

**MINUTES OF THE PORT OF WALLA WALLA  
COMMISSION MEETING  
Thursday, March 25, 2010**

The meeting of the Port of Walla Walla was called to order by Commission President Mike Fredrickson at 3:00 p.m. Commissioner Fredrickson conducted a Workshop Session from 3:00 to 6:00 p.m. regarding development plans for the Port-owned Wallula Gap Business Park. The workshop session was held at the Port of Walla Walla administrative office, 310 A Street, Walla Walla, Washington. Commissioner Fredrickson convened the regular Commission Meeting at 6:00 p.m. at Port of Walla Walla administrative office, 310 A Street, Walla Walla, Washington.

**In attendance for the meeting were:**

Mike Fredrickson, Commissioner  
Paul Schneidmiller, Commissioner  
Ron Dunning, Commissioner  
Jim Kuntz, Executive Director  
Paul Gerola, Economic Development Director  
Becky Hulse, Executive Assistant  
Gary Stewart, Operations & Maintenance Supervisor  
Anna Christen, Auditor/Treasurer  
John Wells, Anderson Perry & Associates, Inc.  
Dr. Fred Bennett, Retired Port Commissioner  
Greg Tompkins, Walla Walla County Commissioner  
Denice Trimble, Special Legal Counsel, Gordon Derr  
Adam Gravley, Special Legal Counsel, Gordon Derr  
Tom Wilson, Klondike Investor, LLC  
Dan Steelhammer, Windermere Commercial Real Estate  
Heather Hepburn, Attorney, Swabe Williamson & Wytte  
Shawn Dietrich, Walla Walla University  
Loury J. Duffy, Walla Walla University  
Richard Monacelli, Walla Walla Area Small Business Center Director  
Stan Holm, Blue Ridge Aircraft  
Richard McFarland, McFarland Farms  
Dominick Elia, Citizen

**APPROVAL OF MINUTES**

Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion that the minutes of the Port Commission meeting held on Thursday, March 11, 2010 be approved as mailed. Motion unanimously carried.

## **INVESTMENT REPORT**

Auditor/Treasurer, Anna Christen, reviewed with Commissioners a listing of Port and Airport investments along with checking account balances.

## **PAYMENT OF BILLS**

Vouchers of the Port of Walla Walla audited and certified by the auditing officer as required by RCW 42.24.808. and those expense reimbursement claims certified as required by RCW 42.24.090. have been recorded on lists, which have been made available to the Board.

Commissioner Dunning moved and Commissioner Schneidmiller seconded the Board approve for payment those vouchers included in the above mentioned lists and further described as follows:

Port of Walla Walla General Fund voucher numbers 8004 through 8070 and system numbers 44924 through 44994 in the amount of \$14,952.39 and ACH/EFT amount of \$14,952.39 which includes \$2,083.60 in retirement withholding not included on the January 28, 2010 approval document. Port of Walla Walla Grain Car Fund voucher number 194 and system number 91 in the amount of \$1,517.51. WSDOT Grain Car Fund voucher numbers 205 through 206 and system numbers 111 through 112 in the amount of \$933.32. Walla Walla Regional Airport General Fund voucher numbers 10587 through 10662 and system numbers 2676 through 2761 in the amount of \$219,775.61 and ACH/EFT amount of \$15,690.79. Motion unanimously carried.

## **PUBLIC COMMENTS**

Rich Monacelli, Walla Walla Area Small Business Center Director, reviewed with Commissioners the positive economic benefits of the Small Business Center. Due to challenging economic times, past partners for the center can no longer provide financial support. Mr. Monacelli requested the Port Commission use .09 economic development sales tax dollars to fund the center's operations. Commissioners expressed concern with using this fund to pay for administrative expenses associated with the Small Business Center.

## **EXECUTIVE SESSION**

At 6:20 p.m. Commission President Fredrickson announced the convening of an Executive Session to discuss with legal counsel the minimum price at which Port real estate may be offered for sale. At 7:05 p.m. Commissioner Fredrickson reconvened the regular Port Commission Meeting.

## **OLD BUSINESS**

### **A. Port of Walla Walla**

#### **1. Burbank Flood Plain Map**

Commissioners reviewed two consultant proposals to establish a “Base Flood Plain Elevation” boundary for properties adjacent to the Port’s Burbank Industrial and Business Parks. This information once completed would be provided to FEMA to establish a more accurate flood plain map for the area. After reviewing both proposals, Commissioners determined West Consulting was the most qualified firm to perform the work. Commissioners requested additional information regarding the scope of work before authorizing the consultant to proceed. Executive Director Kuntz reported he would have the firm available to answer questions at an upcoming Port Commission Meeting.

