



PORT OF CHELAN COUNTY
Board of Commissioners
Meeting Minutes
238 Olds Station Rd, Ste A Wenatchee, WA 98801
November 21st, 2007
9:00 am

Present:	Michael H. Mackey, President	Dayle Rushing, Property/Risk Manager
	JC Baldwin, Vice President	Laura Jaecks, CTC Building Manager
	Craig Larsen, Secretary	Judy Bradford, Business Manager/Recording Secretary
	Mark Urdahl, Executive Director	Carleen Elliott, Accounting Assistant
	Pete Fraley, Legal Counsel	Jon Eberle, Real Estate consultant
	Monica Lough, Internal Auditor	Karen Kornher, Engineering consultant
Others:	Bill Stokes, Chelan Co Citizen	Ron Russ, Operations Supervisor
	Lisa Parks, Alliance Consulting	Glen Kloch, AgBase
	Nancy Smith, Leavenworth Chamber	Hank Manriquez, Leavenworth Chamber

Commissioner President Mike Mackey called the meeting to order at 9:00 am.

Consent Agenda*

Motion No. 11-08-07

Moved By: JC Baldwin

Seconded By: Craig N. Larsen

To approve the consent agenda consisting of the Pangborn Memorial Airport Register Pages (#1102-#1103) and Port Register Pages (#2123-#2129) including the following:

<u>Register Page:</u>	<u>Date Issued</u>	<u>Voucher:</u>	<u>Total</u>
		#11673- 11679 & electronic payroll deposits	\$ 66,135.03
#2123--Oct 2007 Payroll	10/31/07		
#2124--Oct Month End	10/31/07	#11680 -- 11686	78,894.13
#2125 -- Capital	11/21/07	#11687 --11689	65,911.63
#2126-- CTC	11/21/07	#11690 -- 11701	40,172.50
#2127-- Oct bills paid	11/21/07	#11702-- 11723	55,412.93
#2128 -- Same	11/21/07	#11724-- 11737	36,213.36
#2129 --Oct Exps Reimb	11/21/07	#11738 -- 11744	1,389.73
			\$344,129.31

72 warrants totaling \$ 344,129.31 for approval November 21, 2007.

Motion Carried.

Port Budget

Public Hearing on Port 2007 Supplemental Budget

Commissioner Mackey opened a public hearing on the Port 2007 Supplemental Budget at 9:02 am. There were no comments from the public, Commissioners, or Port staff on the budget.

The public hearing on the 2007 Supplemental Budget was closed at 9:03 am and the following action was taken:

Motion No. 11-09-07

Moved By: JC Baldwin

Seconded By: Craig N. Larsen

To approve Resolution 2007-14 approving the 2007 Supplemental Budget as presented.

Motion Carried.

MHM ___ JCB ___ CNL ___

November 21st, 2007

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Public Hearing on Port 2008 Final Budget

Commissioner Mackey opened the 2008 final budget hearing at 9:04 am.

Pete Fraley explained the 2008 final budget presumes the allowable 1% increase in the budget plus the value of new construction. With the repeal of Initiative 747, budget increases are in question statewide. The Port does not see that as a concern to its budget. Revenue bond proceeds will be received the first week of January which will include the bond amount reflected in the budget minus bond closing costs.

The Commission will schedule a study session early January. The capital budget item for CTC concerning the maintenance building was discussed briefly. The Pangborn Memorial Airport budget has been previously approved by both commissions.

Mark Urdahl explained the use of the bond proceeds in excess of the purchase amount have been budgeted toward phase 1 of the Cashmere mill property cleanup and work on existing Olds Station assets in industrial building #5. The budget also allows for the addition of a full time maintenance person plus basic maintenance equipment. The management team met with the Port internal auditor and added proceeds from reserves to cover additional planned costs.

Discussion ensued on the final budget.

Discussion ensued on the possible addition of full time maintenance person. This position would eliminate most of the contracted maintenance work. Port would need to retain snow plowing contract, however. A maintenance person would be shared with CTC, Pangborn Airport and, possibly, the Port of Douglas as time and need allows.

Pete Fraley explained that in the last few years, the Port has taken the allowable 1% levy increase plus the value of new construction.

Port staff recommends the Port wait to consider banked capacity to see what the legislature does regarding this issue. Staff will come back with a recommendation on how banked capacity should occur to the extent as allowed by law.

Commissioner Mackey asked for public comment on the 2008 final budget.

Nancy Smith and Hank Manriquez of the Leavenworth Chamber presented a proposal to purchase the visitor center in Leavenworth in a bid to have the financial participation of the Port in the down payment on the building added to the 2008 Port final budget.

Smith and Manriquez briefly reviewed Chamber efforts to get Chelan County and Leavenworth more visible to the rest of the world. Leavenworth Chamber has taken leadership position on various countywide tourism initiatives.

Chamber wants to secure the building they are in before they lose it or it becomes too costly. The Chamber needs at least \$50,000 as earnest money to hold the building. The owner will sell the chamber and visitor center part of the building as a condominium. They ask for partnership of the Port on the purchase of the condominium.

Chamber needs \$425,000 to purchase the condominium. With \$80,000 needed for a down payment to keep the monthly payments at \$3,000 which is the amount paid monthly for rent. The chamber's tenancy currently is month-to-month.

Leavenworth is in fund raising mode at this time. Has requested for financial participation from the City of Leavenworth, Chelan County, and the Chamber budget is scheduled for a \$30,000 contribution. A commitment with the County has not been finalized.

Pete Fraley will research a recent change in the Port authority to determine the Port's legal ability to participate in the Leavenworth chamber's request.

