



**PORT OF CHELAN COUNTY**  
**Board of Commissioners**  
**“Special Meeting” Minutes**  
**125 Easy St, Wenatchee, WA 98801**  
January 25<sup>th</sup>, 2007  
**1:30 pm**

**Present:** Michael H. Mackey, President  
JC Baldwin, Vice President  
Mark Urdahl, Executive Director  
Chuck Zimmerman, Legal Counsel  
Terry Johnson  
Dayle Rushing, Property Mgr./ Recorder

**Others:** Sebastian Moraga, Wenatchee Bus. Journal

President Mike Mackey called the special meeting to order at 1:30 PM for the purpose of considering bids for tenant improvements to Building #3.

Because one of the bidders is on the Wenatchee Valley Chamber of Commerce Board of Directors and Craig Larsen is the Executive Director of the Wenatchee Valley Chamber, Commissioner Larsen elected not to participate in the meeting.

Executive Session

The special session was recessed and an executive session was convened at 1:31 PM for the purpose of discussing potential litigation

The executive session was recessed from 1:55 PM until 2:29 PM to enable legal counsel to conduct research.

The Executive session concluded at 2:39 PM, with no action taken.

The special session recessed at 2:40 PM, for the purpose of allowing legal counsel to continue his research of the issue, to be reconvened Monday, January 29, 2007 at 11:00 AM.

***Motion No. 01-08-07***

*Moved By: JC Baldwin*

*Seconded By: Michael H. Mackey*

*To reconvene this commission meeting at 11:00 AM on Monday, January 29, 2007 in the Port conference room.*  
*Motion Carried.*

The Port of Chelan County special commission meeting recessed on January 25<sup>th</sup>, 2007, was reconvened at 11:01 am on January 29<sup>th</sup>, 2007 in the Port conference room by Commission President Mike Mackey via conference call. Judy Bradford is sitting in as recorder for this session.

The special session immediately recessed to Executive Session which concluded at 11:23 am.

After the executive session, Port legal counsel, Chuck Zimmerman, provided an overview of the bid situation on the bids for the tenant improvements to Port Industrial Building #3. When the bids were opened, there was an issue with the apparent low bidder as to whether the bid could be waived since it did not include a

required letter from the company's bond insurer stating the company qualified for insurance bonding; however, the bond itself was included. The Port district could waive the requirement of the letter as a minor irregularity in the bid.

However, consequent to the bid opening the apparent low bidder discovered an error in the internal tabulation of its bid by a plumbing sub-contractor. An amount was transcribed as \$6,144 when it should have been \$61,440 leaving a \$57,000 error in the overall bid. The company has internal documentation to support this claim.

The Port has a choice. To ignore the company's request to withdraw the bid, or accept the bid as the lowest bidder and force the company to forfeit its bid bond.

After the special meeting held last Thursday, January 25<sup>th</sup>, Port legal counsel received a voicemail from one of the partners of the apparent low bidder, Whitebird Construction, Inc, stating the company decided to go ahead with the work for the bid submitted.

On Friday, January 26<sup>th</sup>, 2007, a letter hand delivered to the Port office at 4:45 pm from Whitebird Construction's attorney stated the company had decided to withdraw the bid and requested the Port let the company out of the bid bond.

The company offered to pay the Port \$5,000.00 to cover the legal expenses and the additional expenses to re-bid the project.

**Motion No.**            **01-09-07**  
*Moved By:*            *JC Baldwin*  
*Seconded By:*        *Michael H. Mackey*  
*To accept the January 29<sup>th</sup>, 2007 letter of offer and terms thereof from the attorney of Whitebird Construction, Inc in resolution of any bid disputes on Port Industrial Building #3 including the \$5000 payment settlement. Motion Carried.*

**Motion No.**            **01-10-07**  
*Moved By:*            *JC Baldwin*  
*Seconded By:*        *Michael H. Mackey*  
*To reject all bids submitted on the tenant improvements to Port Industrial Building #3. Motion Carried.*

**Motion No.**            **01-11-07**  
*Moved By:*            *JC Baldwin*  
*Seconded By:*        *Michael H. Mackey*  
*To direct the Port architect to develop the necessary documents to re-bid the tenant improvement project for Port Industrial Building #3. Motion Carried.*

The special meeting was adjourned at 11:32 am.

Dated and approved this 7<sup>th</sup> day of February, 2007.

## **BOARD OF COMMISSIONERS**

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