

Spring 2009

Port Reviews Guiding Principles and Strategic Goals

During a recent planning session, Port Commissioners reviewed and revised their guiding principles and strategic goals.

The Commissioners agreed the Port's guiding principles would be:

- Make short-term decisions that are consistent with and reinforce our long-term plans.
- Avail ourselves of all opportunities for job creation and industrial retention.
- Leverage our resources through creative problem solving and effective partnerships.
- Weigh financial risk against return on investment, job creation and retention, and distribution of resources.
- Encourage the Port's stakeholders and constituents to advise us in decision making.

The new strategic goals are:

- Improve and sustain the Port's solvency as our first priority.
- Increase the value of the public assets managed by the Port.
- Advance economic stability of the Port district and region.

Additional business objectives:

- Employ our unique role as a Port district to develop partnerships and alliances to identify opportunities and to achieve solvency, growth and economic stability.
- Pursue business and tenant recruitment and retention as high priorities, emphasizing customer service.
- Commit to operating safe and environmentally conscious facilities.
- Recognize employees as critical to the achievement of these objectives.

For more information about any of these, feel free to call the Port office at 547-3378.



New Port Plan Outlines Strong Future



*Jim Klindworth
Board President*

Dear Port of Pasco Friends,

As President of the Board of Commissioners, it is a pleasure to write a few words to you about the direction of the Port of Pasco for 2009.

As a Port, our goal is to both create and foster the development of the economy within the geographical boundaries of the Port district which includes most of Franklin County. In light of this charge, as the community's needs and the economy shifts, it is important for the Port to frequently evaluate our focus and take a look at our projects so that we can always be working to achieve these goals on behalf of the residents of our Port district.

In September, we did just that. At a workshop with both Commissioners and staff, we spent time reviewing our guiding principles, updating and assessing our strategic goals and objectives, and prioritizing our projects. What came out of this planning session is a clear path forward and also a continued shift in emphasis by the Port from not only property management but to property development as well.

It's an exciting change and one that benefits both the Port district and all of the Tri-Cities area. We are pleased to be able to share with you some of what is ahead for the Port through our new strategic plan.

Our focus is, and always has been, to develop the Port in a manner to get the best return on investment for the Port's taxpayers/residents. We have a large "wish list" but realistically we must focus on what can be developed to get the best return on our energy and efforts as well as the investment by the taxpayers of the District.

The highest priorities of the Port for the next year were narrowed down to six main projects.

Design the anchor office building of the Riverfront Business Park. The new business park is located at the west end of the Big Pasco Industrial Center and has three-quarters of a mile of unimpeded riverfront access. The Port has taken seriously its responsibility to not only develop this land for economic development, but also how best to utilize this important riverfront for the benefit of the entire Port district and beyond. The anchor building will set the tenor of the entire park. The Port recently signed an agreement with an architectural firm to design the anchor building for this site.

The Port is also taking a unique approach in developing a design for the business park. We are enlisting the help of residents of the District. We have put together a team of community leaders who represent a wide spectrum — from educators to farmers to business people. We know this piece of property is one of the "jewels" of the community and with their help we know we will develop it wisely. They will be an excellent group to advise the

Commissioners as we move ahead with the development of this property.

We are also working to secure the building's tenants. One option we are considering is allocating space for the relocation of the Port office while renting the remainder. The Port has outgrown its present building and by using the anchor building for Port offices, it may serve two purposes — having the first occupant on the site while relieving overcrowding at the Port office.



Site view from the Riverfront Business Park which provides an unobstructed view of the Columbia River.

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Connect with Your Port



As a Port, we want to make it as easy as possible for you to keep up with Port activities. Here are some ways to do just that:

Attend a Commission meeting

They are open to the public and comment is taken at Port Commission meetings to provide Commissioners with information, public perspective and opinion on matters before them. Port Commission meetings are generally held on the second and fourth Thursdays of each month. Meeting notices and agendas are available on the Port's website, www.portofpasco.org, or through notices in the Tri-City Herald. For information on making a public comment to the Commission, give us a call.

Schedule a Presentation

The Speaker's Bureau is a resource for professional, civic and business organizations. Learn what a Port is, discover the facilities we operate, what current projects we are involved with and the Port's plans for the future. Over the past five years, the Port has evolved from property management to include property development and we'd like to inform you about our efforts.

