

NEWS RELEASE

PORT OF CHELAN COUNTY

Meeting of the Port of Chelan County
Wednesday, November 5, 2008

Meeting Highlights

Pangborn Memorial Airport

Port Commissioners approved designating the planned, \$1.4 million passenger terminal renovation and expansion as the Port's number one priority for state and federal infrastructure funding that might be made available as part of a future economic stimulus package. It was noted that this project could be under construction within six months. Preliminary information about a possible economic stimulus package indicates that priority will be given to those projects that have long term economic development benefit and can commence construction with six to nine months of funding approval. No such funding package currently exists, but it is considered highly possible that such funding will be approved in the next three to six months.

As reported at the last commission meeting, the scheduled emergency response exercise is moving forward. Much support from other fire agencies and experts in this field has been offered. The exercise will be held on November 13, 2008, beginning at 4:00 PM.

Confluence Technology Center Update

Yahoo.com has asked the Port to approve additional electrical tenant improvements which it intends to make in its leased premises at its expense. The improvements will increase the energy efficiency of Yahoo's CTC operations. The Port's engineer will review plans to ensure compatibility with the building's existing infrastructure and the operational needs of other building tenants.

New Regular Commission Meeting Date/Time Established

Commissioners expect to adopt of a new, regular meeting schedule at an upcoming commission meeting. Commissioner Baldwin requested moving the commission meeting day to the 1, 3, and 4th Thursdays of each month at 8:30 am, beginning January 7, 2009. This will enable the commissioners to attend other meetings that conflict with the current schedule.

Lake Chelan Basin Sub Area Plan

Mark Urdahl reported that community members are considering the need to develop an overlay zone for the Lake Chelan airport. The Commission agreed with Urdahl's recommendation that an overlay zone be established and in effect before future capital improvement expenditures for this airport are made.

Preliminary 2009 Budget

Mark Urdahl and Port Internal Auditor Monica Lough of Cordell Neher presented the preliminary budget for 2009. The 2009 proposed budget total is \$5,419,298, down slightly from the \$5,539,953 in the 2008 amended budget.

A number of community partnership projects are proposed, including the Leavenworth Rail project, Chelan marina expansion, Wenatchee's Orondo Street Moorage project, planning and engineering dollars for Entiat's waterfront project, Cashmere Mill site preparation, and increased funding to all Chelan County chambers of commerce. Pangborn and Lake Chelan airports are also scheduled to receive significant financial support for maintenance and operations costs. Confluence Technology Center tenant improvements on the first floor will build out the remaining unfinished space in the building.

The Business Development and Marketing budget total is \$200,000 to, in part, fund tourism marketing, support for the local wine industry port marketing, business cluster development, and 2010 Olympics tourism development projects.

Total maintenance and operations expenditures, including the Port's share of M&O and other costs for both airports, as well as for the Confluence Technology Center, the other 12 port buildings, and both the Peshastin and Cashmere mill site maintenance issues for 2009 is budgeted to be just over \$2.3 million.

The 2009 Proposed Budget is now on file at the port office and is posted on the Port website. As is required by law, the budget hearing will be advertised in the regional newspaper for the two consecutive weeks leading up to the hearing date. The hearing and action to adopt the 2009 budget will take place on Monday, November 17, 2008 at 8:30 AM at the Port office.

Economic Development

Economic Development Director Ron Johnston-Rodriguez reported on the status of the Advance Vehicle Initiative pilot project, which will convert 13 Toyota Prius vehicles into plug-in hybrids. Data from these vehicles will be analyzed by Idaho National Laboratory. The conversions will be performed next week at Wenatchee Valley College, with those vehicles coming from the fleets of a dozen agencies and organizations around the state. Representatives from each fleet will participate as students in a specially designed Continuing Education Course at the college about the technology and the pilot project. He also reported on new contacts he has developed within the emerging advanced vehicle industry.

External Affairs

Mike Armstrong described a recent tour of the Stemilt watershed. He explained that the watershed committee is trying to find a way to purchase DNR properties to keep public ownership. While the Port does not have the statutory authority to participate in this project that would help keep orchardists irrigation water secure and keep property available to public, the Commissioners expressed their support for this effort. He also reported on his discussions with the Port of Douglas County and the Economic Development District about a possible manufacturing summit to be held in the future, and the impending layoffs at Alcoa's Wenatchee Works. It was noted that the jobs per megawatt of electricity consumed by Alcoa are quite similar to those provided by Yahoo in the Confluence Technology Center.

Cashmere Mill Site

Property Director Dayle Rushing reported that contractors have completed work for the fall contract: barriers with connecting cable have been placed around the east perimeter of the property to secure access from Mill Road. She provided photos that were recently taken to illustrate some boundary issues. The engineer and project manager updated the commissioners on the cleanup and security improvements to the property. Some additional work needs to be completed prior to snowfall.

Executive Session

An executive session was called for the purpose of discussing real estate and potential litigation matters. No action was taken.

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