

Published by the Port of Walla Walla

2013

Port buys Martin Archery site, sets stage for new ownership to revitalize Walla Walla manufacturer

Port of Walla Walla Commissioners have unanimously agreed to purchase the Martin Archery plant site in Walla Walla and lease the bow manufacturing facility to a new firm, Martin Sports, Inc., to put the 60-year-old company back on target.

According to Port Commission President Paul Schneidmiller, the transaction involves acquiring 4.67 acres of property, along with the production buildings, for \$1.3 million. Martin Sports, Inc., affiliated with Diversis Capital LLC, is entering into a 10-year lease for the site that includes an “option by buy.”

“Martin Archery had fallen on hard times,” Schneidmiller explains. “The Port believes retaining manufacturing operations and jobs in the Walla Walla Valley is an important business retention effort. Martin recurve and compound bows are still in demand and we look forward to working with Martin Sports to return the business to profitability and increased employment.”

While the number of employees has fallen to 20 from an historical high of 100, Martin Sports, Inc. officials expect a quick transition to meet existing orders and suggest the addition of another 20 workers in the near term.

Schneidmiller emphasized, “The Port Commission believes business retention efforts are an essential part of our mission to create and retain family wage jobs.” Assisting with the Martin project is a “real life example” of the Port fulfilling its role as the lead economic development agency for Walla Walla County.

“Losing an employer that provides stable employment is simply bad for the community. The Port made the right move to help keep Martin Archery in business here.”

Walla Walla Union-Bulletin
Editorial Board • September 28, 2013



After 13 years service

Schneidmiller retires from Port Commission



Photo by Donna Lasater

When you remember Paul Schneidmiller is the owner of World Wide Travel, there aren't many surprises on his list of "favorite things" during his 13-year experience as a Port of Walla Walla Commissioner.

Schneidmiller was appointed to the Port's governing body in 2000 to fill a vacancy left when then Commissioner Wes Colley made a job-related move to Spokane.

His first introduction to Port policies and politics involved the construction of the new Walla Walla Regional Airport terminal building, an experience he described as "rewarding."

After winning election to the Port position in 2001 and again in 2007, Schneidmiller was "hooked" by efforts to four-lane U.S. Highway 12 between Walla Walla and Tri-Cities and the retention of commercial air service (Alaska Airlines).

Both projects involved leadership roles.

As a participant in the U.S. Highway 12 Coalition, Schneidmiller was aggressive in supporting efforts to obtain funding for improvements to the heavily traveled route. As of 2013, six of eight phases of the project have been completed.

"At the airport, retention of Alaska Airlines service between Walla Walla and Seattle has been particularly successful," Schneidmiller says. "Thanks to the work of our Air Travel Coalition, Alaska is experiencing regular monthly increases in both inbound and outbound passenger counts."

In the midst of all that moves, Schneidmiller was heavily involved in the Railex and Railex Wine Service Center at Wallula, supported construction of the airport's Wine Incubator buildings, part of a state-recognized Port program that encourages start-up companies, and was instrumental in recruiting Cliffstar Corporation with its more than 50 jobs.

"I take pride in the work we've done to generate a solid economic environment for all of Walla Walla County."

Paul Schneidmiller
Port of Walla Walla Commissioner

During his multiple terms, Schneidmiller served five years as Port president, including 2007 when the Port of Walla Walla was selected Washington State Port of the Year in recognition of its

successful economic development initiatives. He also was president of the Washington Public Ports Association.

Schneidmiller maintains that while overall economic development is a key Port objective his highest priority has been on the retention of existing business and industry and maintaining payrolls that are already in place.

"Relocating manufacturing plants and service industries is highly competitive, especially for markets the size of Walla Walla," Schneidmiller explains. "I believe the Port can provide more meaningful support and enjoy more success by protecting and growing the payrolls we have."

"If I'm leaving any legacy, that's it," he emphasized. "I take particular pride in the work we've done to generate a solid economic environment for all of Walla Walla County."

Peter Swant, WW native set to fill Port Commission vacancy

Peter Swant says it may be "destiny" that he becomes a Port of Walla Walla Commissioner in January, 2014.