Tour the Port

The Port of Pasco invites you to a tour of the Port. The tour is scheduled for Wednesday, April 22, at 11:30 a.m. in the Port's Administrative Office, 904 E. Ainsworth Avenue, Pasco. Lunch is included. Space is limited.

Visit our Website

Our website, www.portofpasco.org is currently down for repairs. We apologize for the inconvenience. We hope to have it back up as soon as possible.

Give Us a Call

To schedule a speaker, tour the Port, just ask questions or give us feedback, feel free to call our office at 547-3378.

New Port Plan Outlines Strong Future

(Continued from page 1) The design, development and construction of the building are being financed by the insurance money received from the loss of one of the Port's buildings to fire in 2008 making our "out of pocket" investment much less.

The new business park is ideal for companies who may want both office/research facilities and light manufacturing space. It also nicely complements the work the City of Pasco is doing to develop the nearby Heritage Industrial Center.

We are excited to see the Riverfront Business Park development moving forward.

Continued development of the Tri-Cities Airport Business Center. We are certain you have already noticed the two new buildings at our 86-acre Tri-Cities Airport Business Center located just west of the airport terminal. Musser Bros. Inc. and Gauntt Farms are not only enjoying the amenities of the park (including easy freeway and airport runway access), the visibility of their buildings is attracting a lot of attention to this site too.



Gauntt Farms new office in the Tri-Cities Airport Business Park.

In 2009 we intend to continue the development of this area. The center has up to three more sites with runway access available right now with additional runway sites to be developed in later phases. There are also several acres available for commercial development that does not have runway access. Recently we adopted the covenants for the aviation side and are working on covenants for the non-aviation side. This assures those siting their business in the park, as well as the community, that this will be of the high quality we desire.

Watch for opportunities to expand Port of Pasco properties. During our planning session, we reaffirmed our policy to strategically consider the purchase of additional property for future development. We reaffirmed our commitment to provide a physical presence outside of Pasco, consider investment opportunities and diversifying



Musser Brothers headquarters located in the Tri-Cities Airport Business Park.

our assets. We are always looking for potential land to purchase which has the potential for future development, whether it is around the Pasco area or in other areas within the Port district including Basin City, Mesa and Connell.

Prepare for possibility of major roof repair projects. During 2009 the Port may receive funding through the Federal Economic Development Administration which would make possible the replacement of seven large warehouse roofs within the Big Pasco Industrial Center. With this \$3,000,000 project, the buildings could be put to higher value uses, thus creating space for new business growth and allowing the Port to charge a higher rent which, in turn, helps fund other projects within the Port.

Once the funding becomes available, a timeline for completion of the project will be created.

Prepare for potential loss of revenue through airline use agreement. As we are all aware, the airline industry is experiencing a downturn. Fewer flights and less equipment at the Tri-Cities Airport reduces the income the airport generates for the Port. It is only prudent for us to keep a watchful eye on the activities at the airport.

Obtain financing to develop and construct an office building in Big Pasco. The Port obtained State of Washington Community Economic Revitalization Board funds for the development and construction of a 22,500 square-foot office building which will be leased by a major tenant.

Through the recent strategic planning process, we at the Port of Pasco were able to center our energy and resources on the best path forward as we work on your behalf to be good stewards of the Port district. We are encouraged and enthusiastic about what is ahead in 2009.

Jim Klindworth

President, Board of Commissioners
Port of Pasco



You are invited to attend meetings of the Port of Pasco Commissioners. Regular public meetings are held at 10:30 a.m., the second and fourth Thursdays of each month in Port offices at 904 E. Ainsworth Avenue. We hope to see you there.

The agenda of each meeting will be available on the Port's website two days prior to the meeting.

Port Commission:
Jim Klindworth, Bill Clark, Ernie Boston

Port Staff:
Jim Toomey Executive Director
Jim Morasch Director of Airports
Ron Foraker Assistant Director of Airports
Arthur Owen Airport Chief of Police
Linda O'Brien Director of Finance & Administration
Randy Hayden Director of Planning and Engineering
R. Sam Good Director of Properties & Development
Tracy Friesz Facilities Engineer
Vicky Keller Public Records

Port of Pasco:
904 E. Ainsworth
(509) 547-3378

Tri-Cities Airport:
3601 N. 20th Avenue
(509) 547-6352

Mailing Address:
P.O. Box 769
Pasco, WA 99301

Additional Port information can be found on the internet at www.portofpasco.org.
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Bogert International: Small Manufacturer of the Year

Bogert International, located in a Port of Pasco site on the east side of the Tri-Cities Airport, was named Small Manufacturer of the Year by the Association of Washington Business.

