

**DOUGLAS COUNTY PORT COMMISSION**

Wednesday, March 25, 2009

**MINUTES OF THE REGULAR PORT COMMISSION MEETING**

Port of Douglas County Conference Room  
3306 5<sup>th</sup> Street SE  
East Wenatchee, WA 98802

- Present: Alan Loeb sack, Commission President
- Jim Huffman, Commission Vice President
- Mark Spurgeon, Commission Secretary
- Pat Haley, Director
- Doug Provo, Business Manager
- Ken Stanton, Douglas County Commissioner
- Dale Snyder, Douglas County Commissioner
- Jim Barker, Administrator, Do Co T&LS
- Robert Knowles, Robert Knowles Architect
- Jamie Howell, Howell at the Moon Productions
- Jeff Ostensen, Howell at the Moon Productions
- Chris Hanson, Waterville Hangar Tenant

President Loeb sack called the meeting to order at 8:35 a.m.

**New Business – Cherry Harvest Tent Camp Closeout Project by Douglas County**

Mr. Barker updated the Board on the County’s planned dismantlement of the Cherry Harvest Tent Camp site at the Pangborn Airport Business Park. He and Robert Knowles, who is in charge of the annual tent camp facility, reviewed the County’s master plan to remove the buildings, as well as all underground secondary electrical, water and sewer infrastructure, while keeping the primary infrastructure lines intact, in order to prepare the 10-acre site for a future tenant.

Line items from the County’s budget for dismantling the Cherry Harvest Tent Camp were reviewed to ensure that both the Port and the County were agreeable on what infrastructure is to be removed. The County also plans to remove the gravel which was utilized for the parking area, as well as all fencing installed for the facility. The County has tried to find a use for the concrete tent pads, but the logistics of moving the pads to another location make this idea impractical and the pads will be broken down and hauled off the site. The Douglas County PUD is willing to leave the transformer on site if the Port wishes to pay the monthly electrical service fee. The Board concurred that the Port prefers to have the transformer removed. The Board instructed Director Haley to write a letter to Mr. Barker affirming the Port’s understanding the of the County’s dismantlement plans. Termination of the Tent Camp Agreement with the County will be an agenda item for the April 8<sup>th</sup> Port Commission meeting.

Douglas County Commissioners Stanton and Snyder, Mr. Barker and Mr. Knowles out at 8:53 a.m.

**Consent Agenda**

February 17, 2009 Meeting Minutes  
March 11, 2009 Meeting Minutes

Warrant Register 2009-03-2	Warrants 1003764 – 1003782	\$13,199.42
Warrant Register 2009-03-3	Warrant 1003783	\$ 500.00

**Consent Agenda (Cont)**

MOTION 03-25-01

Motion: To approve the Consent Agenda items, along with the June 14, 2006 Meeting Minutes and May 9, 2007 Meeting Minutes which had just recently been drafted and sent to the commissioners for review.

Moved: Jim Huffman

Seconded: Alan Loeb sack

Motion carried unanimously

**Hanson Hangar Purchase Agreement**

Director Haley and the Board reviewed the recitals and paragraphs of the purchase agreement that was drafted by legal counsel. He also reported that he and Mr. Hanson negotiated a purchase price of \$10,000. This price was based on the total estimated costs of moving the hangar, which included two quotes for the physical relocation of the hanger from Barnes Welding at \$5,475 and from Bates House Moving at \$7,500, both excluding WSST. Additional costs for permitting, engineering, site-grading, fill-material placement, concrete pad installation, structural installation & restoration, and asphalt placement from the hangar to the taxiway was estimated to bring the total cost for relocation of the hangar to at least \$10,000.

Additionally, a structural engineer from Pacific Engineering predicted a 25% possibility that the hangar would collapse or be severely damaged during the move, and the Board recognized that this risk would further add to the cost of moving the hangar requiring the Port of build a new hangar for Mr. Hansen.

Per the Boards review of the purchase agreement, Director Haley will work with legal counsel to make changes in the document, including the following:

1. Paragraph 2 – Insert May 31, 2009 as the date the Hanson hangar will be vacated
2. Delete Paragraphs 3 and 5
3. Paragraph 4 – Amend the agreement to issue one payment in the amount of \$10,000 instead of split payments.
4. Delete references to mandating a date for construction of a new hangar.
5. Add language to terminate the existing agreement on May 31, 2009 and release a pro-rated return for advance lease payments made in 2009.

Staff will check with Johnson Air Service to see if there is available storage space in the facility to accommodate Mr. Hanson's aircraft from the time the lot H-17 lease is terminated and Mr. Hanson's new hangar is constructed on lot H-5.

MOTION 03-25-02

Motion: To approve the draft Purchase Agreement for the purchase of the Hanson hangar at Waterville Airport, with the above-mentioned changes.

Moved: Jim Huffman

Seconded: Mark Spurgeon

Motion carried unanimously.

### **Waterville Airport Hangar Lease Rate Discussion**

Director Haley suggested the Port set another tier of lease rates for lots in the new hangar area on the east side of the airport to recover development costs the Port incurred in extending electrical and water service to this area. He reported the possibility of having to install another transformer to accommodate new hangars constructed in this area. A general discussion ensued on this change to the lease rate issue.

Mr. Howell and Mr. Ostensen in at 10:04 a.m.

The Board will look further into airport lease rate policy at a future meeting. Commissioner Huffman noted that the Hanson lease rate for lot H-5 will be at the existing rate. The Board instructed Director Haley to clarify and obtain more information on the transformer issue with the Douglas County PUD.

Mr. Hanson out at 10:08 a.m.

### **“Broken Limbs” Budget Request for Viewing on KCTS**

Mr. Howell and Mr. Ostensen summarized their efforts to produce a documentary on the life of Orondo tree-fruit orchardist pioneer—Grady Auvil. The non-profit project has been in production for three years. KCTS, Seattle’s PBS station, is considering including the documentary in a series called *About Us* to be aired in 2009. The current documentary will need to be edited and lengthened in order to be shown by KCTS. The estimated expense for editing, producing a version for school curriculums, providing a Spanish version and expanding distribution is \$43,000. Mr. Howell and Mr. Ostensen have donated \$30,000 of their own resources for the project budget. They are searching for \$13,000 of donations to complete the funding, and are requesting the Port’s financial support to this project. This film is intended as a pilot project for the production of other documentaries about local pioneers in agriculture and industry.

Mr. Howell and Mr. Ostensen showed the film trailer to the commissioners.

Commissioners Spurgeon and Huffman provided Mr. Howell and Mr. Ostensen with the names of horticulture industry contacts, Bruce Graham and Bill Bryant, as well as Port of Seattle contacts that would be advantageous in promoting the documentary.

No action was taken at this time regarding financial support for the project.

Mr. Howell and Mr. Ostensen out at 10:43 a.m.

Director Haley recommended the Port contribute \$2,500 contingent upon investigating the legality of the Port providing assistance for the non-profit project. Action on this item to be discussed at the next commission meeting.

### **Alliance Consulting Professional Services Contract**

Director Haley reviewed elements of the professional services agreement with Alliance Consulting for preparation of the annexation application for Waterville and Mansfield Airports into the city limits of each respective town’s.

Commissioner Loeb sack noted the additional complexity of expanding the Waterville Urban Growth Boundary in order to include the southeast side of the airport into the city limits. The process of expanding the UGB should be a part of the normal 5-year review process of the Waterville’s GMA planning, and

**Alliance Consulting Professional Services Contract (Cont.)**

Commissioner Loeb sack said it may be better to just wait until that review period rather than spending the money to request annexation.

The Board recommended that Lisa Parks of Alliance Consulting make the planning preparations now that would be in place when changes to the Waterville Urban Growth Boundary are evaluated during the normal review process. When that review process occurs, Port staff and Ms. Parks will meet with the Waterville Town Council to discuss the Port's interest in the annexation of airport property.

The Board instructed staff to confirm the next UGB review for the Town of Waterville. The Board took no action with the Alliance Consulting contract.

**50<sup>th</sup> Anniversary Newsletter Review**

Director Haley and the Board reviewed the second draft of the newsletter and made minor changes. Once the final draft is completed, Director Haley will obtain permission from Douglas County PUD to insert the newsletter in the PUD's monthly billing statements.