The lifelong Walla Walla resident filed for election to the post when he learned that Commissioner Paul Schneidmiller was stepping down. After waiting out the filing period, Swant found himself without an opponent. With no campaigning to work through, he's already sharing serious thoughts about his coming responsibilities.

"It seems like I've always been interested in what the Port is doing," Swant explains. "I remember listening to my Dad talk about Port activity and I wanted to know more about it even back then."

Swant was for 25 years personally involved in his family's businesses; Wade's Grocery, Foxy Flowers, and the Conoco gas station. He then earned credentials as an insurance agent and later, in 2001 began his real estate career with Coldwell Banker First Realtors in Walla Walla. An award-winning agent, Swant has served as President and Board member of the Walla Walla Association of Realtors. He's also been active in the Walla Walla High School Big Blue Boosters, chaired the WW Public Schools Citizens for Schools Committee and headed the Realtor's Care & Share food drives.

Swant and his wife, Anne have five children ages 11 to 27.



Photo by Donna Lasater

Waitsburg Business Park open for business



The Port is anticipating future success in attracting businesses to the recently completed Waitsburg Business Park. Construction of the “EJ Hays Place” access road, honoring long time Waitsburg civic leaders Elmer and Joan Hays, and installation of utilities were completed in mid-2013. The \$382,000 project created seven developable lots ranging in size from 1.1 to 1.8 acres.

Port, Prescott initiate cooperative plans for improvements, address city water rights

Prescott community leaders have reached out to the Port seeking assistance with improvements for their community.

Topping the community priority list is an efficient and effective potable water system for the City of Prescott.

As a first step, the Port retained a water rights attorney who assessed the city’s current water rights. Following that, the Port is exploring options for the city to obtain additional water rights.

Port Commissioner Mike Fredrickson said, “I have been impressed that community leaders have come together and prioritized community projects. When a community takes the time to build consensus and establish clear priorities it makes it easier for the Port to become involved.”

Like us on Facebook...Follow us on Twitter

As part of its continuing program to give citizens more access to what’s happening at the Port of Walla Walla, the agency is increasing its presence on social media.

Port information is regularly posted on its Facebook and Twitter pages as well as the Websites, portwallawalla.com and wallawallaairport.com.

In addition to news of Commission meetings, the “postings” include announcements relating to economic development activities involving the Port’s business and industrial park tenants.

Port Commissioner Mike Fredrickson says the expanding use of a variety of social media platforms gives constituents an easy-to-use system for providing Port officials with individualized feed back on issues that impact Walla Walla County residents.

Since initiating the Facebook service in May, 2013 the Port already has more than 100 followers and some of the Port’s postings have resulted in over 1,000 viewers.

“Our efforts to reach a broad spectrum of citizens are getting a big boost from our presence on line,” says Fredrickson. “The Port would like to encourage more citizens to follow us on social media.”



US12 project awaits funding

“The US Highway 12 Coalition is currently working to secure construction funding for Phase 7 (Touchet/Lowden segment). To date \$5.3 million has been secured which has assisted with preliminary design work, environmental permitting and some land acquisition. Needed funding for the construction phase is \$126 million. The coalition will be working with the Washington State legislature to seek funding in the next transportation revenue package.”

Port seeks Estes memorial at US 12/Route 124 Burbank interchange

Port of Walla Walla Commissioners have asked the Washington State Transportation Commission to rename the US Highway 12 and State Route 124 overpass in Burbank after the late Walla Walla County Deputy Sheriff Michael Estes.

Deputy Estes died on February 14, 2007 the result of a car crash at the old intersection of US Highway 12 and State Route 124.

He was in the “line of duty” responding to an unknown emergency that led to the fatal accident.

In 2012 the newly constructed overpass and roundabout was dedicated with more than 100 state, county and community representatives in attendance.

Port officials have been joined in the request by WW County Commissioners Perry

Dozier, Jim Johnson and Greg Tompkins, Sheriff John Turner, retired Sheriff J. Michael Humphreys and Senator Mike Hewitt, along with Representatives Maureen Walsh and Terry Nealy.

“Estes’ sacrifice should be recognized with the renaming of the overpass,” Port Commissioners emphasized in their letter of support to the WSTC.



