



PORT OF CHELAN COUNTY
Board of Commissioners
Meeting Minutes
238 Olds Station Rd, Suite A, Wenatchee, WA 98801
June 4th, 2009
8:30 am

Present:	Michael H Mackey, President	Ron Johnston-Rodriguez/Dir Economic Development
	Craig N. Larsen, Vice President	Dayle Rushing, Property/Facilities
	JC Baldwin, Secretary	Laura Jaecks, CTC Manager
	Mark Urdahl, Executive Director	Judy Bradford, Recording Secretary
	Mike Armstrong, Director-External Affairs	Aimee Pope, Ass't to Economic Development
	Monica Lough, Internal Auditor	Jen Upshaw, Projects Assistant
		Jon Eberle, Real Estate Consultant
		Karen Kornher, Engineering
Others:	Allison Williams, City of Wenatchee	Pete Hill, Trust for Public Lands
	Bob Bugert/Chelan-Douglas Land Trust	Steve Hair, KOHO/KOZI Radio

Commission President Mike Mackey called the meeting to order at 8:34 am.

CONSENT AGENDA*

The consent agenda was presented for consideration. Item B: Resolution No. 2009-08 establishing the Executive Director Delegation of Authority was removed for consideration at future meeting.

Motion No. 06-01-09
 Moved By: JC Baldwin
 Seconded By: Craig N. Larsen
 To approve the consent agenda consisting of the meeting minutes from the May 21st, 2009 commission meeting. Motion Carried.

Items from Commissioners

Commissioner Mackey announced a woody debris meeting on June 12th to be held by the Ann Knapp of the Governor's office of regulatory assistance. Theory is to put large woody debris in Lake Chelan to mitigate for docks in consideration of fish habitat.

DIRECTORS' REPORTS

Executive Director

City of Wenatchee Waterfront Development Update

Mark Urdahl provided a brief history of the Orondo Moorage project which is a planned new day use project in the Columbia River, and then Allison Williams presented an update on the Orondo Moorage project: The engineer's new estimate came in at \$593,000 with project administrative management at \$60,000. The previous estimate was \$729,000. The city will put out to bid at the end of next week. The City anticipates new bids lower than the engineer's estimate. If bids still come back high, the City will go back to a grant source for an increase. The City may also come back to the Port for any potential additional funding. There is demand for day use moorage.

Riverside Drive is underway and progressing; 3-4 weeks ahead of schedule. The City will have ribbon cutting this fall. Discussion ensued. No action taken.

Wenatchee Foothills Trail

Mike Armstrong introduced Bob Bugert/Chelan Douglas Land Trust and Pete Hill/Trust for Public Lands, a national conservation organization. Bugert briefed the commissioners on the

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Wenatchee Community Foothills Strategy. City's study of infrastructure needs provided guidance. City study was conducted and a public open house held on the findings. Three major needs: development opportunities, conservation of wildlife areas and recreation. Community must have a plan to balance these needs and provide economic benefit to the community. If not addressed, there is potential conflict of these competing needs.

A foothills trail is analogous to the Apple Capital Loop trail. It could be an economic driver for the greater Wenatchee community; but it needs a proactive approach.

The City and County are working cooperatively on this project at the staff level. Rich Riazzi, Chelan County PUD General Manager provided a very strong letter of support to proceed with this process. The committee has met with Chelan County PUD staff. The PUD desires a proactive approach to avoid conflict further on in the process. The PUD is very engaged in the process. Home Builders Association has engaged with the process to work out development options to avoid conflict.

Discussion ensued. Bugert asked the commission for \$5,000 to help fund the public opinion polling; and offered to put Port issues in the poll. Bugert also asked for a resolution of support for the process similar to what the Wenatchee City Council provided. Chelan County Commissioners have also asked a resolution of support.

Mark Urdahl responded by saying any decision regarding a financial contribution will need to be reviewed by Port legal counsel who is absent from today's meeting. No action taken.

Grant Match for Cashmere Airport

Mark Urdahl briefly explained the request of funding for match of an FAA grant for work already completed at the Cashmere airport. The airport is obligated for the matching funds. Urdahl will ask the airport manager, Jon Skoglun to come to future commission meeting. The Port will need to have conversation with Chelan County Commissioners about this request.

Cashmere mill site update (new item)

Jerry Litt, Alliance Consulting Group, provided an update on annexation and water rights for the Cashmere property. Port staff and Litt have met with City of Cashmere staff. The City of Cashmere's annexation ordinance requires annexed property to bring enough water rights into the city to serve property that is developable. Litt briefly explained what the new boundaries with the City would look like if the Cashmere property were annexed.

Port has access to enough water rights to qualify for annexation. Also, there are enough adjacent property owners who favor annexation (60%).

Commissioner Mackey asked for RH2 Engineers to investigate water flows to the Cashmere mill property from Brender Creek. Karen Kornher will report back to Commissioners at the next meeting.

Mark Urdahl explained the Port has budgeted funding for improvement of the Cashmere mill property and asked Karen Kornher to review upcoming improvements that are needed.

Karen Kornher explained one project was demolition of the kiln building; asbestos testing showed the kiln building and others needed an alternate demolition plan due to the asbestos abatement and lead paint issues that exist.

Also the removal of concrete slabs and grading the property clean and flat needs to be done; however, there are two issues: to start clean up, Port needs to decommission the water system, or contractors will inadvertently tear up water lines. Kornher suggests putting in a temporary two inch line to serve the users. Engineers will then design and install a new system after the needed clean up, excavation and testing has been completed.

