

ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 6D
Meeting Date: 1/22/25

DATE: January 13, 2025

TO: Port of Tacoma Commission

FROM: Eric Johnson, Executive Director

Sponsor: Alisa Praskovich, Chief, Strategic Projects & Commission Relations

Project Manager: Debbie Shepack, Sr. Director, Real Estate and Berny Rodriguez, Sr. Real Estate Specialist

SUBJECT: Thermo Fluids, Inc. Lease Amendment - 1st Reading
1851 Alexander Ave, Tacoma Washington, 98421

A. ACTION REQUESTED

There is no action requested at this time. The following action will be requested at the February 19, 2025 commission meeting:

Authorization for the Executive Director or his designee to enter into a 1st amendment with Thermo Fluids, Inc. ("Thermo Fluids") located at 1851 Alexander Ave, Tacoma WA. The premises consists of approximately 6,175 square feet of warehouse, 1,181 square feet of office space, 3,289 square feet of covered area, 0.24 acres of parking and 2.31 acres of yard space.

Strategic Plan Initiative: EV-2 and EV-3

B. BACKGROUND

- Thermo Fluids was established in 1993 and since then has been an environmental service provider throughout the United States.
- Thermo Fluids is a subsidiary of Clean Harbors who is the largest hazardous waste disposal company in North America.
- Thermo Fluids aids in cleaning barges and spills.
- During their tenancy, Thermo Fluids has upgraded the lighting throughout the whole building as well as updated the drainage system on the property and replaced the roof of the building.
- No waste storage is allowed on the property, but Thermo Fluids is allowed to store their sealed recycled products such as transmission fluids, oil, and antifreeze.

C. PRIMARY LEASE TERMS

- Approximately 6,175 square feet of warehouse, 1,181 square feet of office space, 3,289 square feet of covered area, 0.24 acres of parking and 2.31 acres of yard space.
- Use of the property is for the storage of recycled clean products and empty trucks.
- The lease provides an option to store trucks containing waste on the premises, subject to permitting from the City and approval from the Port.
- Changes to the current lease include an increase in general and auto liability insurance to two million dollars.

D. TIMEFRAME/PROJECT SCHEDULE

First Reading	January 22, 2025
Second Reading	February 6, 2025
Amendment Commencement Date	February 1, 2025

E. FINANCIAL SUMMARY

- Current rent is \$22,256.13 per month.
- Rent effective February 1, 2025 - \$23,664.55 per month/ \$283,974.60 per year.
- Increases every year by CPI with option to adjust to fair market value.

F. ECONOMIC INVESTMENT / JOB CREATION

This lease provides 20 jobs within the community. Thermo Fluids also supports local automotive locations providing servicing and recycling of their used goods.

G. ENVIRONMENTAL IMPACTS / REVIEW

No known environmental impacts.

H. NEXT STEPS

Second reading is slated for February 6, 2025. Upon commission approval of the requested action, the Port Executive Director, or his designee will enter into the lease extension with Thermo Fluids will commence on February 1, 2025.