Photo by Donna Lasater

New Railex Wine Services Center is a giant addition to Port's Dodd Rd complex

Imagine an warehousing facility that's big enough to house 11 football fields. Think about a building designed to store five million cases of wine...in a controlled environment that's kept at 55-degrees ...always! Create a technology that lets you know at a glance the label in every case,...where it came from, when it was stored and where it's going to be shipped by truck or train.

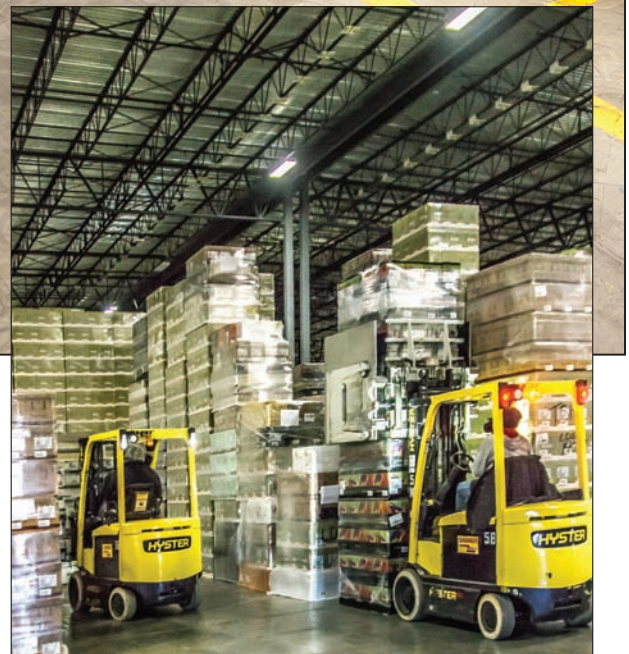
These are the features of the 500,000 square foot Railex wine storage and distribution center finished in February, 2013 at the Port of Walla Walla's Dodd Road Industrial Park.

A working relationship between St. Michelle Wine Estates and Railex, whose innovative direct shipments of product from Walla Walla County to the East Coast began in 2006, led to the completion of the wine services center.

"Railex has been a major handler of St. Michelle wines for some time," explains Ken Aker, GM of the Wallula wine operation. "Our successful experience led to the creation of this state-of-the-art system."

The operation of wine services has added as many as 40 employees to the Railex operation. According to Akers, that number will increase another 25 percent during the 4th quarter holiday season.

Aker has more than a little optimism about the future. "Our ongoing success with St. Michelle is attracting the interest of other wineries in the Northwest and elsewhere," he said. "We're looking forward to expanding to meet the unique needs of a growing customer base."



Photos: Circle - Ken Aker, General Manager, Railex Wine Services. Upper Right - Stacks of wine cases stored in a climate-controlled environment. Lower Right - Two of many fork lifts staging wine for storage and/or shipment. Lower Left - In bound shipments awaiting service at Railex Wine Services facility. Photos by Donna Lasater.

Port Tenant Profile

Frontier Rail grows from Wallula start



Photos: Top - Frontier Rail's switch engine ready for assignment at Railex. Lower center - Switch engine moving rail cars into place at Railex shipping center. Photos by Donna Lasater.

When Paul Didelius was a kid, he was captivated by railroads. After graduating from college, he went to work for a railroad company. In 2006, Didelius welcomed an opportunity to start his own rail company to provide switching services and railcar tracking and maintenance for Railex, the new transcontinental shipping company at the Port of Walla Walla's Dodd Road Industrial Park at Wallula.

Didelius credits a "great relationship" with the Port for his firm's success. "They (Port officials) gave us the helpful references we needed to develop a working association with Railex and establish a solid beginning to what we have now expect in the future."

Frontier Rail has grown from its single engine to 12 in five states. The company employs more than 30 people - including a

dozen at Frontier headquarters in Burbank - in management and operation positions. And according to Didelius there are more jobs to be filled.

"The Port gave us credibility in getting us started with Railex."

Paul Didelius
Owner/Commercial Director
Frontier Rail

"We're looking for qualified and enthusiastic people who'll help grow our business. I really don't see any limit to what we can do," Didelius emphasized.

He's quick to credit his wife, Helen, for her contributions to Frontier successes. An engineer, she designed computer software programs specific to company operations... including tools for train scheduling, work crew dispatching and hour reporting records.

Didelius' mantra for his company is simply stated - find a need and fill it.

