

**Chelan Douglas Regional Port Authority  
Special Meeting Agenda  
September 9<sup>th</sup>, 2020  
1:00 pm**

**In order to maximize social distancing related to COVID-19,  
the meeting will be held remotely using Zoom Virtual Conference Room**

**I. CALL TO ORDER**

*\*Note: When the Chelan Douglas Regional Port Authority meeting is called to order, the Port of Chelan County and Port of Douglas County meetings are simultaneously called to order.*

**II. INTRODUCTIONS**

**III. CONFLICT OF INTEREST**

**IV. CONSENT AGENDAS**

**CDRPA:** Approval of Chelan Douglas Regional Port Authority Minutes of August 25<sup>th</sup>, 2020 Meeting; and Check Register Pages #2020-33-#2020-39, including Electronic Funds Transfers

POCC: Approval of Port of Chelan County Check Register Page #2020-12, and Electronic Funds Transfer

PODC: Approval of Port of Douglas County Check Register Pages #2020-14-#2020-15

**V. PRESENTATION**

- Waterville Airport Improvement Project

**VI. POCC ACTION ITEMS**

**1. Approval of 2019 POCC Financial Statements**

**CDRPA ACTION ITEMS**

**2. LOJO Property Purchase**

- Authorization to Purchase
- Approval of Ownership Allocation Memo

**3. CDRPA Resolution No. 2020-17 – Authorizing Sale of Aircraft**

**4. Authorizing CEO to Enter into Lease Agreement with Frito Lay – IB#9**

**5. Authorizing CEO to Award Waterville Airport Runway Improvement Project**

**6. Declaration of Emergency – Airport Terminal Building Water Line Repair Project**

**VII. INFORMATIONAL ITEMS**

- Lineage South – Review Minimum Pricing
- Cashmere Mill District – Tenant Marketing Update
- Airport Business Park – Business Lead

**VIII. CDRPA – ECONOMIC DEVELOPMENT INITIATIVES RELATED TO COVID-19**

- Update on Grants Programs and Processing

**IX. CDRPA – COVID-19 OTHER**

- FAA CARES Act Grant

**X. MISCELLANEOUS STAFF REPORTS**

**XI. PUBLIC COMMENT**

**XII. REVIEW CALENDAR OF EVENTS**

**XIII. ITEMS FROM BOARD OF DIRECTORS**

**XIV. EXECUTIVE SESSION:** An Executive Session may be called during the meeting. The purpose must be announced and is limited by RCW 42.30.110. Examples include: (1) to discuss with legal counsel litigation, potential litigation and/or legal risks (RCW 42.30.110(1)(i)); (2) to consider the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price (RCW 42.30.110(1)(b)); and (3) to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price (final action selling or leasing public property shall be taken in a meeting open to the public)(RCW 42.30.110(1)(c)); and (4) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee(RCW 42.30.110(1)(g))

**XV. ADJOURN**

**REMINDER: Port Retreat – Tuesday, October 20<sup>th</sup>, 2020  
10:00 am – 3:00 pm**

**PLEASE NOTE:** The agenda is tentative only. The Board of Directors may add, delete, or postpone items and may take action on any item not on the agenda (This does not apply during a "special" meeting). The Directors may also move agenda items during the meeting. If you wish to address the Regional Port Authority on a non-agenda or an agenda item, please raise your hand to be recognized by the President. When you have been recognized, give your name and address before your comments. The Board of Directors are committed to maintaining a meeting atmosphere of mutual respect and speakers are encouraged to honor this principal.

The Port Authority office is ADA compliant. Please contact the Administrative Office at 509-884-4700 at least three (3) days in advance if you need any language, hearing or physical accommodation.



**Chelan Douglas Regional Port Authority  
Board of Directors  
SUGGESTED MOTIONS  
September 9<sup>th</sup>, 2020**

**IV. CONSENT AGENDAS**

**CDRPA CONSENT AGENDA**

To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of August 25<sup>th</sup>, 2020 Meeting; and Check Register Pages #2020-33-#2020-39, including Electronic Funds Transfers, as presented.

**POCC CONSENT AGENDA**

To approve the Port of Chelan County Consent Agenda consisting of Check Register Page #2020-12, including Electronic Funds Transfer, as presented.

**PODC CONSENT AGENDA**

To approve the Port of Douglas County Consent Agenda consisting of Check Register Pages #2020-14-#2020-15, as presented.

**V. ACTION ITEMS**

**PORT OF CHELAN COUNTY:**

**(1) Approval of 2019 POCC Financial Statements**

To approve the 2019 POCC Financial Statements, as presented.

**REGIONAL PORT AUTHORITY:**

**(2) LOJO Property Purchase**

**Authorization to Purchase**

To authorize the CEO to sign all necessary documents for the LOJO Orchard Property purchase.

**Ownership Allocation Memo**

To approve the Ownership Allocation Memo concerning LOJO Orchard Property Purchase.

**(3) CDRPA Resolution No. 2020-17 Authorizing Sale of Aircraft**

To adopt CDRPA Resolution No. 2020-17 regarding seizure and authorizing sale of aircraft 1954 PA-22-135 Pacer.

**(4) Authorizing CEO to Enter into Lease Agreement with Frito-Lay for IB#9**

To authorize the CEO to enter into a lease agreement with Frito-Lay for IB#9.

**(5) Waterville Airport Runway Improvement Project Bid Award**

To Authorize the CEO to award the Waterville Airport Pavement Maintenance Project to the apparent low bidder, contingent upon WSDOT concurrence and that the overall project budget does not exceed the total budget of \$205,315.

**(6) Declaring of Emergency – Airport Terminal Building Water Line Repair Project**

To confirm CEO actions declaring an emergency to temporarily repair the Airport Terminal Building water line, and confirm CEO waiving competitive bidding requirements to proceed with a permanent fix per RCW:39.04.280.

**Board of Directors**  
**Chelan Douglas Regional Port Authority**  
**Meeting Minutes**  
**Zoom Meeting**  
**August 25<sup>th</sup>, 2020**  
**9:00 am**

**Present:**

**Directors**

JC Baldwin, Director (via Zoom)  
\*Rory Turner, Director  
Donn Etherington, (via Zoom)

Jim Huffman, Director (via Zoom)  
W. Alan Loeb sack, Director (via Zoom)  
Mark Spurgeon, Director (via Zoom)

**Staff**

\*Jim Kuntz, Chief Executive Officer  
\*Monica Lough, Director of Finance & Admin.  
Ron Criddlebaugh, Dir. of Economic Dev.  
Stacie de Mestre, Public Works & Capital Projects Mgr.  
\*Quentin Batjer, Legal Counsel  
Cami Harris, Executive Assistant  
Laura Camarillo Reyes, CTC Assistant  
Esther McKivor, Accounting Specialist

Trent Moyers, Director of Airports  
Ron Russ, Property Mgr.  
Craig Larsen, Business Dev. Mgr.  
Sarah Deenik, Communications Coordinator  
\*Pete Fraley, Legal Counsel  
\*Bobbie Chatriand, Administrative Asst.  
Bealinda Tidd, Accounting Specialist  
Randy Asplund, Port Engineer

\*Commissioner Turner, Jim Kuntz, Monica Lough, Quentin Batjer, Pete Fraley, and Bobbie Chatriand in person; others via Zoom.

**Guests (all via Zoom):**

Adam Neff, RH2

Ray Dobbs, City of Chelan

**The Chelan Douglas Regional Port Authority (CDRPA) Meeting was called to order at 9:00 am. Due to the COVID-19 virus outbreak, the meeting was held at Confluence Technology Center via Zoom as previously posted in the required Public Meeting Notice.**

**Director Turner inquired how his fellow Directors are doing during COVID-19, and each Director gave a short report. Roll call was taken.**

**STAFF RECOGNITION:**

Moyers recognized Ken Lamb for his 30 years of dedicated service at Pangborn Memorial Airport. He was presented with a plaque and a bomber jacket. Commissioners and Port staff thanked Ken for his years of service.

**Conflict of Interest** – None.

Commissioner Turner noted the addition of two items to the agenda: CDRPA Resolution No. 2020-16 voiding Checks No. #6326, #6336, and #6355; and Authorization to Seek Bids for the Waterville Runway Rehabilitation Project.

**CONSENT AGENDA:**

**CDRPA CONSENT AGENDA:**

The Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of August 11<sup>th</sup>, 2020 Meeting; August 11<sup>th</sup>, 2020 Tri Commission Meeting; August 12<sup>th</sup>, 2020 Supplemental Budget #1 Workshop; July 2020 Commission Meeting Calendar; CDRPA Resolution No. 2020-15 Voiding Check No. #6115; and CDRPA Resolution No. 2020-16 Voiding Checks No. #6326, #6336, and #6355, was presented and the following action was taken:

<b>Motion No.</b>	<b>08-06-20 CDRPA</b>
Moved by:	JC Baldwin
Seconded by:	Mark Spurgeon
	<i>To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of August 11<sup>th</sup>, 2020 Meeting; August 11<sup>th</sup>, 2020 Tri Commission Meeting; August 12<sup>th</sup>, 2020 Supplemental Budget #1 Workshop; July 2020 Commission Meeting Calendar; CDRPA Resolution No. 2020-15 Voiding Check No. #6115; and CDRPA Resolution No. 2020-16 Voiding Checks No. #6326, #6336, and #6355, as presented.</i>

*Motion passed 6-0*

**ACTION ITEMS:**

**PORT OF DOUGLAS COUNTY ACTION ITEM:**

**PODC Resolution No. 2020-05 Approving the Defeasance and Redemption of Certain Outstanding Bonds of the Port of Douglas County** – Lough provided information on PODC Resolution No. 2020-05 Approving the Defeasance and Redemption of Certain Outstanding Bonds of the Port. The Resolution authorizes the Director of Finance and Administration to call and redeem the outstanding 2013 Bonds and establish an escrow account for all of the outstanding 2011 Bonds and 2016 Bonds (the “Defeased Bonds”). Discussion ensued and the following action was taken:

<b>Motion No.</b>	<b>08-07-20 PODC</b>
Moved by:	Jim Huffman
Seconded by:	Mark Spurgeon
	<i>To adopt PODC Resolution No. 2020-05 approving the defeasance and redemption of certain outstanding bonds of the Port of Douglas County.</i>

*Motion passed 3-0.*

**CDRPA SUPPLEMENTAL BUDGET #1 PUBLIC HEARING:**

Commissioner Turner opened the CDRPA Supplemental Budget #1 Public Hearing at 9:16 am. An opportunity for public comment was provided; however, no public comments were made. Commissioner Turner closed the Public Hearing at 9:17 am.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY ACTION ITEMS:**

**CDRPA Resolution No. 2020-14 Approving CDRPA 2020 Supplemental Budget #1 –** Kuntz & Lough presented CDRPA Resolution No. 2020-14. Lough noted a couple of updates to the budget since it was reviewed in detail at the August 12<sup>th</sup> Budget Workshop. The following action was taken:

<b>Motion No.</b>	<b>08-08-20 CDRPA</b>
Moved by:	Mark Spurgeon
Seconded by:	JC Baldwin
	To adopt CDRPA Resolution No. 2020-14 approving the CDRPA 2020 Supplemental Budget #1.

*Motion passed 6-0.*

**Waterville Airport – Authorization to Seek Bids for Runway Rehabilitation Project -** Kuntz provided information on the WSDOT Aviation Division Grant for the Waterville Airport Runway Rehabilitation Project. Moyers advised the Engineer’s Estimate for the Base Bid is \$154,105.49 including WSST. The Engineer’s Estimate is on file and available for public inspection at the Regional Port. Discussion ensued and the following action was taken:

<b>Motion No.</b>	<b>08-09-2020 CDRPA</b>
Moved by:	JC Baldwin
Seconded by:	Mark Spurgeon
	To authorize the CEO to seek bids for the Waterville Airport Runway Rehabilitation Project.

*Motion passed 6-0*

**PRESENTATION:**

**Brender Creek –** Adam Neff, RH2, provided an update on Brender Creek at the Cashmere Mill Site. The Port of Chelan County installed pond levelers in 2014 to help with management of creek flooding caused by beavers. The levelers mitigated the flooding until recently. RH2 and Port Staff conducted inspections of the creek and levelers this past spring. It was discovered that the roots of several trees near the creek are intruding into the levelers making them less effective. New levelers with stronger piping are being installed which will help in the short term. Discussion ensued on the long term issues and maintenance of the creek.

**CDRPA INFORMATIONAL ITEMS:**

**LOJO Property Due Diligence –** Kuntz provided an update on LOJO Property due diligence. Several issues have been reviewed during the process including:

- Zoning
- Environmental Assessment
- Water (onsite and offsite)
- Electrical
- Natural Gas
- Waste Water
- Highway Access
- Title Issues

The Regional Port has until September 11<sup>th</sup> to complete the due diligence review and remove any contingencies on the Purchase and Sale Agreement. More information will be brought back at the September 9<sup>th</sup> Board Meeting.

**Cashmere Mill District Tenant Update** – Kuntz provided an update on potential new tenants at Cashmere Mill District. Two businesses have recently shown interest in the available space. Current tenant Blue Spirits also wants to expand.

**Actapio Update** – Kuntz provided information on the Actapio space at the CTC. David Chudzik from Kidder Matthews has begun the market lease rate study. More information will be provided when available.

**Enduris Insurance Renewal Update** – Lough reviewed the change in premiums from 2019 to 2020 noting the increase is primarily due to Lineage and Executive Flight Building purchases. Overall premium increase is 6% for 2020 vs. 2019.

**COVID-19 Proposed Commercial Service Airport Requirements** – Moyers provided an update on the expected Washington State Governor's requirements for Commercial Air Service Airports concerning COVID-19 screening. The updated proposal does not require Commercial Airports to take passenger temperatures, but will include social distancing, facial coverings, and signs on flooring to mark 6 foot separation requirements. More information will be provided when available.

**Temperature Kiosks** – Discussion regarding the purchase of temperature kiosks like the units in use at the PUD. Board directed staff to purchase one unit at this time.

**Approach Lighting System** – Kuntz reported land appraisals continue and Moyers reported a letter was sent to the FAA to determine their willingness to take over the Approach Lighting System once installed.

**Airport Land Lease** – Kuntz provided an update on a potential commercial land lease near Airport property and reviewed zoning issues. He noted Boundary Line Adjustment and re-zoning work will be a priority in 2021.

#### **COVID-19 UPDATES:**

#### **Economic Development Initiatives Related to COVID-19 – Updates and Information Including:**

- Lough provided an update on grants processed to date including all programs administered by the Regional Port.
- Kuntz reviewed the Washington State Department of Commerce new CARES Act II Grant program noting their proposed allocations of funds between Chelan and Douglas County does not align with the number of businesses in each respective county. Regional Port Staff will work with Chelan and Douglas Counties on a fair distribution of funds and will likely request a modification to Commerce's proposed allocations.

#### **FAA CARES Act Grant:**

- Lough provided an update on the FAA CARES Act Grant reimbursements.



## **MISC STAFF REPORTS:**

### **Kuntz provided information and updates including:**

- Met last week with an equipment rental company out of Walla Walla looking to locate a branch in Douglas County. Criddlebaugh toured them on Port and private property.
- Commissioners Baldwin and Huffman, and Kuntz met last week with Salcido Enterprises concerning their business and extension of PUD Contribution in Aid of Construction payment.

### **Lough provided information and updates including:**

- State Auditors have begun their remote audits of Pangborn, Port of Chelan County, and Port of Douglas County.
- Reviewing Regional Port Personnel Policies as some amendments may be needed.
- Port of Chelan County 2019 Financial Statements will be presented at the next Board Meeting.

### **Moyers provided information and updates including:**

- Provided a July 2020 Airport Activity Report including enplanements, load factor, car rentals, fuel sales and parking lot revenue.

### **De Mestre Provided information and updates including:**

- S.P.O.R.T. Wenatchee, LLC signed the Memorandum of Understanding; the Feasibility Study period ends on October 12<sup>th</sup>.
- Reviewed feedback from Forte Architects regarding potential remodel of the Executive Flight atrium area.
- IB#5 Gutter Replacement Project – only received one bid and it was over the Engineer's Estimate. Will reject and rebid the project.
- Provided information on an Air Purification/Ionization System recommended by Holaday Parks for the HVAC Replacement Project at Executive Flight.

### **Larsen provided information and updates including:**

- IB#9 Lease – finalizing details for a two-year lease in the former Agrofresh space.

