

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely and in person with Public Access
Tri-Cities Airport 3601 N. 20th Ave., Pasco, WA
September 25, 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 Jim Klindworth, 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, and Human Resources Director and Executive Assistant Lori French.

Guests: Dana Herron, Shari Erwin, Russ Christman of MacKay Sposito, Ryan Bergstrom, Tim Dacy, Olivia Pina and Jed Mills of Mead & Hunt, Colin Hastings of The Pasco Chamber of Commerce, Wendy Culverwell of the Tri-City Herald, and James Sexton of JMS Construction.

APPROVAL OF AGENDA

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the agenda as presented. Motion passed unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of September 11, 2024.
- b) Vouchers and Warrants #102906-102994, and Direct Deposits #24710-24750 in the amount of \$671,248.38 for the General Fund.
- c) Accept as Complete-TCA American Airlines Office Remodel.

Commissioner Klindworth asked about the invoice to the Vine Institute, regarding the Port's role as the pass-through agency for the Ag Innovation Feasibility Study.

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

PUBLIC CITIZEN COMMENT

Mr. Herron asked if the Port took an administrative fee on their role as the pass-through agency for the Ag Innovation Center Grant. Mr. Hayden noted that the Port does not.

PUBLIC HEARINGS AND RESOLUTIONS

Resolution 1635- Changing the Time of the First October 2024 Commission Meeting- In order to accommodate the Amazon ribbon cutting, the October 9th Commission Meeting will be moved to 9 am.

Commissioner Gordon moved and Commissioner Klindworth seconded adopt Resolution 1635- Changing the Time of the First October 2024 Commission Meeting to 9 am on October 9th, 2024. Motion passed unanimously.

ITEMS FOR ACTION

OP Development Schedule Extension- Mr. Sexton was in attendance to request a modification to the Master Development Schedule. Mr. Sexton cited delays at the City which caused the development to fall behind on the required completion date for the Off-Site Water Sewer and on the Commencement of Construction Start Date for the Phase M1(A) Building 1.

Mr. Hayden and Mr. Sexton provided information on the current project status, the City's recent movement forward on rezoning and meetings on the off-site water sewer.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the amended Osprey Pointe Development Master Schedule as presented. Motion passed unanimously.

ILA with Franklin PUD- Energy Needs Assessment- Mr. McFadden presented, Franklin PUD and Port staff have discussed the current supply of electricity to support future growth in Franklin County. As a result of conversations about future power needs, Franklin PUD's Commissioners have committed to conduct an electrical system study to forecast future power needs as well as determine whether the existing transmission system can meet those needs and has invited community partners to participate in the study. An interlocal agreement has been developed by Franklin PUD that will include Big Bend Electric Cooperative, City of Pasco, Columbia Basin College, and Port of Pasco. The Pasco School District has been invited to participate. Electrical Consultants, Inc., has been retained by Franklin PUD to perform the analysis for a not-to-exceed amount of \$79,090. With four partners, the cost to the Port would be \$15,818. This assessment of the existing electrical supply and forecast of future needs will help with infrastructure and system development decisions in Franklin County.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the Port of Pasco investment of \$15,818 in the Electrical System Study and further authorize the Executive Director to execute the Interlocal Agreement with Public Utility District No. 1 of Franklin County. Motion passed unanimously.

Executive Director Job Description- Mr. Hayden presented, staff has made the recommended changes to the Executive Director Job Description and is seeking Commission approval. This will allow staff to provide an updated- clean version of the description to the search firm. Staff may request approval on future changes, once the firm has been hired and based on their recommendations.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the updated version of the Executive Director Job Description. Motion passed unanimously.

Mead & Hunt Master Service Agreement- Mr. Taft presented, staff has completed the RFQ process for airport engineering services, the Airport is required to conduct this process every 5 years by the FAA.

Two firms submitted proposals; however, Mead & Hunt was the only firm that met minimum qualifications for the contract. The Master Service Agreement will be the base agreement for all projects with Mead & Hunt for the next five years and has no associated cost to the agreement but will have a *specific scope and fee for each task order/project*.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to sign the Master Service Agreement with Mead & Hunt as approved by the Port Attorney.

BioFiltro Contract Extension- Mr. Taft presented, previously the Tri-Cities Airport Signed an agreement with BioFiltro for a six-month pilot program to assist in the treatment and disposal of glycol (aircraft deicing fluid). The airport would like to extend this agreement to gather additional data while continuing to treat glycol at the airport. Staff recently met with City of Pasco officials, and they are pleased with the data coming out of the pilot program and are working with staff to begin the disposal of glycol back into their system. This extension will give BioFiltro more time to analyze the pilot program to ensure its continued success. The previous agreement had a total cost of \$44,179.62. This included the initial setup fee and the monthly monitoring. Change Order 1 will extend the current monthly rate of \$5,989.50 for twelve additional months. This will increase the cost by \$71,874.

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to execute Change Order 1 with BioFiltro for \$71,874, bringing the total contract amount to \$116,053.62. Motion passed unanimously.