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Clean up in the wetland buffer will need a permit or exemption to do the work, or defer the work until after annexation then there would only be a 100 foot buffer. It would take a minimal amount of work to get the permits. Timeline is to complete before winter. The cleaned area will be hydro seeded with some native grasses to mitigate weeds.

Discussion ensued. No action taken.

**Pangborn Memorial Airport
Contract Award for Security Gate/Locks and Fiber**

Pat Moore reported the bids have been opened. Based on the bids received, the staff recommendation is to award to Valley Electric company in the amount of \$204,879. Two bids were received and Valley Electric was the low bidder. This contract will complete the fence and the gate project.

Motion No. 06-02-09
Moved By: Craig N. Larsen
Seconded By: JC Baldwin
To authorize the airport manager to sign an agreement with Valley Electric in the amount of \$204,879 for airport security improvements, as presented, subject to receipt and approval of grant offer #31. Motion Carried.

Approval for Air Pacs

Pat Moore explained this venture is coordinated with Douglas County Fire District. The air pacs go on the ARF truck for the firemen at the airport. Acquiring the air pacs brings airport into compliance with FAA standards.

Motion No. 06-03-09
Moved By: Craig N. Larsen
Seconded By: JC Baldwin
To authorize the airport manager to acquire three Airpacs in the amount of \$15,325, subject to receipt and approval of grant offer #31. Motion Carried.

Authorization to Sign Contract for Environmental Assessment for Airport Way

Moore worked with Port legal counsel to utilize the USKH existing contract to do the environmental assessment for Airport Way. She sought USKH because they understand FAA requirements. She is still negotiating with USKH to substantially reduce the cost.

Motion No. 06-04-09
Moved By: JC Baldwin
Seconded By: Craig N. Larsen
To authorize the airport manager to sign an amendment to a contract with USKH Engineers for the environmental assessment of the realignment of Airport Way not to exceed \$18,810 as presented, subject to receipt and approval of grant offer #31. Motion Carried.

Approval for Douglas County Design of Airport Way

This agenda item was removed from the meeting agenda. Staff needs to determine the exact cost. This item will move to the agenda for the meeting on June 24th

Review of Cafe Equipment Purchase

Moore explained the items listed on the inventory for the café would be needed to have a café in the airport. She reviewed the replacements that have been made for the café. The savings of getting the equipment all at one time is a big savings for the airport. It is a good deal if it will be used. Discussion ensued. Topic is tabled until June 11th workshop.

Approval of Cafe Vendor Proposal

Pat Moore briefly reviewed the proposal received from Conservative Union Enterprises for operation of limited food service in the café space in the airport terminal.

Motion No. 06-05-09
Moved By: Craig N. Larsen
Seconded By: JC Baldwin
To approve the proposal of Conservative Union Enterprises, Inc to operate a limited food service in the airport terminal as presented. Motion Carried.

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Purchase order/sales contract for terminal building seating \$87,936.11

Moore briefly explained the need for additional seating at the airport terminal. The purchase price is \$87,936.11. She asked approval to sign the contract. There is a 10-week delivery period, and requires a down payment of \$22,984.03.

This purchase amount includes installation. This item will go before Port of Douglas County on June 10th. Moore will provide the commissioners the exact number of seats to be added and the layout plan.

Motion No. 06-06-09

Moved By: JC Baldwin

Seconded By: Craig N. Larsen

To authorize the airport manager to sign a contract with Chandler Business Interiors in the amount of \$87,936.11 for seating for the airport terminal as presented. Motion Carried.

Update

Pat will discuss the need to initiate PFC Application #9. It is time to submit the next application. Staff recommends submit an application that is for \$107,315 for sponsor's portion only. Get approval and some projects. Come back to commissioners with recommended projects. Tight timeframe; There is a required 30 day notice to the air carriers.

Motion No. 06-07-09

Moved By: Craig N. Larsen

Seconded By: JC Baldwin

To authorize the airport manager to initiate PFC application #9. Motion Carried.

Regular session recessed for a break at 9:56 am for five minutes. Regular session was reconvened at 10:06 AM.

Economic Development Director

Update

Commissioner Mackey thanked the Economic Development staff for the great job they continue to do with PowerUp Summit. Mike Armstrong provided a brief accolade for the successful conference.

Ron Johnston-Rodriguez (RJR) discussed the high points of the conference with the commissioners.

Aimee Pope provided commissioners information on conference attendees where they are from and who they represent. She also explained follow-up process with conference attendees and speaker.

RJR stated the 10% other category of attendees are the entrepreneurs and investors. The notoriety of this conference has grown. The Tesla owner, David Kaplan-previous owner of V2Green, credits the Port of Chelan County for him starting up his company. Felix Kramer brought to Washington for the PowerUp listened to and met with Dave Kaplan. Kaplan began his company as a result.

Rogers Weed, new Director of CTED is working to position the energy policy for the industry here in Wenatchee.

RJR updated commissioners on conversations with parties involved in lithium mining and battery production, and subsequent support industries. Headquarters for this company will be in Wenatchee; he is currently sub-leasing space in the CTC.

Kaplan was excited about the great connections he made at the PowerUp Summit. Through Port staff involvement in these conversations, Wenatchee (Chelan County) has the potential for expansion opportunities for supporting industries.

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