**Public Comment** – An opportunity for public comment was provided; however no public comments were made:

**REVIEW CALENDAR OF EVENTS:** Kuntz reminded Commissioners the September 8<sup>th</sup> Board Meeting has been moved to September 9<sup>th</sup>, at 1:00 pm. Working on potential dates for a Board Retreat this fall.

**ITEMS FROM BOARD OF DIRECTORS:** Directors provided updates on various meeting attendance and committee work.

Signed and dated this 9<sup>th</sup> day of September, 2020.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

\_\_\_\_\_  
JC Baldwin, Director

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Jim Huffman, Director

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Donn Etherington, Director

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Mark Spurgeon, Director

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Rory Turner, Director

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W. Alan Loeb sack, Director

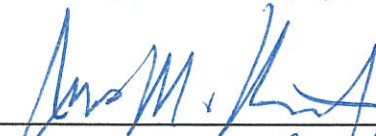
**Chelan Douglas Regional Port Authority  
Check Register Log  
2020-August**

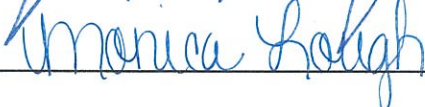
<b>Date Issued</b>	<b>Register #</b>	<b>Reason</b>	<b>First #</b>	<b>Last #</b>	<b>Amount</b>
08/06/20	2020-33	Small Business Grants	6365	6395	\$128,245.32
08/14/20	2020-34	Small Business Grants	6396	6427	\$129,890.92
08/14/20	2020-35	Mid-Month Payables	6428	6513	\$622,124.30
08/17/20		Payroll Mid-month Draws		EFT	\$3,250.00
08/21/20	2020-36	Small Business Grants	6514	6541	\$138,464.28
08/26/20		WA Dept of Revenue - Sales Tax		EFT	\$4,363.56
08/28/20	2020-38	Small Business Grants	6550	6566	\$63,739.56
08/31/20	2020-37	Payroll	6545	6549	\$230,587.61
08/31/30	2020-39	Month-end Payables	6567	6614	\$212,319.47

Transactions for approval September 9, 2020 total:

\$1,532,985.02

We, the undersigned Directors of the Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify the merchandise or services hereinafter have been received and that the checks listed above are approved for payment.

Chief Executive Officer 

Dir of Finance & Admin. 

Director Baldwin \_\_\_\_\_

Director Etherington \_\_\_\_\_

Director Huffman \_\_\_\_\_

Director Loeb sack \_\_\_\_\_

Direct Spurgeon \_\_\_\_\_

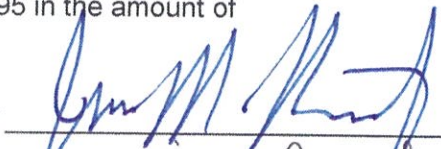
Director Turner \_\_\_\_\_

**Chelan Douglas Regional Port Authority  
Check Register  
2020-33**

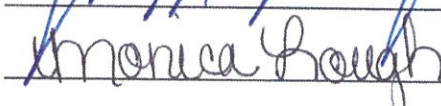
We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

For approval August 6, 2020 checks 6365 - 6395 in the amount of \$ **128,245.32**

Jim Kuntz, Chief Executive Officer



Monica Lough, Director of Finance & Admin



Date Issued	Claimant	Purpose	Check Number	Amount
<b>Cashmere CARES Act Grants</b>				
08/06/2020	Designs Unlimited		6387	\$3,000.00
	<b>Net Cashmere CARES Act Grants</b>			<b><u>3,000.00</u></b>
<b>Chelan County CARES Act Grants</b>				
08/06/2020	12 Custom Homes		6365	\$5,000.00
08/06/2020	Adis Beauty Salon		6386	\$5,000.00
08/06/2020	Becky's Beauty Salon		6368	\$5,000.00
08/06/2020	Emily's Classic Nails Wenatchee		6375	\$5,000.00
08/06/2020	Enixa		6376	\$5,000.00
08/06/2020	Iwa Sushi Grill		6395	\$5,000.00
08/06/2020	Level Headed Hair		6366	\$5,000.00
08/06/2020	Pet Hub		6388	\$5,000.00
08/06/2020	Pulse Barre Studio		6384	\$5,000.00
08/06/2020	Taqueria El Tapatio #2		6391	\$5,000.00
08/06/2020	The Barn Fitness Center		6371	\$5,000.00
08/06/2020	The Next Step Dance Studio		6392	\$5,000.00
08/06/2020	Two Chefs Catering		6393	\$5,000.00
08/06/2020	Wok N Roll Asian Express		6394	\$5,000.00
08/06/2020	Workout Warehouse		6378	\$5,000.00
	<b>Net Chelan County CARES Act Grants</b>			<b><u>\$75,000.00</u></b>
<b>CDRPA - Ready To Reopen Grants</b>				
08/06/2020	Adis Beauty Salon		6386	\$525.66
08/06/2020	Becky's Beauty Salon		6368	\$359.73
08/06/2020	El Paraiso Bar & Grill		6373	\$955.15
08/06/2020	Hair by Graciela		6379	\$256.20
08/06/2020	James Byron		6381	\$650.00
08/06/2020	Lake Chelan Eagles #2218		6377	\$743.56
	<b>Net CDRPA - Ready To Reopen Grants</b>			<b><u>\$3,490.30</u></b>

**Chelan Douglas Regional Port Authority  
Check Register  
2020-33**

**CDRPA - Rent Participation Grant**

08/06/2020	A Perfect Balance	Hair by Graciela	6372	\$666.65
08/06/2020	Pybus Public Market	Mike's Meats & Seafood	6389	\$1,000.00
	<b>Net CDRPA - Rent Participation Grant</b>			<b><u>\$1,666.65</u></b>

**Douglas County CARES Act Grants**

08/06/2020	Austin's Northwest Adventures		6367	\$10,000.00
08/06/2020	Brothers Northwest		6370	\$2,237.47
08/06/2020	El Petate Steak House		6374	\$1,894.90
08/06/2020	Helping Hands Speech Therapy		6380	\$265.42
08/06/2020	Los Shinolas		6385	\$10,000.00
08/06/2020	Red Barn Coffee Co		6369	\$2,700.00
08/06/2020	Riversedgesparky		6390	\$5,000.00
08/06/2020	Tranquility Day Spa		6382	\$10,000.00
	<b>Net Douglas County CARES Act Grants</b>			<b><u>42,097.79</u></b>

**Working WA Grants - Douglas County**

08/06/2020	Banuelos Construction		6383	\$2,990.58
	<b>Net Working WA Grants - Douglas County</b>			<b><u>2,990.58</u></b>

TOTAL

**128,245.32**

VOIDS

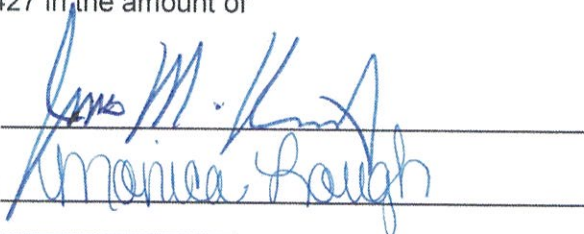
N/A

**Chelan Douglas Regional Port Authority  
Check Register  
2020-34**

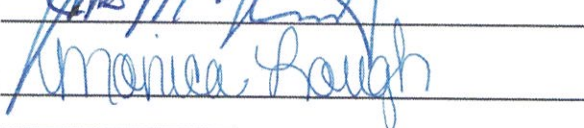
We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

For approval August 14, 2020 checks 6396 - 6427 in the amount of \$ **129,890.92**

Jim Kuntz, Chief Executive Officer



Monica Lough, Director of Finance & Admin



Date Issued	Claimant	Purpose	Check Number	Amount
<b>Cashmere CARES Act Grants</b>				
08/14/2020	Milepost 111 Brewing		6417	\$5,000.00
	<b>Net Cashmere CARES Act Grants</b>			<b><u>5,000.00</u></b>
<b>Chelan County CARES Act Grants</b>				
08/14/2020	Anna's Creations Bridal Boutique & Tuxedo		6396	\$5,000.00
08/14/2020	Badger Mountain Brewing		6397	\$5,000.00
08/14/2020	Blewett Brewing Company		6408	\$5,000.00
08/14/2020	Casey D. Sutherland, DMD, PLLC		6401	\$5,000.00
08/14/2020	Cashmere Vision Center		6402	\$5,000.00
08/14/2020	Crayelle Wine Cellars		6404	\$4,000.00
08/14/2020	Halverson Auto Body		6410	\$4,000.00
08/14/2020	Inspirations Ceramic & Art Cafe		6411	\$5,000.00
08/14/2020	iSpyFire		6412	\$4,000.00
08/14/2020	Joe's Log Cabin		6399	\$5,000.00
08/14/2020	Native Network		6418	\$5,000.00
08/14/2020	Rootwood Cider		6413	\$5,000.00
08/14/2020	Singleton Chiropractic		6422	\$5,000.00
08/14/2020	Stones Gastropub		6398	\$4,000.00
08/14/2020	Tastebuds		6423	\$5,000.00
08/14/2020	Wellness Place		6425	\$3,000.00
08/14/2020	Wenatchee River Institute		6426	\$5,000.00
08/14/2020	Your Family Name		6427	\$5,000.00
	<b>Net Chelan County CARES Act Grants</b>			<b><u>84,000.00</u></b>
<b>CDRPA - Ready To Reopen Grants</b>				
08/14/2020	Tumwater Mountain Bed & Breakfast		6405	\$1,000.00
	<b>Net CDRPA - Ready To Reopen Grants</b>			<b><u>1,000.00</u></b>
<b>CDRPA - Rent Participation Grant</b>				
08/14/2020	Pybus Public Market - Café Columbia		6419	\$852.45
	<b>Net CDRPA - Rent Participation Grant</b>			<b><u>852.45</u></b>

**Chelan Douglas Regional Port Authority  
Check Register  
2020-34**

**Douglas County CARES Act Grants**

08/14/2020	Ebbighausen Construction Services	6407	\$5,000.00
08/14/2020	Jack's Resort	6409	\$5,000.00
08/14/2020	Kenaston Music Productions	6424	\$5,000.00
08/14/2020	Kenyas Tacos	6416	\$10,000.00
	<b>Net Douglas County CARES Act Grants</b>		<b>25,000.00</b>

**Working WA Grants - Douglas County**

08/14/2020	AR Studio 92	6420	\$1,000.00
08/14/2020	Caroline McGregor's Licensed Child Care	6400	\$1,866.00
08/14/2020	Chandler Business Interiors	6403	\$1,866.00
08/14/2020	E-Z Auto Wrecking & Repair	6406	\$2,604.00
08/14/2020	Lashes & Mustaches	6414	\$2,098.47
08/14/2020	Mansfield Family Market	6415	\$3,604.00
08/14/2020	Surestay Wenatchee	6421	\$1,000.00
	<b>Net Working WA Grants - Douglas County</b>		<b>\$14,038.47</b>

TOTAL

**129,890.92**

VOIDS

N/A

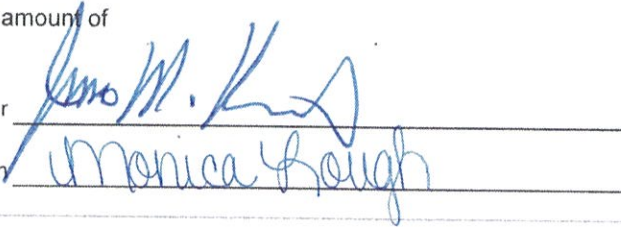
**Chelan Douglas Regional Port Authority  
Check Register  
2020-35**

We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

For approval August 14, 2020 checks 6428 - 6513 in the amount of \$ **622,124.30**

Jim Kuntz, Chief Executive Officer

Monica Lough, Director of Finance & Admin



Date Issued	Claimant	Purpose	Check Number	Amount
<b><u>CASHMERE MILL DISTRICT</u></b>				
8/14/2020	Chelan County PUD	Electricity	6448	409.85
8/14/2020	City of Cashmere	Water/Sewer	6452	638.88
8/14/2020	Enduris	Property Insurance	6466	15,592.00
8/14/2020	Waste Management	Garbage	6429	320.60
8/14/2020	Waste Management	Garbage	6508	705.44
8/14/2020	Woodland Resource Services, Inc.	Cashmere Mill - Noxious weed control	6511	1,302.00
	<b>Net Cashmere Mill District</b>			<b>18,968.77</b>
<b><u>CONFLUENCE TECHNOLOGY CENTER</u></b>				
8/14/2020	Banner Bank - TD	Office supplies, Zoom	6442	357.48
8/14/2020	Cascade Natural Gas	PUD CTC	6446	14.69
8/14/2020	Chelan County PUD	CTC	6448	8,132.53
8/14/2020	City of Wenatchee	CTC	6453	342.66
8/14/2020	Crown Paper & Janitorial Supply	Sanitizing supplies	6457	537.34
8/14/2020	Department of Labor & Industries (boiler)	285 Technology Center, Ste 102	6460	50.80
8/14/2020	Enduris	Prop Insur CTC - 285 Technology Way	6466	31,879.00
8/14/2020	Firefly	set up Sonicwall, power wall	6469	262.24
8/14/2020	GFC Services	July Janitorial, maintenance	6470	4,340.00
8/14/2020	Kelley Imaging Systems, Inc.	Kyocera copier	6478	168.19
8/14/2020	Keyhole Security Inc.	keys	6479	32.55
8/14/2020	North Central ESD	July Reg Hrs	6485	2,178.00
8/14/2020	Pacific Security	Patrol Service - July	6488	352.25
8/14/2020	TLC Management, Inc	Landscaping - July	6501	3,067.06
8/14/2020	Waste Management	CTC	6429	747.90
8/14/2020	Waste Management	285 Technology Center	6508	747.90
	<b>Net Confluence Technology Center</b>			<b>53,210.59</b>
<b><u>DOWNTOWN WENATCHEE SOUTH</u></b>				
8/14/2020	A Central, LLC	Asbestos inspection @ 410 N. Worthen	6432	965.65
8/14/2020	Cascade Natural Gas	101 S Columbia St	6446	296.05
8/14/2020	Chelan County PUD	Electricity	6448	1,007.76
8/14/2020	City of Wenatchee	Water/Sewer/Fire Sprinkler	6453	797.86
8/14/2020	D&B Backflow LLC	Test backflow on potable water line	6458	110.00
8/14/2020	Enduris	Property Insurance	6466	42,959.00
8/14/2020	Lowe's	Padlock	6481	18.34
	<b>Net Downtown Wenatchee South</b>			<b>46,154.66</b>



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**OLDS STATION BUSINESS PARK**

8/14/2020	BNSF Railway Company	Lease of land under track from BN Switch to Ir	6445	1,200.00
8/14/2020	Cascade Natural Gas	IB #9 East	6446	13.78
8/14/2020	Chelan County PUD	Electricity	6448	2,513.72
8/14/2020	City of Wenatchee	Stormwater	6453	557.04
8/14/2020	Enduris	Property Insurance	6466	50,894.33
8/14/2020	H.D. Fowler Company	Globe valve	6472	31.04
8/14/2020	Home Depot Pro	Supplies	6475	140.97
8/14/2020	Lowe's	Bugstop	6481	6.68
8/14/2020	S & W Irrigation Supply	Irrigation supplies	6495	65.26
8/14/2020	Thrifty Supply	Pleated filters	6499	160.93
8/14/2020	Waste Management	IB #3	6429	245.40
8/14/2020	Woodland Resource Services, Inc.	Olds Station - weed control	6511	2,473.87
	<b>Net Olds Station Business Park</b>			<b>58,303.02</b>

