once the East GA Phase 3 Project is complete, there will be new opportunities for development in the General Aviation portion of the Airport.

Promotional Marketing Request- Mr. McFadden presented, historically the Port has set aside a portion of the annual budget to include promotional marketing for local events put on by community partners. In return for the investment, the Port is recognized in each event's marketing and advertising efforts. Previously the Port has spent a portion of this budget on the Downtown Pasco Association of Development's Cinco de Mayo Festival, Farmers Market, and Fiery Foods Festival. In 2022 and 2023 the Port had earmarked \$10,000 for DPDA events. During 2023, the Port only spent \$5,000 of that budgeted amount because DPDA essentially ceased operations mid-year. The City of Pasco took over the production of the downtown events, and the City of Pasco Parks and Recreation department invited the Port to continue its history of promotional marketing support of the Cinco de Mayo festival, Farmers Market, and Fiery Foods Festival. The City and Port staff discussed the promotional marketing request and the City is requesting \$7,500 to help sponsor these events. The Port's promotional marketing budget already has \$5,000 designated towards the Fiery Foods Festival.

Mr. McFadden discussed the marketing budget with the Commissioners.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the use of \$2,500 of the Commission directed promotional marketing budget to support the City of Pasco's Cinco de Mayo Festival, Farmers Market, and Fiery Foods Festival. Motion passed unanimously.

Aircraft Accident Release Form- Mr. Taft presented, McLarens General Aviation asked the Port to sign a property damage release for the aircraft accident that occurred on September 20, 2022. This is a standard release form stating that in exchange for settlement the Port of Pasco will forego/waive our rights to pursue Pacific Cataract and Laser Institute and all those named from further claims, suits, etc.

All of the damages occurring from the accident have been repaired with a final cost of \$340,763.56. Once this release is signed, the Port will be compensated and staff has no other issues related to the accident, and a legal review of the document has been completed.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to sign the property damage release from McLarens General Aviation and authorize the Executive

Director to make minor changes to the release as approved by the Port Attorney. Motion passed unanimously.

Airport Title VI Plan- Ms. White presented, the Port of Pasco and Tri-Cities Airport, as a recipient of Federal financial assistance, and per DOT Order 1000.12C, The Department of Transportation Title VI Program, is required to produce and submit a Title VI Plan to the FAA to ensure its commitment to non-discrimination. After Commission adoption, the plan will be submitted to the FAA.

Commissioner Gordon moved and Commissioner Ryckman seconded to adopt the Tri-Cities Airport's Title VI Plan, as written. Motion passed unanimously.

FAA Reimbursable Agreement Amendment 2 for AIP 61 Runway Shift- Mr. Faley presented, the Commission previously accepted the FAA Reimbursable Agreement, for the RWY 12-30 Shift Project, and AIP 58. This Reimbursable Agreement is associated with the design, installation, inspection, and flight check of FAA equipment related to the Runway Shift. After Staff and Mead & Hunt reviewed the Reimbursable Agreement, language was changed as to what party would be responsible for the procurement of the Runway 30 approach lighting equipment/monitoring shelter. The new language did not clearly identify the responsible party and the FAA did not establish a budget to purchase the shelter, causing it to fall into the responsibility of the Airport to purchase the shelter through an amended Reimbursable Agreement. The previous Reimbursable Agreement with the FAA was for \$1,334,852.57. The Amended Reimbursable Agreement will be for \$1,794,745.21, an increase of \$459,892.64. Staff has worked with the FAA ADO for additional funding for the Amended Reimbursable Agreement. The FAA ADO has assigned the \$459,892.64 to AIP 61 Grant. The grant will be 90% Federal and 10% local split.

Commissioner Gordon moved and Commissioner Ryckman seconded to authorize the Executive Director to sign the FAA Reimbursable Agreement Amendment 2, for the Runway 12-30 Shift, for the amount of \$1,794,745.21, an increase of \$459,892.64, and to accept FAA AIP 61 Grant, for the amount of \$459,892.64, for the increase in the FAA Reimbursable Agreement. Motion passed unanimously.

Pasco School District Lease- Ms. Reyna presented, the Pasco School District has occupied Building 85 for a number of years and is seeking to enter into a new lease for the building for a 10-year term. PSD's current lease expires in October of this year and although the current lease has two options to extend for 3 years each, the tenant has expressed the desire to enter into a new, longer-term lease, effective October 1, 2024. The lease value is \$70,452 per year, and staff is requesting the standard deposit amount of three months of rent and fees be used for this lease.

