

Board of Directors
Chelan Douglas Regional Port Authority
Meeting Minutes
April 9th, 2024
9:00 a.m.

Present:

Directors:

Donn Etherington, Director (Zoom)
W. Alan Loeb sack, Director
Jim Huffman, Director

Richard DeRock, Director
JC Baldwin, Director
Mark Spurgeon, Director

Staff:

Jim Kuntz, Chief Executive Officer
Monica Lough, Dir. of Finance & Admin.
Trent Moyers, Director of Airports
Stacie de Mestre, Dir. of Econ. Dev.
Nick Rohrbach, Project Manager
Ron Russ, Maint. & Properties Manager
Julie Avis, Accounting Specialist (Zoom)

Sarah Deenik, Accounting & Admin. Mngr.
Mikenna Scott, Executive Assistant
Brooke Lammert, Econ. Dev. Spec.
Lorena Amador, Acct. Specialist (Zoom)
Colby Goodrich, FBO Manager (Zoom)
Laura Camarillo Reyes, Admin. Asst. (Zoom)
Tricia Degnan, CTC Building Manager (Zoom)

Legal Counsel:

Quentin Batjer, Davis Arneil Law Firm LLP

Guests:

Bob Goedde, Chelan City Council
Caleb Lindquist, Ardurra
Dave Mitchell, Ardurra
Taylor Payne, Army National Guard
Bob Caporicci, Army National Guard
Mike Mackey, Do. Co. Resident
Ellyn Freed, Forte Architects
Keanna Valdez, Forte Architects
Ruben Estrada, Forte Architects
Jason Taylor, KPQ (Zoom)
Emily Thornton, Wenatchee World (Zoom)
Kevin Vitulli, Banner Bank (Zoom)

Erik Howe, RH2 Engineering Inc. (Zoom)
Jens Hansen, UVA Furem Winery (Zoom)
Joel Martinez, Icycle Brewing (Zoom)
Brandt Cappell (Zoom)
Ray Hobson, Schuchart Construction (Zoom)
Rachel Hanson, Chelan County PUD (Zoom)
Rosa Pulido, Wenatchee Downtown Assoc. (Zoom)
Jessie Barton, Helion Energy (Zoom)
Paul Gentsch, Helion Energy (Zoom)
Ron Cridlebaugh, Econ. Services Dir. Chelan Co. (Zoom)
Kevin Overbay, Commissioner Chelan Co. (Zoom)

The Chelan Douglas Regional Port Authority Board Meeting was called to order at 9:00 a.m.

Introductions were made.

Conflicts of Interest: None.

Public Comment: An opportunity for public comment was provided. No public comments were received.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY CONSENT AGENDA:

The Chelan Douglas Regional Port Authority Consent Agenda consisting of the March 26th, 2024 Meeting Minutes, March 26th, 2024 Tri-Commission Meeting Minutes, CDRPA Check Register Pages #2024-10 through #2024-12, including Electronic Transfers, March 2024 Commission Calendar, and Calendar of Events was presented.

Motion No.
Moved by:
Seconded by:

04-01-24 CDRPA
JC Baldwin
Mark Spurgeon
To approve the Chelan Douglas Regional Port Authority Consent Agenda as presented.

Motion Passed 5-0
**Donn Etherington Excused Absence*

PRESENTATION:

- **Army National Guard Executive Flight Building Update** – Taylor Payne and David Caporicci of the Army National Guard gave the Board an update on the Guard moving into the Executive Flight Building and presented visuals of the new building signage. Payne also went over a timeline with the Board which included move in, ribbon cutting event, and estimated date to be fully functioning.
- **Craft Brewing District Initial Design Concepts** – Ellyn Freed with Forte Architects presented the Board with the initial design concepts of the "Trackside Craft Brewing District". She discussed square footage of the buildings, function, and parking.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY ACTION ITEMS:

First Amendment to Option to Purchase- Microsoft Phase II Malaga Property

Kuntz discussed with the Board that Microsoft would like to proceed with closing on several Malaga properties. Kuntz reviewed a Microsoft Property Acquisition map as well as the First Amendment to Option to Purchase. Discussion ensued, and the following action was taken:

Motion No.
Moved by:
Seconded by:

04-02-24 CDRPA
JC Baldwin
Richard DeRock
To authorize the CEO to enter into the First Amendment to Option to Purchase Agreement with Microsoft.