**PANGBORN AIRPORT**

8/14/2020	Ag Supply Co.	Fuel, supplies	6433	2,565.00
8/14/2020	ARFFWG, Inc	Member dues	6436	195.00
8/14/2020	Arrow Construction Supply, Inc	V-Squeegee (12)	6437	126.69
8/14/2020	Avfuel Corp	Jet Fuel	6438	37,840.95
8/14/2020	Banner Bank - RR	McMaster-Carr pressure gage	6441	67.33
8/14/2020	Banner Bank - TF	Supplies	6443	435.00
8/14/2020	Banner Bank - TM	FBO, fuel, conference	6444	542.20
8/14/2020	Cintas Corporation	uniforms, shop towels	6451	351.66
8/14/2020	Commercial Tire	Vehicle maintenance	6455	11,410.02
8/14/2020	Douglas County PUD	Fuel Station	6464	1,716.00
8/14/2020	East Wenatchee Water District	Water	6465	745.75
8/14/2020	Enduris	Property Insurance	6466	55,551.46
8/14/2020	Fastenal Company	Tax on invoice # WAWEN216859	6467	43.99
8/14/2020	Ferguson Enterprises, Inc.	Parts	6468	149.85
8/14/2020	Jerry's Auto Supply	Weed eater line	6476	79.86
8/14/2020	John Deere Financial	Cover for Mower	6477	476.30
8/14/2020	North Cascades Heating & A/C	Terminal maintenance	6484	1,269.46
8/14/2020	Ogden Murphy Wallace, PLLC	Legal Services	6486	1,544.40
8/14/2020	Oxarc Inc.	Gas	6487	79.37
8/14/2020	RH2 Engineering, Inc.	2020 Pavement preservation	6492	383.35
8/14/2020	Rodda Paint Co.	traffic paint, striping	6493	8,505.15
8/14/2020	S & W Irrigation Supply	irrigation supplies	6495	543.73
8/14/2020	Safety-Kleen Systems, Inc	Hazmat drums/lids	6496	1,036.85
8/14/2020	Trent Moyers	Mileage	6502	101.78
8/14/2020	Valley Tractor & Equipment, Inc.	Mower parts	6503	128.92
8/14/2020	Verizon Wireless	On-call phones	6504	65.64
8/14/2020	Voltaire Aviation Inc	Retainer - August 2020	6506	4,000.00
8/14/2020	Waste Management	Garbage	6429	960.32
8/14/2020	Waste Management	3904 Airport Way - tenant refuse	6508	826.43
8/14/2020	Wenatchee Honda/Doghhouse Motorsports+	Starter recoil - mower	6431	8.27
	<b>Net Pangborn Airport</b>			<b>131,750.73</b>

**PANGBORN AIRPORT BUSINESS PARK**

8/14/2020	Douglas County PUD	Electricity	6464	4,976.00
8/14/2020	East Wenatchee Water District	Water	6465	435.70
8/14/2020	Enduris	Property Insurance	6466	30,921.00
8/14/2020	Harvest Valley Pest Control	Bi-monthly pest control	6473	115.88
8/14/2020	Holiday-Parks, Inc.	20-ton split ac system no cooling	6474	2,788.73
8/14/2020	North Cascades Heating & A/C	3306 5th St - repair leak	6484	1,321.26
8/14/2020	Peaceful Retreat Yard Care & Landscaping	PBP - July	6490	2,842.88
8/14/2020	Waste Management	Garbage	6429	359.24
8/14/2020	Woodland Resource Services, Inc.	Pangborn - Noxious weed control	6511	2,028.95
8/14/2020	York Building Services, Inc.	August services	6513	1,788.00
	<b>Net Pangborn Airport Business Park</b>			<b>47,577.64</b>

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**RPA OFFICE/AVIATION CENTER**

8/14/2020	Cascade Natural Gas	Gas	6446	65.22
8/14/2020	Douglas County PUD	Electricity	6464	1,099.00
8/14/2020	East Wenatchee Water District	Water	6465	273.10
8/14/2020	Enduris	Property Insurance	6466	26,199.00
8/14/2020	Lowe's	Electronic lockset	6481	132.97
8/14/2020	ThyssenKrupp Elevator Corp.	Gold - Full maintenance Jan thru Dec 2020	6500	3,657.72
8/14/2020	Waste Management	1 Campbell Parkway	6429	349.13
8/14/2020	Waste Management	1 Campbell Pkwy	6508	348.80
	<b>Net RPA Office/Aviation Center</b>			<b>32,124.94</b>

**LAKE CHELAN AIRPORT**

8/14/2020	Chelan County PUD	67 Apple Acres Rd	6448	21.71
8/14/2020	Enduris	Property Insurance	6466	614.00
8/14/2020	Vita Green LLC	Landscaping service	6505	2,471.41
	<b>Net Lake Chelan Airport</b>			<b>3,107.12</b>

**MANSFIELD AIRPORT**

8/14/2020	Donny Hudson	Mansfield airport mowing	6462	744.04
8/14/2020	Douglas County PUD	Electricity	6464	42.00
	<b>Net Mansfield Airport</b>			<b>786.04</b>

**ORONDO RIVER PARK**

8/14/2020	Ag Supply Co.	Hose, tool rack	6433	37.01
8/14/2020	Consolidated Electrical Distributors, Inc	lighting supplies	6456	268.11
8/14/2020	Enduris	Property Insurance	6466	1,332.00
8/14/2020	Graybeal Signs, Inc.	3"x15" vinyl graphics (5)	6471	146.48
8/14/2020	Home Depot Pro	Can liners	6475	202.84
8/14/2020	Lowe's	cleaning supplies	6481	139.87
8/14/2020	Norco Inc	Earplug, anti-fog lens	6483	53.49
8/14/2020	Pacific Security	Patrol Service - July	6488	1,135.00
8/14/2020	Peaceful Retreat Yard Care & Landscaping	ORP - July	6490	3,065.36
8/14/2020	Stoneway Electric Supply	Mercury Vapor Lamps	6497	371.09
8/14/2020	Waste Management	Orondo River Park	6429	123.15
8/14/2020	Waste Management	Orondo River Park	6508	123.15
8/14/2020	Wilky's Water	ORP - June/July	6510	1,000.00
	<b>Net Orondo River Park</b>			<b>7,997.55</b>

**PYBUS INCUBATOR**

8/14/2020	Apple Pi Janitorial LLC	Pybus incubator- July	6434	379.52
8/14/2020	Enduris	Property Insurance	6466	488.00
	<b>Net Pybus Incubator</b>			<b>867.52</b>

**Peshastin Property**

8/14/2020	Apple Valley Pumping Service	Old Mill Rd	6435	90.00
8/14/2020	Woodland Resource Services, Inc.	Peshastin Mill - weed control	6511	1,300.80
	<b>Net Peshastin Property</b>			<b>1,390.80</b>

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**ADMINISTRATIVE & GENERAL**

8/14/2020	Banner Bank - RR	Gas for Chevy	6441	28.05
8/14/2020	CI Information Management	Onsite 64 gal purge 5+ bins	6450	551.83
8/14/2020	Cintas Corporation	sanitizer	6451	129.31
8/14/2020	Coleman Oil Company	Port trucks fuel	6454	143.19
8/14/2020	Davis Arneil Law Firm, LLP	Admin - General	6459	6,176.50
8/14/2020	DOH Associates	Professional Fees	6461	1,095.50
8/14/2020	Douglas County Empire Press	1 yr subscription	6463	23.00
8/14/2020	Enduris	Auto, crime, general liability	6466	97,310.21
8/14/2020	Firefly	Projects for July	6469	2,478.17
8/14/2020	Graybeal Signs, Inc.	Auto decals	6471	312.00
8/14/2020	Home Depot Pro	Handsanitizer (60)	6475	497.50
8/14/2020	Maul Foster Alongi	Plan, Budget, Prepare Grant Implementation	6482	5,000.00
8/14/2020	Office Depot	cleaning supplies	6430	512.40
8/14/2020	Ogden Murphy Wallace, PLLC	Legal Services	6486	3,471.50
8/14/2020	Quadient Finance USA, Inc.	Postage meter - final bill on acct	6428	64.49
8/14/2020	Quadient Finance USA, Inc.	Postage	6491	224.00
8/14/2020	RH2 Engineering, Inc.	Port Prospects, Cashmere Mill Site	6492	801.26
8/14/2020	Ron Cridlebaugh	Mileage	6494	27.60
8/14/2020	Washington Cattlemen's Association	Regular Assoc Membership	6507	50.00
8/14/2020	Xerox Corporation	XC60 Printer	6512	619.44
	<b>Net Administrative &amp; General</b>			<b>119,515.95</b>

**BUSINESS DEVELOPMENT & MARKETING**

8/14/2020	Banner Bank - JK	Leavenworth Chamber & DC Dev	6439	29.95
8/14/2020	Banner Bank - RC	Adobe - July	6440	272.73
8/14/2020	Cherry Creek Media	07-01-20 to 11-30-20	6449	4,750.00
8/14/2020	Davis Arneil Law Firm, LLP	Public Records Request	6459	2,941.50
8/14/2020	DOH Associates	Honey Jun Buildout	6461	240.00
8/14/2020	Parsons Photography	business portrait	6489	1,030.75
8/14/2020	Ron Cridlebaugh	Promotional Hosting	6494	96.54
8/14/2020	Wenatchee World	Budget Hearing Legal Ad	6509	81.38
	<b>Net Business Development &amp; Marketing</b>			<b>9,442.85</b>

**Capital Projects - Grant**

8/14/2020	T-O Engineers	Environ Assmt & Approach Lighting	6498	33,362.73
	<b>Net Construction in Progress - Grant</b>			<b>33,362.73</b>

**Capital Projects - NonGrant**

8/14/2020	Central Service, Inc.	Pangborn fueling station rebid	6447	13,932.00
8/14/2020	DOH Associates	Proj Arch #4 - IB #5 gutters	6461	3,585.56
8/14/2020	Firefly	2 servers installed	6469	22,212.33
8/14/2020	Landline Surveyors	Prepare BLA - Downtown Wen South	6480	1,012.50
8/14/2020	Ogden Murphy Wallace, PLLC	Legal Services - Downtown Wen South	6486	3,274.50
8/14/2020	Ogden Murphy Wallace, PLLC	Legal Services - Lojo Orchards	6486	2,279.00
8/14/2020	T-O Engineers	Pangborn ALS Planning	6498	75.00
8/14/2020	T-O Engineers	MALSR 30% Design	6498	10,075.00
8/14/2020	T-O Engineers	AGIS Terrain Survey	6498	1,117.50
	<b>Net Construction in Progress - NonGrant</b>			<b>57,563.39</b>

**TOTAL**

**622,124.30**

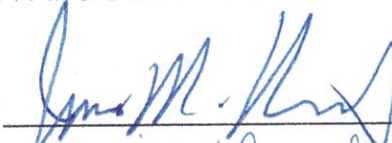
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**Chelan Douglas Regional Port Authority  
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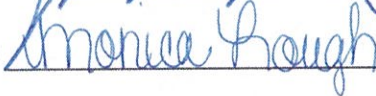
We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

For approval August 21, 2020 checks 6514 - 6541 in the amount of \$ **138,464.28**

Jim Kuntz, Chief Executive Officer



Monica Lough, Director of Finance & Admin



<u>Date Issued</u>	<u>Claimant</u>	<u>Purpose</u>	<u>Check Number</u>	<u>Amount</u>
<b>Chelan County CARES Act Grants</b>				
08/21/2020	Avenue Hair Studio		6524	\$3,971.43
08/21/2020	Caffe Mela		6514	\$5,000.00
08/21/2020	Coating Specialty		6516	\$5,000.00
08/21/2020	Cupcake Blues		6517	\$5,000.00
08/21/2020	Godfather's Pizza		6541	\$5,000.00
08/21/2020	Icicle Creek Center for the Arts		6519	\$5,000.00
08/21/2020	Inna's Cuisine		6521	\$5,000.00
08/21/2020	K. Kenoyer Orchards		6523	\$5,500.00
08/21/2020	Merry Maids No 355		6528	\$5,000.00
08/21/2020	Mollie M. Gross		6530	\$3,000.00
08/21/2020	OMINGO LLC		6531	\$5,000.00
08/21/2020	Owl Soda Fountain		6533	\$5,000.00
08/21/2020	Pybus Bistro		6534	\$5,000.00
08/21/2020	Room to Bloom Preschool		6525	\$5,000.00
08/21/2020	S.S. Subshop		6535	\$5,000.00
08/21/2020	St. Joseph Catholic School		6536	\$5,000.00
08/21/2020	Sweetheart Bridal and Prom		6537	\$5,000.00
08/21/2020	The Vogue		6529	\$5,000.00
08/21/2020	Three Lakes Public Golf Club		6538	\$5,000.00
08/21/2020	Warm Springs Inn & Winery		6539	\$5,000.00
08/21/2020	Whistlepunk Ice Cream		6540	\$5,000.00
	<b>Net Chelan County CARES Act Grants</b>			<b>\$102,471.43</b>
<b>CDRPA - Ready To Reopen Grants</b>				
08/21/2020	iLa Yoga		6520	\$1,000.00
	<b>Net CDRPA - Ready To Reopen Grants</b>			<b>\$1,000.00</b>

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**Douglas County CARES Act Grants**

08/21/2020	El Rey Azteca	6518	\$5,000.00
08/21/2020	King Styling	6527	\$9,000.00
08/21/2020	On Point Limousine Service	6532	\$4,992.85
08/21/2020	Webb Dental Care	6522	\$10,000.00
	<b>Net Douglas County CARES Act Grants</b>		<b><u>28,992.85</u></b>

**Working WA Grants - Douglas County**

08/21/2020	CJ's Auto Parts	6515	\$1,000.00
08/21/2020	M&S Excavation	6526	\$5,000.00
	<b>Net Working WA Grants - Douglas County</b>		<b><u>6,000.00</u></b>

	<b>TOTAL</b>		<b><u>138,464.28</u></b>
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	VOIDS		N/A
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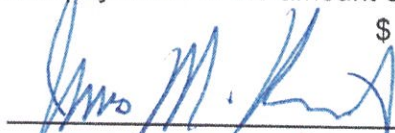
**Chelan Douglas Regional Port Authority**  
**Check Register**  
**2020-37**

We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

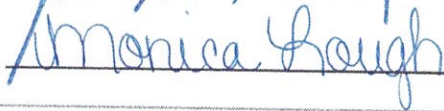
For approval August 31st, 2020, checks 6545-6549 & electronic payments in the amount of:

\$ 230,587.61

Jim Kuntz, Chief Executive Officer


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Monica Lough, Director of Finance & Admin

<u>Date Issued</u>	<u>Claimant</u>	<u>Purpose</u>	<u>Check Number</u>	<u>Amount</u>
<b>Payroll</b>				
08/31/20	Baldwin, JC	August Payroll	ACH	1,476.69
08/31/20	Beidler, Camryn	August Payroll	ACH	1,768.72
08/31/20	Camarillo Reyes, Laura	August Payroll	ACH	2,655.24
08/31/20	Chatriand, Bobbie	August Payroll	ACH	2,687.89
08/31/20	Cridlebaugh, Ron	August Payroll	ACH	5,669.78
08/31/20	de Mestre, Stacie	August Payroll	ACH	4,953.95
08/31/20	Deenik, Sarah	August Payroll	ACH	4,208.91
08/31/20	Degnan, Tricia	August Payroll	ACH	4,239.60
08/31/20	Etherington, Donn	August Payroll	ACH	1,309.93
08/31/20	Flaget, Todd	August Payroll	ACH	3,704.74
08/31/20	Harris, Cami	August Payroll	ACH	3,051.31
08/31/20	Huffman, James	August Payroll	ACH	1,439.35
08/31/20	Kuntz, James	August Payroll	ACH	11,280.64
08/31/20	Lamb, Kennith	August Payroll	ACH	4,030.87
08/31/20	Lamb, Shane	August Payroll	ACH	2,029.64
08/31/20	Lape, Felicity	August Payroll	ACH	2,797.47
08/31/20	Larsen, Craig	August Payroll	ACH	5,946.79
08/31/20	Loebsack, W. Alan	August Payroll	ACH	423.90
08/31/20	Lough, Monica	August Payroll	ACH	7,495.13
08/31/20	Martinez, Rafael	August Payroll	ACH	3,001.74
08/31/20	McKivor, Esther	August Payroll	ACH	3,757.78
08/31/20	Moyers, Trent	August Payroll	ACH	7,166.16
08/31/20	Orr, Marcus	August Payroll	ACH	3,429.51
08/31/20	Parks, Lisa	August Payroll	ACH	6,892.50
08/31/20	Ramos, Jorge	August Payroll	ACH	1,983.98
08/31/20	Russ, Ron	August Payroll	ACH	5,506.08
08/31/20	Russell, Justin	August Payroll	ACH	3,160.44

