



PORT OF CHELAN COUNTY
Board of Commissioners
Meeting Minutes
238 Olds Station Rd, Suite A, Wenatchee, WA 98801
November 5th, 2008
8:30 am

Present:	JC Baldwin, President Craig N. Larsen, Vice President Michael H. Mackey, Secretary Mark Urdahl, Executive Director Pete Fraley, Legal Counsel Monica Lough, Internal Auditor Mike Armstrong, External Affairs Director	Ron Johnston-Rodriguez, Dir-Economic Development Dayle Rushing, Property/Facilities Director Laura Jaecks, CTC Building Director Judy Bradford, Recording Secretary Ron Russ, Operations Supervisor Carleen Elliott, Accounting Assistant Karen Kornher, Real Estate Consultant
Others:	Rob Eaton, Mayor of Cashmere	

Commission President JC Baldwin called the meeting to order at 8:30 am.

Consent Agenda*

The consent agenda was presented for consideration:

Motion No. 11-01-08

Moved By: Michael H. Mackey

Seconded By: Craig N. Larsen

To approve the consent agenda consisting of the minutes of the October 15th, 2008 regularly scheduled commission meeting as presented. Motion Carried.

Pangborn Memorial Airport
Emergency Repair for the Terminal*

The repair is no longer an emergency and will be handled through the airport's small works process.

Update

Ron Russ provided commissioners a brief update of the activities and projects at Pangborn Memorial Airport.

Mike Armstrong explained the airport's \$1.4 million terminal renovation and expansion project has been designated as the priority project for the proposed special state and federal economic stimulus funding anticipated to be made available in the near future. The project is for expansion and remodel of the existing seating at the airport and the security check point. The FAA/Seattle internally has suggested this project for the economic stimulus program. WSDOT is looking for projects to support for the program and the Pangborn remodel has been the number one project in a prior project recommendation process. CTED is compiling a list and this project will be recommended for the list. The WVTC will add this project to its list for recommendation to WSDOT.

The Port will document the project's readiness and convey its immediate readiness to the necessary agencies. Discussion ensued.

Ron Russ reported the airport's emergency exercise is moving forward. There is great support and participation from other fire agencies and experts in the field of emergency preparedness. Discussion ensued. No action taken.

Confluence Technology Center

Update

Laura Jaecks reminded commissioners the Chelan Douglas Trends website launch is November 6th at the Performing Arts Center. She reported Yahoo is planning electrical improvements in their tenant

space. The plan review process will begin shortly. The tenant improvements should not affect CTC common areas and would only affect Port space. Yahoo will be installing power distribution units to improve efficiency of power that Yahoo uses.

Directors' Report

Commission meeting days – Discussion

Commissioner Baldwin requested discussion of changing the commission meeting day to a different day of the week. Discussion ensued. The favored change would be the 1st, 3rd, and 4th Thursday of each month at 8:30 am. Commissioners agreed to keep the Airport Governing Board meeting on the 4th Wednesday of the month.

A resolution outlining the change will be presented for Commission action prior to the first of the year.

Lake Chelan Basin Sub-Area Plan Update

Mark Urdahl reported on the Lake Chelan Basin sub-area planning meeting. Urdahl reported it is now evident there needs to be an overlay zone for the Lake Chelan airport; although currently there does not appear to be the development pressure on the Lake Chelan airport that existed at Pangborn. Some discussion of compatible zoning for the Lake Chelan airport ensued. No action taken.

Preliminary Budget Discussion

Mark Urdahl previously met with Commissioners one-on-one to discuss the preliminary budget prior to today's meeting. Monica reviewed the preliminary budget revenues and expenses proposed for 2009 and a review of individual line item increases in expenses and revenues. Discussion ensued.

Urdahl and Armstrong briefly reviewed the Community Partnership and Economic Development Partnership line items with Commissioners. Commissioners requested a letter of support from Leavenworth Chamber for the Icicle Station rail project.

Discussion ensued on the Entiat Waterfront Development. WSDOT has interest free loans available that relocation of the rail line might qualify for.

Urdahl reviewed line items on the Ports capital improvement projects, and Ron Johnston-Rodriguez reviewed the Business Development & Marketing budget items with Commissioners. The regular meeting recessed for a break at 9:54 AM, and was called back into regular session at 10:03 am.

Urdahl acknowledged the work done on the budget by the management team. Ron Johnston Rodriguez announced the business development and marketing budget is \$120,000 less than last year. He provided an explanation of the Solar Smart Charging Station item in the capital budget.

Johnston-Rodriguez noted that the water trail in the immediate area is the focus for 2009 and reviewed some of the opportunities for 2009. Discussion ensued on outdoor recreation economic development opportunities.

Pete Fraley explained the process and access for public review of the Port's budget. He explained changes may still be made in the budget at the public hearing on November 17th when the supplemental and preliminary budgets will be acted on by the commissioners.

Motion No. 10-02-08

Moved By: Craig N. Larsen

Seconded By: Michael H. Mackey

To place the preliminary budget as presented on file for public review pursuant to a public hearing and action to be taken on November 17, 2008. Motion carried.

Economic Development

AVI Update

Ron Johnston-Rodriguez (RJR) provided a brief update to Commissioners on the Advanced Vehicle Initiative. He also explained staff has been developing a relationship with Babba Moussa/the regional economist for Chelan-Douglas counties and the Wenatchee MSA. Moussa has completed work that will make it possible to get information immediately applicable to impacts of industry, i.e. automotive industry here locally: jobs created, jobs maintained in each aspect of automotive sales. One of the tasks is to translate the information into retraining to handle electrified vehicles. Mechanics/installers/repairers 160 jobs in MSA average annual wage of \$64,000 which makes the total dollar impact \$10 million per year just for this specific industry group.

RJR provided Downtown Rotary Club a presentation this last week. It was a full house. It was a great opportunity to provide information on what is happening in the industry toward electrifying transportation.

RJR reported the AltCar Expo in Austin he served on two panels. This was a 2 day "open-to-the-public exposition. He believes he made good connections in the industry, and signed up a few speakers for next year's PowerUp Summit. He did meet with the regional manager for General Motors Hybrid Division; and RJR hopes to have Chevy's VOLT for PowerUp Summit as well.

RJR met with people who believe the Wenatchee area has unique assets; and sees it as a place for potential test bed activity requiring small real estate footprints. Port staff will pursue the recommended companies.

RJR reported the PHEV pilot project car conversions will be done next week at WVC automotive shop next Monday, Tuesday and Wednesday. Technicians from Green Car Co, National Labs and V2Green will be on hand for the conversions. The local media will be invited. The conversions will be documented.

RJR also reported the Port's former converted Prius "Whitebird I" is featured prominently in the Prosperity Partnership video on clean technology projects in WA state.

External Affairs

Icicle Station Budget Request

Mayor Rob Eaton provided an update on the progress for Icicle Station development and construction. The project is scheduled to go out to bid Feb 2, begin construction March 15 and be completed by mid-September 2009. Burlington Northern-Sante Fe leases to Amtrak. The City of Leavenworth will lease from Amtrak. Amtrak will not provide any guarantee on the agreement for length of time it will be in effect.

The environmental and permitting process have been scheduled and planned out. Thirty volunteers will raise a goal of \$125,000 for the project. The federal railroad administration held everything up with rule making which has been put on hold it for now. Discussion ensued.

Manufacturing Summit

Mike Armstrong reported the Port participated in a discussion about putting together a manufacturing summit which would center on manufacturing in our region; and the needs for workforce, housing, etc. Armstrong will keep the commission updated.

Sustainability Grant Application

The Port provided a letter in support of realtors' efforts for a sustainability grant. This was not a request of funding from the Port.

Report on Stemilt Watershed - Mike Armstrong

Armstrong attended a tour of the Stemilt and Wenatchee watersheds. The group is working to find a way to purchase DNR properties to keep the land in public ownership. It appears the County is a better entity to assist with resolving the situation. The project is beyond the Port's authorization. The goal is to keep orchardists' irrigation water secure and keep the property available for public use.

ALCOA Update

Armstrong updated commissioners on the reported cutbacks. Thirteen of the slated cutbacks are outside contractors and will be laid off. Twenty-Nine employee positions will be eliminated the first of the year. Management is hopeful attrition, retirement or relocation will take care of the twenty-nine positions. The contract with Chelan County PUD for power won't be affected until 2011. The power contract calls for two pot lines to be running but doesn't specific number of employees. ALCOA intends to keep two pot lines running. Company hopes to modernize equipment in the plant, but does plan to cutback capital expenditures by 90%. Currently, ALCOA employs 400 people. Discussion ensued.

Property Director

Cashmere Mill Property Project update Dayle/Laura

Dayle Rushing handed out photos of the property line painted on the road by Don Sites, owner of the property adjacent to the Cashmere mill property. The Port's engineer had ecology blocks placed twenty feet from the center line of the improved road. It appears that the improved portion of the road does not correspond to the actual property boundaries.

The improved portion of the road may encroach onto Site's property and the County has maintained it for several years. The Port will move the ecology blocks back to the Port property line.

Urdahl announced the Port's Cashmere ad hoc committee will meet again on November 13th at 9:00 am at Cashmere Valley Bank conference room.

Executive Session

Regular session recessed to executive session to discuss real estate matters and potential litigation at 11:33 AM.

Regular session was reconvened at 11:45 am and immediately adjourned with no action taken.

Dated and approved this 17th day of November, 2008.

BOARD OF COMMISSIONERS

Excused Absence

JC Baldwin, President

Craig N. Larsen

Craig N. Larsen, Vice President

Michael H. Mackey

Michael H. Mackey, Secretary