

DOUGLAS COUNTY PORT COMMISSION

Wednesday, October 22, 2008

MINUTES OF THE REGULAR PORT COMMISSION MEETING

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

Present: Mark Spurgeon, Commission President
Alan Loeb sack, Commission Vice President
(Jim Huffman, Commission Secretary has an excused absence)
Pat Haley, Director
Doug Provo, Business Manager
Esther McKivor, Administrative Assistant
Doug McKinley, NHThree Ammonia Project
Ken Stanton, Douglas County Commissioner
Mary Hunt, Douglas County Commissioner
Jim Davis, Douglas County PUD
Mike Armstrong, Port of Chelan County
Ryan Bentley, Wenatchee Business Journal

Mr. Spurgeon called the meeting to order at 11.45 a.m.

Consent Agenda

1. September 24, 2008 Meeting Minutes
2. October 8, 2008 Meeting Minutes
3. Warrant Register 2008-10-2 Warrants 1003462 – 1003490 \$51,020.02

Correction to the minutes of September 24, 2008 was made to page 4, second paragraph "Orondo Park Update" to specify that Highway 97A is planned to be closed next spring instead of Highway 97 as originally stated.

Motion 10-22-01

Motion: To approve the Consent Agenda with the correction to the minutes of September 24, 2008 to state Highway 97A.

Moved: Alan Loeb sack

Seconded: Mark Spurgeon

Carried Unanimously

Jim Davis in at 11:46 a.m.

NHThree Ammonia Project

Mr. Haley reviewed the elements of the project and noted that letters had been sent to the State's congressional delegation soliciting support for the project.

Mike Armstrong in at 11:55 a.m.

Mr. McKinley relayed the history and methods for ammonia production. With the increase in natural gas prices, alternate methods to produce ammonia are now more competitive. He is proposing a hydrolysis process which utilizes an electrical current across 2 electrodes in water to separate hydrogen and oxygen. The hydrogen is then combined with nitrogen to produce the NH₃ (anhydrous ammonia).

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NHThree Ammonia Project - Continued

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Mr. McKinley proposes to build a pilot plant utilizing an existing nitrate contaminated well in Waterville. He is seeking funding sources, as well as a commitment from wheat farmers and fertilizer co-ops to utilize a percentage of the product. He mentioned that with a successful pilot, it could lead to a commercial production facility which will be very lucrative, as well as have a significant positive economic impact to local agriculture by providing significantly lower-cost ammonia based fertilizer to local farmers. It was pointed out that the DOE will need to approve the transfer of water rights of the contaminated well from residential to commercial use. Mr. McKinley asked the port to facilitate meetings with the local farmers, and fertilizer and grain co-ops to solicit their support. Everyone agreed that the project could be beneficial to everyone in the area.

Recess at 12:55 p.m.

Ryan Bentley, Doug McKinley, Ken Stanton, Mary Hunt & Mike Armstrong out at 1:10 p.m.

Mansfield Airport Electrical Improvements

Mr. Provo explained that the electrical service, located on the west end of the runway at the Mansfield Airport is inadequate and obsolete for future needs. It should be upgraded from 30 amps to 100 amps. The people in Mansfield have requested this improvement for nearly a year. Iblings Electric provided a quote of \$1,988 plus tax for the improvement.

Motion 10-22-02

Motion: To approve the quote from Iblings Electric for the electrical service improvement at Mansfield Airport, in the amount of \$1,988 plus tax.

Moved: Alan Loeb sack

Seconded: Mark Spurgeon

Carried Unanimously

2009 Waterville Airport Taxiway Planning Project

Mr. Provo relayed that JUB Engineers has submitted a scope of work and budget for the design phase services for the 2009 Waterville Airport Taxiway Reconstruction. The project budget negotiated with JUB Engineers is in the amount of \$35,226. The State is obligated for 90% of the cost. Mr. Provo requested that the commissioners approve the contract for services and authorize Mr. Haley to sign the contract with JUB Engineers.

Motion 10-22-03

Motion: To authorize Mr. Haley to sign the Agreement for Professional Services with JUB Engineers, to provide the design phase services and bidding phase services for the 2009 Waterville Airport Taxiway Reconstruction, in the amount of \$35,226.

Moved: Alan Loeb sack

Seconded: Mark Spurgeon

Carried Unanimously

Jim Davis out at 1:30 p.m.

Waterville Airport Septic System Site Evaluation

Mr. Haley updated the board on the proposed septic system to accommodate the needs of the tenants located at the new hangar pad area at the Waterville Airport. He relayed that the Dept. of Health has not approved the location at the east end of the hangar pad. The analysis of the test hole showed poor soil drainage for a collective drain field. The board agreed that a pump drain field is costly. There was discussion of having a central system to the drain field verses individual septic tank installed by each tenant

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Waterville Airport Septic System Site Evaluation - Continued

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at their own expense. Each tenant may have different frequency of use and sharing the cost of the maintenance may not be equitable. The board concurred that each tenant may install their own restroom facility at their own expense.

Douglas County Manufacturing Summit

Mr. Haley informed the Board that the Port of Chelan is interested in participating in the manufacturing summit. It's been determined that this summit will include participants from Chelan, Douglas and Okanogan counties. Jennifer Korfiatis from the North Central Washington Economic Development District proposed to coordinate and provide a scope of work for the event planned for January 2009. The proposed cost to facilitate this event is \$6,000, to be shared by both ports. Mr. Haley expressed that if the board is supportive of the work proposed by Ms. Korfiatis, he will continue communicating with the Port of Chelan and Ms. Korfiatis will have further discussions with the board of NCW EDD. The Board agreed Mr. Haley continues to build interest for the manufacturing summit.

New Business – Pangborn Airport Business Park

Mr. Loeb sack commented that the landscaping and the entry way to the Pangborn Airport Business Park looks very nice and very well manicured. Mr. Haley and Mr. Provo commended maintenance manager Thad Brewer is doing an excellent job and is an asset to the port.

New Business - Wild Horse Canyon Wind Farm Tour

Mr. Haley gave a brief update of the tour which he and Commissioner Spurgon took of the Wild Horse Canyon Wind Farm in Vantage.

New Business – Schall Property

Mr. Huffman will be the Port of Douglas' representative regarding the Schall Property Purchase and Sale Agreement.

Action List Update

The board reviewed the Action Item List.

Commission Schedule & Upcoming Meetings

October 23 & 24: WPPA Small Ports Seminar, Leavenworth

November 12: Next Port Commission Meeting

Pat Haley will be attending trade shows in Orange County CA and Chicago IL. Doug Provo will be Deputy Director.

November 13 & 14: State Wheat Growers Convention

Alan Loeb sack will attend. Port of Douglas will sponsor a table.

November 19 – 21: WPPA Annual Meeting, Tacoma

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There being no further business to discuss, the meeting was adjourned at 2:00 p.m.

DOUGLAS COUNTY PORT COMMISSION



Mark M. Spurgeon, President



W. Alan Loeb sack, Vice President

EXCUSED ABSENCE

James D. Huffman, Secretary