**Old Business – Manufacturing Summit Update**

Director Haley proposed combining the Manufacturing Summit with a nationwide Leadership Simulcast Presentation offered by Maximum Impact on May 8<sup>th</sup>. The Board concurred with Commissioner Huffman that the two events should not be combined and the Manufacturing Summit should remain as scheduled on April 17<sup>th</sup>. The Board also supported the Simulcast event that included presentations by national and international business and government leaders provided other public agencies share in the \$2800 sponsorship cost. The Board suggested that the April 17<sup>th</sup> Manufacturing Summit could be used to promote May 8<sup>th</sup> Simulcast Leadership event.

Both events are tentatively scheduled to be held in the Executive Flight Training Room. Director Haley will finalize the details for both events and report back to the Board.

**New Business – ROI Prospect Update**

Director Haley reported on his recent trip to Seattle to meet with representatives of three firms which could be prospective new businesses for Douglas County: BLR Aerospace, an Everett-based company which assembles aircraft winglets and other aircraft accessories; General Biodiesel, a Seattle-based company which converts grease, cooking oils and meat renderings to biodiesel; and Digital Forest, a Tukwila-based tenant of Sabey Corp which provides facilities for hosting small server-farm companies. Each of these companies are in various stages of expansion and Wenatchee is a prospective location particularly for BLR Aerospace. The commissioners encouraged Director Haley to keep in contact this aviation prospect.

Director Haley also met with John Ford, Dave Sabey, John Sabey and Michael Hanson of the Sabey Corp. Sabey will have open house event in East Wenatchee on April 7<sup>th</sup>. Commissioners Huffman and Spurgeon will plan on attending after the GWATA Luncheon on the same day. Commissioner Loeb sack will be unavailable to attend either event.

**New Business – WPPA Legislative Day Update**

Commissioner Spurgeon reported on the WPPA Legislative Day events which he and Director Haley attended on Tuesday in Olympia. The event included a reception at the Governor’s Residence and met with representatives from the Port of Seattle and other port districts across the State. A major topic of discussion was transportation and the impact the federal stimulus package will have on pending projects, such as the Alaska Way Viaduct Project. This project is important not only for Seattle but for all of Washington State, as it provides access to the major port facilities on Puget Sound where much freight from Eastern Washington passes.

Commissioner Spurgeon and Director Haley had dinner that evening with Port of Chelan staff and commissioners, along with Representatives Armstrong and Condotta and Senator Parlette.

Commissioner Huffman will attend the Port of Chelan’s 2009 Power UP! Summit on May 27th and 28<sup>th</sup> at the Wenatchee Convention Center.

**Commissioner Schedule & Upcoming Meetings**

- April 7<sup>th</sup> – GWATA Innovator Awards Luncheon – Wenatchee Convention Cntr - 12:00 p.m. to 1:30 p.m.
- April 7<sup>th</sup> – Sabey Corp Open House – 2:00 p.m.
- April 8<sup>th</sup> – Port of Douglas Commission Meeting – Port of Douglas – 8:30 a.m.
- April 14<sup>th</sup> – Douglas County Manufacturing Summit – Executive Flight – 11:00 a.m.
- April 22<sup>nd</sup> – PMA Governing Board Meeting – Port of Chelan – 8:30 a.m.
- May 13<sup>th</sup> – 14<sup>th</sup> – WPPA Spring Meeting – Pasco Red Lion

Commissioner Spurgeon will join Port of Chelan Director Mark Urdahl and POC Commissioner Craig Larson in going to Seattle to meet with Dan Russo, Marketing Director for Horizon Airlines, to discuss marketing, advertising and scheduling issues related to Wenatchee flights.

Commissioner Spurgeon reported on the PMA Accountability Audit Report and the Financial Statements Audit Report published by the State Auditor’s Office. With minor exceptions, both reports reflected excellent conclusions on the recent audit and financial statements.

There being no further business to discuss, the meeting was adjourned at 12:28 p.m.

DOUGLAS COUNTY PORT COMMISSION

W. Alan Loeb sack, President

James D. Huffman, Vice President

Mark M. Spurgeon, Secretary

Original signed copy filed at:

*Port of Douglas County  
3306 Fifth Street SE  
East Wenatchee, WA 98802*