When Bogert moved into the Port nearly four years ago, the company focused on aircraft specialty parts. But the product they received the award for is a far cry from aviation — and is most often used half-a-world away.

“About four years ago we started planning how to diversify outside of aviation. We then moved into the Port and began to move into manufacturing in other areas,” said Richard Bogert. “Then one day, I got a phone call saying the military was in urgent need of an effective hydraulic jack for armored Humvees that were in Iraq.”

After the Army began placing heavier armor on the Humvees in use in Iraq and Afghanistan, the Army discovered that the extra weight, when coupled with the unique suspension characteristics of the military Humvee and the unstable soil and road conditions in both countries, resulted in the inability of the original equipment jack to lift the vehicle. The inability to lift the Humvees was putting American military personnel in harms way while tires were being changed, or worse while they waited for help.

“We were very interested in the project — and then we found out we had seven days to get a prototype to them for testing. At the end of five days we didn’t have anything workable. By the end of the next day, I had one built. It happened to be boat race weekend, so I knew they had military Humvees on display. I grabbed the jack and headed to the park to jack up one of those Humvees,” he said.



The jack passed tests that simulated conditions in Iraq.

Although he didn’t consider it perfect, it worked, according to Richard, and he sent it off in time for the testing. Of the new jacks tested, the Bogert Jack was the only jack that met all the military qualifications.

The jack works so well it takes just one person to lift a Humvee in under three minutes. “Time is lifesaving. The longer it takes to change a tire, the longer they are in danger of being stranded and ambushed,” said Bogert.

It is already in use in small numbers in Iraq and Afghanistan.

“I can’t tell you the number of letters and emails I have gotten about how much difference this jack can make,” he said.



The jack takes one person just three minutes to lift a Humvee.

Major Contract Recently Awarded

After winning the prototype design, Bogert began working toward securing a contract with the U.S. Army Contracting Command. In order to win the current contract, Bogert’s jack had to pass rigorous testing that included lifting any corner of the 17,200 pound Humvee on a 10 percent grade on an “unimproved” surface. The jack also had to be easy to use with a limit of just six minutes for a soldier to remove the jack from the Humvee, assemble it, lift and lower the vehicle and return the jack to its storage location.

The big news came in January when the company was awarded a competitive, 5-year contract by the U.S. Army Contracting Command for up to 108,243 new Humvee jacks. The first order has already come in for 10,000 jacks to be manufactured and delivered in the next eight months. The jacks and major components will be manufactured in the Tri-Cities area. If the Army orders the maximum quantity, the fixed-price contract will be worth over \$180,000,000.

“Although we have been selling small quantities of our jacks to the military since October 2006, this contract allows us to dramatically increase production and ensure that our troops are well-equipped both in Iraq and Afghanistan,” he said.

Bogert International continues to grow. They had three employees in 2006. Now they have 14. With the new contract, they expect to double in-house employees.

“And, if you look at everyone else along the supply line, I wouldn’t be surprised if it is over 300 people who will have jobs nationally because of this work and, of those, up to 180 will be right here within our region,” Bogert said. During the height of production, the company expects to produce 96 jacks per day at a rate of one every six minutes.

They are also currently developing and testing a “next stage” jack that will be able to meet the military’s larger vehicle needs.

“This has been an exciting project to work on and has required us to learn a lot about doing business with the government,” he said. “It is a great feeling to know that we are doing something to make life safer and easier for our troops.”

PORT SHORTS

Port Land to Become CBC Training Field

A piece of Port property near Columbia Basin College will soon become an agricultural learning site for the college’s ag students.

“Columbia Basin College approached us about leasing a 19-acre site near the airport, along Road 44 and Argent, and it all fell together so that they can begin working the land yet this spring,” said Ron Foraker, Assistant Airport Director. Because the land is near airport runways, development of the property is restricted; farming is one of the activities that works well.

CBC will install a half-circle on the site this spring, and will have the ability to raise grain, corn, beans, peas, hay and grass seed.

“We signed a five-year lease for the property subject to the City of Pasco approving a special land use permit, which the City Council approved on March 2. It works well for CBC because it is so close to campus. We feel good about partnering with CBC for a use of the land which benefits our agricultural community and students in this way. CBC’s Bill Saraceno worked very hard to put this together and we are pleased as it is a good use of the land right now,” said Foraker.