American Airlines Airline Use Agreement- Mr. Taft presented, American Airlines has executed the Signatory Tri-Cities Airport Airline Operating Agreement and Terminal Building Lease and corresponding amendments.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive director to execute the Tri-Cities Airport Airline Operating Agreement and Terminal Building Lease and corresponding amendments, #'s 1-4, with American Airlines Group, Incorporated. Motion passed unanimously.

Amadeus Change Order #1- Mr. Taft presented, the Tri-Cities Airport recently installed “common use equipment” at three terminal gates and one ticket counter which allows the gates and ticket counter to be operated by any airline rather than as dedicated space for one particular airline. The switch to common use equipment has been necessary to keep up with the growing number of flights and airlines operating at the airport. Staff anticipates the need to add three additional gates to the common use system after the holidays and the equipment has a long delivery lead, so staff is requesting approval to order this equipment now. The equipment would be added as Change Order #2 to our existing contract with Amadeus Airport IT Americas, Inc. as follows:

Contract breakdown

Original Contract	\$146,010.48
Change Order 1	<u>\$3,368.32</u>
Subtotal	\$149,378.80

Change Order 2		
Additional Gates		\$22,970.18
Installation		<u>\$9,475.00</u>
Change Order 2 Subtotal		\$32,445.18
Total Revised Contract		\$181,823.98

Additionally, the Airport contracts with Amadeus for support of the equipment. The original fee was \$33,387.69 per year which will increase to \$52,063 per year with the additional 3 gates. Staff will include *this cost in the operating budget for next year. This fee will be included in our rates and charges and covered by the airlines.*

ITEMS FOR DISCUSSION

August Financial Report- Ms. Watts presented the August Financial Report for discussion.

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

85th Anniversary Tenant Recognition Reception- Ms. French and Mr. Hayden presented the outline of the 85th Anniversary Tenant Recognition Reception. Staff and Commissioner Gordon met last week to discuss the idea of a kickoff event to celebrate the Port's 85th Anniversary to recognize Port tenants. Staff will continue to keep the Commission apprised of plans for the event.

Director Reports:

1. Executive Director
 - a. Mr. Hayden noted that the Port of Kennewick will be joining us at the next Commission meeting for a discussion on items of joint interest.
 - b. Mr. Hayden discussed the AWB Manufacturing Tour event at Lampson's Kennewick headquarters and will provide additional details when they are available.
2. Port Attorney
 - a. Ms. Ellerd noted that she will be attended the second October Commission Meeting virtually.
3. Airport Director
 - a. Mr. Taft provided an update on the parking lot installation.
 - b. Mr. Taft noted that the Alaska flight to LAX will begin next Tuesday.
 - c. Mr. Taft provided a recap of the Ironman success from this past weekend.
4. Airport Deputy Director
 - a. Mr. Faley discussed the Credit Card Parking Lot construction.
 - b. Mr. Faley noted that the Airport held the annual Tabletop emergency exercise held last week and that the group will hold the Triangle exercise next year.
 - c. Mr. Faley also noted that he will attend the upcoming Allegiant Conference in Las Vegas and that he appreciates the opportunity to participate.
5. Finance Director

- a. Ms. Watts noted the Accountability Audit is in process.
- b. Ms. Watts also noted that the budget is on schedule.
- 6. Director of Economic Development and Marketing
 - a. Mr. McFadden discussed the progress of HDR and that they hit 90% of the design process and have submitted to BNSF for review.
- 7. Director of Properties
 - a. Ms. Reyna discussed new tenant and permitting challenges.

Commissioner Reports:

Commissioner Klindworth discussed the Osprey Pointe Development start date.

Commissioner Ryckman noted that she attended the Pendleton Round-up with the CTUIR Board on behalf of the Port.

ITEMS FOR INFORMATION

Aromatics, Inc Lease- Aromatics Inc. has been a tenant since May of 2017. This is a local company that processes, stores and sells locally grown herbs such as peppermint, echinacea, chamomile, and catnip, to national tea companies. This 2-year lease renewal was executed at published rate. The lease value is \$350,554.56 for the 2-year term. The Executive Director has executed the lease, as per the Commission’s Delegation of Authority Policy.

Premier Industrial Support Lease- Premier Industrial Support, a local startup company specializing in sheet metal fabrication and agricultural work has signed a 5-year lease for W6B4. The lease value is \$770,627.78 for the 5-year term (CPI increase, tax and fees not included). The company’s financials were reviewed by the Port’s Director of Finance and the lease was approved with deviations by the Commission during the September 11, 2024, Commission Meeting.

RECESS

At 11:45, Commissioner Ryckman recessed the meeting for lunch at the Tenant Appreciation BBQ until 1:15. At which time the meeting will be resumed for a tour of Airport properties beginning at the maintenance shop 641 Grumman St., Pasco, concluding back at the Tri-Cities Airport.

ITEMS NOT ON THE AGENDA

United Way Promotional Marketing Sponsorship- Mr. Hayden presented a request from United Way for promotional sponsorship of a table for the upcoming Festival of Trees.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the promotional marketing sponsorship of the United Way Festival of Trees in the amount of \$1,650.00. Motion approved unanimously.

ADJOURNMENT

At 2:20 pm the meeting was adjourned.

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary