

A team effort, lead by the Port of Walla Walla, has resulted in the opening of a major juice processing plant in Walla Walla.

The nation's largest independent private label juice processor, Cliffstar Corporation, has moved into the former Agri-Frozen Foods Plant and has its first 20 full-time employees in training. Gene Bailen, Cliffstar's vice president of operations, said the plant's first production will ship beginning in November.

Bailen said the new Walla Walla plant will begin processing what he called "the basics."

"We'll start with apple, grape and cranberry juice blends before moving on to more sophisticated varieties."

Initially, Cliffstar will bring juice concentrates to Walla Walla from existing suppliers, although Bailen suggested the possibility of developing relationships with local vendors sometime in the future.

Headquartered in Dunkirk, N.Y., Cliffstar packages private label juices for grocery stores, mass merchandisers, food service companies and major retailers in the United States and Canada. In addition to the Walla Walla facility, the firm has operating plants in Dunkirk; Joplin, Missouri; Greer, South Carolina; and Fontana, California.

Plant Manager Shannon McFall explained that shipments from the Walla Walla site will go to customers within a 500 mile radius, including Washington, Oregon, Idaho and British Columbia.

McFall said that while the start-up crew will consist of 20 full-time staff members, she expects a second wave of activity to include another processing line and 20 additional employees beginning in January, 2003. The total number of jobs could climb to 100 within two to three years.



Walla Walla County Commissioner Dave Carey, Cliffstar owner Stanley A. Star, Port District Commission President Fred Bennett and City of Walla Walla Mayor Jerry Cummins celebrate Cliffstar's announcing a new juice processing plant in Walla Walla.

Cliffstar juices, including apple and cranberry blends, are processed for private label retailers across the United States and Canada.



Port leads effort, lands Cliffstar

It all started when a consultant for Cliffstar Corporation surfed the internet, found www.portwallawalla.com, and discovered a potential building for a new juice processing plant in the Northwest.

Three months later, the Port of Walla Walla announced that the former AgriFrozen Foods facility, on Dell Avenue, would be the new location for the New York based, private label processor.

Port Executive Director Jim Kuntz called the Cliffstar decision a "major economic development success."

"Recruiting new companies to rural communities is a real challenge," he said.

Sean P. McGirr, Cliffstar's president, said the availability of the AgriFrozen Food building and the favorable economic development package offered by the Port of Walla Walla and other community groups were factors that influenced the company's choice to locate in Walla Walla.

The Port purchased the closed AgriFrozen Foods building, funded necessary improvements, then leased the building to Cliffstar, giving the firm an option to buy.

Kuntz said the Port's total investment will exceed \$1.6 million.

In addition to the Port of Walla Walla commitment, Team Walla Walla, a public/private development partnership, provided \$35,000 and Fluor Hanford added \$15,000 to help offset Cliffstar's costs associated with the opening of the Walla Walla plant.

Bailen emphasized, "The positive reception we received from the Port, Team Walla Walla, Fluor Hanford, Walla Walla County, the City of Walla Walla and Walla Walla Community College convinced us that Walla Walla is a good place to do business."

Bill Clemens, president of Team Walla Walla, said, "Creating new family wage jobs has been our organization's focus since its inception. Cliffstar, with its year around employment opportunities, will strengthen Walla Walla's economy."

Jerry Schneider, manager of Fluor Hanford Asset Transition, added, "Assisting the Walla Walla community in recruiting Cliffstar is part of our ongoing commitment to diversify the region's economy."

Comprehensive Economic Development Plan gives direction, measures performance for Port

Success in retaining and creating living wage jobs in all the communities of Walla Walla County can't be realized without careful planning. That's why the Port of Walla Walla's economic development efforts are guided by a carefully designed, comprehensive plan. Economic Development Director Paul Gerola said the six-part plan features specific elements of work and includes benchmarks to be used in measuring the success of development activities.

While not in any order of importance, Gerola lists the elements of the plan as follows:

SMALL BUSINESS DEVELOPMENT...

The lead for small business development is taken by the Walla Walla Area Small Business Center. The Center provides one-on-one business counseling and training to business owners, operators and entrepreneurs. The Small Business Center is a partnership between the Port, Walla Walla Community College, The Small Business Administration, Washington Manufacturing Services and Washington State University's Partnership for Rural Development. The Center is located in the Port's administration office building at 310 A Street, Walla Walla Regional Airport.

EXISTING BUSINESS RETENTION AND EXPANSION...

This element is designed to provide assistance to businesses already in Walla Walla County. Activities include annual "status" meetings with the county's largest employers, supporting business expansions that provide family wage jobs and encouraging "buy local" initiatives. Benchmarks include tracking the number of businesses visited and the number of local businesses expanding their operations.

BUSINESS RECRUITMENT MARKETING AND ADVERTISING...

This work element encompasses marketing available private and Port owned property, recruiting new businesses, attending development related trade shows, maintaining the Port's Web page, conducting targeted marketing campaigns and developing promotional brochures. Benchmarks include the number of qualified business leads generated, new businesses locating in Walla Walla county and the number and quality of jobs created.

SITE AND INFRASTRUCTURE DEVELOPMENT...

Activities in this element are designed to identify and secure suitable sites for industrial and business development. This may include obtaining proper zoning, and extending roads, water, sewer and other utilities at the site. Benchmarks are to complete at least two infrastructure projects per year.

ECONOMIC PROFILING...

This initiative includes collecting, analyzing and publishing economic and demographic profiles of the Walla Walla Valley. The Port publishes a business directory, largest employer list, labor market conditions and tourism economic indicators. Benchmarks include utilization of the data by community policy makers, existing businesses and prospective new businesses.

ECONOMIC DEVELOPMENT ADVOCACY...

This part of the plan involves work aimed at maintaining a positive climate for economic development in Walla Walla County. Activities include encouraging city, county, state and federal government agencies to maintain a "friendly attitude" toward business in areas relating to regulation, permitting and taxation. Benchmarks include the presence of favorable policies affecting economic growth and public understanding and support for local development efforts.

Port of Walla Walla Marks 50th Anniversary



It's appropriate that the Port of Walla Walla could celebrate its Golden Anniversary with the opening of Cliffstar Corporation's juice processing plant in Walla Walla. Assisting Cliffstar is the latest in a list of economic development accomplishments recorded by the Port since its creation in 1952. The Port of Walla Walla was an idea approved by an impressive 7-to-1 margin by voters in Walla Walla county.

Efforts to first establish the Port were initiated in 1938 by the Walla Walla Chamber of Commerce, the Grange and the Walla Walla Farm Bureau. But it was the anticipated completion of the McNary Dam and its pool that gave the Port the impetus it needed in 1952. The dam brought navigable waters to western Walla Walla county and the Port's first projects involved industrial sites and facilities on the Columbia and Snake Rivers.

Since then, the Port has aggressively fulfilled its role as the county's primary economic development agency by assuming ownership of the Walla Walla Regional Airport, developing industrial parks and recruiting new business to our area.

Port of Walla Walla Commissioners 1952 to Present

Port Commission • District 1

William Ray	1952 - 1968
Larry Pepin	1968 - 1984
Wes Colley	1985 - 2000
Paul Schneidmiller	2000 -

Port Commission • District 2

William Vollmer	1952 - 1960
Benjamin Flathers	1960 - 1969
Morris Ganguet	1970 - 1981
Ken Jantz	1982 -

Port Commission • District 3

William Falconer	1952 - 1955
Earl Lovell	1956 - 1964
Henry Garbe	1964 - 1970
C. W. Martin, Jr	1970 - 1973
Charles Nunn	1974 - 1979
Fred Bennett	1980 - 1991
Bob Petersen	1992 - 1997
Fred Bennett	1998 -

Public participation welcomed in Port Advisory Committee

The Port of Walla Walla's Economic Advisory Committee meets bi-monthly to review the implementation of the Economic Development Plan and to discuss current development issues.

Committee members include elected officials, private business representatives, Port staff and others interested in economic development.

Public participation is welcomed and encouraged.

The meetings start at Noon in the Airport Terminal building community meeting room.

If you'd like to attend, call the Port office at 509-525-3100 to be added to the committee mailing list.