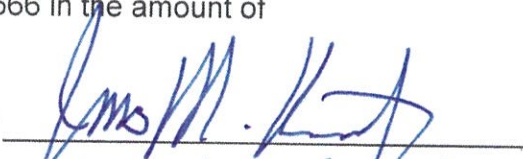
08/31/20	Sanchez, Edwin	August Payroll	ACH	1,557.78
08/31/20	Sanchez, Isidro	August Payroll	6545	323.22
08/31/20	Scott, Tristan	August Payroll	ACH	2,288.95
08/31/20	Smith, Charles	August Payroll	ACH	3,303.10
08/31/20	Spurgeon, Mark	August Payroll	ACH	1,014.14
08/31/20	Tidd, Bealinda	August Payroll	6546	3,035.23
08/31/20	Turner, Rory	August Payroll	ACH	1,240.25
08/31/20	Vargas, Manuel	August Payroll	ACH	3,709.93
08/31/20	Williams, Samuel	August Payroll	ACH	1,170.86
08/31/20	Sarah K. Deenik	August Sunshine fund	6548	122.00
08/31/20	HRA VEBA Trust	August VEBA	6549	2,000.00
08/31/20	Washington Counties Insurance Fund	September Insurance	6547	29,044.39
08/31/20	Department of Retirement Systems	August Retirement	ACH	34,710.06
08/31/20	US Treasury	August Payroll taxes	EFTPS	40,998.96
	<b>Net Payroll</b>			<b><u>230,587.61</u></b>

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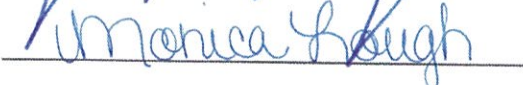
We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

For approval August 28, 2020 checks 6550 - 6566 in the amount of \$ **63,739.56**

Jim Kuntz, Chief Executive Officer



Monica Lough, Director of Finance & Admin



<u>Date Issued</u>	<u>Claimant</u>	<u>Purpose</u>	<u>Check Number</u>	<u>Amount</u>
<b>Chelan County CARES Act Grants</b>				
08/28/2020	Cosina's Carpet Cleaning		6552	\$5,000.00
08/28/2020	Crossport Performance		6553	\$5,000.00
08/28/2020	Hair by Jodi		6555	\$3,000.00
08/28/2020	Osorio's Quality Landscaping & Tree Serv		6560	\$5,000.00
08/28/2020	Parks Professional Concrete		6561	\$5,000.00
08/28/2020	RAM Concrete		6551	\$5,000.00
08/28/2020	Wenatchee Valley Museum & CC		6565	\$2,784.19
	<b>Net Chelan County CARES Act Grants</b>			<b>\$30,784.19</b>
<b>CDRPA - Ready To Reopen Grants</b>				
08/28/2020	Futbol-Era LLC Soccer Store		6554	\$1,000.00
08/28/2020	Valley Fitness Gym		6563	\$1,000.00
	<b>Net CDRPA - Ready To Reopen Grants</b>			<b>\$2,000.00</b>
<b>CDRPA - Rent Participation Grant</b>				
08/28/2020	Valley Fitness (for Valley Fitness Gym)		6564	\$1,000.00
08/28/2020	ZHDN LLC (for Futbol-Era Soccer Store)		6566	\$966.68
	<b>Net CDRPA - Rent Participation Grant</b>			<b>\$1,966.68</b>
<b>Douglas County CARES Act Grants</b>				
08/28/2020	Brothers Northwest		6550	\$7,762.53
08/28/2020	Chuy's Cherries		6557	\$10,000.00
08/28/2020	Jon-Jul Orchards LLC		6556	\$1,552.39
08/28/2020	Libi Salon		6562	\$4,243.77
08/28/2020	Niche Construction & Consulting		6559	\$5,000.00
	<b>Net Douglas County CARES Act Grants</b>			<b>\$28,558.69</b>



Chelan Douglas Regional Port Authority  
Check Register  
2020-38

Working WA Grants - Chelan County

08/28/2020 Kristi Bryant-Mayer

6558

Net Working WA Grants - Chelan County

\$430.00

**\$430.00**

TOTAL

**63,739.56**

VOIDS

N/A

**Chelan Douglas Regional Port Authority  
Check Register  
2020-39**

We, the undersigned Directors of Chelan Douglas Regional Port Authority, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

For approval August 31, 2020 checks 6567 - 6570, and 6572 - 6614 in the amount of

**\$ 212,319.47**

Jim Kuntz, Chief Executive Officer

Monica Lough, Director of Finance & Admin

Date Issued	Claimant	Purpose	Check Number	Amount
<b><u>CASHMERE MILL DISTRICT</u></b>				
08/31/2020	Local Tel Communications	Phone/Internet/Fire Alarm	6591	181.77
	<b>Net Cashmere Mill District</b>			<b><u>181.77</u></b>
<b><u>CONFLUENCE TECHNOLOGY CENTER</u></b>				
08/31/2020	Chelan County	Cancelled CTC mting - fee refund	6613	354.65
08/31/2020	Chelan County	Cancelled CTC mting - fee refund	6614	540.00
08/31/2020	Crown Paper & Janitorial Supply	Custodial supplies	6575	191.70
08/31/2020	Firefly	IT services	6579	1,410.50
08/31/2020	Law Office of Tony DiTommaso	Cancelled CTC mtg - refund	6589	324.00
08/31/2020	Local Tel Communications	Phone/Internet/Fire Alarm	6591	603.89
08/31/2020	Moe Asphalt Patching & Seal Coating, Inc.	Asphalt repairs	6595	23,817.16
08/31/2020	North Cascades Heating & A/C	HVAC repairs	6598	1,072.79
	<b>Net Confluence Technology Center</b>			<b><u>28,314.69</u></b>
<b><u>DOWNTOWN WENATCHEE SOUTH</u></b>				
08/31/2020	After Hours Plumbing & Heating, Inc.	Plumbing repairs	6567	1,525.36
	<b>Net Downtown Wenatchee South</b>			<b><u>1,525.36</u></b>
<b><u>OLDS STATION BUSINESS PARK</u></b>				
08/31/2020	Chelan County PUD	Water	6572	746.19
08/31/2020	H.D. Fowler Company	Irrigation Repairs	6581	31.04
08/31/2020	Home Depot Pro	Maintenance and repair supplies	6585	19.37
08/31/2020	Local Tel Communications	Phone/Internet/Fire Alarm	6591	572.88
08/31/2020	Lowe's	Buidling maintenance supplies	6592	14.41
08/31/2020	S & W Irrigation Supply	Irrigation Repairs	6603	101.53
08/31/2020	Star Rentals, Inc.	Landscaping	6607	116.10
08/31/2020	Waste Management	238 Olds Station IB #3 - Confluence	6610	245.40
08/31/2020	York Building Services, Inc.	Maintenance	6612	375.00
	<b>Net Olds Station Business Park</b>			<b><u>2,221.92</u></b>
<b><u>PANGBORN AIRPORT</u></b>				
08/31/2020	Avfuel Corp	Jet fuel	6569	50,223.72
08/31/2020	Cintas Corporation	Uniforms, etc	6573	117.22
08/31/2020	Firefly	IT services	6579	1,732.80
08/31/2020	Haglund's Trophies	30 yr service award	6582	46.60

**Chelan Douglas Regional Port Authority  
Check Register  
2020-39**

08/31/2020	Home Depot Pro	Maintenance and repair supplies	6585	538.43
08/31/2020	Jerry's Auto Supply	Port vehicle maintenance	6587	43.39
08/31/2020	Local Tel Communications	Phone/Internet/Fire Alarm	6591	830.21
08/31/2020	Lowe's	Maintenance supplies	6592	428.64
08/31/2020	Moon Security Services, Inc	Security services	6597	42.24
08/31/2020	Ogden Murphy Wallace, PLLC	Legal	6599	1,749.00
08/31/2020	ProDIGIQ, Inc.	Q3 & Q4 maint and support	6600	1,500.00
08/31/2020	Sherwin-Williams	Terminal maintenance	6604	201.70
08/31/2020	Stan's Merry Mart	FBO supplies	6606	7.58
08/31/2020	Star Rentals, Inc.	Aviation maintenance	6607	725.61

**Net Pangborn Airport**

**58,187.14**

**PANGBORN AIRPORT BUSINESS PARK**

08/31/2020	Harvest Valley Pest Control	Pest control	6583	81.23
08/31/2020	Holiday-Parks, Inc.	CWICC AC Split Repairs - Final Bill	6584	6,303.06
08/31/2020	Local Tel Communications	Phone/Internet/Fire Alarm	6591	171.13
08/31/2020	Moe Asphalt Patching & Seal Coating, Inc.	Asphalt repairs	6595	29,019.98

**Net Pangborn Airport Business Park**

**35,575.40**

**RPA OFFICE/AVIATION CENTER**

08/31/2020	Ag Supply Co.	Maintenance supplies	6568	8.13
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**Net RPA Office/Aviation Center**

**8.13**

**WATERVILLE AIRPORT**

08/31/2020	Douglas County PUD	Utilities	6577	26.00
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**Net Waterville Airport**

**26.00**

**ORONDO RIVER PARK**

08/31/2020	Douglas County PUD	Utilities	6577	139.00
08/31/2020	Express Services, Inc.	Park attendant Aug payroll svcs	6578	1,001.44

**Net Orondo River Park**

**1,140.44**

**ADMINISTRATIVE & GENERAL**

08/31/2020	Cami Harris	August mileage	6570	46.86
08/31/2020	Coleman Oil Company	Port truck fuel	6574	88.19
08/31/2020	Donn Etherington	August mileage	6576	8.68
08/31/2020	Firefly	IT services	6579	2,258.06
08/31/2020	Forte Architects Inc.	Architect/Planner - IB #3	6580	2,207.00
08/31/2020	J. C. Baldwin	August mileage	6586	199.53
08/31/2020	Jim Huffman	August mileage	6588	25.53
08/31/2020	Les Schwab Tire Center	Port vehicle maintenance	6590	699.97
08/31/2020	Local Tel Communications	Phone/Internet/Fire Alarm	6591	972.03
08/31/2020	Mark M. Spurgeon	August mileage	6593	42.32
08/31/2020	Maul Foster Alongi	Professional services	6594	630.00
08/31/2020	Monica Lough	August mileage	6596	67.62
08/31/2020	Ogden Murphy Wallace, PLLC	Legal	6599	3,527.00
08/31/2020	RH2 Engineering, Inc.	Engineering	6601	25,713.36
08/31/2020	Rory Turner	August mileage	6602	70.09
08/31/2020	Stacie de Mestre.	August mileage	6605	68.43
08/31/2020	W Alan Loeb sack.	August mileage	6608	28.75
08/31/2020	WAWG 2021	2020-2021 membership dues	6609	150.00

**Net Administrative & General**

**36,803.42**

**Chelan Douglas Regional Port Authority  
Check Register  
2020-39**

**BUSINESS DEVELOPMENT & MARKETING**

08/31/2020	Wenatchee World	EPA Brownfields Coalition Grant legal ad	6611	100.10
08/31/2020	Forte Architects Inc.	Gigawatt Coops - Adaptive Reuse	6580	2,966.00
<b>Net Business Development &amp; Marketing</b>				<b><u>3,066.10</u></b>

**Capital Projects - NonGrant**

08/31/2020	Forte Architects Inc.	Phase 1 Schematic Design & Engineering	6580	29,787.10
08/31/2020	Ogden Murphy Wallace, PLLC	Legal - Lojo Orchards property	6599	3,216.00
08/31/2020	Ogden Murphy Wallace, PLLC	Legal - Columbia Street property	6599	2,994.50
08/31/2020	RH2 Engineering, Inc.	Engineering - Malaga property	6601	7,167.25
08/31/2020	RH2 Engineering, Inc.	A&E - Cashmere Mill site wetland	6601	2,104.25
<b>Net Construction in Progress - NonGrant</b>				<b><u>45,269.10</u></b>

**TOTAL**

**\$ 212,319.47**

Void: 6571

**Port of Chelan County  
Check Register Log  
2020 - August**

<u>Date Issued</u>	<u>Register #</u>	<u>Reason</u>	<u>First #</u>	<u>Last #</u>	<u>Amount</u>
8/31/2020	Wire Transfer	K&L Gates - Cashmere Mill Rate Adj.	-	-	\$ 9,148.00
8/31/2020	2020-12	CTC Room Refund	5075	5075	\$ 431.33

Transactions for approval September 9, 2020 total:

\$9,579.33

Voided checks: None

We, the undersigned Commissioners of Port of Chelan County, in the State of Washington, do hereby certify the merchandise or services hereinafter have been received and that the Warrant listed above is approved for payment.

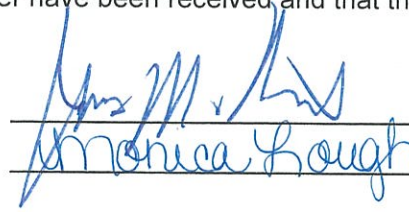
Executive Director

Dir. of Finance & Admin.

Commissioner Baldwin

Commissioner Etherington

Commissioner Turner

  
\_\_\_\_\_  
Monica Lough  
\_\_\_\_\_  
\_\_\_\_\_  
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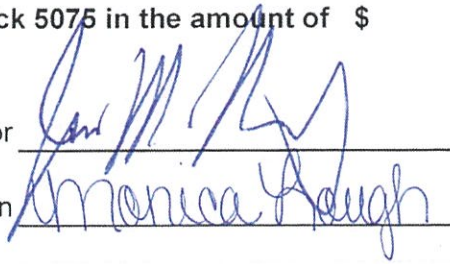
**Port of Chelan County  
Check Register  
2020-12**

We, the undersigned Commissioners of Port of Chelan County, Chelan County, Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

**For approval August 31, 2020, check 5075 in the amount of \$ 431.33**

Jim Kuntz, Executive Director

Monica Lough, Director of Finance & Admin



Date Issued	Claimant	Purpose	Check #	Amount
8/31/2020	City of Wenatchee	CTC Meeting Refund	5075	\$ 431.33

**Port of Douglas County  
Check Register Log  
2020 - August**

<u>Date Issued</u>	<u>Register #</u>	<u>Reason</u>	<u>First #</u>	<u>Last #</u>	<u>Amount</u>
8/12/2020	2020-14	Mid Month Payables	5061	5064	\$ 1,199,941.54
8/31/2020	2020-15	End of Month Payables	5065	5065	\$ 491.00
Transactions for approval September 9, 2020 total:					<b>\$ 1,200,432.54</b>

Voided checks: None

We, the undersigned Commissioners of Port of Douglas County, in the State of Washington, do hereby certify the merchandise or services hereinafter have been received and that Warrants listed above are approved for payment.

Executive Director

\_\_\_\_\_

Dir. of Finance & Admin.

\_\_\_\_\_

Commissioner Huffman

\_\_\_\_\_

Commissioner Spurgeon

\_\_\_\_\_

Commissioner Loeb sack

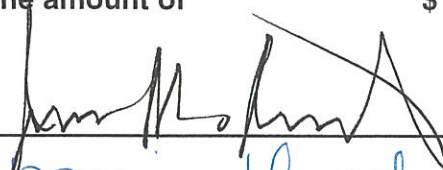
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**Port of Douglas County  
Check Register  
2020-14**

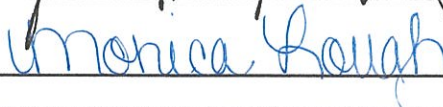
We, the undersigned Port of Douglas County, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

**For approval August 12, 2020 checks 5061 - 5064 in the amount of \$ 1,199,941.54**

Jim Kuntz, Chief Executive Officer



Monica Lough, Director of Finance & Admin



<u>Date Issued</u>	<u>Claimant</u>	<u>Purpose</u>	<u>Check Number</u>	<u>Amount</u>
08/12/20	Chelan Douglas Regional Port Authority	CWICC Land Lease	5061	491.00
08/12/20	Dept of Commerce	Loan Payoff - 2011 PABP Ph II	5062	807,904.36
08/12/20	Dept of Commerce	Loan Payoff - PABP, Salcido	5063	121,029.53
08/12/20	Dept of Commerce	Loan Payoff - PABP, GigaWatt	5064	270,516.65

**TOTAL 1,199,941.54**



**Port of Douglas County  
Check Register  
2020-15**

We, the undersigned Port of Douglas County, in the State of Washington, do hereby certify that the merchandise or services hereinafter have been received and that checks listed below are approved for payment.

**For approval August 31, 2020 check 5065 in the amount of** **\$ 491.00**

Jim Kuntz, Chief Executive Officer

Monica Lough, Director of Finance & Admin

<u>Date Issued</u>	<u>Claimant</u>	<u>Purpose</u>	<u>Check Number</u>	<u>Amount</u>
08/31/20	Chelan Douglas Regional Port Authority	CWICC Land Lease	5065	491.00

**TOTAL** 491.00

**ANNUAL REPORT CERTIFICATION**

Port District of Chelan County, Washington  
(Official Name of Government)

1700  
MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

For the fiscal year end December 31, 2019

GOVERNMENT INFORMATION:

Official Mailing Address: One Campbell Parkway, Suite A, East Wenatchee, Washington 98802

Official Website Address: [www.cdrpa.org](http://www.cdrpa.org)

Official E-mail Address [info@cdrpa.org](mailto:info@cdrpa.org)

Official Phone Number (509) 884-4700


PREPARER INFORMATION and CERTIFICATION:

Preparer Name and Title: Monica Lough, Director of Finance & Administration

Contact Phone Number: (509) 884-4700

Contact E-mail Address [monica@cdrpa.org](mailto:monica@cdrpa.org)

I certify this 24th day of August, 2020, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Preparer Signature: 

**PORT DISTRICT OF  
CHELAN COUNTY, WASHINGTON**

**Financial Statements**

**(A Compilation)**

**December 31, 2019**

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## **Introduction**

The following is the Port District of Chelan County's (the Port District) Management's Discussion and Analysis of financial activities and the performance for the calendar year ended December 31, 2019. The Discussion and Analysis is designed to assist the reader in focusing on the significant financial issues and activities of the Port District and to identify any significant changes in financial position. Information contained in the MD&A has been prepared by Port District management and should be considered in conjunction with the financial statements and notes.

The notes to the financial statements are essential to a full understanding of data contained in the financial statements. This report also presents certain required supplementary information regarding capital assets and long-term debt activity during the year, including commitments made for capital expenditures.

## **Background**

The Port District is a special purpose municipal government that was established by the voters in 1958. It was originally established "to do all things necessary and proper to promote the extension of barge traffic to Rock Island and beyond, to prepare for the development of water transportation facilities and water recreation facilities, and to promote, develop, and encourage the industrial development of Chelan County." In 1958 this represented the most realistic avenue for economic growth and development in the North Central Washington area. Severe environmental restrictions on the Columbia River, even at that time, prevented the development of water transportation efforts, as originally planned. Since that time, the primary focus of the Port District has been redirected to various avenues of economic development throughout Chelan County. This is reflected by a process of continuous evaluation of new economic development opportunities to capitalize on Chelan County's economic growth potential.

A three-member Port Commission governs the Port District. All the Commissioners are elected by voters within the District. All Commission members serve six-year terms that are staggered so that normally one Commissioner is elected every two years. Port Commission districts are identical to those of the Chelan County Commission. Each Commission district includes a significant portion of the Wenatchee urban area.

The Commission sets policy and delegates authority for the day-to-day operations of the Port District to its Executive Director and staff. The Port District office is located in the Pangborn Memorial Airport Business Park in East Wenatchee.

### **Background - continued**

With the exception of Pangborn Memorial Airport, the Port District's real estate holdings are all located within Chelan County. Chelan County is the 3rd largest county (in land area) in the State of Washington, with population currently estimated at 78,420. Approximately 88% of the total land area within the county is under the ownership and control of the state and federal government. Additionally, much of the county is hilly or mountainous, concentrating major development along the Wenatchee River and Columbia River valleys.

The Port District began to acquire property in the Olds Station area of Chelan County in 1959. From the late 1960's through 1996, the Port District purchased then-orchard land in the Olds Station area, eventually creating a 100-acre campus for business and industrial development at the confluence of the Wenatchee and Columbia Rivers (the Port of Chelan County Olds Station Business Park). At the end of 2019, approximately 13 acres of the original property is still owned by the Port District and is undeveloped. Thirteen industrial, warehouse, and office facilities have been constructed on this property to attract tenants who would expand the local economy by direct investment and the creation of jobs primarily associated with the production of goods and services sold to consumers outside of the region.

Additional properties have been purchased over the past decades:

(a) the former Peshastin Mill, a 61-acre site on the Wenatchee River near Leavenworth, west of Wenatchee, was purchased in April of 2003. In 2016, the Port sold 14 acres (the Riparian Parcel) on the Peshastin waterfront to the Complete the Loop Coalition in furtherance of the Port's commitment to permanent public access to the Wenatchee River from the property. The remaining 47 acres (the upland parcels) were sold in 2016 to a private developer.

(b) the former Cashmere Mill Site, a 32.5 acre parcel, was purchased in January of 2008, and annexed into the City of Cashmere in April of 2010. In 2017, the Port sold 3.53 acres to Louws Truss, Inc., and in 2018, the Port constructed two 16,500 square foot buildings for light industrial uses on a portion of the remaining properties. The buildings are currently leased out to two anchor tenants.

(c) in June of 2010, the Port District acquired 2.45 acres on Wenatchee's riverfront, which formerly housed a steel fabrication plant (Pybus Property). The Port entered into a lease and economic development agreement with the Pybus Market Charitable Foundation to facilitate the redevelopment of the Pybus Property. The property was redeveloped into the Pybus Public Market and was declared surplus and subsequently sold to the Foundation in 2017. In 2018, the Port leased 1,950 square feet of space in the Pybus Market Annex from the Pybus Market Charitable Foundation, performed tenant improvements to create business incubator space, and then subleased to a Seattle-based software company for a 24-month term.

(d) in December of 2019, the Port District acquired nine buildings in the downtown Wenatchee warehouse district. The intent is to separate the parcels, which were used for apple packing and storage, in order to sell them to individual users. This area flows into the downtown Wenatchee core, so retaining the character and history of the buildings while converting them to usable business spaces that will attract more pedestrian traffic is the goal.

### **Background - continued**

The Port District has been acknowledged as an early leader in recognizing the positive economic development benefits of tourism. The Tourism Action Group (TAG) was organized in 1989, comprised of working professionals within the tourism and hospitality industry charged with the goal of creating a county-wide promotional effort, including the communities of Chelan, Leavenworth, Cashmere, Wenatchee, and Entiat. The Port District allocated as much as \$150,000 annually to this effort. TAG spawned greater efforts within each community to market their own communities more efficiently and effectively. As individual communities generated additional resources to promote tourism (primarily in the form of increased lodging tax collections), the Port District decreased its funding for TAG, and the group disbanded in 2002. The Port continues to provide strong financial support of tourism through partnership agreements with local Chambers of Commerce and through direct investment in wine and agricultural tourism efforts.

Chelan County Development Corporation (CCDC) - The Port District formed the CCDC as a means to obtain industrial revenue bonding (IRB) for qualifying manufacturing and processing businesses in the area. Examples of projects financed by IRB's include: Alcoa pollution control improvements, Manson Growers reconstruction and expansion, and Morel Foundry construction in Entiat. IRB's are rarely issued, but CCDC serves this economic development function as the opportunity arises. CCDC industrial revenue bonds do not require the Port to function as lender or guarantor.

Pangborn Memorial Airport - In 1965, the City of Wenatchee (owner of Pangborn Memorial Airport at the time) transferred ownership of the property to the Port District. In 1974, the Port of Douglas County (PODC) acquired an undivided, ½ interest in the airport after the runway had been extended to 5,500 feet. The original agreement between the Port District and PODC was amended over the years. Pursuant to a 2003 Joint Operating Agreement (JOA), effective January 1, 2004, the PODC managed the industrial property within airport boundaries, and the Port District managed all airport operations and airside properties. In 2013, the Port District signed a memorandum of understanding (MOU) with the PODC to modify their relationship regarding the operation and funding of Pangborn Memorial Airport. Pursuant to the MOU, the Port of Chelan County currently acts as the Governing Board for the Airport with all rights of the Governing Board under the 2003 agreement. The MOU will limit the PODC's management and leasing oversight to the PODC industrial park (the Airport has rights to the airside lots) and the CWICC building. In 2018, with the expiration of the MOU, the original JOA once again became the governing document. Commencing in January 2020, the Port of Chelan County and Port of Douglas County functionally consolidated in order to bridge the gap between the two counties, lower operating costs of duplicate efforts, and fund the airport operations at necessary levels in order to grow and prosper.

In 2013, a major runway expansion project commenced at Pangborn. This project extended the existing runway 700 feet and allowed the recapture of 600 feet of existing runway that was not usable due to a displaced threshold, resulting in a 7,000 foot runway. This longer runway will provide improved service with the current commercial airline and corporate jets and open up opportunities for other commercial aircraft to serve the region to additional destinations. The acquisition of real estate necessary for the expansion was completed in 2014, along with

### **Background - continued**

clearing and grading of property and rerouting of utilities to allow relocation of Grant Road and expansion of the runway in later phases of the project. The realignment of Grant Road was completed in 2015, and accepted by Douglas County in 2016. The construction was completed in 2016, and, following FAA review and grant close-out, the runway extension project was finalized in early 2018.

Lake Chelan Airport - The concept for an airport in Chelan was born in 1931 by the Chelan Chamber of Commerce. It was developed into a rugged airstrip and evolved into an FAA (Federal Aviation Administration) approved operation, with the Port District currently providing joint-funding. The airport primarily serves recreational aircraft in the resort community. The airport is operated by the City of Chelan, with the Port contributing approximately \$43,500 annually toward the airport's deficit.

Miscellaneous - Throughout the 1970s, '80s, and early '90s, the Port District partnered with the National Park Service and US Forest Service to construct and maintain a number of docks on the upper shores of Lake Chelan. These docks were vital to serving the tourism industry of the region where boating and camping are a vital part of the county economy. The Port District also participated financially in a rafting put-in/take-out ramp on the Wenatchee River in Cashmere and in the development of Blackbird Island Park in Leavenworth.

The Port has contributed funding in partnership with the cities of Wenatchee, Entiat, and Chelan for marina planning and construction, as well as matching funds for a rail platform for scheduled Amtrak service in Leavenworth. The Port has also made capital contributions to support tourism in Leavenworth and Chelan. In Leavenworth, the Port helped purchase the building that houses the Leavenworth Chamber of Commerce. In Chelan, the Port contributed funding to an entrepreneurship center in the Chelan Chamber offices.

### **Overview of the Financial Statements**

The Port District falls under the control of the Governmental Accounting Standards Board (GASB). Since the Port District is comprised of a single enterprise fund, no fund level financial statements are shown nor required.

The financial section of this annual report consists of three parts: MD&A, the basic financial statements, and the notes to the financial statements. The basic financial statements include: the statement of net position, the statement of revenues, expenses and changes in net position, and the statement of cash flows.

### **Overview of the Financial Statements - continued**

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position provide the Port District with an overall financial position and results of operations to assist the user in assessing whether that financial position has improved or deteriorated as a result of the annual activities. Over time, increases or decreases in net position may serve as an indicator of whether the Port District is financially stable or if there is a going concern.

The Statement of Revenues, Expenses and Changes in Net Position show how the Port District's net position changed during the most recent year. These changes are reported as the underlying event occurs regardless of the timing of related cash flows.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operations, noncapital financing, capital and related financing, and investing activities. A reconciliation of the cash provided by operating activities to the Port District's operating income, as reflected on the statement of revenues, expenses and changes in net position, is also included.

The notes to the financial statements provide the reader additional detailed information that may not be apparent from the actual financial statements. The notes to the financial statements can be found immediately following the financial statements.

### **Financial Analysis of the Port District**

In 2008, the Port District closed on the transaction to purchase a 32.5-acre parcel of commercial/industrial land in Cashmere, Washington known as the Cashmere Mill Site, and began site clearing and redevelopment. In 2012, the Port District received an allocation of \$1.5 million from the Washington State Legislature for the redevelopment of the Cashmere Mill Site. This was augmented by an additional \$3.38 million from the Washington State Legislature for wood waste removal and remediation of the Cashmere Mill Site in 2013 and 2014. In 2017, 3.53 acres of the site was sold to a truss company, who built an industrial building to expand their manufacturing to the Wenatchee Valley. In addition, the Port constructed two 16,500 square foot industrial buildings on the site in 2018, which now both have anchor tenants with additional space available for lease.

Following a variety of engineering, feasibility studies and public meetings, steps were taken that led to the acquisition in 2010 of a significant parcel of land located in the south node of the City of Wenatchee Waterfront Redevelopment plan. The redevelopment of the site into Pybus Market was completed in 2013, including a long term lease with Pybus Market Charitable Foundation. The redevelopment was supported by an assignment of a HUD grant from the City of Wenatchee to the Port District, and other agreements with the City involving the local revitalization financing district formed by the City. In 2016, the site was declared surplus to the Port District's needs, and, in 2017, the property was sold to the Charitable Foundation. In 2018, the Port leased 1,950 square feet of space in the Pybus Market Annex, performed tenant improvements to create business incubator space, and then subleased to a Seattle-based software company for a 24-month term.



**An Overview of the Port District Financial Position and Operations**

The Port District's overall financial position and operations for the past two years are summarized in the following table based on the information included in the current and prior financial statements. These figures include Chelan County Development Corporation as a blended component.

**TABLE 1  
 STATEMENTS OF NET POSITION**

	<u>2019</u>	<u>2018</u>
Current and other assets	\$ 16,527,661	\$ 13,203,483
Restricted assets	-	1,449
Net capital assets	<u>36,299,460</u>	<u>27,450,617</u>
 Total assets	 <u>\$ 52,827,121</u>	 <u>\$ 40,655,549</u>
 Deferred outflows	 <u>\$ 72,517</u>	 <u>\$ 77,342</u>
Current liabilities	\$ 1,152,653	\$ 1,783,652
Noncurrent liabilities	<u>9,657,146</u>	<u>7,070,964</u>
 Total liabilities	 <u>\$ 10,809,799</u>	 <u>\$ 8,854,616</u>
 Deferred inflows	 <u>\$ 180,594</u>	 <u>\$ 163,597</u>
Net investment in capital assets	\$ 27,672,584	\$ 21,388,337
Restricted	-	1,449
Unrestricted	<u>14,236,661</u>	<u>10,324,892</u>
 Total net position	 <u>\$ 41,909,245</u>	 <u>\$ 31,714,678</u>

**An Overview of the Port District Financial Position and Operations - continued**

Total Assets

The Port District's total assets, including component unit, at December 31, 2019 increased by \$12,171,572. This increase is due primarily to the purchase of nine buildings in the downtown Wenatchee warehouse district in December 2019, as well as the purchase of a building located on Airport property from Executive Flight, Inc. in October, 2019.

Total Liabilities

Total liabilities increased by \$1,955,183 during 2019. This increase reflects a new promissory note being issued for \$3,000,000 in order to finance the purchase of a building from Executive Flight, Inc., net of payments to retire other debt.

Total Net Position

Financial position increased as the change in net position amounted to \$10,194,567 during 2019. The increase is partly due to a sale of land in the Olds Station Business Park to the Chelan County Public Utility District for construction of their new headquarters.

**TABLE 2  
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

	2019	2018
Revenues		
Operating revenues	\$ 3,365,436	\$ 2,789,410
Other operating revenues	74,182	306,345
Nonoperating revenues	11,320,187	3,017,002
Capital grants	268,573	1,495,644
Total revenues	15,028,378	7,608,401
Expenses		
Operating expenses	3,541,764	3,780,206
Nonoperating expenses	1,292,047	2,330,852
Total expenses	4,833,811	6,111,058
Change in net position	\$ 10,194,567	\$ 1,497,343

## **An Overview of the Port District Financial Position and Operations - continued**

### Major Factors Affecting the Statement of Revenue, Expenses and Change in Net Position

Income increased from 2018 to 2019, which reflects a land sale, net of a decrease in federal capital grants. Operating revenues increased, as the Port District purchased condominium units from the Chelan County Public Utility District, and then leased out those units. Additional leases in the business park also increased operating revenues.

With the purchase of condominium units, the Confluence Technology Center Condominium Association was dissolved, which decreased member dues being paid, but increased operating expenses being paid directly by the Port District.

### **Economic Factors**

Chelan County and North Central Washington experienced increasing property values, as well as a boost in construction and other economic activities in 2019. The overall 2019 unemployment rate across Chelan County averaged 4.9%, slightly higher than the Washington State rate of 4.3%.

Wages still lag behind the state average, due to the large number of seasonal jobs in the agricultural and hospitality sectors.

Statewide shut downs due to Covid-19 began in February 2020, with the governor's declaration of emergency. Airport revenues have been significantly impacted, which has a direct effect on the Port Authority.

