

Program gives used Hanford equipment new lease on life

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When Adam Schatz spotted the 22,000-gallon water tank at an auction of Hanford site used equipment, he jumped at the chance to buy it for his Benton City asphalt business. Schatz, who owns A&B Asphalt, bought the tank for \$500. Now it stores high-grade oil, which gets mixed with rock to make asphalt for roads, parking lots and other structures around the Mid-Columbia area.

The recycled tank is saving the business thousands of dollars. "Before we added this tank, we were bringing in a portable one at about \$1,500 per month for this grade of oil," said Don Thacker, an estimator for A&B Asphalt. Buying a new tank outright would have cost at least \$50,000, he added.

"Because we got the tank at such a low cost, we were able to invest more of our own money to heat and insulate it, which keeps the oil fluid enough to pump and mix," Thacker said.

A&B Asphalt's oil tank is one of the thousands of pieces of used equipment getting a new lease on life, thanks to a program administered through the Tri-City Industrial Development Council. TRIDEC formed the Tri-Cities Asset Reinvestment Company, or TARC, in 1999 to transfer excess assets from the U.S. Department of Energy's Hanford site to the private sector.

"We get equipment that is no longer needed at the Hanford site and make it available to commercial businesses, at or below market cost," said Sean Stockard, TARC's chief operating officer and the director of economic transition for TRIDEC. "Our goal is to create more jobs and generate revenue for community economic development projects."

The 586-square-mile Hanford site, with 11,000 employees doing everything from engineering to earth-moving, generates a wide range of excess items for the private sector. "People have bought everything from copy machines, printers and refrigerators to truck-mounted drill rigs, bulldozers and cranes," Stockard said. Vehicles, buildings and land are handled under other programs and are not available through TARC.

How does a crane—or anything else—get from a Hanford work site to a small business? Hanford site contractors continually enter their excess equipment into a database. Items that are not claimed by other Hanford companies in 15 days get shipped to a Pasco warehouse. Every 45 to 65 days, TARC holds a local auction where any company or individual can bid on whatever equipment is available at that time.

Auction notices go to a mailing list of 5,000 to 6,000 bidders nationwide. Stockard said an auction last July attracted more than 100 registered bidders

from 22 states. Despite the wide range of bidders, about 70 percent of the auctioned equipment ends up going to Tri-Cities businesses, according to Dan Sours, Science Applications International Corporation. Science Applications administers the TARC program for TRIDEC.

Profits from equipment sales get reinvested in a business recruitment incentive fund, Stockard said. TRIDEC uses incentive packages to encourage companies outside the area to locate in the Tri-Cities. Recruiting packages could include funding for buildings, worker training, extending electricity and sewer lines or tax offsets, Stockard said.

The incentives are intended to encourage expansion rather than relocation, Stockard added. "It's for business owners who want to add another office or branch in the Tri-Cities, not leave their current location and come here instead."

Stockard said money from TARC was used as part of an incentive package to attract Ferguson Enterprises, Inc. to Richland. The \$3.3 billion plumbing supply company expects to begin building a \$23 million distribution center on 75 acres in Horn Rapids Park in November.

Stockard said when enough TARC profits accrue to create a sustainable fund, TRIDEC will use some of the money to help expand businesses already in the Tri-Cities.

In addition to its auctions, TARC is gearing up to start a retail-type store at its Pasco warehouse. TARC's seven-member board of directors, who represent Tri-Cities business and economic development interests, have authorized the retail operation and details are being worked out, Stockard said. The warehouse is expected to be open one or two Saturdays each month until about noon. Ads will run in local media when the retail store opens for business.

In the mean time, Schatz and Thacker of A&B Asphalt will keep cruising upcoming auctions for promising "finds." "We've gotten all kinds of things from auctions. It helps keep our costs and overhead down," Thacker said.

To be added to the mailing list for auction notices, contact Vail International Auctioneers at (509) 947-6333. Auctions are held at 312 N. 20th Ave in Pasco, the former Ace Plywood store between Lewis and Sylvester Streets. Check local media for announcements about upcoming auctions and items available for bid. For more information about the excess equipment program, contact Sean Stockard at 735-1000 ext. 225 or sstock@tridec.org, or Dan Sours at 372-7714 or daniel.i.sours@saic.com.

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