



BOARD OF COMMISSIONERS
Planning Workshop Minutes

Wednesday, May 2nd, 2007
104 Woodin Ave, Chelan, WA

Present:	Mike Mackey, Present	Ron Johnston-Rodriguez, Economic Development Dir
	JC Baldwin, Vice President	Dayle Rushing, Properties & Facilities Director
	Craig N. Larsen, Secretary	Laura Jaecks, CTC Director
	Mark Urdahl, Executive Director	Pat Moore, Pangborn Airport Manager
	Pete Fraley, Legal	Judy Bradford, Recorder
	Monica Lough, Internal Auditor	Jon Eberle, Real Estate Consultant
		Karen Kornher, Engineering Consultant

Mike Mackey opened the special meeting at 9:02 am. He explained the nature of the meeting is a workshop, and there will be no final decisions.

Cash flow projections.

Monica Lough distributed and reviewed with Commissioners an updated *Schedule of Long Term Debt Service*. A discussion ensued on options for the Port's long term debt service.

Commissioners next reviewed and discussed the *Five Year Cash Flow Projections*. The CTC annual deficit was discussed. Lough will explore refinance options for the bonds on the CTC. Legal counsel will compare the activities on the first floor of the CTC to the covenants that were in place at the time the building was constructed.

The Port needs a definition of ownership and obligations of the equipment in the CTC, i.e. the videoconference equipment and the classroom equipment. The Port needs to reduce the monthly deficit between CTC operations and income.

Laura Jaecks requested the opportunity to research options and potential opportunities available to increase the income and reduce the debt at the CTC. Jaecks will research options to recapture actual building shared operating costs. She will bring recommendations back to Commissioners.

Port staff will explore partnerships on workforce training for the benefit of the technology industry cluster.

Port staff will explore the possibility of a meeting on workforce training needs between the Port Commission and WVC Board of Trustees.

A discussion ensued on Pangborn Airport's projected expenses in light of the airport overlay, runway extension and potential property purchases. The need to develop more partners for funding opportunities was discussed.

Lough will reformat the airport financials for easier comparison of reserves and commitments.

Mark Urdahl noted Washington' ports have been granted the same authority as Washington municipalities for development of public facilities.

Discussion ensued on bonding capacity of the Port. Pete Fraley noted that in a property acquisition the financially least expensive way to purchase is on a real estate contract. No action was taken.

Cashmere mill site

Jon Eberle reported the seller appears to be willing to entertain all concepts on the purchase of the Cashmere mill property.

Karen Kornher reported Cashmere mill site wood waste affects the dissolved oxygen in the Wenatchee River. The wood waste on the property needs cleanup. Kornher will assist the Port in finding cleanup funding.

Once the wood waste and debris have been removed from the property, opportunities for the property development exist. Funding through the Washington State Community, Trade and Economic Development should be available for this type of project.

No action was taken.

Peshastin mill property

Discussion ensued on the Peshastin property. Urdahl commented the Peshastin sub-area planning process is an opportunity for the Port to develop a policy on how to approach distressed properties in the County in terms of purchase.

Regular session recessed for a break at 10:35 am. Regular session reconvened at 10:45 am.

A discussion ensued of past philosophies regarding Port budget and the annual amount needed for debt service and long term financing.

Urdahl explained revenue bonds do not affect the Port's debt capacity. Real estate contracts are the least expensive form of purchase for the Port, and they do count against debt capacity.

It was noted that the property in Olds Station Business Park is rapidly appreciating. Tax revenues are not growing at the same rate as debt service.

Discussion ensued on the Port's involvement in the Peshastin sub-area plan. The Port will continue to meet with Chelan County Planning and the Peshastin community group, and monitor the sub-area planning process.

There is market interest in the Port's Peshastin mill property, and the Port will endeavor to keep the Peshastin advisory group informed.

The Port should participate in the sub-area planning process and actually propose zoning and development regulations for the Peshastin property.

A discussion of the trail request ensued. No action was taken.

Cashmere Property

Jon Eberle explained the sellers want the Port to buy the Cashmere property. A discussion ensued on the risks associated with the cleanup and development of the Cashmere mill property to return it to productive use, assuming it will be annexed into the City of Cashmere.

Discussion ensued on potential property purchase and development options. The Port's primary goal of acquiring the Cashmere mill property would be remediation and rejuvenation. No action was taken.

The session recessed for a lunch break at 11:45 am. Regular session reconvened at 12:25 pm

Industry Cluster review

Ron Johnston-Rodriguez provided an overview update of the Port's industry cluster development. He provided updates on the Port's involvement and results in the wine, ag-tourism, advanced vehicle innovation, outdoor recreation, and technology industries' development in Chelan County.

Discussion ensued on business incubators. No action was taken.

The regular session was recessed for a break 1:48 pm. The regular session reconvened at 1:54 pm.

Pangborn Overlay

Pat Moore announced this is her 29th month working on the airport overlay.

A discussion ensued regarding communication with Douglas County Commissioners prior to their decision on the overly zoning recommendations. No action was taken.

Chelan airport

Mark Urdahl explained the Port is a 50% owner with no seat on the airport board. A discussion ensued on options for Port involvement at the Chelan Airport. No action was taken.

Use/Future of CTC

This discussion was covered in budget/cash flow discussion. No action was taken.

Regular session recessed for a break 3:12 PM. Regular session reconvened at 3:18 pm.

Staffing levels

Discussion ensued on staffing levels at Pangborn Airport. No action was taken.

Discussion ensued on exploring bundling the CTC, Airport and Port office contracts for janitorial needs. Snow removal is not a possible shared service due to the immediate nature of the need at Pangborn. No action was taken.

Port office staffing levels.

Discussion ensued on the workload at the Port administrative offices. The workload fluctuates, and it appears there is capacity to do more with the current staff we have.

Some special needs for the Olds Station Business Park were discussed. No action was taken.

Discussion ensued on the Port's use of consultants. No action was taken.

Commissioner Baldwin asked for a list of the Commission and County's city council meetings to be e-mailed to the Commissioners.

The meeting adjourned at 4:26 pm with no action taken.

Dated and approved this 6th day of June, 2007.

BOARD OF COMMISSIONERS

Michael H. Mackey, President
JC Baldwin, Vice President
Craig N. Larsen, Secretary