### **Request for Information**

This financial report is designed to provide a general overview of the Port District's finances and to show accountability of public funds. If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Port District of Chelan County, Washington  
Attn: Monica Lough, Director of Finance & Administration  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802

Port District of Chelan County, Washington  
STATEMENT OF NET POSITION  
December 31, 2019

ASSETS AND DEFERRED OUTFLOWS

	Port District	Confluence Technology Center Condominium Association	Pangborn Memorial Airport
<b>CURRENT ASSETS</b>			
General investment fund (Note 2)	\$ 9,804,839	\$ -	\$ 79
General fund	1,217	-	111,815
Bank accounts	743,059	-	75,596
Petty cash	100	-	1,278
Total unrestricted cash	<u>10,549,215</u>	-	<u>188,768</u>
Accounts receivable (Net)	39,018	-	215,460
Grants receivable	112,210	-	137,931
Taxes receivable (Note 3)	80,127	-	-
Prepaid expenses	280,306	-	49,934
Fuel inventory	-	-	101,901
Total current assets	<u>11,060,876</u>	-	<u>693,994</u>
<b>NONCURRENT ASSETS</b>			
Net pension asset	-	-	37,252
Restricted assets (Note 2)			
Passenger facility fund	-	-	741,532
Total restricted assets	<u>-</u>	<u>-</u>	<u>741,532</u>
Capital assets (Note 4)			
Land and improvements	11,267,346	-	50,570,725
Buildings	38,222,984	-	7,587,810
Furniture and equipment	1,819,132	-	4,082,145
Construction in progress	11,512	-	749,752
Total	<u>51,320,974</u>	<u>-</u>	<u>62,990,432</u>
Less accumulated depreciation	<u>15,021,514</u>	<u>-</u>	<u>20,360,455</u>
Total capital assets	<u>36,299,460</u>	<u>-</u>	<u>42,629,977</u>
Other noncurrent assets			
Investment in Lake Chelan Airport (Note 9)	132,608	-	-
Property held for sale	4,547,677	-	-
Notes receivable	786,500	-	-
Total other noncurrent assets	<u>5,466,785</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 52,827,121</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 44,102,755</u></u>
<b>DEFERRED OUTFLOWS</b>			
Pension	\$ 65,388	\$ -	\$ 98,431
Other Postemployment Benefits	7,129	-	3,009
Total deferred outflows	<u><u>\$ 72,517</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 101,440</u></u>

Port District of Chelan County, Washington  
STATEMENT OF NET POSITION  
December 31, 2019

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

	<u>Port District</u>	<u>Confluence Technology Center Condominium Association</u>	<u>Pangborn Memorial Airport</u>
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 531,752	\$ -	\$ 567,247
Grants payable	112,210	-	-
Retainage in escrow	50,086	-	51,985
Compensated absences	33,087	-	48,272
Accrued taxes	76,528	-	23,575
Accrued interest	37,185	-	208
Long-term debt payable within one year [Note 8]	310,836	-	9,850
Unearned rents	969	-	-
	<u>1,152,653</u>	<u>-</u>	<u>701,137</u>
Total current liabilities			
<b>NONCURRENT LIABILITIES</b>			
Long-term debt payable after one year [Note 8]	8,246,238	-	-
Notes payable	-	-	786,500
Pension liability [Note 6]	258,668	-	272,373
Other postemployment benefits [Note 5]	644,613	-	608,607
Lessee deposits	507,627	-	142,849
	<u>9,657,146</u>	<u>-</u>	<u>1,810,329</u>
Total noncurrent liabilities			
<b>TOTAL LIABILITIES</b>	<u><u>\$ 10,809,799</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,511,466</u></u>
<b>DEFERRED INFLOWS</b>			
Pension	<u>\$ 180,594</u>	<u>\$ -</u>	<u>\$ 178,428</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 27,672,584	\$ -	42,070,617
Restricted	-	-	741,532
Unrestricted	14,236,661	-	(1,297,848)
	<u>\$ 41,909,245</u>	<u>\$ -</u>	<u>\$ 41,514,301</u>
TOTAL NET POSITION			

Port District of Chelan County, Washington  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 For the Year Ended December 31, 2019

	Port District	Confluence Technology Center Condominium Association	Pangborn Memorial Airport
<b>OPERATING REVENUES</b>			
Rentals [Note 9]	\$ 2,964,799	\$ -	\$ 1,035,712
Tenant reimbursements	400,637	-	69,351
Airport operations	-	-	1,017,663
Association dues	-	111,331	-
Total operating revenue	3,365,436	111,331	2,122,726
<b>OPERATING EXPENSES</b>			
Olds Station Business Park			
Property insurance	92,256	13,709	-
Maintenance and repairs	214,924	28,483	-
Utilities	177,572	20,639	-
Fire protection	8,535	-	-
Depreciation	968,841	-	1,897,548
Salaries	730,289	-	668,991
Commissioners' per diem	57,180	-	-
Condominium association dues	81,113	-	-
Video conference supplies & cleaning	78,183	-	-
Fuel service operations	-	-	886,765
Employee benefits	135,429	-	39,153
Professional services			
Legal	122,932	-	38,905
Accounting	1,083	6,850	-
Engineering	23,221	-	4,325
Computer	159,241	10,425	56,870
Video conference center operator	130,804	-	-
Contract labor	-	27,884	-
State audit	24,704	-	17,075
Other consulting	99,316	-	216,432
Taxes - payroll	61,953	-	85,522
Business development and marketing	122,863	-	12,213
Utilities	41,784	1,907	121,980
Maintenance and repairs	19,460	-	191,964
Community relations	5,271	-	-
Land lease expense	-	-	31,044
Subscriptions and memberships	32,665	-	5,326
Insurance	28,664	-	111,312
Conferences and meetings	23,357	-	16,219
Travel	20,519	-	-
Office expenses	33,458	2,113	25,455
Contract janitorial and supplies	-	12,189	13,200
Auto expenses	5,523	-	35,979
Bad debt expense	38,495	-	21,965
Other expenses	2,129	343	52,086
Total operating expenses	3,541,764	124,542	4,550,329

Port District of Chelan County, Washington  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
For the Year Ended December 31, 2019

	Port District	Confluence Technology Center Condominium Association	Pangborn Memorial Airport
OPERATING LOSS BEFORE OTHER OPERATING REVENUES AND EXPENSES	\$ (176,328)	\$ (13,211)	\$ (2,427,603)
OTHER OPERATING REVENUES			
Miscellaneous revenue	74,182	-	-
OPERATING LOSS	(102,146)	(13,211)	(2,427,603)
NONOPERATING REVENUES			
Taxes levied [Note 3]	2,846,731	-	-
Operating grants	56,110	-	547,671
Investment income	473,927	2	1,226
Passenger facility charges	-	-	293,006
Leasehold & timber tax revenue	11,598	-	-
Gain on disposal of assets	7,931,821	-	27,048
Advertising income	-	-	11,639
Total nonoperating revenues	11,320,187	2	880,590
NONOPERATING EXPENSES			
Interest expense	219,427	-	1,603
Loss from Lake Chelan Airport	115,056	-	-
Community Partnership Projects	61,489	-	-
Economic Development Partnerships	163,869	-	-
Election Costs	20,514	-	-
Total nonoperating expenses	580,355	-	1,603
INCOME (LOSS) BEFORE OTHER REVENUES (EXPENSES)	10,637,686	(13,209)	(1,548,616)
OTHER REVENUES (EXPENSES)			
Capital grants	268,573	-	285,665
Support of discrete component unit	(711,692)	-	-
Total other revenues (expenses)	(443,119)	-	285,665
CHANGES IN NET POSITION	10,194,567	(13,209)	(1,262,951)
NET POSITION - BEGINNING OF YEAR	31,714,678	13,209	42,777,252
NET POSITION - END OF YEAR	\$ 41,909,245	\$ -	\$41,514,301

Port District of Chelan County, Washington  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2019

	Port District	Confluence Technology Center Condominium Association	Pangborn Memorial Airport
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 3,371,531	\$ 142,908	\$ 2,029,050
Payments to suppliers	(1,776,748)	(171,569)	(2,007,432)
Payments to employees	(771,571)	-	(832,214)
Other receipts	74,182	-	-
Net cash provided (used) by operating activities	<u>897,394</u>	<u>(28,661)</u>	<u>(810,596)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Taxes collected for Port District operations	2,853,989	-	-
Cash paid to Panborn Memorial Airport	(665,123)	-	-
Cash paid to Lake Chelan Airport	(44,263)	-	-
Payments for other noncapital projects	(245,872)	-	-
Receipt of passenger facility charges	-	-	293,006
Operating grants	54,522	-	550,301
Miscellaneous	-	-	9,697
Net cash provided (used) by noncapital financing activities	<u>1,953,253</u>	<u>-</u>	<u>853,004</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Transfer from bond redemption fund	1,449	-	-
Capital passenger facility fund	-	-	(48,308)
Capital grants received	222,004	-	213,375
Payments on bonds issued	(238,918)	-	-
Proceeds from long-term debt	3,000,000	-	794,155
Payments on long-term debt	(101,467)	-	(17,506)
Interest and loan fees paid	(221,682)	-	(1,812)
Acquisition of capital assets	(10,882,176)	-	(992,940)
Acquisition of property held for sale	(4,547,677)	-	-
Proceeds from disposal of capital assets	8,271,815	-	28,787
Net cash provided (used) by capital and related financing activities	<u>(4,496,652)</u>	<u>-</u>	<u>(24,249)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	346,637	2	1,226
Proceeds from investments	1,904,405	-	-
Advances on notes receivable	(794,155)	-	-
Payments received on notes receivable	7,655	-	-
Transfer from condo association reserve	87,256	-	-
Net cash provided by investing activities	<u>1,551,798</u>	<u>2</u>	<u>1,226</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(94,207)</b>	<b>(28,659)</b>	<b>19,385</b>
<b>CASH - BEGINNING OF YEAR</b>	<b><u>6,459,576</u></b>	<b><u>28,659</u></b>	<b><u>169,383</u></b>
<b>CASH - END OF YEAR</b>	<b><u>\$ 6,365,369</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 188,768</u></b>



Port District of Chelan County, Washington  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2019

	Port District	Confluence Technology Center Condominium Association	Pangborn Memorial Airport
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (102,146)	\$ (13,211)	\$ (2,427,603)
Noncash expenses			
Depreciation	968,841	-	1,897,548
Bad debt expense	38,495	-	20,875
Pension	(96,845)	-	(86,755)
Other postemployment benefits	(6,084)	-	(85,089)
(Increase) decrease in operating assets			
Receivables	(5,394)	79,801	(151,086)
Prepaid expenses	24	23,675	7,924
Fuel inventory	-	-	(6,805)
Increase (decrease) in operating liabilities			
Accounts payable	70,539	(70,702)	(29,738)
Compensated absences	15,898	-	5,337
Accrued taxes	2,577	-	8,261
Unearned rents (assessments)	(10,130)	(48,224)	-
Lessee deposits	21,619	-	36,535
Net cash provided (used) by operating activities	\$ 897,394	\$ (28,661)	\$ (810,596)
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets included in accounts payable	\$ 19,716	\$ -	\$ 497,524

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Port District of Chelan County, Washington (the Port District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principals. The significant accounting policies are described below.

### A. Reporting entity

The Port District was incorporated by consent of the voters within Chelan County in November 1958, and operates under the laws of the State of Washington applicable to port districts. The Port District is a special purpose government that provides industrial park, airport, tourism and economic development services to the general public, and is supported primarily through user charges (or where the governing body has decided that periodic determination of net income is needed).

The Port District is governed by an elected three member commission. As required by GAAP, management has considered all potential component units in defining the reporting entity. These financial statements present the Port District (the primary government) and its component units. The component units discussed below are included in the Port District's reporting entity because of the significance of their operational or financial relationships with the Port District.

In June, 2019, the Port of Chelan County and Port of Douglas County entered into an Interlocal Agreement to functionally consolidate as of January 1, 2020 as the Chelan Douglas Regional Port Authority. The two Port Districts will continue to assess property taxes individually, as well as continue to retire existing debt and bonds. The Regional Port Authority will act as the operating entity for day to day activities, and be governed by the six port district commissioners acting as the Board of Directors.

### Component units

In conformity with GAAP, the financial statements of component units have been included in the financial reporting entity either as blended component units or as discretely presented component units.

#### *Blended component units -*

The Chelan County Development Corporation (CCDC), an entity legally separate from the Port District, is governed by a three-member board comprised of the commissioners of the Port District. For financial reporting purposes, CCDC is reported as if it were part of the Port District's operations because it shares the same governing body as the Port District.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Component units - continued

*Discretely presented component units -*

The Confluence Technology Center Condominium Association (the Association), an entity legally separate from the Port District, was governed by a three member board: two members were appointed by the Port District (one of which was a Commissioner), and one member was appointed by the Chelan County Public Utility District. The Association was fiscally dependent on the Port District because the Association's operational budget was subject to Port District approval. The Association is reported in a separate column to emphasize that it is legally separate from the Port District. In 2019, the Port District purchased the condominium units owned by the Chelan County Public Utility District, and subsequently dissolved the condominium association.

Pangborn Memorial Airport (the Airport), an entity legally separate from the Port District, was governed by the three Commissioners of the Port District and the three Commissioners of the Port of Douglas County. In addition, the Airport was fiscally dependent on the Port District because the Airport's operational and capital budgets were subject to Port District approval, as well as providing significant operational and capital funding. The Association is reported in a separate column to emphasize that it was legally separate from the Port District. Due to the Interlocal Agreement signed in June 2019, the Airport ownership and operations were transferred to the Chelan Douglas Regional Port Authority as of January 1, 2020.

Complete financial statements of the individual component units can be obtained directly from their administrative offices:

Chelan County Development Corporation  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802

Confluence Technology Center Condominium Association  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802

Pangborn Memorial Airport  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of accounting and reporting

The accounting records of the Port District are maintained in accordance with methods prescribed by the State Auditor under the authority of the Revised Code of Washington (RCW) Chapter 43.09. The Port District uses the *Budgeting, Accounting and Reporting System for GAAP Port Districts* in the State of Washington.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

C. Assets, liabilities and net position

1. Cash and cash equivalents

It is the Port District's policy to invest cash reserves. The Port District's cash reserves are annually allocated by the Port Commission for a variety of purposes, including land acquisition, facilities and infrastructure construction, Airport operations and capital projects, and an emergency operations and maintenance reserve. At December 31, 2019, the Chelan County Treasurer was holding \$9,804,839 in short-term investments. This amount is classified on the statement of net position as unrestricted cash, although it has been internally reserved by the Commission to fund the above-referenced reserve accounts.

For purposes of the statement of cash flows, the Port District considers all highly liquid investments (excluding restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Assets, liabilities and net position - continued

2. Short-term investments

See Note 2.

3. Receivables

Taxes receivable consist of property taxes and related interest and penalties (see Note 3). Because property taxes are considered liens on property, no estimated uncollectible amounts are established.

Accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. The Port District utilizes the reserve method for recording bad debts. Per review of outstanding accounts, an allowance for doubtful accounts of \$38,495 was accrued at December 31, 2019.

4. Inventories

Inventories are valued at cost using the first-in, first-out method, which approximates the market value.

5. Compensated absences

Compensated absences are absences for which employees will be paid, such as vacation leave. The Port District records unpaid leave for compensated absences as an expense and liability when incurred.

Vacation pay, which may be accumulated up to 30 days, is payable upon resignation, retirement, or death.

Sick leave may accumulate up to 60 days, and is not payable upon resignation or termination of employment, other than retirement. If an employee retires under the Public Employees Retirement System (PERS), at the time of termination of employment, the Port District shall contribute an amount equal to 25% of the value of accrued unused sick leave to a Voluntary Beneficiary Association (VEBA) account. In addition, for those employees that start the calendar year with the maximum hours of sick leave accrued, and during the year use less sick leave than the amount accrued, will also receive a contribution of 25% of the excess accrual to a VEBA account.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Assets, liabilities and net position - continued

6. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

7. Deferred compensation

On December 20, 1983, the Chelan County Commissioners adopted the Washington State Employees Deferred Compensation Plan for Port District employees effective March 1984. The annual contribution limits are the lesser of \$19,000 or 100% of the employee's gross salary.

8. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTE 2 - DEPOSITS AND INVESTMENTS

### Deposits

Cash on hand of as December 31, 2019 was \$5,946,758. The carrying amount of the Port District's deposits, including certificates of deposit, was \$6,365,369 and the bank balance was \$6,365,369.

#### *Custodial Credit Risk*

Custodial credit risk for deposits is the risk that, in event of failure of a depository financial institution, the Port District would not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Port District's deposits and certificates of deposit are mostly covered by the Federal Depository Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

#### *Foreign Currency Risk*

Foreign currency risk for deposits is the risk that changes in exchange rates will adversely affect the deposit. The Port District follows state law, which does not allow foreign deposits.

