

# West Plains/Airport Area

## Public Development Authority

December 20, 2018

11:30 AM – 1:25 PM

### Minutes - Regular Meeting

#### Attendance

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**WP-AA PDA Members present:** Larry Krauter, Ben Stuckart, Theresa Sanders, William Butler, Greg Bircell, Al French (via phone), Gerry Gemmill (via phone)

**WP-AA PDA Members Absent:** None

**WP-AA Executive Director:** Todd Coleman

**Staff/Guests present:** Taudd Hume, Katherine Miller, Matt Zarecor, Sean Messner, Chad Coles, Bonnie LaFores, Mark Mattke, Amiee Navickis-Brasch, Terry Horne, Shauna Harshman, Brandi Colyar, Mark Allen

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**Meeting called to order 11:30 am**

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**Welcome and Introductions:** Board Chair Larry Krauter welcomed new Board Member Greg Birchell, thanked him for his interest in the PDA and for his involvement already in the selection of a consultant to provide Branding and Logo services to the PDA. Greg Birchell thanked the Board for his selection and stated he looks forward to working with the Board to promote economic development within the PDA. His interest in the Board stems from the proactive business development activities he is seeing from the PDA and he will bring his experiences to benefit the promotion of the PDA and Spokane region.

**Public Comment/Courtesy of the Floor:** Mark Mattke from the Spokane Area Workforce Development Council introduced himself and the importance of the Council in supporting the job needs of the Spokane area. He looks forward to working with the PDA to develop programs and a workforce supporting the recruitment of businesses to the area.

Terry Horne addressed the PDA Board about the importance of stormwater management within the West Plains. She shared maps depicting critical drainage areas in the West Plains. She supports a stormwater plan for the West Plains and hopes it considers the area south of I-90, particularly the West Terrace Heights area. West Terrace Heights and the golf course have experienced stormwater runoff issues for years. Ms. Horne requested the PDA to consider the 2003 URS Study and its evaluation of the effectiveness of drywells.

Bill Butler noted he attended the West Plains Chamber monthly meeting which focused on adequate housing for the West Plains work force. He supports integrated solutions to effectively manage stormwater and potentially irrigation needs for surrounding communities.

**Action Item No. 1: Approval of Minutes: 11/15/2018 Regular Meeting.** Ben Stuckart made a motion to approve the November 15, 2018 minutes. Bill Butler seconded. **Motion passed unanimously.**

**Action Item No. 2: Approval of the November 10, 2018 to December 10, 2018 Financials.** Ben Stuckart, Board Treasurer reported he reviewed the financials and finds everything in order. Theresa Sanders made a motion to approve the financials. Ben Stuckart seconded. **Motion passed unanimously.**

**Action Item No. 3: Election of 2019 Officers.** Ben Stuckart discussed the future changes in the PDA Board Members. The City Airport Board designated representative position is held by the President of Spokane City Council. Since he is running for Mayor, he will vacate his seat on the PDA Board in 2020. The City of Spokane City Administrator will likely change with the election of a new Mayor. He noted consideration of the succession of Board Members should be considered when electing a slate of officers. Taudd Hume noted the bylaws allow for members to serve two years in any officer position. The following slate of officers was proposed:

- Chair – Larry Krauter, CEO of Spokane International Airports
- Vice Chair – Al French, Spokane County Commissioner
- Treasurer – Ben Stuckart, City of Spokane City Council President
- Secretary – Bill Butler, President of Web Properties, Inc.

Gerry Gemmill made a motion to select Larry Krauter as Chair, Al French as Vice Chair, Ben Stuckart as Treasurer and Bill Butler as Secretary of the PDA Administrative Board. Theresa Sanders seconded the motion. **Motion passed unanimously.**

**Action Item No. 4: Association of Washington Cities EBT HCP Member Resolution 2018-12.** Todd Coleman shared the status of obtaining healthcare benefits for the PDA. At the November meeting, the Board directed the Executive Director to apply for healthcare, vision and dental benefits through the Association of Washington Cities program and to request a supporting resolution from the City of Spokane for the PDA to become a non-entity member. AWC has processed the application, the City of Spokane has passed a supporting resolution and the final step is for the PDA Board to adopt Resolution 2018-12 joining the PDA as a member of the Association of Washington Cities Employee Benefit Trust.

Al French made a motion for the West Plains Airport Area PDA to adopt Resolution 2018-12 to become a member of the Association of Washington Cities Employee Benefit Trust. Ben Stuckart seconded. **Motion passed unanimously.**

**Action Item No. 5: Washington State Paid Family and Medical Leave Resolution 2018-13.** Todd Coleman stated the new Washington State Paid Family and Medical Leave begins effective January 1, 2019. The purpose of the program is to provide a leave benefit to employees to recover from serious illness or injury, care for a new child or support an aging parent. The Paid Family and Medical Leave is intended to be a shared benefit that gives every Washingtonian support when they can't be at work.

The employer is required to pay 37.667% of the 0.4% premium except for employers with fewer than 50 employees, which the PDA meets. The employer must withhold 63.33% of the 0.4% premium from the employee. However, the employer may elect to pay a portion or all of the employees 63.33% portion of the premium.

Theresa Sanders stated the City of Spokane will not share the employee's 63.33% initially but is evaluating a City/Employee share split once implementation of the plan is better understood. Details are still being worked out at the state level. Bill Butler noted Web Properties is taking a similar approach as the City of Spokane. Initially the employee will contribute the full 63.33% but they plan to re-evaluate during 2019. Ben Stuckart suggested a 50/50 split between the PDA and employee through the end of 2019. The Board believes it is an important tool for the PDA to share in the Paid Family and Medical Leave to hire and retain quality staff.