The Commission will take the Leavenworth Chamber's request under consideration. Commission needs to wait to hear from the Port's legal counsel about the legal authority to do so. The first step is to get the answer to the statutory question.

Pete Fraley noted for the record that public notice of the 2008 Port Final Budget hearing was properly given. The 2008 budget has been properly on file as required. Because of the Supreme Court ruling Initiative 747 unconstitutional, the legislature is being called back into session. The Port has been banking its levy capacity for a number of years. The unconstitutionality of Initiative 747 would allow the Port the bank additional capacity if it so chooses. This hearing includes consideration of the substantial need to continue banking the highest allowable tax levy.

There being no further public comment on the Port 2008 Final Budget the public hearing was closed at 9:44 am

2008 Final Port Budget Resolutions

Resolution #2007-15-authorizing an increase in tax levy

Motion No. 11-10-07
Moved By: JC Baldwin
Seconded By: Craig N Larsen
To approve Resolution 2007-15 authorizing an increase in tax levy. Motion Carried.

Discussion on the 2008 final budget ensued. More discussion is needed before some expenses are made: another hybrid vehicle and new maintenance position. There will be a workshop on these expenditures prior to expending. Commissioners voted to pass the budget, but not spend the dollars until the Commission has discussed.

Resolution No. 2007-15 provides for a 1% increase in the current levy of \$2,072,418 plus the value of new construction of \$65,037 for a total levy amount of \$2,158,179 for collection in 2008.

Resolution banking the Ports tax levy capacity

ON HOLD until December 5th discussion.

Resolution #2007-16—approving the 2008 budget

Motion No. 11-11-07
Moved By: Craig N Larsen
Seconded By: JC Baldwin
To approve Resolution 2007-16 adopting the 2008 budget as presented. Motion Carried.

Levy Certification for the County

Motion No. 11-12-07
Moved By: Craig N Larsen
Seconded By: JC Baldwin
To authorize the Executive Director to sign the certification for the 2007 levy for 2008 collection. Motion Carried.

Review of Capital Project Priorities

On hold until December 5th meeting for more discussion.

Surplus Property Hearing

Resolution No. 2007-18 - Parcel E-1 in Olds Station Business Park surplus

Commissioner Mackey opened the public surplus property hearing at 9:53 am.

Mark Urdahl and Dayle Rushing briefly reviewed for Commissioners the property under consideration to be surplus. All the improvements on the property are currently leased.

Pete Fraley explained the lot depicted in the diagram provided is E-1 from certificate of exemption. It is a legal parcel. The property is part of the port's inventory and the comprehensive plan. The Port may only amend the comprehensive plan with a hearing. Proper notice of this public hearing was published in the regional newspaper. The property will remain subject to the overlay industrial development zone.

Fraley reviewed the proposed Resolution #2007-18 to surplus parcel E-1 in Olds Station Business Park.

Discussion ensued on the property included in the surplus resolution. Declaration of surplus does not commit the Commission to sell anything.

Commissioner Mackey asked for public comment. There being no public comment, Commission President Mackey continued the public surplus property hearing to the December 12th commission meeting. Port staff will provide a map showing the E-1 properties specifically so a legal description can be created.

Pangborn Memorial Airport

An update was sent out to Commissioners prior to the commission meeting on activities at the airport. Ron Russ, Operations Supervisor was available to answer questions.

Regular session recessed at 10:15 am and reconvened at 10:23 am.

Confluence Technology Center

AgBase Lease

Laura Jaecks introduced Glen Klock of *AgBase* who presented a 15 minute presentation on his business *AgBase*. Discussion ensued. Laura reminded Commissioners the *AgBase* lease expires next Friday. Port Staff is recommending a 3% increase.

Motion No. 11-12-07

Moved By: JC Baldwin

Seconded By: Craig N. Larsen

To approve the AgBase Lease as presented and authorize the Executive Director to sign.

Motion Carried.

Sale to Housing Authority

Pete Fraley reported the Second Addendum on the Malaga purchase and sale agreement has been executed. The deadline for appeals is next Tuesday for conditional use permit. This sale should close next Friday, November 30, if there are no appeals filed.

Motion No. 11-14-07

Moved By: Craig N Larsen

Seconded By: JC Baldwin

To authorize the Executive Director to sign all necessary documents for the closing of the sale of the Malaga property to the Housing Authority consistent with the purchase and sale agreement as amended.

Motion Carried.

Income from this sale appears in 2007 budget in the amount of \$341, 250.

Calendar

Lake Chelan Chamber Awards Dinner	Chelan	11-01-07
NCW Realtor Luncheon	Wenatchee	11-05-07
Fire Management Meeting	Port	11-07-07
Wenatchee Valley Transportation Council	Wenatchee	11-08-07
MOU Working Group	Port	11-08-07
Lake Chelan Chamber Lunch	Chelan	11-12-07
Special Commission Meeting	Port	11-13-07
WPPA Annual Meeting	Bellevue	11-13 to 11-16
Senator Cantwell Meeting	Pangborn	11-19-07

Motion No. 11-15-07

Moved By: JC Baldwin

Seconded By: Craig N. Larsen

To approve calendar for Commissioners and staff as presented.

Motion Carried.

Executive Session

Regular session was adjourned to executive session to discuss real estate matters at 10:48 am for approximately 30 minutes. No action is anticipated.

Regular session reconvened and immediately adjourned at 11:33 am with no action taken.

Date and approved this 5th day of December, 2007.

BOARD OF COMMISSIONERS

MICHAEL H. MACKEY, President

JC BALDWIN, Vice President

CRAIG N. LARSEN, Secretary