Walla Walla Regional Airport Produces Economic Dividends for the Region

The Washington State Department of Transportation Aviation Division recently completed an economic impact analysis on the Walla Walla Regional Airport. The results are impressive.

409 Jobs

The number of employees who are employed in the aviation industry, plus the aviation-oriented share of those that are employed in sectors that support air passengers (hotels, restaurants, etc.)

\$8,307,455 Payroll

The sum of the wages and salaries to all employed persons that the aviation industry pays, directly or indirectly.

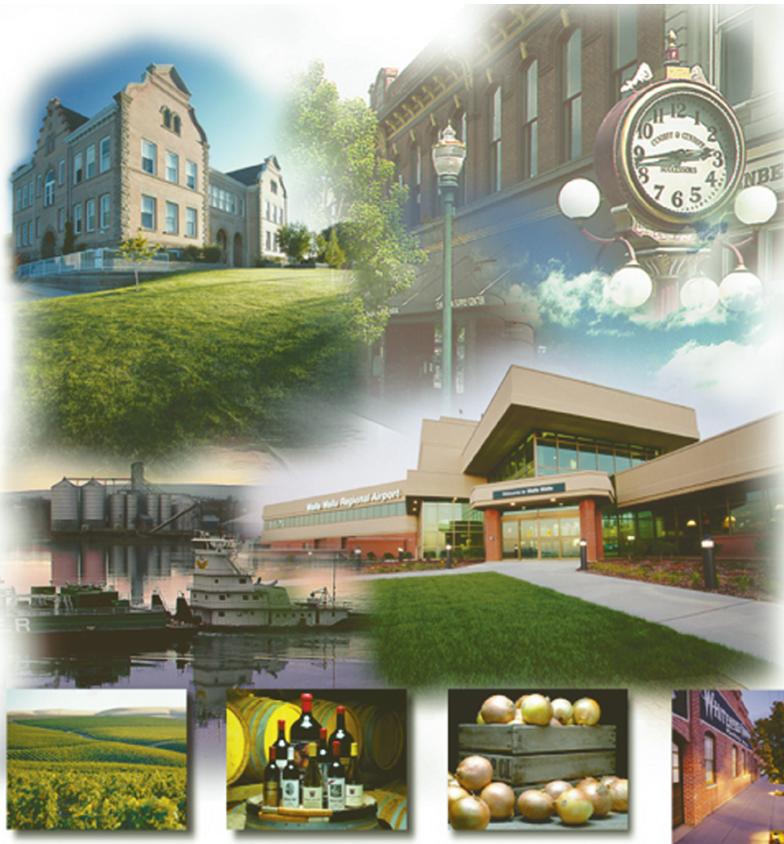
\$30,646,570 Economic Activity

The value of aviation (aviation and airport services) plus the "multiplier" effect.

Port of Walla Walla Makes A Difference

Creating Jobs

More than two of every 10 workers [23.1% of Walla Walla County's labor force] are employed by businesses assisted by the Port of Walla Walla. That means somebody you know benefits from Port activities that generate career opportunities that make a difference.



Building Tax Revenues

In 2002, companies assisted by the Port of Walla Walla paid **\$5,024,286 in property taxes**. That's **12.3% of all property taxes collected** in Walla Walla County. **Five of the top 10 largest taxpayers in the county are Port assisted businesses.**

Return On Investment

For every one dollar in taxpayer support received by the Port of Walla Walla, **businesses assisted by the Port pay back more than \$3.98 in property taxes.**

Rewarding Payrolls

In 2002, companies assisted by the Port of Walla Walla provided **5,564 jobs which resulted in a total payroll exceeding \$110,390,000.**

Our goal is to improve the present two-lane highway between Burbank and Walla Walla into a four-lane divided highway connecting with the existing interstate system.

Visit us on the Web

The new www.ushighway12.com Web site gives you a good look at the progress being made and the challenges we face in getting funding to four-lane U.S. Highway 12. In addition, you'll have ready access to ways you can help us make this vital project a reality. You can add your name to our online petition...and you can make your support known by using the mail and e-mail addresses of key federal and state officials whose support is needed to make this happen.

www.USHighway12.com

FOUR-LANING U.S. HIGHWAY 12 BURBANK TO WALLA WALLA

Coalition Partners
Project Information
Project Milestones
Map
Phase 1 - Photo Simulation
US Highway 12 News
Key Contacts
Petitions
Accident Summary Report
How Can I Help?