Commissioner Gordon moved and Commissioner Ryckman seconded to approve the calculation of deposit to be based on three months of rent and fees despite Article 42 (Principal as Co-Obligor) being omitted and further approve the Executive Director to execute the lease with Pasco School District that becomes effective October 1, 2024. Motion passed unanimously.

Mr. Hayden noted that staff may request a change in the standard lease language for the deposit amount for government agency tenants at a future Commission Meeting.

TCA Terminal American Airlines Office Bids- Mr. Taft presented, bids received on April 9, 2024 for the Tri Cities Airport Terminal Airline Office & Storage project. Five bids were received and the low bidder was SpyderCorp LLC, of Richland, WA with a bid of \$38,605.05, including sales tax. All required bidding forms for SpyderCorp LLC were fully completed and included with the bid. The bidder's responsibility criteria has been checked per state law to verify that the bidder is registered as a contractor, has a current Washington Unified Business Identifier number, has industrial insurance (workers' compensation), has a Washington Employment Security Department number, has a Washington Department of Revenue state excise tax registration number, and is not disqualified from bidding on public works contracts.

This was the second bid for the project. Under his delegation of authority, Executive Director Randy Hayden rejected all bids from the original bid opening on April 4, 2024 due to bidding irregularities and in the best interests of the Port.

Commissioner Gordon moved and Commissioner Ryckman seconded to award the contract for the Tri-Cities Airport Terminal Airline Office & Storage Project to Spyder Corp LLC as they appear to have submitted the lowest, responsible, responsive bid in accordance with contract documents. The total contract price, including sales tax, is \$38,605.05. Motion passed unanimously.

TIGRE USA Lease- Ms. Reyna presented, in 2021, TIGRE USA acquired Duraplastics Inc., which has held 43,200 square feet in Warehouse 3 Bay 2 and 10,800 square feet in Warehouse 3 Bay 3 since 1995. Following the ownership transition, TIGRE secured a 2-year lease with an option for renewal at a discounted rate. As their lease has now expired, negotiations for a new lease are in progress. Staff are requesting to discuss lease price in Executive Session.

After the Executive Session, no action was taken on this item. Staff will continue lease negotiations with TIGRE USA.

RIC Road & Water Project Change Order #9- Mr. McFadden presented Change Order #9 submitted on behalf of Premier Excavation for \$135,180.22. JUB Engineering and Port staff have reviewed the requested change order and agree with this request. Primarily, this amount is due to traffic control and roadway maintenance due to a suspension of work to allow for installation of a segment of sanitary sewer line by Darigold's contractor. The suspension of work occurred in the summer of 2023. The roadway maintenance included dust control, regrading of the road surface three times, installation of temporary centerline markings and traffic control devices. The Port intends to meet with Darigold to discuss these additional project costs that occurred during the 32-day suspension of work on Railroad Avenue to allow for the installation of the sanitary sewer line, and to request reimbursement.

Commissioner Gordon moved and commissioner Ryckman seconded to approve payment of Premier Excavation, Inc.'s Change Order #9 for \$135,180.22. Motion passed unanimously.

FRA Grant Agreement Ratification- Mr. McFadden presented, the Port was awarded a \$3.6 million FY 2023 Congressionally Directed Spending grant for the Reimann's Last Mile Rail project from the United States Department of Transportation Federal Rail Administration. For the past year, Port staff and HDR

Engineering have been working through FRA's pre-obligation process. The documents were submitted and accepted by FRA on February 14, 2024. On the morning of March 29, FRA sent a notification stating that the agreement was ready and that the Port needed to execute the agreement by end of business on that same day, Friday, March 29, or would have to start the process over again. The Port attorney reviewed the agreement and found it to be acceptable for Port approval. Executive Director Randy Hayden contacted Commission President Jean Ryckman. He explained the situation and the need to execute the agreement prior to securing Commission approval. Mr. Hayden executed the agreement on March 29, with the understanding the Port Commission would ratify his actions at the April 10, 2024, Commission meeting. Port staff is requesting the Commission ratify and confirm its approval of the previously executed grant agreement.

Commissioner Ryckman moved and Commissioner Gordon seconded to ratify and confirm the Commission's approval of the Executive Director's March 29, 2024, execution of the Federal Rail Administration's Reimann Last Mile Rail Project Grant Agreement. Motion passed unanimously.

