

West Plains/Airport Area

Public Development Authority

September 20, 2018

11:30 AM – 1:00 PM

Minutes

Attendance

WP-AA PDA Members present: Theresa Sanders, Ben Stuckart, Gerry Gemmill, Larry Krauter, Al French, William Butler

WP-AA Executive Director: Todd Coleman

WP-AA Legal Counsel: Taud Hume

Staff/Guests present: Terry Horne

Meeting called to order 11:30 am

Action Item No. 1: Approval of Minutes: 8/16/2018 Regular Meeting. – Al French made a motion to approve the August 16, 2018 meeting minutes. Gerry Gemmill seconded the motion. **Motion passed unanimously.**

Action Item No. 2: Approval of August 11, 2018 to September 10, 2018 Financials – Ben Stuckart reported he reviewed the financial report and finds it in order. Bill Butler made a motion to approve the August 11, 2018 through September 10, 2018 financials. Al French seconded the motion. **Motion passed unanimously.**

Action Item No. 3: Approve a Resolution Authorizing the PDA to Become a Member of Enduris – Larry Krauter reported the Board approved the Executive Director to execute a contract with Enduris to provide Property and Liability Insurance at the August meeting. Because Enduris is a pool of Washington governmental entities, the PDA Board must pass a Resolution to become a member. Mr. Krauter noted that Enduris was present at the August meeting and presented to the Board a thorough description of their services.

Theresa Sanders made a motion to pass the Resolution. Al French seconded the motion. **Motion passed unanimously.**

Action Item No. 4: Approve a Resolution Authorizing the PDA to Utilize the MRSC Roster – Larry Krauter noted the background provided in the Action Item describing MRSC Rosters and the potential benefit to the PDA. Taud Hume noted the U District PDA is currently developing a procurement policy with assistance from the City of Spokane. There may be an opportunity for the two PDAs to share information, save administration costs and maintain consistency.

Ben Stuckart made a motion to approve the Resolution. Theresa Sanders seconded the motion. **Motion passed. Al French abstained to prevent a potential conflict of interest due to his position on the MRSC board.**

Action Item No. 5: Approve a Contract for Accounting and Financial Services – Todd Coleman reported that he solicited three firms to provide accounting services. One firm, Omlin & Associates does not provide services to governmental entities. The proposals from Moss Adams and Anastasi Moore Martin (AMM) are included in the packet. Moss Adams has a reputation for providing good service to governmental entities, however, Anastasi Moore Martin provides more flexibility to meet the needs of the PDA at a lower cost. The PDA can choose to continue to utilize its current or other accounting software and have AMM available as a resource to ensure that the PDA is tracking transactions correctly to support preparation for the State’s audit. The PDA can also continue to utilize ADP for payroll. At \$40 per pay period, ADP is a cost-effective approach. AMM will review payroll periodically to confirm it is being processed and recorded correctly. Due to expertise and the level of flexibility, AMM is recommended as the firm to provide PDA accounting and financial services. The Board discussed the desire to minimize the cost of the services but understands the need for flexibility because in the next 12 months the PDA will both set up the accounts with AMM and prepare for its first State audit. In the future, the Board hopes the cost of accounting services will be less.

Al French made a motion contract with AMM for Accounting and Financial Services for an amount not to exceed \$30,000. Theresa Sanders seconded the motion. **Motion passed unanimously.**

Action Item No. 6: Domain Names - Todd Coleman stated the PDA could use WPAAPDA.Net (com or org) for its domain name. The branding effort could be separate from the PDA domain name. He also discussed that the Board may want to consider using InnovateSpokane.com (net or org). This communicates the vision of the PDA becoming an innovation center for advanced manufacturing and aerospace and keeps it tied to Spokane. The Board was concerned that Innovate may be confused with other efforts in the area and that Spokane may be too broad. The Board suggested that we need to have more discussion around our branding before selecting a name. There is no urgency in the next couple of months.