Four-Laning U.S. Highway 12 Burbank to Walla Walla

TURNING THE CORNER FOR SAFETY AND ECONOMIC VITALITY

WHAT ARE THE BENEFITS?

SAFETY

U.S. Highway 12 from Burbank to Walla Walla is a heavily traveled, two-lane highway with traffic counts that average up to 12,000 vehicles per day. Freight trucks account for nearly 1/3 of that volume.

Since 1991, the Burbank to Walla Walla stretch of U.S. Highway 12 has been the scene of more than 1,079 accidents, of which 414 involved injuries that resulted in 33 deaths.

Improving the highway from two lanes to four can reduce serious injury and fatal accidents by as much as 40 percent. That would mean a significant savings of lives and suffering, not to mention a major reduction in property losses.

ECONOMIC VITALITY

Economic development is dependent on a high-quality transportation system. One of the most important considerations for virtually every business is a location with nearby access to a four-lane highway. The Walla Walla Valley has lost promising economic development opportunities simply because businesses wanted to be located closer to a four-lane highway.

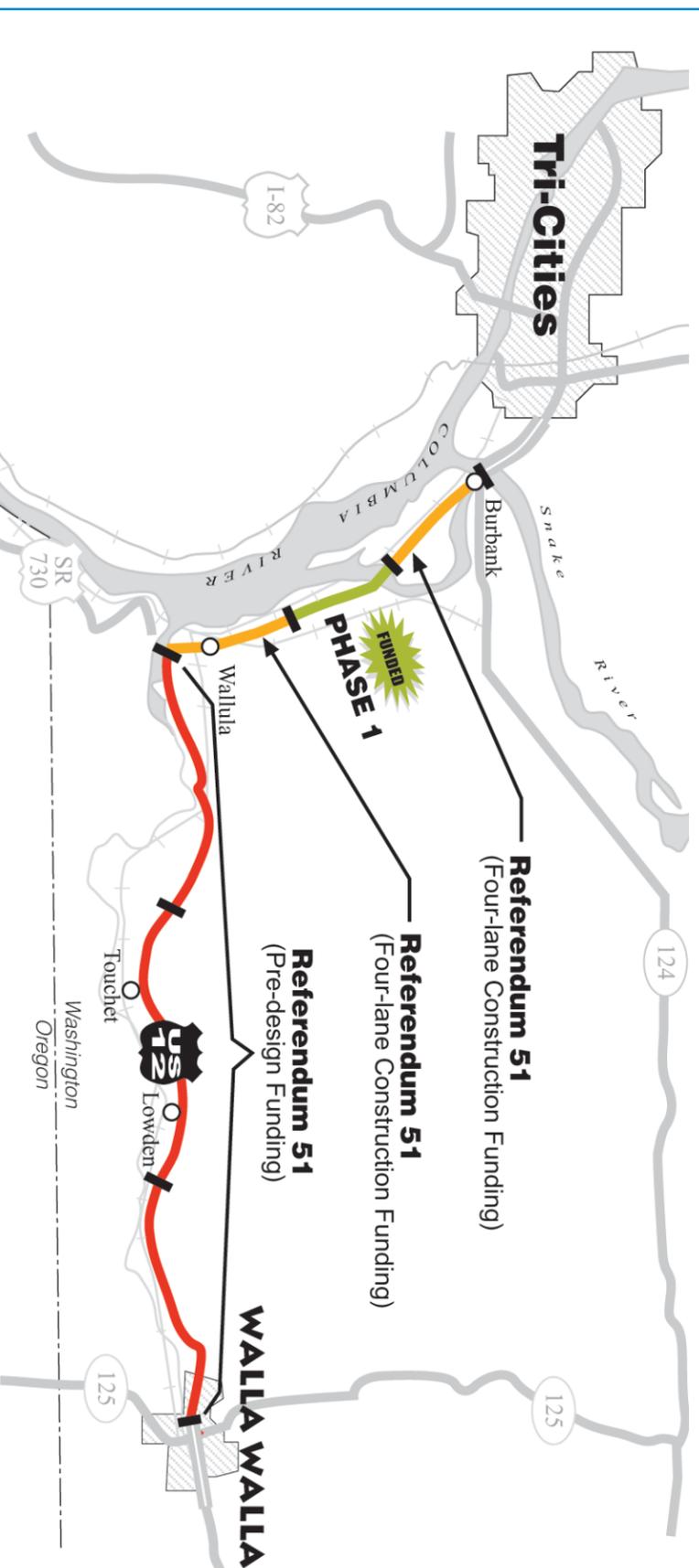
With Walla Walla County's per capita personal income only 73% of Washington State's average and just 77% of the national average, the need for a stronger economy is vividly apparent.

