

**MINUTES OF THE PORT OF WALLA WALLA  
COMMISSION MEETING  
Thursday, June 24, 2010**

The meeting of the Port of Walla Walla was called to order by Commission President Mike Fredrickson. Commissioner Fredrickson conducted a workshop session from 5:00 p.m. to 5:50 p.m. at El Sombrero Restaurant, 428 Ash Street, Walla Walla, Washington. At 6:00 p.m. Commissioner Fredrickson convened the regular Port Commission Meeting at Port of Walla Walla offices, 310 A Street, Walla Walla, Washington.

**In attendance for the meeting were:**

Mike Fredrickson, Commissioner  
Paul Schneidmiller, Commissioner  
Ron Dunning, Commissioner  
Paul Gerola, Economic Development Director  
Becky Hulse, Executive Assistant  
Jennifer Skoglund, Airport Manager  
Gary Stewart, Maintenance & Operations Supervisor  
Dr. Fred Bennett, Retired Port Commissioner  
Richard McFarland, Citizen  
Dominick Elia, Dominick's on the Runway  
Dominick J. Elia, Jr., Dominick's on the Runway  
David Reiff, Reiff Manufacturing, Inc.  
Steve Reiff, Reiff Manufacturing, Inc.  
Executive Director Jim Kuntz was excused.

**APPROVAL OF MINUTES**

Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion that the minutes of the Port Commission meeting held on Thursday, June 10, 2010 be approved as mailed. Motion unanimously carried.

**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 Schneidmiller moved and Commissioner Dunning 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 8203 through 8258 and system numbers 45145 through 45203 in the amount of \$113,647 and ACH/EFT amount of \$4,448.34. Walla Walla Regional Airport General Fund voucher numbers 10844 through 10984 and system numbers 2988 through 3071 in the amount of \$151,517.86 with voucher numbers 10852 through 10916 being voided and reissued as two separate checks, and ACH/EFT amount of \$10,392.

Motion unanimously carried.

## **PUBLIC COMMENTS**

There were no public comments.

## **OLD BUSINESS**

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

#### **1. Isaacs Business Park Drainage Update**

Economic Development Director Paul Gerola reviewed with the Commissioners the drainage problem at the Isaacs Business Park. With the weather warming up the water is no longer backed up. Commissioners directed staff to continue to monitor the situation. A long term remedy will be discussed at the Port's budget retreat in November.

### **B. Walla Walla Regional Airport**

#### **1. Revised Lease Agreement – Reiff Manufacturing Update**

Commissioners reviewed the revised Construction and Lease Agreement for Reiff Manufacturing. Commissioners directed staff to revise the agreement to reflect a

minimum lease payment of \$4.00 per square foot for the first year, \$4.25 for the second year, \$4.50 for the third year, \$4.75 for the fourth year, \$5.00 for the fifth year and increasing 2.5% for years six through ten. Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion authorizing the Executive Director to enter into a ten year Construction and Lease Agreement with Reiff Manufacturing, Inc. Motion unanimously carried.

**2. Airport Restaurant Lease Agreement**

Airport Manager Skoglund updated Commissioners on kitchen floor repairs and reviewed proposed lease terms with Ripanidom, LLC (Dominick's on the Runway Restaurant). Dominick and Nick Elia reviewed their projected costs to start up the restaurant. Commissioners agreed to purchase restaurant equipment totaling \$7,013 plus sales tax conditioned on the first year lease rate being established at \$835 per month plus leasehold tax and increasing 5% each year. Commissioners also authorized the purchase of a new dishwasher. The lease agreement will provide for the airport to maintain all equipment for the first year, with the tenant responsible for the first \$500 of maintenance costs for each piece of equipment for years two through five. In addition, a monthly utility fee (water, sewer, gas) of \$250 plus tax will be charged. Electricity usage will be sub metered and billed back to the tenant. Commissioner Dunning moved and Commissioner Schneidmiller seconded the motion to authorize the Executive Director to enter into a five year lease with Ripanidom, LLC. Motion unanimously carried.

**3. IPZ Fiber Optic Update**

Economic Development Director Paul Gerola updated the Commission on the City of Walla Walla's IPZ Fiber Optic Program.

4. **Modular Food Systems (Building 507A) Lease Agreement**

Airport Manager Skoglund reviewed with Commissioners Modular Food Systems' financials and Exhibit B to the proposed Lease Agreement which lists Lessor and Lessee improvements to Building 507A. Commissioners established a \$30,000 cap for Lessor improvements. Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion to authorize the Executive Director to enter into a lease with Modular Food Systems, LLC. Motion unanimously carried.

5. **Authorization to Enter into AIP 27 – FAA Grant Agreement**

Commissioner Schneidmiller moved and Commissioner Dunning seconded the motion to authorize the Executive Director to enter into Federal Aviation Administration grant AIP #27 in the amount of \$830,000 for the new airport snow plow/blower. Motion unanimously carried. The grant will not be used until approximately February 2011 when the equipment is delivered. The additional \$30,000 will come from the Olson Fund or another FAA grant.

**CORRESPONDENCE & REPORTS**

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

Commissioners reviewed a listing of leases entered into and/or renewed by administrative staff from June 11 through June 24, 2010.

B. **Airport Income and Expense Statement**

Airport Manager Skoglund reviewed with Commissioners the Airport's income and expense statement for May 2010.

**C. Olson Farm – Wheat Crop**

Airport Manager Sloglund reviewed with Commissioners the condition of the wheat crop on the Olson Farm and the fact that rust has been detected. Commissioners chose not to spray for the wheat rust.

**D. 2011 Health Insurance**

Commissioners reviewed a handout regarding Port employee health insurance options for 2011. Commissioners directed staff not to issue a Letter of Intent to withdraw from the insurance pool. Commissioners requested staff to proceed with evaluating other health care options in the Fall of 2010 and to report findings in early 2011.

The meeting was adjourned at 8:30 p.m.

**APPROVED:**

**PORT OF WALLA WALLA COMMISSIONERS**

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MICHAEL FREDRICKSON, PRESIDENT

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PAUL H. SCHNEIDMILLER, VICE PRESIDENT

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RONALD W. DUNNING, SECRETARY