



PORT OF DOUGLAS COUNTY
Board of Commissioners
Final Agenda
Tuesday, November 27, 2012

REGULAR PORT COMMISSION MEETING – 9:00 am

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

- I. CONSENT AGENDA (*attachments*)
 - A. Warrant Register 2012-11-2
 - B. Minutes of November 13, 2012 Commission Meeting
- II. GUEST REPORTS
- III. NEW BUSINESS
 - A. Public Hearing on Port 2012 Supplement Budget #1 (*attachments*)
Resolution #2012-10 Adopting the 2012 Supplement Budget #1
 - B. Public Hearing on Port 2013 Final Budget (*attachments*)
Resolution #2012-11 Authorizing of 1% Increase Tax Levy
Resolution #2012-12 Approving the 2013 Budget
- IV. OLD BUSINESS
- V. REPORTS
 - A. Commission
 - B. Executive Director
- VI. EXECUTIVE SESSION

DOUGLAS COUNTY PORT COMMISSION
MINUTES OF THE REGULAR PORT COMMISSION MEETING
Tuesday, November 27, 2012

Port of Douglas Conference Room
3306 Fifth Street SE
East Wenatchee, WA 98802

Present: Alan Loeb sack, Commission President
Jim Huffman, Commission Vice President
Mark Spurgeon, Commission Secretary
Lisa Parks, Executive Director
Doug Provo, Business Manager
Thad Brewer, Property & Maintenance Manager
Esther McKivor, Accountant & Administrative Assistant
Mel Henkle, CPA

Commissioner Loeb sack called the meeting to order at 9:05 a.m.

Consent Agenda

Warrant Register 2012-11-2	# 1006695 – 1006674	\$ 3,216.99
Meeting Minutes – November 13, 2012		

Motion 11-27-1

Motion: To approve the Consent Agenda.

Moved: Mark Spurgeon

Seconded: Jim Huffman

Motion carried unanimously.

Commissioner Spurgeon briefly reviewed and commented on the PMA Activity Report for the month of October. The report reflected the highest activities in parking, car rentals, enplanement and a busy month for the SeaPort Air.

NEW BUSINESS – Public Hearing on Port 2012 Supplement Budget #1
Resolution 2012-10 Adopting the 2012 Supplement Budget #1

There were no public comments on the 2012 Supplement Budget #1.

Director Parks and the Commission reviewed and discussed the 2012 Supplemental Budget #1.

Motion 11-27-2

Motion: To approve Resolution 2012-10 adopting the 2012 Supplemental Budget #1.

Moved: Mark Spurgeon

Seconded: Jim Huffman

Motion carried unanimously.

NEW BUSINESS – Public Hearing on Port 2013 Final Budget
Resolution 2012-11 Authorizing of 1% Increase Tax Levy
Resolution 2012-12 Approving the 2013 Budget

Director Parks briefly reviewed Resolution 2011-11, adopted September 13, 2011, establishing and re-affirming financial policies for financial operations of the Port District. The 2013 Budget seeks to maintain the Port's

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reserves within the range of 10-30% of estimated annual expenses, and to adopt the “pay-as-you-go” policy which funds current operations with current and available revenue.

The Commission carefully reviewed the public comment letter from Port of Chelan County. The main emphasis was to encourage Port of Douglas County to maintain its 30% funding of the proposed PMA capital and M & O budget with the understanding that as discussions continue on budget and governance issues with regard to PMA, that the Port could later, through a supplemental budget, decide to lessen its financial commitment.

Director Parks and the Commission conducted a detailed review of the budget line items with regards to each of the cost centers contained in the budget.

The Commission held an in-depth discussion regarding the proposed elimination of the Maintenance Technician position that was created in the 2012 Budget. This full time position was initially included to assist the Port District with operations at Orondo River Park, among other janitorial and maintenance tasks at the CWICC facility and the two general aviation airports. The recommendation to eliminate the position results primarily from changing economic conditions requiring a reduction in the Port’s expenses, but also because the Port anticipates decreased needs for the position, such as utilizing a concessionaire for the operation of Orondo River Park. Having evaluated existing and expected operational issues carefully, staff has determined that the elimination of the Maintenance Technician position will have the least detrimental effect on the Port District’s operations.

The Commission held an in-depth discussion of the Port’s contribution to the capital and maintenance and operations budgets for Pangborn Memorial Airport, focusing on the terms of the JOA, the agreements in principle with the Port of Chelan County to revise the Ports’ relationship, the trend of significant contributions required to fund PMA shortfalls in the past and extending into the future, the Port’s commitment to developing the Pangborn Airport Business Park, and the degree to which the Port should be relying on reserves to balance its budget.

The Commission recognized that according to the JOA, approval of the proposed PMA budget constitutes a contractual commitment to fund the budget and concluded that it was more appropriate from a fiduciary perspective to commit to what the Port could fund, and not commit to what it knew was not sustainable.

The Commission discussed the request by the POCC by their letter for the PODC to increase funding for PMA by \$165,000, which would require the Port to access its reserves by this amount. The Commission recognized that such an increase would conflict with operating budget policy #1, and would seriously erode the Port’s reserves.

Commissioner Huffman requested that the draft Resolution 2012-12, as prepared by legal counsel, be amended to include an additional recital, referencing the adoption of Resolution 2011-11 adopting the financial policies of the Port of Douglas County. The Commission concurred.

Motion 11-27-3

Motion: To adopt Resolution 2012-11 authorizing a 1% increase in the regular property tax levy, as presented.

Moved: Mark Spurgeon

Seconded: Jim Huffman

Motion carried unanimously.

Motion 11-27-4

Motion: To approve Resolution 2012-12, as amended to reflect a reference to Resolution 2011-11, adopting the 2013 Budget.

Moved: Jim Huffman

Seconded: Mark Spurgeon

Motion carried unanimously.

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OLD BUSINESS

There was no Old Business.

REPORTS - Commission

There were no Commission Reports.

REPORTS – Executive Director

There were no Executive Director Reports.

EXECUTIVE SESSION

There was no Executive Session.

There being no further business to discuss, the meeting was adjourned at 11:40 a.m.

**PORT OF DOUGLAS COUNTY
APPROVED COMMISSION
MEETING MINUTES**

For signed copies please contact the Port District