Motion Passed 5-0
**Donn Etherington Excused Absence*

The Trades District Project- Financial Plan

Kuntz presented to the Board a financial plan model, revised budget, and a revised rent schedule. He discussed with the Board the need to start tenants at a higher lease rate to gain a return of Regional Port capital. Kuntz also reviewed the final project budget. The Board discussed potential rental assistance for first year tenants such as deferred rent or waived rent for the first two months. The Board would like to see the Trades District incubator program have built in flexibility to assist new tenants moving in. The Board stated rent flexibility would be at the Chief Executive Officer's discretion. Discussion ensued, and the following action was taken:

Motion No.
Moved by:
Seconded by:

04-03-24 CDRPA
Mark Spurgeon
Richard DeRock
To establish a revised construction budget of \$12,600,000 including Washington State Sales Tax.

Motion Passed 5-0
*Donn Etherington Excused Absence

Motion No. **04-04-24 CDRPA**
Moved by: JC Baldwin
Seconded by: Alan Loeb sack
To approve the Trades District rent recovery schedule with rental rates starting at \$0.75 per sq ft per month plus state leasehold tax.

Motion Passed 5-0
*Donn Etherington Excused Absence

Authorization to Bid Malaga Production Wells 7 & 8

de Mestre gave a recap of the 12" test well that was drilled last year. de Mestre discussed with the Board the well size, reservoir size, and how that will significantly lower costs. She reviewed the amended Phase I agreement and drilling two new wells, which must be done by end of year. Discussion ensued and the following action was taken:

Motion No. **04-05-24 CDRPA**
Moved by: Richard DeRock
Seconded by: Mark Spurgeon
To authorize the CEO to seek bids for the Malaga Vicinity Wells 7 and 8 project.

Motion Passed 5-0
*Donn Etherington Excused Absence

Authorization to Award Malaga Tree Removal Contract

de Mestre presented to the Board the bids received to remove orchards on the Malaga properties. She discussed the trees needed to be removed prior to growing season. The bid included removal of trees, chipping, and the removal of chips off property. This did not include the removal of the trailers on the property. Advantage Dirt Contractors was the low responsible bidder. Discussion ensued and the following action was taken:

Motion No. **04-06-24 CDRPA**
Moved by: JC Baldwin
Seconded by: Alan Loeb sack
To authorize the CEO to award and sign the contract with Advantage Dirt Contractors in the amount of \$145,581.66 including Washington State Sales Tax, upon receipt of and acceptance of all necessary deliverables required by the contract documents.

Motion Passed 5-0
*Donn Etherington Excused Absence

Motion No. **04-07-24 CDRPA**
Moved by: Richard DeRock
Seconded by: Mark Spurgeon
To establish an overall project budget for the Malaga Orchard Removal Project in the amount not to exceed \$160,140.00.

Motion Passed 5-0
*Donn Etherington Excused Absence

Authorization to Sign Letter of Intent- Helion Energy

Kuntz introduced Jessie Barton with Helion Energy. Barton presented to the Board who Helion Energy is and what they do. She disclosed they are looking to open a Helion Power Plant in Chelan County. Helion is looking for 20-30 acres and we have a 25-acre lot available. de Mestre spoke with the Board about Helion entering into a 1-year commitment for a feasibility study on said land. Discussion ensued and the following action was taken:

Motion No.
Moved by:
Seconded by:

04-08-24 CDRPA
Mark Spurgeon
JC Baldwin

To authorize the CEO to enter into a Letter of Intent with Helion Energy.

Motion Passed 5-0
**Donn Etherington Excused Absence*

At 10:52 a.m. Commissioner Huffman called for a 10-minute break.
Commissioner Huffman called meeting back into order at 11:02 a.m.

Commissioner Donn Etherington joined the meeting via Zoom at 11:00 a.m.