Ben Stuckart moved to table the selection of a Domain Name. **Action Item No. 6 was tabled.**

Project Updates: Project Hercules – Todd Coleman noted the PDA is developing a Performa for a build to suit for an aerospace company needing approximately 30,000 sf. Theresa Sanders discussed the need for the Board to develop a long-term vision for the PDA. This is necessary to align resources with the mission and to decide how the PDA will be involved with infrastructure, including buildings. Ben Stuckart discussed the need for a decision matrix to help guide the PDA as to when it should look to partners to build infrastructure and when it will be appropriate for the PDA to do so. Larry Krauter explained the need for the PDA to lease the building and the Airport to lease the land because of the time it will take to go through a process for the Airport to sell the property due to FAA process and uncertainty. He discussed the legislative improvements the Airport is leading to make the sale of property, not necessary for aeronautical uses, process more predictable. Todd Coleman discussed the potential for a pilot program to transfer Airport property to the PDA followed by an RFP process to solicit interested developers to purchase and build buildings consistent with the PDA Board’s vision.

Project Updates: Draft Budget- The Board discussed the projected revenue and the importance of tracking revenues and expenses over the next year. Gerry Gemmill stressed the importance of testing our assumptions given that this is a new revenue model for the PDA unlike any other. Al French mentioned that we are learning as we go. This was illustrated by the potential equipment sales company that receives an Interstate Motor Carrier Tax Exemption for 90% of its sales. Ben Stuckart mentioned

that we need to understand the impacts of TIFFs and tax exemptions as it will have an impact on our targeted marketing efforts. Larry Krauter recommended the Executive Director report quarterly on how the actual revenues are compared to budget projections.

Project Updates: Geiger Blvd– Al French explained an existing TIFF will received the first 75% of incremental property tax along much of Geiger Blvd. Therefore, the County is exploring replacing the PDA commitment of 40% of the Geiger Blvd improvement costs to the TIFF. Ben Stuckart mentioned the potential for placing heated water and return lines in Geiger Blvd while it is in construction. Heat could be provided to business from heated water from the Waste to Energy plant and be used in the envisioned eco park. Bill Butler mentioned we should consider the potential of using the heated water to heat the road for snow removal as well. Al French discussed the Federal delegations support of the County’s Build grant for Geiger Blvd.

Project Updates: PDA Presentation – Todd Coleman asked for input on the PDA presentation and noted we are getting more requests for presentations, which is important for getting the word out. He also mentioned, the PDA received two leads on warehouse space for temporary storage for Project Hercules and the potential for three board candidates from the West Plains Chamber presentation. Larry Krauter suggested the need for a one-page summary on the PDA to communicate to stakeholders. Gerry Gemmill suggested a future presentation to the County Commission.

Project Updates: Board Retreat – Todd Coleman requested input on the Draft Retreat Agenda. The Board looks forward to discussing the opportunities around the eco park and stormwater. Theresa Sanders mentioned opportunities in the future around energy usage from the Waste to Energy facility. Larry Krauter mentioned the importance of discussing our development objectives. Theresa mentioned the potential to form strategic partnerships with higher education like WSU to model uses of the ash from the Waste to Energy facility.

Project Updates: Knowledge Exchange – Todd Woodard reported on meetings in Farnborough to recruit aerospace businesses. Ben Stuckart and Todd Coleman gave a briefing on lessons learned from Denmark and Sweden.

Old Business – Theresa Sanders mentioned the City is working with the property owners along Electric Avenue on the sewer alignment which was previously installed for an old alignment for Electric Avenue.

New Business – Todd Coleman reported the Stormwater RFQ will be advertised beginning September 24, 2018.

Board Member Items - None

Public comment – Terry Horne expressed the concerns neighborhoods south of the I-90 have regarding stormwater. They have experienced flooding for years and hope the County will be making improvements to reduce the frequency of flooding. She also encourages any studies consider the potential impacts to the groundwater aquifer.

Meeting adjourned at 1:08 PM.