In the words of the Watty Piper's "Little Engine, "If you will just believe its true, then there is nothing you can't do"

Railex announces new Florida site

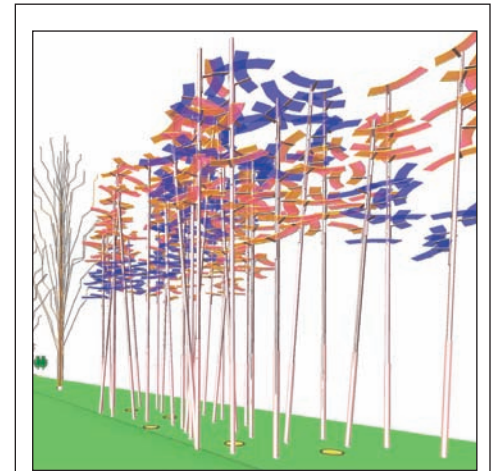
Railex, operators of produce and wine storage distribution centers in Wallula, is taking steps to add a fourth facility near Jacksonville, Florida.

The company, which pioneered non-stop, high speed rail service between Walla Walla County and Rotterdam, New York in 2006, added a similar center in Delano, California, in 2011.

Railex says the \$105.7 million Florida project will include a 250,000-square-foot cold-storage warehouse-distribution center on an 18-acre tract.

The Florida warehouse is being designed and built by Hansen-Rice Inc., an Idaho-based firm that also designed and built the Railex Wine Service Center at Wallula.

Railex says its newest operation will be completed by the end of 2014.



Koryn Rolstad's sculpture "illuminated gateways", pictured here, will soon welcome visitors to the WW Regional Airport. The original works are part of Washington State's Art in Public Places program funded by a disbursement of 1/2 of 1% of state construction dollars. These funds were generated by recent construction projects at the Washington State Penitentiary.

Port proceeds with Burbank Sewer Line project, awards contract for first phase

Under terms of a long-term agreement with the City of Pasco for sewage treatment services for the Port of Walla Walla's Burbank Business Park and the surrounding Burbank community, the Port has begun developing the required sewer line collection system.

Snake River Segment

The contract for the first phase has been awarded to Apex Directional Drilling. Budgeted at \$2.1 million, the work encompasses directional drilling 2,300 linear feet of 10-inch pipe under the Snake River. That "connection" will be used to transport sewage from Burbank to Pasco's treatment plant. The project is scheduled for completion in the spring, 2014.

Columbia School District Connection

Thanks in part to State Senator Mike Hewitt and State Representatives Maureen Walsh and Terry Nealey, the first connections to the new Burbank sewer transmission line will be Burbank's Columbia School District. Currently the district's three school buildings and its 900 students are "served" by 13 septic tanks. During the last Washington State legislative session, \$3 million was set aside in the state capital budget to fund connecting the schools to the new system by the spring of 2015.

Aviation ramp rehab complete

A \$3.9 million rehabilitation of the WW Regional Airport's general aviation ramp was initiated because the break-up of concrete surfaces poured in 1943. Work included replacement of 55,000 square yards of concrete, placement of five inches of new asphalt, upgrades to electrical and control cable installations and improved drainage. Funding included a \$3.7 million FAA grant, \$93,000 from the Washington State DOT Aviation Division and an airport contribution of \$319,800.

Because of increasing demand, more parking spaces have been built at the WW Regional Airport terminal. The \$143,000 project created the 40 new stalls pictured here. Port officials explain that the expansion was necessary because existing spaces were filled beyond capacity, especially during holiday periods. Free parking is an important part of the Port's program to attract increasing numbers of local travelers flying out of Walla Walla.



Airport adds 40 new passenger parking stalls

WW air travel hits new high

Increased advertising, a boost in business travel and growing vacation visits have all likely helped boost air travel traffic in and out of Walla Walla Regional Airport.

In fact, Alaska Airlines counts reflect record breaking passenger numbers in May, July and September this year.

September, 2013 totals showed that 2,851 passengers flew out of the airport. That's a 5.8 percent increase over the comparable period last year. During that time, a record-breaking 2,740 people from Seattle to Walla Walla.

