



**PORT OF CHELAN COUNTY**  
**Board of Commissioners**  
**Special Meeting & Workshop Minutes**  
**238 Olds Station Rd, Suite A, Wenatchee, WA 98801**  
 October 22,, 2009  
**9:00 am**

|                 |  |   |
|-----------------|--|---|
| <b>Present:</b> | Michael H Mackey, President              | Ron Johnston-Rodriguez/Dir-Economic Development |
|                 | Craig N. Larsen, Vice President          | Dayle Rushing, Director-Property/Facilities     |
|                 | JC Baldwin, Secretary                    | Mike Armstrong, Director-External Affairs       |
|                 | Mark Urdahl, Executive Director          | Laura Jaecks, CTC Manager                       |
|                 | Pete Fraley, Legal Counsel               | Judy Bradford, Recording Secretary              |
|                 | Monica Lough, Internal Auditor           | Jon Eberle, Real Estate Consultant              |
|                 |  | Karen Kornher, Engineering Consultant           |
|                 |  |   |
| <b>Others:</b>  | Morgan Shook, Berk & Associates          | Jerry Litt, Alliance Consulting                 |
|                 | Steve Keene, Peshastin Community Council |   |

Commissioner Mike Mackey called the special session of the Board of Commissioners of the Port of Chelan County to order at 9:07 am.

Laura Jaecks explained the Port staff was tasked with identifying what types of businesses or prospects were envisioned for the CTC. And, in attempting to make this evaluation, Port staff broadened the task to include all of the Olds Station Business Park of which the CTCV was a part.

Port staff presented commissioners with a conceptual long range vision for an "Olds Station Technology Innovation Park". The "Technology Innovation Park" would include space delegated to: 1) technology business development, 2) telecommunications, 3) education and training, 4) a Confluence Technology Center annex, and 5) medical technology/medical services. Discussion ensued.

The discussion covered uses already in the Olds Station Park that would fit the concept. There is the possibility the Port may decide to sell some property to facilitate development. It would be necessary to retain and develop some leased properties for future revenue stream.

A discussion on the relationship of the Port's three property holdings (Olds Station Business Park, Cashmere mill site, and Peshastin mill property) ensued. No action taken.

Discussion ensued on real estate offerings for what the Port anticipates as future industries as well as the type of amenities that would attract future tenants to the Port's properties.

After some discussion, staff was directed to put the cost of landscaping and monument signage for Penny Rd and Technology Center Way in the 2010 budget; and to bring proposals back to the commission for review and approval.

Discussion ensued on the perception of the Port competing with private business sector. The Port will remain aware and conscious of potential conflicts with private sector.

Staff appreciated the guidance from the discussion to assist with the conceptual design of the types of businesses that might be a fit for the CTC, and for direction on the development of an access trail to the adjacent state park, monument signage, and landscaping.

MHM CNLCM JCB

Regular session was recessed at 10:28 am for ten minutes. The meeting reconvened at 10:40 am.

Morgan Shook/Berk & Associates facilitated a discussion with commissioners regarding managing the Port's industrial lands based on the just concluded discussion on the concept for Olds Station. After much discussion on where the Peshastin and Cashmere mill properties fit in the strategy, consensus was to limit the amount of industrial buildings in the Olds Station Technology Innovation Park and review the market outlook and positioning of the Port's properties in the upper valley.

Shook facilitated a brainstorming session on development possibilities and unique challenges individually associated with the Cashmere and Peshastin mill properties.

The meeting recessed for a forty-five minute lunch at 11:50 am. Regular session reconvened at 12:40 pm.

Discussion continued on strengths, opportunities and challenges of all three Port properties: Olds Station Technology Innovation Park, Cashmere mill property and Peshastin mill property.

The ensuing discussion considered utilization of waterfront lands, as well as possibilities for each community's recreation development, wine industry development, and value added agriculture which focused on the strengths of industry clusters already prospering in the area. Full utilization of waterfront lands, the Port's role in each community's vision and an inventory of winery related "needs" was also discussed.

Discussion turned to what types of industries would best be suited to the Cashmere mill site specifically. Cashmere is the most versatile with good access. The property appears to be better/best suited to commercial/light industrial uses/activities. An incubator is viable, but the concept needs much more exploration and research. The commissioners want to better understand the incubator concept.

Steve Keene of the Peshastin Community Council commented that development of the Community Trail proposal plus some basic amenity services might make the Peshastin property more attractive for development. Commissioner Larsen commented that the Port commission has in the past expressed and continues to express support for a trail from Leavenworth to Wenatchee; however, not necessarily any specific trail proposal.




It was duly noted that commissioners have a responsibility to be careful not to choose something for a property that could be a detriment to the property and/or the community.

Brief discussion of the Peshastin property highlighted very limited access. The Port will need to research further what is plausible for the property. An updated feasibility study may be the next step. Peshastin has already been declared surplus. The Port may need to re-evaluate whether it should develop the property. In the meantime, the Port will re-incorporate the Peshastin property back into its comprehensive plan before investing any additional dollars.

Peshastin has a master plan; however, the Port should further study all possibilities. In Cashmere, the Port needs to stay the path for clean-up of the property and have it ready for development as opportunities arise.

A discussion on acquiring needed entitlements for the Cashmere mill property ensued. The Port needs to take a more assertive role in the annexation process. The City of Cashmere has indicated it needs help with the annexation. It was recommended the Port take the lead, get infrastructure in place and assess what other entitlements the Port should acquire.

Next step for Cashmere property is the development and recommendation of a work plan budget.

MHM  CNL  VCB 

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A clarification on surplus was offered: the basis for declaring property surplus is the business plan requires investment of infrastructure. The Port may consider selling a small portion. It is a policy decision that the property would not be any more valuable than at that point in time.

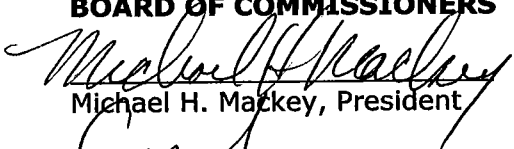
Mark Urdahl provided a brief overview of the request by the Peshastin Community Council of passive recreational use of the Peshastin property during the upcoming winter. Discussion ensued.

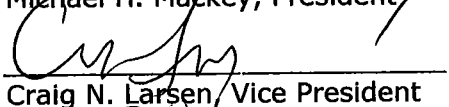
The proposal will be considered at the next commission meeting scheduled for October 28<sup>th</sup>.

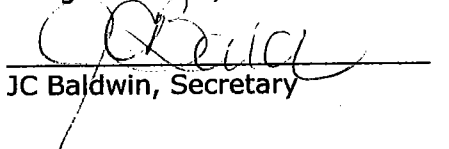
The meeting adjourned at 1:43 pm.

Dated and signed this 17<sup>th</sup> day of November, 2009.

**BOARD OF COMMISSIONERS**

  
\_\_\_\_\_  
Michael H. Mackey, President

  
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Craig N. Larsen, Vice President

  
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JC Baldwin, Secretary