## **NEW BUSINESS**

### **A. Walla Walla Regional Airport**

#### **1. 2010 Roofing Bids**

Commissioners reviewed the seven bids received to re-roof three buildings at the Walla Walla Regional Airport. Commissioner Dunning moved and Commissioner Schneidmiller seconded the motion to award the low bid to Elsom Roofing at a

cost of \$43,320 including sales tax. Motion carried. Commissioner Fredrickson voted no.

2. **Airport Restaurant RFP**

Commissioners were informed one proposal was submitted to operate the airport restaurant. The families of Dominick & Pam Elia and John & Mary Hopkins are forming an alliance with the hope of operating an Italian restaurant at the airport. Dominick Elia reviewed with Commissioners the group's proposal. Executive Director Kuntz reported the airport will need to clean the restaurant and make sure all equipment is in working order once the current operator closes on May 16th. Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion authorizing the Executive Director to enter into a restaurant lease agreement with the applicants. Motion unanimously carried.

3. **Request to Install Aviation Fueling System – Walla Walla University**

Shawn Deitrick and Loury Duffy representing Walla Walla University requested permission to install an above ground fueling system that would serve their flight school program. The university would not supply fuel for any other uses. Executive Director Kuntz reviewed with Commissioners two location options, one adjacent to the Port's existing fueling island, or next to Walla Walla University's aviation hangar. Walla Walla University would prefer to have the fueling system next to its hangar. Stan Holm, Blue Ridge Aircraft, believes the system should be installed next to the airport's fueling island. Kuntz recommended the Commissioners review both sites at the next Port Commission meeting.

4. **Airport Terminal Building – Second Floor Office Space Lease Proposal**

Commissioners were informed a business has expressed interest in leasing the 1,765 square foot second floor office space previously leased by Nelson Irrigation. Commissioners established the minimum lease price at \$12.50 per square foot per year. Commissioners requested staff first offer the space to the adjacent tenant PocketiNet Communications prior to a commitment to lease the space to the other party.

**5. Lease Renewal – Blue Ridge Aircraft Service, Inc.**

Executive Director Kuntz reviewed with Commissioners a five year lease renewal proposal for Blue Ridge Aircraft Service, Inc., to lease Hangar 104 (4,400 square feet) from the airport. Stan Holm, owner of Blue Ridge Aircraft Service, Inc., spoke concerning the challenging economic times of running a fixed base operation at the airport. Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion to approve a five year lease renewal with the first year rental rate at \$1,100 per month plus tax with rental increases of 3% effective year two and year four of the lease agreement. Motion unanimously carried.

**6. Farmco, Inc. Lease**

Executive Director Kuntz reported Farmco, Inc. is in its fourth year of a five year lease agreement with the airport. The lease rate in years four and five increases significantly from the lease rates during the first three years of the lease. The rental rate in 2009 was \$2,513.35 and increased to \$3,309.49 in 2010 and will increase to \$4,105.62 in 2011. Due to challenging economic times Farmco, Inc. cannot afford the current rent. Executive Director Kuntz reviewed with Commissioners a revised lease rate for years 2010 and 2011 which would include Farmco, Inc. returning some property back to the airport. Commissioner

Schneidmiller moved and Commissioner Dunning seconded the motion approving Executive Director Kuntz' recommendation to revise Farmco's rental rate for fiscal years 2010 and 2011. Motion unanimously carried.

7. **Authorization to Forward Contract Airport Wheat Crop**

Commissioner Dunning moved and Commissioner Schneidmiller seconded the motion authorizing the airport manager to forward contract 30% of the airport's wheat crop associated with the Bi-Kay Farms lease, conditioned on a forward contract price of not less than \$4.50 per bushel and based on a yield of 80 bushels per acre. Motion unanimously carried.

Commissioner Dunning moved and Commissioner Schneidmiller seconded the motion authorizing the airport manager to forward contact 30% of the airport's wheat crop associated with the Olson Farm, conditioned on a forward contract price of not less than \$4.50 per bushel and based on a yield of 80 bushels per acre. Motion unanimously carried.

**CORRESPONDENCE AND REPORTS**

A. **Leases Entered Into by Administrative Staff**

Commissioners reviewed a listing of leases entered into and/or renewed by administrative staff from March 12, 2010 through March 24, 2010.

B. **Burbank Sewer Meeting - WSDOT**

Executive Director Kuntz and Commissioner Dunning reported on a meeting recently held in Burbank with Washington State Department of Ecology concerning design and permitting issues associated with the Port's interest in installing a sewer system. The meeting was positive with Department of Ecology providing guidance as the Port begins a sewer system design.

The meeting was adjourned at 9:30 p.m.

**APPROVED:**

**PORT OF WALLA WALLA COMMISSIONERS**

---

MICHAEL FREDRICKSON, PRESIDENT

---

PAUL H. SCHNEIDMILLER, VICE PRESIDENT

---

RONALD W. DUNNING, SECRETARY