Improving U.S. Highway 12 is important to Walla Walla Valley's economic future.

Four-Laning U.S. Highway 12 from Burbank to Walla Walla

HOW IMPORTANT IS FOUR-LANING HIGHWAY 12?

- ✓ Walla Walla County's Comprehensive Plan identifies the four-laning of U.S. Highway 12 as a project of regional significance. It is supported by all local government agencies.
- ✓ Expanding U.S. Highway 12 to four lanes from Burbank to Walla Walla is the number one priority of the Benton, Franklin and Walla Walla County Good Roads and Transportation Association.
- ✓ 18 School Districts throughout Eastern Washington have passed resolutions identifying the four-laning of U.S. Highway 12 from Burbank to Walla Walla as a priority transportation project.



Legend

Phase 1
McNary Pool to Attalia Vicinity (Funded)
Construction to begin January, 2003.

With Referendum 51 Approval
by the voters in the November election, \$25,000,000 will be allocated to complete the four-laning of U.S. Highway 12 from Burbank to the Wallula Junction.

With Referendum 51 Approval
by the voters in the November election, \$3,000,000 will be allocated for pre-design associated with four-laning U.S. Highway 12 from Wallula Junction to the City of Walla Walla.

A Resolution of the Port Commission of the Port of Walla Walla Endorsing the passage of Referendum 51

WHEREAS, the Washington State Legislature has voted to put Referendum 51 before the voters in the November 2002 general election, which would provide funds for statewide transportation improvements; and

WHEREAS, the four-laning of U.S. Highway 12 from Burbank to Walla Walla has been a priority project of the citizens of Walla Walla County for several decades; and

WHEREAS, since 1991, U.S. Highway 12 from Burbank to Walla Walla has experienced 1,079 accidents of which 414 were injury accidents that resulted in 33 deaths; and

WHEREAS, \$28 million has been earmarked in Referendum 51 revenues to four-laning U.S. Highway 12 from Burbank to the Wallula Junction and to commence with planning efforts to four-lane U.S. Highway 12 from Wallula Junction to Walla Walla; and

WHEREAS, Referendum 51 revenues will be used to match federal funding for transportation projects in the state of Washington and failure to be able to match federal funds would negatively impact the state's ability to utilize all of the federal transportation funding that the state is entitled to including funding to four-lane U.S. Highway 12; and

WHEREAS, Walla Walla County, the cities within Walla Walla County and the Walla Walla Valley Transit System, will also receive Referendum 51 revenues to maintain and enhance our local transportation system,

NOW THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Walla Walla that passage of Referendum 51 would result in substantial transportation investments in Walla Walla County, including the four-laning of U.S. Highway 12 from Burbank to the Wallula Junction and therefore encourage the citizens of Walla Walla County to vote **YES** on Referendum 51.

ADOPTED, at a regular Port of Walla Walla Commission meeting held this 11th day of September, 2002.