INFORMATIONAL ITEMS:

Pangborn Airport Runway 12-30 Existing Conditions Report- Dave Mitchell from Ardurra presented to the Board the Runway Rehabilitation project. Mitchell discussed the rehabilitation option versus the reconstruction option. He also updated the Board on discussions held with the Federal Aviation Administration and their support of the rehabilitation option. Mitchell is optimistic that he will have a Scope of Work ready to present at the May Board meeting.

Pangborn Airport Underground Storage Tank Removal Project – Russ updated the Board on the progress of the Underground Storage Tank Removal. Russ reported that some tanks had not officially been “decommissioned” and had some remnants of water/ fuel substance remaining inside tank. Russ provided photos to the Board which showed the size of tanks removed and other various parts of the project. Russ reported the project is going well to date.

Partners in Economic Development Breakfast/ Lunch Recap – Kuntz gave brief recap and presented photos to the Board of the event. Kuntz thanked staff for helping with the event and reminded the Board there will be another event in the fall.

CDRPA Budget vs. Actual 2023 Recap– Lough reported to Board the 2023 Budget vs. Actual for the Regional Port Authority. She also gave a brief recap on the Pangborn Memorial Airport 2023 financial performance.

CTC Surplus Property List – Degnan reviewed with Board the CTC Surplus Property List and the items that will be posted on a public auction site. Kuntz shared with the Board that currently Regional Port policy excludes Port staff from bidding on such items under support by the Board. Discussion ensued and the following action was made:

Motion No.
Moved by:
Seconded by:

04-09-24 CDRPA
Alan Loepsack
Mark Spurgeon

To authorize CDRPA staff to bid on CTC surplus property which is sold via listing on a public auction site.

MISCELLANEOUS STAFF REPORTS:

Kuntz provided information and updates including:

- Cashmere Mill Road Infrastructure Update
- Douglas County TIF District- The Port consultant Tiberius continues to work on financial projections. A presentation to the Board is scheduled for May 14th
- ClimaVision- Good progress and moving forward with sites for Radar
- Organizational Chart- Reviewed chart with Board. Will update in Board binders
- WPPA Spring Meeting Update- Kuntz will be presenting on Port powers, functional consolidation, and funding
- Douglas County Sewer District Agreement Update- As a part of the Regional Port obtaining a building permit for the Airport G.A. Terminal Building, Douglas County Sewer District #1 asked for certain conditions. Kuntz reviewed with the Board a letter he sent to the Sewer District

Moyers provided information and updates including:

- Per Federal Aviation Administration Reauthorization Bill approval, Chelan Douglas Regional Port will lose law enforcement reimbursement for Airport Security Officer
- Updated Board that if the Regional Port purchased fuel on the State Purchasing Contract, it is not eligible for resale.

de Mestre provided information and updates including:

- Firing Range Kickoff meeting went well. Lots of good conversations and conceptual design and high-level budget expected around June or July.
- Trades District traffic study update- No significant impacts.
- Congressional Spending Application being submitted for Craft Brewing District.
- Malaga Water Line- Valves were removed and passed purity tests, they are currently sealed. The water line failed and pipe will be cleaned.

Russ provided information and updates including:

- Orondo River Park will open April 15th, 2024

Degnan provided information and updates including:

- CTC Meeting Revenue Report for the 1st quarter of 2024

REVIEW CALENDAR OF EVENTS: Several dates and events were reviewed.

ITEMS FROM BOARD OF DIRECTORS: Board of Directors provided various updates.

PUBLIC COMMENT: An opportunity for public comment was provided. No public comments were received.

EXECUTIVE SESSION:

Executive Session was announced at 12:43 p.m. for a period of ten minutes. No action anticipated at the end of the session. The purpose consisted of RCW 42.30.110(1)(b) to consider the acquisition of real estate by lease or purchase when public knowledge regarding such considerations would cause a likelihood of increased price. Executive Session concluded at 12:52 p.m. with no action taken.

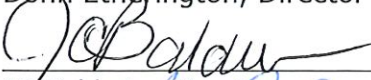
Meeting adjourned at 12:54 p.m.

Signed and dated this 23rd day of April 2024.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY



Don Etherington, Director



JC Baldwin, Director



Richard DeRock, Director



Jim Huffman, Director



W. Alan Loeb sack, Director



Mark Spurgeon, Director