### Investments

Investments are subject to the following risks:

#### *Interest Rate Risk*

Interest rate risk is the risk the Port District may face should interest rate variances affect the fair value of investments. The Port District invests through the Chelan County Treasurer's office, and therefore follows County investment policies. Through this investment policy, the Port District manages its exposure to the risk that the fair value of securities in the portfolio will fall due to changes in market interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter-term securities. The policy is that the weighted average of the portfolio will have a maturity date of less than five years.

NOTE 2 - DEPOSITS AND INVESTMENTS - continued

Investments - continued

*Interest Rate Risk - continued*

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More than 10
Debt Securities		\$ -	\$ -	\$ -	\$ -
Corporate Bonds		-	256,040	-	-
Municipal Bonds		292,163	3,635,643	-	-
U.S. Agencies		-	-	-	-
Total Debt Securities		<u>\$ 292,163</u>	<u>\$ 3,891,683</u>	<u>\$ -</u>	<u>\$ -</u>
Other Securities					
Certificates of Deposit	\$ 418,611				
Total Other Securities	<u>\$ 418,611</u>				

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The state investment pool does not have a credit rating. The Port District holds corporate and municipal bonds with S&P ratings of AA+ and AAA. The County has a policy related to credit risk, which is followed by the Port District.

*Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of the failure of the counterparty the Port District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Port District does not own any unregistered/uninsured securities.

*Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributable to the magnitude of an investment in a single user. The Port District does not have a large amount of investments with any single user.



NOTE 2 - DEPOSITS AND INVESTMENTS - continued

*Foreign Currency Risk*

Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment. The Port District does not own any investments that are subject to foreign exchange rates.

*Investments in Local Government Investment Pool (LGIP)*

The Port District is a participant in the Local Government Investment Pool as authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the pool and adopts rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually and proposed changes are reviewed by the LGIP advisory Committee.

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by the GASBS 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, and online at <http://www.tre.wa.gov>.

*Investments Measured at Fair Value*

The Port District measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles, as follows:

*Level 1:* Quoted prices in active markets for identical assets or liabilities;

*Level 2:* These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable;

*Level 3:* Unobservable inputs for an asset or liability.

Port District of Chelan County, Washington  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

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NOTE 2 - DEPOSITS AND INVESTMENTS - continued

As of December 31, 2019, the Port District had the following investments measured at fair value:

	Fair Value Measurement Using:		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level			
Corporate Bonds	\$ -	\$ 256,040	\$ -
Municipal Bonds	-	3,927,806	-
U.S. Agencies	-	-	-
Total investments measured at fair value	-	4,183,846	-
Investments measured at amortized cost			
State Local Government Investment Pool (LGIP)	-	2,282,363	-
Certificates of Deposit	-	418,611	-
Total investments measured at amortized cost	-	2,700,974	-
Total Investments in Statement of Net Position	\$ -	\$ 6,884,820	\$ -

NOTE 3 - PROPERTY TAXES

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities.

Property Tax Calendar

- January 1 Tax is levied and become an enforceable lien against properties.
- February 14 Tax bills are mailed.
- April 30 First of two equal installment payments is due.
- May 31 Assessed value of property established for next year's levy at 100 percent of market value.
- October 31 Second installment is due.

NOTE 3 - PROPERTY TAXES - continued

Property tax is recorded as a receivable and revenue when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as a deferred inflow and recognized as revenue of the period to which it applies. No allowance for uncollectible tax is established because delinquent taxes are considered fully collectible. Prior year tax levies were recorded using the same principal, and delinquent taxes are evaluated annually.

The Port District may levy up to \$.45 per \$1,000 of assessed valuation for general governmental services. The Port District may also levy taxes at a lower rate.

The Port District's regular levy for 2019 was \$0.23481 per \$1,000 on an assessed valuation of \$12,163,012,401 for a total regular levy of \$2,855,953. In 2018, the regular tax levy was \$2,759,196 computed at a levy rate of \$0.24895.

Washington State Constitution and Washington State Law, RCW 84.55.010, limit the rate.

NOTE 4 - CAPITAL ASSETS AND DEPRECIATION

- A. Capital assets are defined by the Port District as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset.

The costs for normal maintenance and repairs are not capitalized.

The Port District has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the Port District has sufficient legal interest to accomplish the purposes for which the assets were acquired, and has included such assets within the applicable account.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight-line method. Buildings and improvements are assigned lives of 10-40 years; equipment 3-10 years; and furniture and fixtures 3-10 years.

Port District of Chelan County, Washington  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

NOTE 4 - CAPITAL ASSETS AND DEPRECIATION - continued

B. Capital assets activity for the year ended December 31, 2019, was as follows:

	Beginning Balance 01/01/19	Increases	Decreases	Ending Balance 12/31/19
Capital assets, not being depreciated:				
Land and right-of-way	\$ 9,551,085	\$ 276,903	\$ 332,191	\$ 9,495,797
Construction in progress	3,843,063	4,507,723	8,339,274	11,512
<b>Total capital assets not being depreciated</b>	<b><u>\$ 13,394,148</u></b>	<b><u>\$ 4,784,626</u></b>	<b><u>\$ 8,671,465</u></b>	<b><u>\$ 9,507,309</u></b>
Capital assets, being depreciated:				
Buildings	\$ 24,637,165	\$ 13,613,985	\$ 28,166	\$ 38,222,984
Improvements other than buildings	1,799,041	-	27,492	1,771,549
Furniture and equipment	1,803,178	98,341	82,387	1,819,132
<b>Total capital assets being depreciated</b>	<b>28,239,384</b>	<b>13,712,326</b>	<b>138,045</b>	<b>41,813,665</b>
Less accumulated depreciation for:				
Buildings	10,938,580	766,196	20,362	11,684,414
Improvements other than buildings	1,796,862	57,173	27,493	1,826,542
Furniture and equipment	1,447,473	145,472	82,387	1,510,558
<b>Total accumulated depreciation</b>	<b><u>14,182,915</u></b>	<b><u>968,841</u></b>	<b><u>130,242</u></b>	<b><u>15,021,514</u></b>
<b>Total capital assets being depreciated, net</b>	<b><u>\$ 14,056,469</u></b>	<b><u>\$ 12,743,485</u></b>	<b><u>\$ 7,803</u></b>	<b><u>\$ 26,792,151</u></b>

C. Construction commitments

The Port District approved replacement of three air handling units at the Confluence Technology Center in October of 2019. The approved project budget was \$601,575, with \$11,512 of engineering fees being paid prior to December 31, 2019, and the remaining project scheduled for spring of 2020.

**NOTE 5 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS**

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB Statement 75 for the year ending December 31, 2019:

<b>Aggregate OPEB Amounts - All Plans</b>	
OPEB liabilities	\$ 644,613
OPEB assets	\$ -
Deferred outflows of resources	\$ 7,129
Deferred inflows of resources	\$ -
OPEB expenses/expenditures	\$ 10,826

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	5
Inactive employees entitled to but not yet receiving benefits	0
Active employees	9
<b>Total</b>	<b>14</b>

The Port is not able to determine the number of inactive employees entitled to, but not yet receiving benefits, as eligibility is determined by the Washington State Office of Retirement Services and the Washington State Public Employees Benefit Board. Inactive employees entitled to but not yet receiving benefits would include any former Port employee who retires under the public employees' retirement system and who are vested in that system. Retirees may also elect alternate coverage through Medicare and a Medicare supplemental plan.

**A. OPEB Plan Description**

The Port District provides medical, dental, life, and long-term disability insurance to its full time employees and Commissioners through the Washington State Public Employees Benefit Board (PEBB). Port employees who end public employment are eligible to continue PEBB insurance coverage as a retiree if they retire under the public employees' retirement system and are vested in that system.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS - continued

A. OPEB Plan Description - continued

Other post-employment benefits (OPEB) are benefits provided to retired employees beyond those provided by their pension plans. Such benefits include medical, prescription drug, life, dental, and vision insurance. PEBB offers retirees access to all of these benefits and PEBB employers, through this single-employer defined benefit plan, provide monetary assistance, or subsidize, these benefits.

The OPEB relationship between PEBB employers and their employees and retirees is not formalized in a contract or plan document. Rather, the benefits are provided in accordance with a substantive plan. A substantive plan is one in which the plan terms are understood by the employers and plan members. This understanding is based on communications between the employers and plan members and the historical pattern of practice with regard to the sharing of benefit costs.

The Office of the State Actuary, a department within the primary government of the State of Washington, issues a publicly available Other Post-Employment Benefits Actuarial Valuation Report. The Other Post-Employment Benefits Actuarial Valuation Report may be obtained by writing to: Office of the State Actuary, PO Box 40914, Olympia, Washington 98504-0914 or it may be downloaded from the Office of the State Actuary website.

B. Subsidies

The Washington State Health Care Authority (HCA) administers PEBB plan benefits. For medical insurance coverage, the HCA has two claims pools: one covering employees and non-Medicare eligible retirees, and the other covering retirees enrolled in Medicare Parts A and B. Each participating employer pays a portion of the premiums for active employees. For retirees, participating employers provide two different subsidies: an explicit subsidy and an implicit subsidy.

The explicit subsidy, permitted under RCW 41.05.085, is a straightforward, set dollar amount for a specific group of people. The explicit subsidy lowers the monthly premium paid by retired members enrolled in Medicare Parts A and B. PEBB determines the amount of the explicit subsidy annually.

The implicit subsidy, set up under RCW 41.05.022, is more complex because it is not a direct payment from the employer on behalf of the member. Since claims experience for employees and non-Medicare eligible retirees are pooled when determining premiums, these retired members pay a premium based on a pool of members that, on average, are younger and healthier. There is an implicit subsidy from the employee group since the premiums paid by the retirees are lower than they would have been if the retirees were insured separately. The subsidies are valued using the difference between the age-based claims costs and the premium paid by the retirees.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS - continued

B. Subsidies - continued

PEBB has also historically provided subsidized basic life insurance (Plan A) coverage to retirees. This was an explicit life insurance subsidy set up by the PEBB Board and approved as part of the budget process. However, beginning January 1, 2012, the PEBB Board eliminated the explicit life insurance subsidy on a permanent basis.

C. Funding Policy

The Port District funds the implicit and explicit subsidies on a pay-as-you-go basis, meaning that the Port District pays these costs as they occur or become due. Therefore, there are no assets accumulating in a qualifying trust.

D. Actuarial Methods and Assumptions

The Port District used the alternative measurement method permitted under GASB Statement No. 75 and provided by the Office of the State Actuary. The Office of the State Actuary made the following assumptions:

Health Plan Assumptions:

- 2/3 of members select a Uniform Medical Plan (UMP plan) and 1/3 select a Group Health plan.
- UMP pre- and post-Medicare costs and premiums are equal to the Uniform Medical Plan.
- Group Health pre-Medicare costs and premiums are a 50/50 blend of GH Classic and GH Value.
- The Group Health post-Medicare costs and premiums are equal to GH Medicare.

The actuary estimated retirement service for each active employee based on the average entry age of 35. For example, an age 47 member is assumed to have 12 years of service. Service is a component of benefit eligibility.

Retirement, disablement, termination, and mortality rates were based on the 2018 AVR. For simplicity, the Office of the State Actuary assumed that all employees are retirement eligible at age 55, relied on the retirement rates for members with less than 30 years of service, and assumed a 100% retirement rate at the age of 70.

Each primary member was assumed to be a 50/50 male/female split, and eligible spouses are the same age as the primary member. Age-based primary members were selected for the tool based on the overall distribution of State employees and retirees that participate in PEBB.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS - continued

E. Actuarial Methods and Assumptions - continued

Other assumptions include:

<b>Discount Rate</b>	
Beginning of Measurement Year	3.87%
End of Measurement Year	3.50%
<b>Projected Salary Changes</b>	3.5% + Service-Based Increases
<b>Healthcare Trend Rates</b>	Initial rate is approximately 7%, trends down to about 5% in 2020.
<b>Mortality Rates</b>	
Base Mortality Table	Healthy RP-2000
Age Setback	1 year
Mortality Improvements	100% Scale BB
Projection Period	Generational
<b>Inflation Rate</b>	2.75%
<b>Post-Retirement Participation Percentage</b>	65%
<b>Percentage with Spouse Coverage</b>	45%

The following presents the total OPEB liability of the Port calculated using a discount rate of 3.50%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% point higher than the current rate. It also shows the total OPEB liability based on a healthcare trend rate of 7%, and 1% lower and 1% higher than the current rate.

<b>Sensitivity Analysis</b>			
<b>Total OPEB Liability</b>	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
Discount Rate	\$771,561	<b>\$644,613</b>	\$544,477
Healthcare Trend	\$534,322	<b>\$644,613</b>	\$787,691

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in total OPEB liability and related ratios is presented as required supplementary information following the notes to the financial statements.



NOTE 5 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS - continued

F. Changes in the Total OPEB Liability

The following table shows the components of the Port's annual OPEB expense for the year, the benefit payments made, and changes in the Port's total OPEB liability as of June 30, 2019. The net OPEB liability of \$644,613 is included as a noncurrent liability in the Statement of Net Position.

<b>Total OPEB Liability - 07/01/2018</b>	<b>\$ 649,137</b>
Service Cost	17,682
Interest	25,512
Changes in Experience Data and Assumptions	(32,368)
Changes in Benefit Terms	-
Benefit Payments	(15,350)
Other	-
<b>Total OPEB Liability - 06/30/2019</b>	<b>\$ 644,613</b>

The Port District uses the alternative measurement method, which does not calculate deferred outflows and inflows for anything other than payments subsequent to the measurement date. Payments subsequent to the measurement date of June 30, 2019 were \$7,129.

G. Funded Status and Funding Progress

In order to fund the OPEB plan, the Port would have to establish an irrevocable trust, which means that the Port would no longer have control of the money put into the trust. If the Port left the PEBB program, the Port would not be able to remove funds from the trust. As of December 31, 2019, the plan was not funded.

NOTE 6 - PENSION PLANS

The following table represents the aggregate pension amounts for all plans for the year 2019:

<b>Aggregate Pension Amounts - All Plans</b>	
Pension liabilities	\$ 258,668
Pension assets	\$ -
Deferred outflows of resources	\$ 65,388
Deferred inflows of resources	\$ 180,594
Pension expense/expenditures	\$ (9,313)

NOTE 6 - PENSION PLANS - continued

**State Sponsored Pension Plans**

Substantially all Port District's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
P.O. Box 48380  
Olympia, WA 98540-8380

Or the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

**Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

NOTE 6 - PENSION PLANS - continued

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2019 were as follows:

<b>PERS Plan 1</b>		
<b>Actual Contribution Rates</b>	<b>Employer</b>	<b>Employee</b>
January - June 2019		
PERS Plan 1	7.52%	6.00%
PERS Plan 1 UAAL	5.13%	
Administrative Fee	0.18%	
<b>Total</b>	<b>12.83%</b>	<b>6.00%</b>
July - December 2019		
PERS Plan 1	7.92%	6.00%
PERS Plan 1 UAAL	4.76%	
Administrative Fee	0.18%	
<b>Total</b>	<b>12.86%</b>	<b>6.00%</b>

NOTE 6 - PENSION PLANS - continued

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and one percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and

NOTE 6 - PENSION PLANS - continued

Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2019 were as follows:

<b>PERS Plan 2/3</b>		
<b>Actual Contribution Rates</b>	<b>Employer</b>	<b>Employee</b>
January - June 2019		
PERS Plan 2/3	7.52%	7.41%
PERS Plan 1 UAAL	5.13%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
<b>Total</b>	<b>12.83%</b>	<b>7.41%</b>
July - December 2019		
PERS Plan 2/3	7.92%	7.90%
PERS Plan 1 UAAL	4.76%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
<b>Total</b>	<b>12.86%</b>	<b>7.90%</b>

The District's actual PERS plan contributions were \$34,166 to PERS Plan 1 and \$53,364 to PERS Plan 2/3 for the year ended December 31, 2019.

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2019 with a valuation date of June 30, 2018. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2007-2012 Experience Study* and the *2017 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2018 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2019. Plan liabilities were rolled forward from June 30, 2018, to June 30, 2019, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary increases:** In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.4%

NOTE 6 - PENSION PLANS - continued

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were changes in methods and assumptions since the last valuation.