Water Main Project at Tri-Cities Airport Industrial Park

The City of Pasco is currently bidding a major project that will replace the main water line at the Airport’s Industrial Park. Presently, the majority of older buildings do not have individual water meters.

The actual construction of the project is expected to begin in March and be completed this fall.

Access will remain open to all businesses during construction.

New Airport Parking Lots Concessionaire

Republic Parking System was awarded a five year contract for the operation of the parking lots at the Tri-Cities Airport. The change took place February 1. All current parking lot employees were offered positions with the new company. There were no changes in parking fees.

Employee Service Awards

The Port of Pasco recently recognized these employees for their years of employment with the Port:

30 Years

- **Jane Havens**, Accountant

25 Years

- **Janice Woodall**, Guard, Big Pasco Industrial Center

15 Years

- **Bob Mars**, Maintenance, Big Pasco Industrial Center

10 Year

- **Mayra Reyna**, Administrative Assistant
- **Vicky Keller**, Executive Assistant

5 Years

- **Monte Mathews**, Custodian, Tri-Cities Airport
- **Arthur Owen**, Chief of Police, Tri-Cities Airport
- **George Bowen**, Law Enforcement Officer, Tri-Cities Airport
- **Tara Osterhout**, Law Enforcement Officer, Tri-Cities Airport
- **Jim Rohman**, Law Enforcement Officer, Tri-Cities Airport

Port Submits Proposal for Wagenaar Center

The City of Pasco received three Notice of Intent proposals for the use of the Pfc. Daniel L. Wagenaar Army Reserve Center in Pasco, including the Port of Pasco.

The Port and one of the others which had originally submitted proposals resubmitted and one new applicant has joined the process.

The Defense Department decommissioned the facility at the corner of Maitland and Ainsworth Avenues in 2005, and City of Pasco has been the facility's local redevelopment authority since last spring.

The Port proposes to use the 17,000 square foot facility as a leasable space for small business and other general uses.

Lampson Crane off to China



In September 2007, Lampson International sold an LTL-2600 to the China Nuclear Energy Industry Corporation. This is the first Transi Lift® to be sold to China and it will be used for the construction of a power plant in that country. Lampson ramped up to manufacture the crane — the largest capacity mobile crane in Lampson's fleet — at their facilities at the Port of Pasco as well as the Lampson facility in Kennewick. Manufacturing took approximately a year to complete.

Once complete, the crane was dismantled for shipment to China.

“Morasch Lane” Honors Longtime Airport Director

For nearly 30 years, Jim Morasch has served as the Director of the Tri-Cities Airport. In December, he was honored for that long-time service with the renaming of the west entrance road into the newly completed Tri-Cities Airport Business Center as Morasch Lane.

“The Port of Pasco Commissioners wanted to do something to recognize Jim for his years of dedicated service to the Port, the airport industry and his personal commitment to his country and community,”

said Jim Toomey, Port Executive Director.

Morasch was the manager of the Pullman-Moscow Airport before becoming Director of the Tri-Cities Airport in 1980. In 1988, he achieved the American Association of Airport Executives (AAAE) accreditation, an achievement that is highly respected in the airport industry. In 1999, he became the chief elected officer of AAAE, which is one of the world's largest organizations for airport executives. He served in this capacity for one year.



Jim Morasch, center, stands under the Morasch Lane street sign. Joining him are family members, his wife Launa, daughter Jodi, and sons Adam and David.

Citizens Advisory Committee helps Determine Future of Riverfront Business Park

Understanding the unique opportunity of the development of the Riverfront Business Park, the Port Commission decided to create a Citizens Advisory Committee designed to give input on the first building on the site.

Committee members are, from Mesa: Patti Bailie; from Basin City: Rick Orozco; from Connell: David Hart and Ron Boyer; and from Pasco: Saundra Hill, Jean Ryckman, Rich Cummins, Bill Saraceno, Rick Smiley, Linda Boomer, Dick Banks, Mark Gehlen and Bob Tippett.

The group's first meeting with the Commissioners and Port staff was February 10. They were asked to consider questions regarding the Port's desire for a high quality development, appropriate use of Port funds for developing the first building, who should occupy the first building and even ideas and concepts for this area of Pasco.

The group will continue to meet as the Riverfront Business Park development moves forward.