Theresa Sanders made a motion for the West Plains Airport Area PDA to adopt Resolution 2018-13 with the PDA contribution to be 50% of the employee's portion or 31.665% (63.33% divided by 2) of the 0.4% of wage premium, and for the PDA to re-evaluate the PDA portion at the end of 2019 for 2020 premiums. Ben Stuckart seconded. **Motion passed unanimously.**

**Action Item No. 6: Authorize a Contract for the West Plains Stormwater Study.** Todd Coleman shared the purpose of the West Plains Stormwater Study. The PDA, City and County staff participated in the selection of HDR Engineering, Inc. and the negotiation of the scope of work and fees. The team is recommending splitting the scope into three phases. The first phase will include assimilation of existing data and collection of additional subsurface geotechnical data over the winter months. The second phase will include the modeling of groundwater and surface water runoff. The third phase will develop a capital plan for the development of regional conveyance and treatment facilities and prepare the background necessary to set up a stormwater utility if appropriate.

The City of Spokane has committed \$150,000 toward the study. The City and County staff shared the importance of this study to develop a regional solution to a complex stormwater runoff area. They also emphasized providing certainty to developers is key to attracting new businesses to the PDA and Spokane area.

The Phase 1 Scope of Work is estimated not to exceed \$69,999.93 and will be completed mid-2019.

Bill Butler made a motion for the West Plains Airport Area PDA to authorize the Executive Director to execute an agreement for stormwater services for the West Plains Airport Area with HDR Engineering, Inc. for the Phase 1 effort in the amount not to exceed \$69,999.93. Ben Stuckart seconded. **Motion passed unanimously.**

### **Project Updates, Presentations and Briefings**

- Chad Coles provide a Spokane County update on the Geiger Blvd BUILD Grant including project elements, anticipated schedules and multi-jurisdictional collaboration. The total project is \$44.7 million, is very complex due to the number of elements in a relatively small work area and has a very aggressive schedule.
- Al French, Bill Butler and Greg Birchell gave an update on the selection of a consultant to provide Branding and Logo services. The committee has requested additional information from the consultant and anticipates making a selection prior to the next meeting. The fees fall within the Executive Directors authority.
- Bill Butler acknowledged the excellent work by Al French and Larry Krauter to get the PDA well deserved earned media in Site Selection Magazine. Bill stated the PDA needs to use this article to promote the PDA and to get into additional earned media positions.

- Todd Coleman has narrowed the Administrative Assistant candidates to two. He will prepare an offer for review by the Chair and Treasurer and anticipates having the position filled in January.
- Todd Coleman noted the IT Services contract has been awarded to Intrinium. They have installed the new hardware including the firewall. The software is being set up on January 3<sup>rd</sup>. The two private business representative board members will each get PDA issued emails. How to best set those email accounts up on their private machines is being further evaluated. The goal is for the PDA to have a record of all documents, including emails, for the purpose of maintaining public records.
- Project Updates: Todd Coleman noted the PDA is currently working with three companies on potential build to suits. One is an aerospace company that needs 30,000 sf of warehouse space and will grow to approximately 50 employees. Another is a company interested in a 90,000 sf airplane hangar for painting aircraft. This business would have long term contracts with large aircraft manufacturers and major airlines. The facility would likely have 150 or more new employees. The third is a large medical provider which is interested in setting up urgent care, occupational health, physical therapy and potentially a family practice office in the West Plains. Bill Butler walked through two existing buildings in the PDA with the customer and reported on the existing buildings.

### **Other Business**

- **Unfinished Business:** Todd Coleman reported on the proposed changes to the PDA creating documents. Generally, they include:
  - Road Tax Collection and Distribution Process: The PDA will propose language supporting the collection and retention of incremental Road Tax levy within the PDA by Spokane County. The PDA Board will set a prioritized list of road projects within the PDA. The County will spend incremental Road Tax levy collections from within the PDA on projects within the PDA.
  - Revenue Sharing of the 25% between the County and City: The existing language of the creating documents directs the remaining 25% to the “originating jurisdiction.” Members of the County recall the intent of the 25% was to be revenue shared meaning the City and County would share the 25% equally. Members of City recall the language as stated in the agreements, returning the 25% to originating jurisdiction. The City and County representatives will discuss the two options within their respective entities in preparation for further discussion at the January PDA Board Meeting. Future discussions will focus on (1) intent, (2) administrative impacts of each option, and (3) desired outcome.
  - Processing of Incremental Tax on Expansion of Existing Businesses: The intent of the language is for the PDA to receive incremental sales tax increases on businesses moving from another location in Spokane County. The PDA will provide clarifying language and base the calculation of “incremental sales tax” on the previous full reporting year for sales tax for the business.
  - Misc. items: There are several items requiring clarifications which will be addressed.
- **New Business:** None

**Executive Session:** Executive Session was called at 1:05 PM for the purpose of discussing price consistent with RCW 42.30.110(1)(c) “to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price (final action selling or leasing public property shall be taken in a meeting open to the public).” Executive session shall extend to 1:20 PM. No action was taken.

At 1:15 PM the meeting was reopened to the public and the executive session was extended to 1:25 PM. No action was taken.

At 1:25 PM the meeting was reopened to the public and the December 20, 2018 meeting was adjourned.