Port officials give credit to an aggressive advertising program for the increase in air passengers. The airport is half-way into a two year promotional effort funded by a \$250,000 grant from the U.S. Department of Transportation plus \$50,000 from the Port to build air service.

"We're definitely seeing an upward trend, which is positive news," said Port Commissioner Ron Dunning.

Brewer fills vacancy in incubator village



David and Jennifer Marshall, pictured in the incubator village where they'll soon open their new Burwood Brewing Company. Photo by Donna Lasater.

David and Jennifer Marshall are set to open their Burwood Brewing Company in the midst of the WW Regional Airport's "incubator village."

The pair will produce five core beers and four seasonal brews, adding unique tastes to an arena that has since 2006 been reserved for wines.

While full operation isn't expected until early in 2014, David Marshall is hoping they'll be able to celebrate "pint nights," featuring his custom-crafted beers in time for the holiday season.

Marshall's background includes work at Seattle's Pyramid Brewery and, most recently, has been assistant winemaker at Walla Walla's Long Shadows Vintners. Jennifer, who will manage the administration and marketing ends of Burwood, is with Keystone Fruit Marketing.

Airport Manager Jennifer Skoglund is pleased Burwood is joining the incubator mix. "I think its an exciting addition to this area," she said.

Airport Tenant Profile

The McGregor Company



Photo by Donna Lasater

McGregor's Airport site home to BMT

The McGregor Company's airport site - one of 37 retail locations in the Pacific Northwest - has been serving the Walla Walla area since 1990. The firm's Blue Mountain Team (BMT) also works from sites in Waitsburg, Touchet, Pomeroy, Dayton and Adams, OR.

According to Heath Druffel, manager of the BMT and certified crop advisor, its role is to provide seed, crop inputs, equipment, research and advice necessary to raise healthy, sustainable crops.

Druffel says retail locations like Walla Walla provide crop food (fertilizer) and crop protection (pesticide and herbicide) products for growers, as well as access to equipment to apply these products.

Druffel explains that The McGregor Company's business is seasonal, like agriculture. Employment in Walla Walla ranges from four to as many as 12 people depending on the time of year.

Wilbur-Ellis located at Airport since 1979

Founded in 1921, Wilbur-Ellis is an international marketer and distributor of agricultural products, animal feed and specialty chemicals and ingredients. Its WW Regional Airport facility began operating in 1979, providing a full line of agricultural chemicals, fertilizers and related products to wholesale and retail customers in Walla Walla, Columbia and Umatilla (OR) Counties. The firm's product mix also offers feed supplements for cattle, horses and sheep.

Manager David White says that in addition to the farm market, Wilbur-Ellis' ProMarket Division reaches out to operators of golf courses, landscape services, and public agencies.

"While our business is a somewhat seasonal," White says, "our Walla Walla staff is usually maintained at around 18 employees."

Airport Tenant Profile

Wilbur-Ellis Co.



Photo by Donna Lasater



Port Responsibilities

Public port districts are authorized by state law to undertake many activities to enhance the economic welfare of local communities. These regulations authorize the Port of Walla Walla to:

- Develop waterfronts, airports and other facilities for handling cargo and passengers.
- Provide capital improvements needed for industrial and manufacturing facilities within the Port District.
- Improve Port District lands so they can be sold or leased for industrial and commercial use.
- Acquire, construct, install, improve and operate sewer and water utilities to serve its own properties and that of other property owners.
- Execute business recruitment strategies.
- Levy taxes and sell bonds to develop properties and manufacturing facilities.

Port Leadership

The Port of Walla Walla has three elected commissioners who represent you...the shareholders. Commissioners are now Paul Schneidmiller, President; Ron Dunning, Vice President; and Mike Fredrickson, Secretary.

While all commissioners are elected on a county-wide basis, each must live in a specific commissioner district within Walla Walla County. The districts are the same as Walla Walla County Commissioner districts.

Schneidmiller, president of World Wide Travel Service, Inc., represents District 1, which encompasses more than half the City of Walla Walla and the Stateline area.

Dunning is owner of Dunning Irrigation in Touchet and is co-owner of Touchet Seed & Energy, an oil-seed crusher for biofuels. He represents District 3, including College Place, Touchet, Lowden, Burbank, Eureka, Clyde and the western part of the county.