ITEMS FOR DISCUSSION

February Financial Report- Ms. Watts presented the February Financials for discussion.

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

Runway 12-30 Shift Bid Review- Mr. Taft presented, on Wednesday, March 20th, bids were opened for the RWY 12-30 Shift Project, which is the 2024 AIP Project. The bid includes 2 base bids, with 2 additives. The Engineer's Estimate, including the 2 additives, was \$15,559,178.29, including Washington State Sales Tax. The apparent low bidders came in at \$12,296,681.46, including Washington State Sales Tax. The Bids have been reviewed by Mead & Hunt, and they have found no issues with the bids. This project has a very time sensitive schedule due to coordination with the FAA for flight checks for updating the instrument approaches to the runway. Staff is not requesting Commission to accept the bids at this time, until we have a better understanding of when we will receive the AIP Grant from the FAA. There is a 40-day bid hold for this project. Staff will provide an update to the Commission at a future meeting.

.09 Committee Process Overview- Mr. McFadden presented, the .09 Committee attended the Franklin County Commission meeting on Wednesday, April 3 for a scheduled presentation to the County Commission. The committee previously submitted its formal recommendation for project funding to the County in January during a meeting. The April 3 presentation was canceled at the start of the Commission meeting at the request of a commissioner, to allow them more time to review the materials. County Commissioners requested the .09 Committee return on Wednesday, April 17, during a workshop session to discuss its recommendation. Staff expects to provide an update at the next Port Commission Meeting.

Director Reports:

1. *Executive Director*
 - a. Mr. Hayden discussed two tours recently given at the Port, one to a homeschool group and the other as part of a job fair week at Rivers' Edge High School. Mr. Hayden thanked Ms. Reyna, Mr. McFadden, and Facilities Manager Eric Garza for helping arrange and lead the tours with Big Pasco tenants.

- b. Mr. Hayden noted that ten responses were received for the Ag Innovation Center, four groups were interviewed, and the committee will be finalizing the selection in the upcoming days.
 - c. Mr. Hayden discussed the Legislative tour that is set to take place on Friday. The group will begin at the Port and visit Reser's, the Pasco Wastewater Process Facility, and Darigold. Ben Franklin Transit is providing transportation.
 - d. Mr. Hayden provided an overview of the state Legislative boundary changes.
 - e. Mr. Hayden discussed the M84 Conference that will take place on the 6th of May at the Pasco Red Lion.
 - f. Mr. Hayden announced that he will be retiring from the Port at the end of March 2025. Commissioner Ryckman thanked Mr. Hayden for his many excellent years of service and offered congratulations.
2. Airport Director
- a. Mr. Taft discussed the meeting and tour with Congressman Newhouse, Mr. Hayden and Commissioner Ryckman. They visited the FAA tower and discussed the need for a new tower.
 - b. Mr. Taft discussed the Airport's partnership with Tailwind, and how positive of an experience it has been.
3. Airport Deputy Director
- a. Mr. Faley noted that the earthworks project at the Airport Business Center is coming along.
4. Finance Director
- a. Ms. Watts noted that this morning she had the annual call with the S&P Rating Agency, and that it went well.
 - b. The Finance Department is making progress on year end financials.
5. Director of Economic Development and Marketing
- a. Mr. McFadden provided the EDM Report to the Commissioners.
 - b. The Bureau of Reclamation has signed off on the sale of 2 acres to the Port at the Reimann Industrial Center.
6. Director of Properties
- a. Ms. Reyna provided the Properties Activities Report.

Commissioner Reports:

Commissioner Ryckman commented on the tour with Congressman Newhouse, that it was successful.

CALENDAR OF EVENTS

The Commission was provided the Calendar of Events.

RECESS

At 11:57, Commissioner Ryckman recessed the meeting for lunch, until 12:20. At 12:20, the meeting was resumed.

EXECUTIVE SESSION

At 12:20, Commissioner Ryckman announced that the meeting would go into Executive Session, to consider the acquisition of real estate, to consider the minimum price which real estate will be offered by lease, to review the performance of a public employee, and to plan the strategy to be taken by the governing body during the course of collective bargaining agreement.

At 1:05, Executive Session was extended for 10 minutes, until 1:15. At 1:15, the Regular Meeting was resumed.


ADJOURNMENT

At 1:16 pm the meeting was adjourned.

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary

