



**PORT OF CHELAN COUNTY
Board of Commissioners
Meeting Minutes
238 Olds Station Rd, Suite A, Wenatchee, WA 98801
May 21st, 2009
8:30 am**

Present:	Michael H. Mackey, President	Dayle Rushing, Property/Facilities Director
	Craig N. Larsen, Vice President	Laura Jaecks, CTC Director
	JC Baldwin Secretary	Mike Armstrong, External Affairs Director
	Mark Urdahl, Executive Director	Judy Bradford, Recording Secretary
	Pete Fraley, Legal Counsel	Karen Kornher, Engineering Consultant
	Monica Lough, Internal Auditor	Jon Eberle, Real Estate Consultant
Others:	Jeff Wilkens, WVTC Executive Director	Jerry Litt, Alliance Consulting Group
	Susan Driver, City of Entiat	

Commission President Mike Mackey called the meeting to order at 8:32 am.

Consent agenda*

The consent agenda was presented for consideration.

Motion No. **05-05-09**

Moved By: *JC Baldwin*

Seconded By: *Michael H. Mackey*

To approve the consent agenda as presented including minutes of the commission meeting held on May 7th, 2009 and Port Register Pages (#2251-#2257) consisting of the following:

Register Page:	Date Issued	Voucher:	Total
		#13017- 13024 & electronic payroll deposits	
#2251 --April 2009 Payroll	4/30/09		75,656.31
#2252 -- April Month End	4/30/09	#13025-- 13037	83,867.16
#2253- Capital	5/21/09	#13038	7,707.50
#2254-- CTC	5/21/09	#13039- 13048	42,504.01
#2255- April bills paid	5/21/09	#13049--13070	94,277.08
#2256-- Same	5/21/09	#13071-- 13081	91,077.28
#2257-- April Expense Reimbrs.	5/21/09	#13082-- 13088	1,145.89
			\$ 396,235.23

72 warrants totaling \$396,235.23 for approval May 21, 2009.

Motion Carried.

Wenatchee Valley Transportation Council Update

Jeff Wilkens updated the commission on the economic stimulus dollars (\$3 million) allocated to the region. The projects prioritized for funding are painting the pipeline bridge and the upgrade of North Road to bring it up to county road standards. It also has a train component. The Council provided the last \$1 million dollars on a \$3 million dollar project. There will be about \$600,000 leftover. The Council wants to apply the balance remaining to a third project, but the funds will probably be reallocated by the state committee. There are extensive reporting requirements for the federal funds.

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There will be new grant fund opportunities available. Wilkens is in the process of reviewing projects and the requirements on the funding. The WVTC will begin setting criteria for prioritizing projects for future funding opportunities.

Discussion ensued on possibilities for improving traffic flow from north Wenatchee to, through and around the Olds Station area. A Copy of *Strategic Priorities for NCRTPO* is attached. Wilkens reviewed the high-priority regional transportation systems improvement needs and 20 year priorities.

Regular session recessed for break at 9:25 am for ten minutes. Regular session reconvened at 9:35 am.

DIRECTORS' REPORTS

Executive Director

City of Entiat Waterfront Plan Development Update

Susan Driver, City of Entiat Community Development Director, made a powerpoint presentation on the City's waterfront development plan. Driver inquired about financial participation by the Port in a market feasibility study for development of the waterfront and deliverables to respond to the Corps of Engineers' questions. She was directed to make a presentation on the scope of the city's request at a future Port commission meeting.

1st Qtr. 2009 Budget v. Actual Revenues and Expense Comparison

Monica Lough reviewed the first quarter financial status actual to budget. Discussion ensued no action taken.

Resolution No. 2009-08 authorizing Executive Director's Delegation of Authority*

Mark Urdahl brought this item back to commission for discussion. Commissioner Larsen questioned the need for a percentage cap on change order amounts. Often times these need a decision in a short period of time. Concern is on the small contract amounts where the percentage may not cover the additional cost of the change order. Discussion ensued.

It was agreed to change item f in the resolution "to the greater of \$15,000 or 25% of the approved estimate".

Legal counsel will add changes, verify the statutory language and bring a revised resolution back to the commissioners on the consent.

Cashmere Mill Site Update

Mark Urdahl briefly reviewed discussions on the proposed landscape strip at the mill site. Staff provided a brief update on site cleanup and clearing plans.

Jerry Litt reported Berk & Associates are finishing up the stakeholder interviews. Plan to have a draft report by early June.

Karen Kornher reported asbestos and lead were both found in both buildings on the property. The kiln building is coated with asbestos material that will require hazardous material removal. The asbestos laden material must be removed. The whole building must be treated as a hazardous cleanup site. The Port will need an alternative abatement plan. Assessment is \$2500 for the abatement plan.

It will be \$20,000 or \$30,000 approximately for demolition and disposal for all the buildings. The removal will require a special contractor.

Kornher recommended the Port decouple the asbestos abatement from the rest of the site work to be done i.e. grading, etc. Waste Management has onerous requirements for disposal. Kornher will invite Waste Management to discuss the site cleanup with the commission.

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Discussion ensued. By consensus, commissioners agreed to clear the site to bare ground for marketability, and curb appeal.

The Port has received a request from the Cashmere Chamber to use a portion of the property to stage the Founders' Day June 27th parade. Since the request is from the Chamber Manager, Port Executive Director's spouse, Dayle Rushing requested the Commission to approve the standard form of permit the Port has used in the past for similar activities. It is a license agreement for one day only.

Motion No. **05-06-09**
Moved By: Craig N. Larsen
Seconded By: JC Baldwin

To approve the License Agreement with the Cashmere Chamber for staging the founders Day parade on June 27, 2009, and authorize Dayle Rushing/Port Property/Facilities Director to sign the License agreement as presented. Motion Carried.

Karen Kornher reported RH2 is working on the design of the water main extension out to the property. It may be necessary to do directional digs under the creeks. There was an oily gas smell. The engineers are required to report it and remediate. Kornher reported a level 1 site assessment was done early on. The oily gas smell is a surprise. The original assessment did not show any significant gas/oil contamination.

At this point, the extent of the contamination is unknown. It is definitely gasoline. The course of action needed is to find out the extent of the contamination. And, then engineers will need to develop a plan to dig up and dispose of the contaminated dirt. Engineers will probably need to do some monitoring wells, but will delay this until the cleanup is complete.

Jerry Litt reported annexation is in a holding pattern until the issue of water has been resolved. He has obtained an estimate from the City of Cashmere on how much development, based on zoning, is anticipated. The numbers didn't seem to match up to Litt. He has done an assessment of what Alliance Consulting Group believes is developable. There is about a 40% difference. Litt is meeting with the City of Cashmere this afternoon. It appears there would be a much smaller annexation area than originally anticipated. If so, the Port wouldn't be required to bring in any additional water for the fully developed properties.

The City of Cashmere adopted a policy for annexation that if someone want to annex they must bring enough water with the annexed property to sign over to the City to provide for the E.R.U. water requirements if the property is fully developed. The City may have to revisit their policy where there is a multi parcel situation. If there isn't enough water rights to support the total development, a separate agreement to address this requirement would be necessary.

It appears the mill property has three potential sources for water rights: historical use, the ten acre feet the Port has in water rights at the site (19 E.R.U.s), and six ERUs available for acquisition. All these water rights would be needed for annexation in to the city viable. There are no separate irrigation water rights

Discussion ensued. No action taken.

Information Technology Services Contract*

Judy Bradford briefly reviewed the RFP process for the Port's information technology services. Of the three bidding companies, Firefly Technologies is recommended by the selection committee. The recommended contract's termination date of July 31st can be extended to December 31, 2011 with the successful negotiation with Firefly to add a managed care program by Addendum to the recommended contract.

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After discussion and amendment, the commissioners took the following action:

Motion No. **05-07-09**
Moved By: Craig N. Larsen
Seconded By: JC Baldwin
To authorize the Executive Director to sign a professional services agreement with Firefly Technologies as presented. Motion Carried.

Confluence Technology Center Manager Update

Laura Jaecks reported there have been a number of tenant layoffs in the building: Gensis Distributing laid off four employees, ESD laid off the backup technician for CTC Production. The good news is Michael Sandich is subleasing tenant space from AgBase. The area's economic slowdown is being felt at the CTC.

Jaecks reported that Firefly, as a piece of its managed care program, is asking to use the computerlab at the CTC to offer free training Microsoft Office 2003/2007 and QuickBooks for customers its customers once per month. Their plans are to begin training by mid June no later than July 15th. Firefly is hoping to also offer one half day per week each month free Microsoft office training to the public.

Jaecks reported the existing computer lab maintenance agreement with the ESD expires June 30th, so the Port would need to extend this agreement. Jaecks is recommending a one year extension.

Jaecks then asked commissioners to consider a discount for GWATA members for the use of the CTC; to basically extend the non-profit discount to GWATA members. This would be in support of one of the port's stated industry clusters with an existing economic development cluster partner.

Brief discussion ensued. Item was tabled until a future meeting.

External Affairs Director Update

Mike Armstrong reported Bob Bugert and Kitty Craig representing the Chelan/Douglas Land Trust will be at the next commission meeting to provide a overview of the Wenatchee Foothills Community Strategy

He also reported on his visit with the Douglas County Commissioners on land use issues around the airport and the need for industrial property around the Pangborn Airport. He reported Douglas County was to send a letter stating the Ports will keep the industrial property designation.

Armstrong also reported he plans to meet with Rick Smith of Wenatchee Reclamation District on the Pipeline Bridge with regard to the Reclamations District's request for additional funding.

He is also working with working with the Chelan County PUD on obtaining capacity information on the diesel generators.

Calendar*

Calendar was presented for consideration

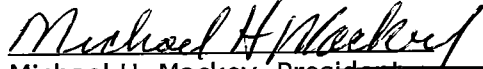
Motion No. **05-08-09**
Moved By: JC Baldwin
Seconded By: Craig N. Larsen
To approve port calendar for commissioners and staff as presented. Motion Carried.

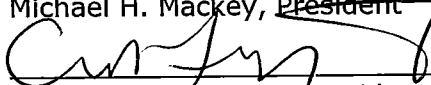
Regular session adjourned to executive session at 11:50 am to discuss real estate issues. It is expected the session may last an hour or longer.

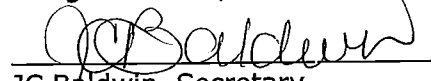
Regular session was reconvened at 1:00 pm and was immediately adjourned with no action taken.

Signed and dated this 4th day of June, 2009.

BOARD OF COMMISSIONERS


Michael H. Mackey, President


Craig N. Larsen, Vice President


JC Baldwin, Secretary

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May 21st, 2009