Fredrickson, managing member of Associated Appraisers of Walla Walla LLC, represents District 2, including the eastern third of the City of Walla Walla, Dixie, Waitsburg and Prescott.

Each commissioner serves a six-year term. Terms are staggered so that one position is up for election every two years.

Commissioners decide each year who will be President, Vice President and Secretary.

Port of Walla Walla Commissioners, and those at other Ports with similar business volume, are entitled to \$114 per day compensation for each day or portion of a day spent attending meetings or performing other services on behalf of the Port District. The law prohibits commissioners from receiving more than \$10,944 per year in such compensation.

In addition, Port Commissioners receive a salary of \$750 per month.

Port Finances

Ports may levy, without a public vote, a property tax of no more than 45-cents per \$1,000 of assessed property valuation for general Port purposes.

Due to careful management of resources property taxes actually assessed for Port of Walla Walla operations continue to be well below authorized levels.

Authorized property tax limit: \$0.45 per \$1,000

Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013
levy \$0.39 per \$1,000	levy \$0.36 per \$1,000	levy \$0.38 per \$1,000	levy \$0.37 per \$1,000	levy \$0.37 per \$1,000	levy \$0.37 per \$1,000



The Port District receives only 15 percent of its revenues from property taxes.

Washington State law provides for Port Commissioners to designate administrative powers and duties to the managing official of the Port District. This is done with a Port Commission resolution establishing guidelines and procedures for the managing official to follow.

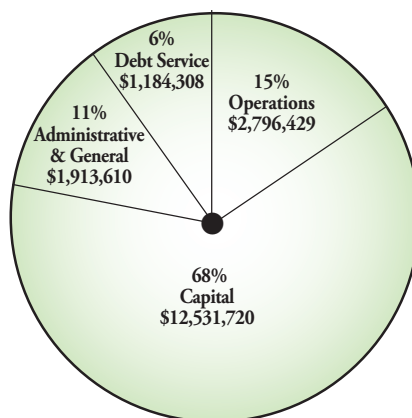
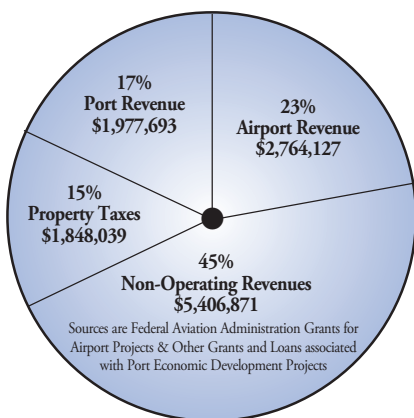
In that manner, the Executive Director and his or her staff can perform their duties in a timely and efficient manner. Still, as policy makers, Port Commissioners remain responsible for district operations.

Regular Port of Walla Walla Commission meetings are at 6:00 p.m. on the second Thursday and 1:00 p.m. on the fourth Thursday of each month at the Port office.

Port of Walla Walla Commission Secretary Mike Fredrickson, Vice President Ron Dunning and President Paul Schneider in the lobby at Walla Walla Regional Airport. (Photo by Brian Gaines)

Port of Walla Walla Budget

2013 Projected Revenues • \$11,996,730 2013 Projected Expenses • \$18,426,067



The Port has established reserve funds for the Port and Airport. The Port utilizes these reserves to assist with financing capital improvements.

Port of Walla Walla Staff

	Position	Years Service
Jim Kuntz	Executive Director	23
Paul Gerola	Economic Development Director	17
Donna Watts	Auditor/Treasurer	1
Jennifer Skoglund	Airport Manager	14
Paul Wemhoener	Project Manager	2
Gary Stewart	Maintenance & Operations Supervisor	13
Ken Clayton	Airport Security Coordinator	24
Becky Hulse	Executive Assistant	27
June Meiners	Receptionist	7
Noel Sanders	Social Media Mgr	3 mos
Darren Brinson	Maintenance	11
Louis Gagnon	Maintenance	9
Terry Dickerson	Maintenance	6
Brian Hurst	Maintenance	4
Neil Henze	Maintenance	4
Ron Beach	Summer Crew	3
Don Maiur	Summer Crew	1
Marcello Sotello	Summer Crew	11

Port of Walla Walla Watch

Carl Tyler

Editor

Port of Walla Walla

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