

**PORT OF CHELAN COUNTY**  
**Board of Commissioners**  
***Joint Meeting with Port of Douglas County Commission***  
***Meeting Minutes***  
**238 Olds Station Rd, Suite A, Wenatchee, WA 98801**  
May 28<sup>th</sup>, 2008  
**8:30 am**

**Present:** **Port of Chelan County**  
Michael H. Mackey, President-via conference call  
JC Baldwin, Vice President  
Craig Larsen, Secretary  
Mark Urdahl, Executive Director  
Pete Fraley, Legal Counsel  
Monica Lough, Internal Auditor

**Others:** Steve Hair, KOHO radio  
Bruce Baguley, FANOPA  
Allison Williams, City of Wenatchee

Dayle Rushing, Property/Risk Manager  
Laura Jaecks, CTC Building Manager  
Judy Bradford, Recording Secretary  
Pat Moore, Airport Manager  
Ron Russ, Airport Staff  
Karen Kornher, Engineering Consultant  
Jon Eberle, Real Estate consultant

**Port of Douglas County**  
Jim Huffman, Commissioner  
Mark Spurgeon, Commissioner  
Pat Haley, Director  
Doug Provo, Business Manager

Commission President JC Baldwin called the Port of Chelan County Board of Commissioners' meeting to order at 8:31 am.

#### **Director's Report**

Mark Urdahl explained the consent agenda was removed from today's meeting agenda as the only item, the Chelan County Fire District 2008-2009 Contract, needed more review.

#### ***Update on Waterfront Development Project***

Allison Williams, Executive Services Director for the City of Wenatchee, provided an update on the Orondo Moorage project. City realized late last fall the documents they were working with needed fine tuning. The engineering staff is nearing completion of updated plans which means project should to go out to bid by June 11.<sup>th</sup> However, the new cost estimate is \$950,000 compared to \$650,000 in the original estimate. The engineers are anticipating contingencies, i.e. the cap over the old landfill is three feet deep which may create problems when developing the parking lot. There is a gap of \$140,000 between estimated costs and funding available. The City has one grant source to go back to for more funding.

The Port originally committed for \$260,000; however, hopefully the possibility exists with the Port that if the bids come in at the full estimated amount, the City could revisit the Port for the additional \$60,000. Mark Urdahl reminded Williams that the Port has pledged \$10,000 of the returned \$60,000 Orondo Moorage facility original funding commitment to the pedestrian bridge project.

Discussion ensued.

Williams provided an update on the waterfront development project. She reported the Wenatchee City Council is looking at a LID for Riverside Drive development. The Orondo Moorage and the Riverside Drive projects will get the infrastructure in place for the commercial development to take place.

JCB  CNE  MHM  

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## **JOINT SESSION WITH PORT OF DOUGLAS COUNTY**

Pangborn Airport Governing Board President Mark Spurgeon called the joint session of the Port of Douglas County and the Port of Chelan County to order at 8:40 am. Commissioner Huffman offered congratulatory remarks to the Port of Chelan County on the recently completed PowerUp! Summit and the timely information disseminated at the conference.

### **Pangborn Airport Security Fence Contract**

Pat Moore briefly reviewed the Horizon Air press release announcing the introduction of the Q400 and retaining the number of flights: 3-Q400s and 1-Q200 flights daily. This change will double PMA's passenger capacity. Horizon Air noted Pangborn Airport has a strong market. The new service will begin August 25<sup>th</sup>.

Moore reported the new manager at Horizon Air at Pangborn Airport is an excellent marketing manager and is very supportive of Horizon service at Pangborn. Commissioners indicated interest in working with Jason Wyles/Horizon's Pangborn station manager.

Moore outlined the schedule for opening bids (June 6<sup>th</sup>) and the contracting process on the security fence project. She asked for a commissioner from each Port to be involved in the process. Commissioners Mark Spurgeon and Mike Mackey offered to attend the bid opening.

To keep on schedule with the FAA, Moore requested that the Port Commissions hold a brief special meeting on June 9<sup>th</sup> at 2:00 pm to award the construction bid and authorize the contract. The airport is needs to keep its funding on track for the projects.

Pete Fraley requested the C&O Snyder closing discussion and authorizations be added to the special commission meeting agenda.

### **Taxiway B Design Contract**

Ron Russ reviewed and updated the Commissioners on the process the airport staff has been through on the design of the Taxiway B. USKH has been selected to provide the design services. RH2 prepared a preliminary scope of work and estimate for the Pangborn project. Airport staff will bring the item to the special joint commission meeting set for June 9<sup>th</sup>.