Port of Walla Walla Commission

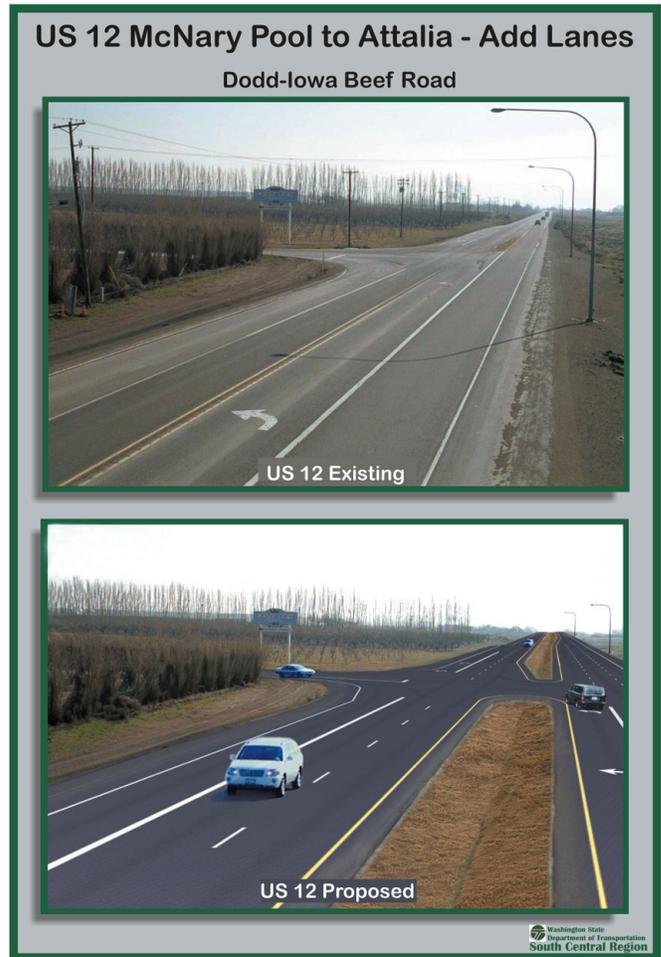
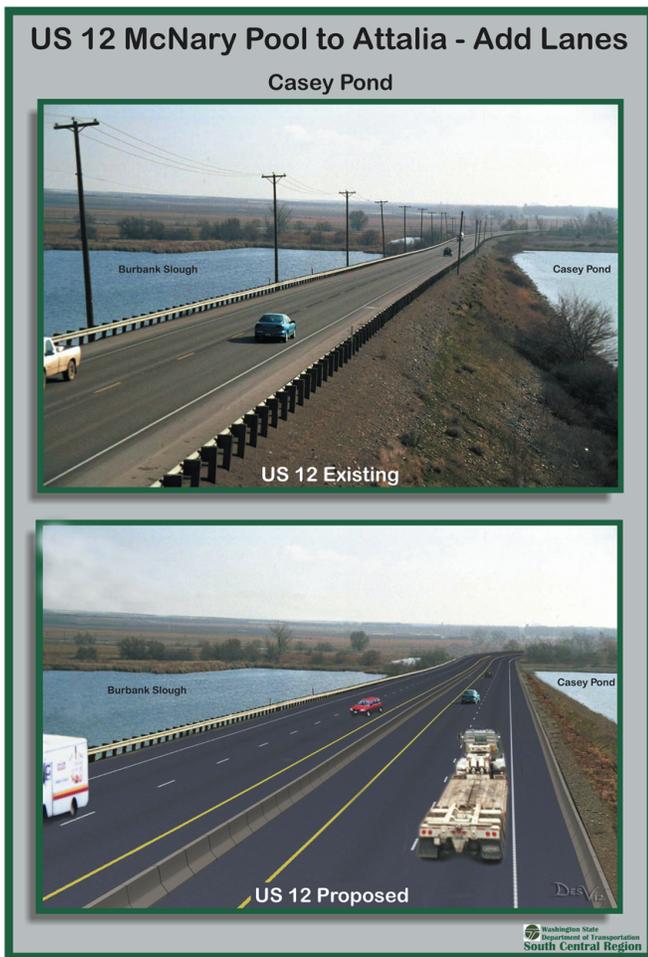
Fred R. Bennett Fred R. Bennett President
Kenneth N. Janz Kenneth N. Janz Vice President
Paul H. Schneidmiller Paul H. Schneidmiller Secretary

Coalition Financial Partners

- | | |
|-------------------------|---------------------|
| Walla Walla County | Boise |
| Northwest Grain Growers | City of Walla Walla |
| Port of Walla Walla | IBP, Inc. |
| City of College Place | Fire District #5 |
| Whitman College | Columbia REA |
| Lumbermen's | Team Walla Walla |
| Capri Motel | Budget Inn Motel |
| City Center Motel | Colonial Motel |



These agencies and businesses are working to make U.S. Highway 12 safer. The next time you see a member of one of these organizations thank them for their efforts. They are making a difference.



