



**Special Meeting Minutes  
of the Board of Commissioners  
Port of Chelan County  
Joint Session with Chelan County & Chelan County PUD  
Monday, November 15<sup>th</sup>, 2010 at 1:00 pm  
Chelan County PUD – Commission Board Room  
327 North Wenatchee Avenue, Wenatchee, WA 98801**

**Present:**

**Port of Chelan County**

Craig N. Larsen, Commissioner  
JC Baldwin, Commissioner  
Michael H. Mackey, Commissioner  
Mark Urdahl, Executive Director  
Judy Bradford, Director of Business Ops  
Kathleen Knappert, Staff Assistant  
Greg Phillips, Airport Director

**Chelan County**

Ron Walter, Commissioner  
Keith Goehner, Commissioner  
Doug England, Commissioner

**Mayors**

Bob Goedde, City of Chelan  
Gordon Irle, City of Cashmere  
Keith Vradenburg, City of Entiat  
Dennis Johnson, City of Wenatchee

**Chelan County PUD**

Dennis Bolz, Commissioner  
Randy Smith, Commissioner  
Carnan Bergren, Commissioner  
Ann Congdon, Commissioner  
Norm Gutzwiler, Commissioner  
John Janney, General Manager  
Joe Jarvis, Executive Mgr. – Operations Group  
Carol Wardell, Exec. Mgr. – Legal & General Counsel  
Wayne Wright, Exec. Mgr. – Dist. Services Group  
Jeff Smith, Comm. & Intergov. Relations Mgr.  
Steve Currit, Shared Services Director  
Gregg Carrington, Licensing Director  
Sheila Salmon, Board Clerk  
Steve Lachowitz, Communications Director

**Legislative Representatives**

Senator Linda Evans Parlette  
Representative Mike Armstrong  
Representative Cary Condotta

**Others:**

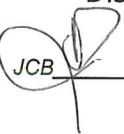

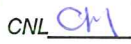
Allison Williams, City of Wenatchee  
Christine Pratt, Wenatchee World  
Marc Straub, NCHBA  
Jim Reinbold, City of Chelan  
Joel Walinski, City of Leavenworth  
Kurt Hammond, Legislative Assistant

Shiloh Schauer, Legislative Assistant  
Madison Cunninham, Senator Parlette's office  
Sally Taylor, Chelan County Board Clerk  
Cathy Mulhall, Chelan County Administrator  
David Grimes, Chelan County Comm. Dev.

PUD Commissioner Dennis Bolz called the Chelan County Tri Commission meeting to order and stated it is an extension of the PUD Commission meeting, which began and recessed earlier that day. Port of Chelan County Commission President Craig Larsen called the special meeting of the Port of Chelan County commission to order at 1:06 pm. The pledge of allegiance was led by Commissioner Dennis Bolz.

Jeff Smith, with Chelan County PUD, acted as facilitator for the tri-commission meeting. Self introductions around the table and around the room were made. Smith announced the meeting is being recorded.

Senator Linda Evans Parlette stated the elections are over, however, in some areas such as King County they are still counting ballots. She reported the elections should be certified in the next couple weeks. Minority republicans will be picking up some seats in the house and the senate, but the majority will still be held by democrats. She stated republican colleagues are urging them to put together a budget in the future with bi-partisan support. The budget will be 4.5 to 4.8 billion dollar deficit. Senator Parlette stated the Washington State revenue forecast will be out on Thursday. Once that is released, the governor will begin writing the budget. In past years the revenue forecast was less than projected. Discussion ensued.

JCB  MHM  CNL 

Representative Condotta stated the last two years have been challenging for everyone, in both the public and private sector. He stated this is a time to create a sustainable budget, which will be a challenge. He reported we are still in an economic downturn. Individuals have deleveraged and adjusted their lifestyles. They have reduced costs and cut payroll. Government will need to make similar adjustments. He stated in addition to the budget, there are some policy issues to deal with. For example, he stated there have been double digit increases for unemployment taxes and worker's compensation. Minimum wage has also been increased. This is a difficult time for small businesses. They will work to improve things from a policy standpoint. Representative Condotta continued an overview of legislative session and discussion ensued.

Representative Mike Armstrong stated across the board cuts is not the answer in this current economic crisis. He would prefer agencies decide for themselves what parts of the agencies are not critical at a time like this, as opposed to the legislature deciding this for them. Armstrong reported the house is comprised of 98 members and there are approximately 42 or 43 republican seats. The senate has 49 members, approximately 22 of which are republican seats.

Representative Armstrong provided an update to the mayors. He reported he is a ranking member of the Joint Transportation Committee. This committee has been meeting over the summer to review various studies. One study outlined the option of combining local DOT programs such as CRAB, TIB, and FNSB. After thorough review it was decided this was not in the best interested of local governments. These local programs will most likely remain intact. Armstrong also spoke about an initiative passed, which puts back in place the 2/3 requirement for legislature to raise taxes. There are still discussions on taxes versus fees and whether or not they can give authority to agencies to raise fees. Armstrong also discussed the bargaining bill the legislature passed a few years ago. This allows bargaining units to bargain directly with the governor's office. They are still exploring the contracting portion of that bill. Discussion ensued.

Discussion ensued regarding L&I. Representative Condotta stated there is pressure to modify the current system. Rates continue to go up. Most recently there was a 12 percent increase. Discussion ensued. Condotta stated that nationally, injuries are down. We are the only state that continues to increase workers compensation rates. The states that have passed privatization have seen a 50 percent reduction in taxes with better results. Discussion ensued.

Senator Linda Evans Parlette reported she is the caucus chair, and a ranking chair member, of the Finances and Operations Committee. They are in charge of the senate budget. They have reduced the operating budget by approximately \$1.6 million. The Senate will no longer send out Government Guides due to printing and postage costs. If you would like to receive a copy you retrieve it electronically or request a printed copy.

Representative Armstrong reported there are 147 members in both the House and Senate, and there will be 32 new members. Discussion ensued.

Chelan County Commissioner Ron Walter stated one legislative priority is exploring different funding options at the local level. He stated in Chelan County we believe we should operate within the existing resources. He stated they would like to see flexibility with external revenue sources, such as real estate excise tax. Currently, they have no ability to use that for ongoing operations and maintenance. He expressed a concern with local and state government periodically duplicating efforts. He stated permitting is one example.

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Walter reported attending a seminar on Public Records last week. He shared details and information received at this event. Discussion ensued.

Cathy Mulhall shared some experiences and examples of administrative issues such as electronic signatures and original contracts. She also stated tort reform would help state and local government.

Commissioner Keith Goehner stated he would like to see a reduction in the delegation of authority that some agencies have, such as the Department of Ecology. Goehner reported on Rivercom and the need for some state assistance. He stated Rivercom is designated to an area greater than Chelan and Douglas counties.

Port Commissioner Craig Larsen reported one of the Port's top priorities is Pangborn Airport and the extension of the runway. Greg Phillips was present to update the Tri-Commission on some of the airport's activities. Phillips stated there is a significant market and unrealized potential for travel services in our area, and at Pangborn. Currently, the airport's runway is 5,700 feet long, which limits our services. He stated the short and long term plan is to extend the runway to 7,000 feet. He reported the project was initiated in October and an environmental assessment has begun. If all goes well, the entire project could be a 5-year project. The runway extension would allow Pangborn to bring in regional jets and would provide an opportunity to get utilize additional carriers.

Port Commissioner Larsen stated the Port is the major economic development recruitment agency in the area. He also gave an overview of the plans for electric vehicles charging stations along Highway 2, and other Port activities.

PUD Commissioner Randy Smith reviewed information and concerns relating to the 2011 legislative session.

Wenatchee Mayor Dennis Johnson stated one of the greatest challenges for individuals in government is to deal with issues in a positive way and to seek solutions. He also reported on public records requests and some issues concerning the process. Discussion ensued.

Chelan Mayor Bob Goedde reported on the City of Chelan sewer project. He also reported the City is approximately 13 percent down on sales tax, over 2009.

Entiat Mayor Keith Vradenburg reported meeting with the state and regional directors of the Department of Ecology regarding the Entiat waterfront.

Cashmere Mayor Gordon Irle reported briefly on activities in Cashmere, including the Sunset Highway Improvement project and the Mission Creek Bridge. Commissioner Goehner commented on Cashmere's Crunch Pak facility. Commissioner Baldwin reported there are 4 new wineries in Cashmere.

Mayor Dennis Johnson reported Wenatchee is approximately 7.5 percent down on sales tax, over 2009. Brief discussion ensued regarding sales tax and tourism in Chelan County.

Commissioner Larsen reported on the recent tourism survey funded by the Port of Chelan County. Brief discussion ensued.

Joel Walinski, the new Leavenworth City Administrator, introduced himself.

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The next Tri-commission meeting will be held on a date, time and location to be determined.

Meeting was adjourned at 2:42 pm.

Signed and dated this 21<sup>st</sup> day of April, 2011.

**PORT OF CHELAN COUNTY**

  
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JC Baldwin, Commissioner

  
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Michael H. Mackey, Commissioner

  
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Craig N. Larsen, Commissioner