Airport staff is still negotiating the design details with USKH.

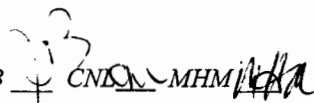
### **Purchase & Sale Agreement for Lindell Property**

Moore reported Mr. Lindell has taken his property off the market. He is not interested in selling at this time, but maybe by fall.

### **AIP projects funding**

The FAA Seattle District Office has formally informed the airport that the 'earmarked' funds will be treated as the annual AIP funds awarded to Pangborn. The funding is in place for this year for the grant projects; not funded are the new projects. Moore has put the new projects into the budget for next year. The terminal project has been rated as priority by the FAA; next would be Taxiway B.

Moore briefly reviewed the funds available to cost estimates from her Memo to Commissioners. The AIP funding is 90% and the sponsors' portion (the Ports) is 10% of the project cost.

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Pangborn FAA planner is looking for discretionary funds for the terminal project for next year should the fourth quarter not get funded.

Taxiway B and the Airport Way Rehabilitation have been moved into 2010. The design and environmental can be done in 2009 and construction in 2010. Jeff Wilkens at WVTC verified the STP funding will likely not go away if the project is pushed to 2010.

Airport staff will need to perform maintenance work on Taxiway B. Staff will do an assessment and then have a better idea by budget time as to how much needs to be done to preserve this major asset of the Airport. The primary user of Taxiway B is Executive Flight.

Discussion ensued.

Moore updated the Commissioners on what is being done in preparation for the Q-400s coming August 25<sup>th</sup>. Terminal construction probably won't begin until March which is predicated on the project going out to bid by the end of December or the first part of January.

Airport staff will design the terminal area for a potential new type scanning system which is currently in a security pilot project in Yakima and Walla Walla. The Pangborn airport terminal building could be extended out for the checked baggage if necessary.

Discussion ensued.

Disseminating information to the traveling public about changes in passenger check-in procedures at the airport with the arrival of the Q400s was suggested along with posting the information on the airport's website.

Commissioner Larsen suggested contacting Congressman Reichert's office (Frank Walker, Reichert's aide) for support on the new security devices; and, to also keep Congressman's Hasting's staff informed. Commissioner Spurgeon will provide the contact information to airport staff.

### ***Report from Commissioners Larsen and Spurgeon on Meeting with Senator Murray***

The Commissioners received an update from Commissioner Craig Larsen and Commissioner Mark Spurgeon on their lobbying efforts in Washington DC this month. The letters of support over a broad cross-section of the business community and the TSA letter of support were key pieces needed to garner the support of the congressional delegation.

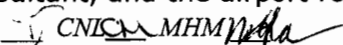
On their flight to Washington DC, Commissioners Larsen and Spurgeon had a chance meeting with Congressman Reichert who serves on the House Homeland Security Committee-Aviation Division. Congressman Reichert is interested in helping with Pangborn if possible. Commissioners Larsen and Spurgeon also met with Congressman Reichert's aid an aide from Senator Cantwell's office.

Senator Murray complimented the Commissioners for their leadership in demonstrating a broad base of support for the project and expressed her support.

Discussion ensued.

### ***Airport Retreat Update***

Judy Bradford reviewed and confirmed with Commissioners, the dates of the retreat planning conference call, the individual Commissioner interviews with the retreat consultant, and the airport retreat date.

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Discussion ensued. The regular joint session and the retreat are planned for 8:30 am to 5:00 pm on June 25<sup>th</sup>. The location is yet to be determined.

Mark Urdahl asked the commissioners to think about how they want to consider the Ports' investments into the Waterville, Mansfield, Chelan, Orondo (sea plane base), and Cashmere airports, and how involved the airport manager should be in the operation of these facilities.

Discussion ensued.

Bruce Bagley requested about information on the LANS. Commissioner Huffman said he would provide it.

**Executive Session on Real Estate Matters**

The regular session was recessed for a five minute break at 9:34 am. The meeting reconvened at 10:40 to an Executive Session for 15 minutes to discuss aviation issues. No action is planned.

**END OF JOINT SESSION**

Regular session reconvened at 10:18. End of Joint session.

**Confluence Technology Center  
Kiosk Agreement**

Pete Fraley updated the Commission on the Kiosk Agreement. The Kiosk equipment at the CTC will not be the standard equipment that Firefly will provides. This needs to be added and the Agreement needs to be clarified to address the various cost components. The Agreement will be back before the Commission next week.