Here's What You Can Do To Help

Sign A Petition - A "Citizen" petition and a separate "Business/Organization" petition are available for endorsement online at www.ushighway12.com or contact the Port of Walla Walla at 525-3100 to sign a petition.

Circulate a Petition - Go one step further than just signing. Ask the Port of Walla Walla for several blank petitions. You can circulate them and help us gather signatures. If you want to see how many names are on the petitions, visit the Web site www.ushighway12.com.

Provide Financial Support - Become a coalition financial partner. Contributions will be used to produce market materials and help lobby our state and federal delegations as critical transportation bills

make their way through the legislative process.

Write a Letter of Support - Write, e-mail or fax state and federal officials concerning the need to four-lane U.S. Highway 12 between Burbank and Walla Walla. For a list of names and addresses go to www.ushighway12.com and click on the "How Can I Help" section. You may also contact the Port of Walla Walla at 509-525-3100 to get a list.

Walla Walla Regional Airport Increases Security



FAA requires new fencing for enhanced aviation security

Installation is nearly complete on some 22,000 feet of fencing to enhance security around the Walla Walla Regional Airport.

The contract for the first phase of the project was awarded to Northwest Fence, Inc. The cost of phase one is approximately \$315,000 with the Federal Aviation Administration paying 90% and the airport providing the balance.

The first phase will fence in airport boundaries adjacent to U.S. Highway 12 on the south side and Middle Waitsburg Road on the west side.

Airport Manager Larry Adams said portions of the fence adjacent to the terminal building and at the main access gate off Middle Waitsburg Road will be clad with green vinyl for aesthetic purposes.

The second phase of the fencing project will stretch along 15,000 feet of the northern perimeter of the airport.

Walla Walla Sheriff's Deputies handle airport security

Flight-time security responsibilities at the Walla Walla Regional Airport are now being handled by deputies from the Walla Walla County Sheriff's office.

While the Washington National Guard managed that task immediately following the events of September 11, 2001, the Walla Walla County Sheriff's Department assumed that role in May, 2002. Working under a contract with the Transportation Security Administration, local deputies will handle the security assignment until TSA enforcement officers are on site.

Airport Manager Larry Adams had high praise for Walla Walla deputies for their professionalism and help in meeting the ongoing airport law enforcement requirements.

New Systems for passenger and baggage checkpoints to be in place before year end

New systems that meet Transportation Security Administration "passenger checkpoint and 100% checked baggage screening requirements" will be in place at the Walla Walla Regional Airport before the end of the year.

Port of Walla Walla officials said that Lockheed Martin, consultant to TSA, has completed its site assessment and concluded that the existing security screening space is large enough to accommodate the new systems.

Larry Adams, airport manager, said the Lockheed Martin design for the checkpoint is expected to efficiently move passengers through the screening process.

New screening equipment will include a walk through metal detector, wand stations, an Explosive Trace Detection (ETD) machine and closed circuit TV cameras.

Adams also said the airport has been working with Boeing, also a consultant to TSA, to meet the 100% checked baggage screening requirement.

Plans currently under review provide for an Explosive Trace Detection (ETD) machine to be installed in the spare airline



ticket counter space immediately adjacent to Horizon Air. Adams explained that this would allow the machine to be installed without making renovations to the terminal building.

He added that in the future, should a second airline decide to serve Walla Walla, plans call for the existing ticket counters to be moved three feet into the lobby to allow the ETD machines to be located behind the ticket counters.

Systems that meet new checked baggage screening requirements are to be in place and operational by December 31, 2002.

Airport amenities include restaurant and gift shop



Florentyna's

Full service restaurant and lounge serving breakfast, lunch and dinner. Opens at 6:00 a.m., Monday through Friday and 7:00 a.m. Saturday and Sunday. For menu listings visit www.florentynas.com

Phone: 509-525-2294



Coffee Connection Cafe @ the Airport

Internet access, coffee bar, Walla Walla gifts and souvenirs. Open 7:30 - 9:00 am, 12:30 - 2:30 pm and 5:00 - 6:30 pm. For info visit www.coffeeconnectioncafe.com

Phone: 509-529-9999

Getting to know your Port

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 do the following:

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 purposes.

Undertake and adopt comprehensive development plans for the Port District.

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. The commissioners are **Fred Bennett**, president, **Ken Jantz**, vice president, and **Paul Schneidmiller**, 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 the Walla Walla county commissioners districts.

Bennett, a retired Walla Walla College professor of engineering, represents District 3, including College Place, Touchet, Lowden, Burbank, Eureka, Clyde and the western part of the county.

Jantz, a Waitsburg wheat rancher, represents District 2, which includes the eastern third of the City of Walla Walla, Dixie, Waitsburg and Prescott.

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.



*Port of Walla Walla Commission
Secretary Paul Schneidmiller, Vice President Ken Jantz, President Fred Bennett*

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 hold the offices of president, vice president and secretary.

Port of Walla Walla Commissioners, and those at other Ports with similar business volume, are entitled to \$70 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 \$6,720 per year in such compensation. In addition, Port Commissioners receive a salary of \$500 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. When an industrial development district is formed under state law, commissioners may levy an additional 45-cents per \$1,000 of assessed value for a period of no longer than 12 years.

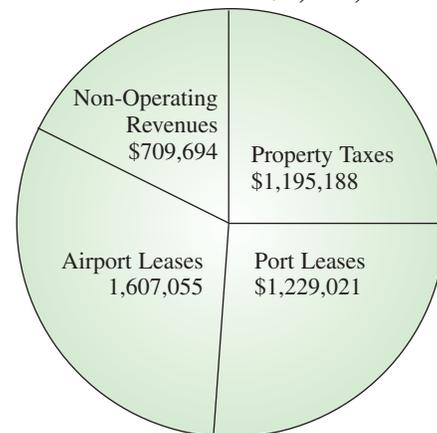
The Port of Walla Walla currently levies only the first tax for general port purposes. Including revenue from the Walla Walla Regional Airport, the Port District receives only 25 percent of its revenues from property taxes.

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.

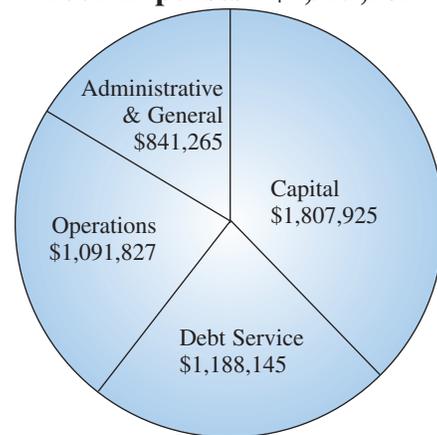
Port of Walla Walla Commissioners meet on the second and fourth Wednesday of each month at the Port office.

Port of Walla Walla Budget

2001 Revenues • \$4,740,958



2001 Expenses • \$4,929,162



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

Jim Kuntz	Executive Director
Larry Adams	Airport Manager
Paul Gerola	Economic Development Director
Ron Johnson	Assistant Airport Manager
Jackie Hardesty	Auditor/Treasurer
Becky Hulse	Administrative Assistant
Jennifer Skoglund	Administrative Assistant
Ken Clayton	Fire/Security Captain
Brent Partlow	Fire/Security
Mike Graves	Fire/Security
Jake Riggs	Fire/Security
Gary Stewart	Maintenance
Elias Alonso	Maintenance
Darren Brinson	Maintenance
Kevin French	Maintenance
Randy Hammond	Summer Crew
James Kelley	Summer Crew
Philip Roberg	Summer Crew
Jake Russell	Summer Crew

Walla Walla Area Small Business Center

Rich Monacelli Director

Port of Walla Walla Watch

Carl Tyler Design / Editor

Port of Walla Walla

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www.portwallawalla.com