Discussion ensued about additional user needs on Kiosks, such as Flyte Tracker at Pangborn.

**Agreements with Chelan County PUD-redundant fiber access to CTC**

Pete Fraley provided a brief historical review and update on the PUD's redundant fiber access to the CTC needs.

Three separate documents have been developed to accomplish what the Chelan County PUD needs for its redundant fiber access to the CTC.

**Motion No. 05-16-08**  
Moved By: Michael H. Mackey  
Seconded By: Craig N. Larsen  
To approve the license agreement as presented and authorize the Executive Director to sign. Motion carried.

**Motion No. 05-17-08**  
Moved By: Craig N. Larsen  
Seconded By: Michael H. Mackey  
To approve the CTC underground telecommunication easement and authorize the Executive Director to sign Motion carried.

**Motion No. 05-18-08**  
Moved By: Michael H. Mackey  
Seconded By: Craig N. Larsen  
To approve the Memorandum of Understanding regarding the underground easement on Port headquarters' land and authorize the Executive Director to sign. Motion carried.

**Update**

Laura Jaecks reported the video conference for tomorrow in Chelan has been cancelled for the Governor’s conference. The project is extending the demonstration phase through September.

Jaecks has received an official request from CTED for a second office. The CTC will have a new lease with WVC by the next commission meeting which will not include the currently unused offices. The plan is to move Ken Spain and the new CTED person to the WVC vacated offices.

The next CTC Condominium Assn meeting is scheduled for June 10<sup>th</sup>.

**Calendar**

Mtg. Rep. Armstrong AVI Summit	Port	5/1
Cashmere Feasibility Study Mtg.	Port	5/5
Mtg. Cashmere Airport	Port	5/8
Mtg. Federal Delegation	Washington DC	5/4-5/7
WA Tourism Mtg.	Leavenworth	5/6
CTED/ADO Mtg.	Burien	5/6
Cascade Loop Conference	Leavenworth	5/7-5/8
Power Up Summit	Wenatchee	5/8-5/9
WVTC Mtg.	Wenatchee	5/8
NCW Realtor Luncheon	Wenatchee	5/12
Mtg. Naumes	Chelan	5/12
EDD Mtg	Chelan	5/14
NCRTPO Mtg.	Chelan	5/14
PNWER Economic Conference	Seattle	5/14-5/16
WPPA	Vancouver	5/14-5/16
AVI Recruitment Mtg.	Port	5/19
NCW Community Foundation Mtg.	Port	5/19
Storm Water Meeting	Port	5/19
GWATA Roundtable Mtg.	CTC	5/21
Community Indicators Mtg.	Cordell Nehr	5/21
Chamber Alliance	Cashmere	5/27
NCW Realtor Luncheon	Wenatchee	5.28
Emergency Management Mtg.	Wenatchee	5/28
Mtg. Rep Armstrong	Wenatchee	5/28

**Motion No. 05-19-08**  
Moved By: Michael H. Mackey  
Seconded By: Craig N. Larsen

*To approve calendar for commissioners and staff as presented.*

*Motion carried.*

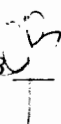

**Executive Session**

Regular session recessed to executive session at 10:40 am to discuss real estate matters. Regular session was reconvened at 10:53 am.

Mark Urdahl and Dayle Rushing provided an update on the Cashmere property.

Urdahl reported the wetlands delineation is currently taking place. Mr. Lysacker has decided to vacate the property early. Pete Fraley recommended the water rights pertinent to the property be placed into trust to stop the five year clock on the water rights expiration. However, the Port may elect to landscape the property along the highway.

Dayle Rushing reported the sign for the property is finished, and will be placed on the property in the near future.

JCB  CNE  MHM 

Commissioner Larsen requested a field trip to the property. Dayle Rushing will coordinate with Commissioner Larsen.


Discussion ensued.

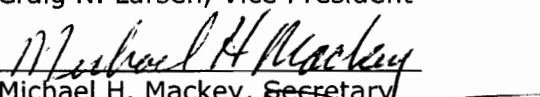
Meeting adjourned at 10:59 am with no action taken.

Dated and approved this 4<sup>th</sup> day of June, 2008.

**BOARD OF COMMISSIONERS**

  
\_\_\_\_\_  
JC Baldwin, President

  
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Craig N. Larsen, Vice President

  
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Michael H. Mackey, Secretary