- OSA updated modeling to reflect providing benefit payments to the date of the initial retirement eligibility for terminated vested members who delay application for retirement benefits.
- OSA updated COLA programming to reflect legislation signed during the 2018 legislative session that provides PERS and TRS Plan 1 annuitants who are not receiving a basic minimum, alternate minimum, or temporary disability benefit with a one-time permanent 1.5% increase to their monthly retirement benefit, not to exceed a maximum of \$62.50 per month.

**Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.4 percent.

To determine that rate, an asset sufficiency test included an assumed 7.5 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.5 percent except LEOFF 2, which has assumed 7.4 percent). Consistent with the long-term expected rate of return, a 7.4 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, PSERS 2, SERS 2/3, and TRS 2/3 employers, whose rates include a component for the PERS 1, and TRS 1 plan liabilities). Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.4 percent was used to determine the total liability.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.4 percent was determined using a building-block-method. In selecting this assumption, the Office of the State Actuary (OSA) reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered capital market assumptions and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns over various time horizons.

NOTE 6 - PENSION PLANS - continued

**Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>% Long-Term Expected Real Rate of Return</b>
Fixed Income	20%	2.20%
Tangible Assets	7%	5.10%
Real Estate	18%	5.80%
Global Equity	32%	6.30%
Private Equity	23%	9.30%
	<b>100%</b>	

**Sensitivity of Net Pension Liability/(Asset)**

The table below presents the Port District's proportionate share of the net pension liability calculated using the discount rate of 7.4 percent, as well as what the Port District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.4 percent) or 1-percentage point higher (8.4 percent) than the current rate.

	<b>1% Decrease (6.4%)</b>	<b>Current Discount Rate (7.4%)</b>	<b>1% Increase (8.4%)</b>
PERS 1	\$ 244,296	\$ 195,075	\$ 152,369
PERS 2/3	487,738	63,594	(284,445)

**Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

NOTE 6 - PENSION PLANS - continued

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2019, the Port District reported a total pension liability of \$258,668 for its proportionate share of the net pension liabilities as follows:

	Liability (or Asset)
PERS 1	\$ 195,075
PERS 2/3	63,593

At June 30, the Port District's proportionate share of the collective net pension liabilities was as follows:

	Proportionate Share 06/30/18	Proportionate Share 06/30/19	Change in Proportion
PERS 1	0.005682%	0.005073%	-0.000609%
PERS 2/3	0.007329%	0.006547%	-0.000782%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

The collective net pension liability (asset) was measured as of June 30, 2019, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2018, with update procedures used to roll forward the total pension liability to the measurement date.

**Pension Expense**

For the year ended December 31, 2019, the Port District recognized pension expense as follows:

	Pension Expense
PERS 1	\$ (19,363)
PERS 2/3	10,050
TOTAL	\$ (9,313)



NOTE 6 - PENSION PLANS - continued

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2019, the Port District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>PERS 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	-	13,033
Changes of assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	16,561	-
<b>TOTAL</b>	<b>\$ 16,561</b>	<b>\$ 13,033</b>

<b>PERS 2/3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 18,220	\$ 13,672
Net difference between projected and actual investment earnings on pension plan investments	-	92,566
Changes of assumptions	1,628	26,682
Changes in proportion and differences between contributions and proportionate share of contributions	1,424	34,641
Contributions subsequent to the measurement date	27,555	-
<b>TOTAL</b>	<b>\$ 48,827</b>	<b>\$ 167,561</b>

NOTE 6 - PENSION PLANS - continued

Deferred outflows of resources related to pensions resulting from the Port District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended December 31:</b>	<b>Plan 1</b>
2020	\$ (2,877)
2021	(6,815)
2022	(2,432)
2023	(909)
2024	-
Thereafter	-

<b>Year Ended December 31:</b>	<b>Plan 2/3</b>
2020	\$ (33,098)
2021	(53,640)
2022	(27,201)
2023	(17,407)
2024	(10,976)
Thereafter	(3,967)

NOTE 7 - RISK MANAGEMENT

Port of Chelan County is a member of Enduris. Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. Enduris was formed July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW when two counties and two cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. As of August 31, 2019, there are 547 Enduris members representing a broad array of special purpose districts throughout the state. Enduris provides property and liability coverage as well as risk management services and other related administrative services.

NOTE 7 - RISK MANAGEMENT - continued

Members make an annual contribution to fund the Pool and share in the self-insured retention. The self-insured retention is:

- \$1,000,000 self-insured retention on liability loss - the member is responsible for the first \$1,000 of the amount of each claim, while Enduris is responsible for the remaining \$999,000 on a liability loss.
- \$250,000 self-insured retention on property loss - the member is responsible for the first \$5,000 of the amount of each claim, while Enduris is responsible for the remaining \$245,000 on a property loss.

Enduris acquires reinsurance from unrelated insurance companies on a "per occurrence" basis to cover all losses over the self-insured retentions as shown on the policy maximum limits. Liability coverage is for all lines of liability coverage including public official's liability. The property coverage is written on an "all risk", blanket basis using current statement of values. The property coverage includes, but is not limited to, mobile equipment, boiler and machinery, electronic data processing equipment, business interruption, course of construction and additions, property in transit, fine arts, cyber and automobile physical damage to insured vehicles. Liability coverage limit is \$20 million per occurrence and property coverage limit is \$1 billion per occurrence. Enduris offers crime coverage up to a limit of \$1 million per occurrence.

Since Enduris is a cooperative program, there is a joint liability among the participating members.

The contract requires members to remain in the Pool for a minimum of one year and must give notice 60 days before terminating participation. The Master Agreement (Intergovernmental Contract) is automatically renewed after the initial one full fiscal year commitment. Even after termination, a member is still responsible for contribution to Enduris for any unresolved, unreported and in-process claims for the period they were a signatory to the Master Agreement.

Enduris is fully funded by its member participants. Claims are filed by members with Enduris and are administered in house.

The Pool is governed by a Board of Directors which is comprised of seven board members. The Pool's members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of Enduris.

Enduris did not have any claim settlements that exceeded limits in the last three years.

The Port District does not maintain Washington State unemployment insurance, where it has elected to become self-insured. The Port does not expect to owe premiums on unemployment losses in 2020.

NOTE 8 - LONG-TERM DEBT

A limited tax general obligation bond was issued in 2013 to fund the construction of the Pangborn Memorial Airport runway extension. Upon completion of construction in 2017, the balance of \$1,978,771 was refunded. The new issuance is being retired by semi-annual installments of \$80,386, including interest at 3.0%. The bonds may be prepaid, in whole or in part, at any time. 1,773,964

A limited tax general obligation bond was issued in 2018 to fund the construction of industrial buildings at the Cashmere industrial park. The issuance of \$3,000,000 is to be retired by semi-annual installments of \$109,567, including interest, commencing December 1, 2018. The initial interest rate is 4.19%, with adjustments to reset every five years. The bond may be prepaid, in whole or in part, on any payment due date. 2,836,887

A promissory note was issued in 2020 payable to Executive Flight, Inc. for the purchase of the One Campbell Parkway building, located on Airport property. The \$3,000,000 note is being retired, commencing December 1, 2019, monthly 3% interest payments at \$7,500, commencing December 1, 2022, monthly 3.5% interest payments at \$8,750, a November 1, 2024 balloon payment of \$1,000,000, commencing December 1, 2024, monthly 3.75% interest payments at \$9,262, and a final principal payment of \$2,000,000 on December 1, 2029. 3,000,000

A non-interest bearing general obligation loan was issued in 2002, by the Washington State Community Economic Revitalization Board to fund construction of the Confluence Technology Center building. The \$825,000 loan is being retired by annual installments of \$48,529 in the years from 2007 through 2023. 194,118

A general obligation loan was issued in 2012, by the Washington State Community Economic Revitalization Board, to fund Sunset Highway improvements at the Cashmere industrial park. \$1,000,000 was available to be advanced, with a five-year deferral of interest and principal. The principal balance has been amortized over 15 years at 3.4%. 736,625

Port District of Chelan County, Washington  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

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NOTE 8 - LONG-TERM DEBT - continued

A non-interest bearing note is payable through an interlocal agreement to the Port of Douglas County for the extension of sewer services to Pangborn Memorial Airport. The \$73,531 note is being retired by annual payments of \$3,870.

	<u>\$ 15,480</u>
Total long-term debt	8,557,074
Long-term debt payable within one year	<u>310,836</u>
Long-term debt payable after one year	<u>\$ 8,246,238</u>

Annual debt service requirements to maturity are as follows:

Year ending December 31,	Principal	Interest
2020	\$ 310,836	\$ 287,251
2021	320,438	277,649
2022	330,059	269,278
2023	340,033	273,053
2024	1,300,702	260,498
2025-2029	3,655,565	1,035,293
2030-2034	1,501,001	308,969
2035-2038	<u>798,440</u>	<u>76,726</u>
Total	<u>\$ 8,557,074</u>	<u>\$ 2,788,717</u>

Unamortized debt issue costs for insurance are recorded as an asset and bonds are displayed net of premium or discount. Annual interest expense is decreased by amortization of debt premium and increased by the amortization of debt issue costs and discount.

Federal arbitrage regulations do not apply to the Port District.

Under RCW 53.36.030 the non-voted debt capacity of the Port District is 1/4 of 1% of the assessed valuation of taxable property. The 2019 debt limit is \$30,407,531 and the remaining non-voted debt capacity is \$21,582,123.

NOTE 9 - LONG-TERM OPERATING LEASES

The Port District operates a business park at Olds Station, which includes the Confluence Technology Center. In addition, the Port District operates Cashmere Mill District, an incubator space at Pybus Public Market, and an aviation services building at Pangborn Memorial Airport business park. The Port District has entered into a number of office, building, and land leases related to the various properties.

Minimum future rentals on long-term leases for the five years succeeding December 31, 2019, and in total are as follows:

2020	\$ 2,923,632
2021	2,131,585
2022	1,800,684
2023	1,208,516
2024	<u>846,317</u>
Total	<u>\$ 8,910,734</u>

The following schedule provides an analysis of the Port District’s investment in property held for lease as of December 31, 2019:

Buildings	\$ 36,231,995
Land	<u>3,159,110</u>
	39,391,105
Less accumulated depreciation	<u>11,674,684</u>
Total	<u>\$ 27,716,421</u>

NOTE 10 - INVESTMENT IN LAKE CHELAN AIRPORT

On January 1, 1986, the Port District entered into an agreement with the City of Chelan to transfer the operation of the Lake Chelan Airport to an airport board consisting of five members, two appointed from each respective parent municipality and one by joint resolution of both the parent municipalities. An undivided one-half interest was conveyed to the Port District by quitclaim deed at the inception of the agreement. The agreement was restated in 1999, with the primary change being the Chelan City Council serving as the Airport Board. The agreement was amended in 2007 in response to comments received from the FAA. The agreement was again restated in 2010 to clarify, update and make minor modifications. Each of the parent municipalities owns an undivided one-half interest in the airport.

NOTE 10 - INVESTMENT IN LAKE CHELAN AIRPORT - continued

Funding of the airport is shared by the two municipalities. The Port District's annual contribution shall be the lesser of: (i) \$40,000 (as adjusted by an Implicit Price Deflator), but in no event more than \$50,000 unless approved by the Port District, or (ii) fifty percent (50%) of the deficit set forth in an approved budget for the airport.

The Port District accounts for the joint venture investment on the equity method. Under this method, investments are added to the equity account and losses from operations are charged against the equity accounts. The details of the Port District joint venture investment during the current year are as follows:

Investment balance, January 1	\$ 203,401
Contributions	44,263
Loss recognized	<u>(115,056)</u>
Investment balance, December 31	<u>\$ 132,608</u>

Summarized financial information from the unaudited financial statement of Lake Chelan Airport as of December 31, 2019, is as follows:

Current assets	\$ 108,932
Noncurrent assets	943,268
Current liabilities	16,881
Net position	1,035,319
Operating revenue	271,467
Operating expenses	370,223
Depreciation	38,497
Nonoperating revenue	54,498

Complete financial statements of the Lake Chelan Airport can be obtained directly from their administrative offices:

Lake Chelan Airport  
32 Airport Way  
Chelan, WA 98816

#### NOTE 11 - CONTINGENCIES

The Port District and the Airport participate in a number of Federal and state-assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. The Port District and the Airport management believe that such disallowances, if any, will not be material.

#### NOTE 12 - SUBSEQUENT EVENTS

The Port District has evaluated subsequent events through August 24, 2020, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements, other than those listed below.

On June 11, 2019, the Port of Chelan County and Port of Douglas County signed an Interlocal Cooperation Agreement functionally consolidating finances, management, and operations into one governing body, the Chelan Douglas Regional Port Authority, effective as of January 1, 2020. The two individual Port Districts will still maintain the responsibility for assessing taxes, retiring debt, and public elections of the respective Commissioners. All operating activities have been transferred to the Regional Port Authority, as well as ownership and operations of Pangborn Memorial Airport. The Port Commissioners of the individual districts have formed the Board of Directors. Financially, the consolidation will allow the organization to think and act regionally. Joining efforts will also allow resources, both internally and externally, to be utilized more fully in the best capacity.

In February 2020, the Governor of the State of Washington declared a state of emergency in response to the spread of a deadly new virus. In the weeks following the declaration, precautionary measures to slow the spread of the virus have been ordered. These measures include closing schools, colleges and universities, cancelling public events, and limiting gathering sizes.

To help control the spread of the virus in our community, the Chelan Douglas Regional Port Authority administrative office will be closed until reopening is allowed by the Governor. The Regional Port Authority has asked employees who can work remotely to do so, with essential employees reporting to work practicing appropriate social distancing measures. The Regional Port Authority continues to maintain service levels to customers and tenants, and the airport terminal remains fully operational. Airports play a critical role in our nation's supply chain and maintaining the movement of cargo is essential to our local, national and world-wide economy.



## SUPPLEMENTARY INFORMATION

Port District of Chelan County, Washington  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 As of June 30:

	<b>PERS 1</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability (asset)	0.005073%	0.005682%	0.005959%	0.006094%	0.005446%
Employer's proportionate share of the net pension liability	<u>\$ 195,075</u>	<u>\$ 253,760</u>	<u>\$ 282,759</u>	<u>\$ 327,277</u>	<u>\$ 284,892</u>
<b>TOTAL</b>	<u><u>\$ 195,075</u></u>	<u><u>\$ 253,760</u></u>	<u><u>\$ 282,759</u></u>	<u><u>\$ 327,277</u></u>	<u><u>\$ 284,892</u></u>
Covered payroll	\$ 711,516	\$ 755,003	\$ 751,464	\$ 827,406	\$ 683,011
Employer's proportionate share of the net pension liability as a percentage of covered payroll	27.42%	33.61%	37.63%	39.55%	41.71%
Plan fiduciary net position as a percentage of the total pension liability	67.12%	63.22%	61.24%	57.03%	59.10%

	<b>PERS 2/3</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability (asset)	0.654700%	0.007329%	0.007665%	0.007760%	0.007038%
Employer's proportionate share of the net pension liability	<u>\$ 63,594</u>	<u>\$ 125,136</u>	<u>\$ 266,322</u>	<u>\$ 390,710</u>	<u>\$ 251,472</u>
<b>TOTAL</b>	<u><u>\$ 63,594</u></u>	<u><u>\$ 125,136</u></u>	<u><u>\$ 266,322</u></u>	<u><u>\$ 390,710</u></u>	<u><u>\$ 251,472</u></u>
Covered payroll	\$ 711,516	\$ 755,003	\$ 751,464	\$ 827,406	\$ 683,011
Employer's proportionate share of the net pension liability as a percentage of covered payroll	8.94%	16.57%	35.44%	47.22%	36.82%
Plan fiduciary net position as a percentage of the total pension liability	97.77%	95.77%	90.97%	85.82%	89.20%

Port District of Chelan County, Washington  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 For the Years Ended December 31:

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**PERS 1**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily or contractually required contributions	\$ 34,167	\$ 37,227	\$ 37,769	\$ 34,593	\$ 28,295
Contributions in relation to the statutorily or contractually required contributions*	<u>(34,167)</u>	<u>(37,227)</u>	<u>(37,769)</u>	<u>(34,593)</u>	<u>(28,295)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 691,111</u>	<u>\$ 735,294</u>	<u>\$ 770,658</u>	<u>\$ 725,209</u>	<u>\$ 699,822</u>
Contributions as a percentage of covered payroll	4.94%	5.06%	4.90%	4.77%	4.04%

**PERS 2/3**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily or contractually required contributions	\$ 53,364	\$ 55,146	\$ 52,901	\$ 45,180	\$ 35,646
Contributions in relation to the statutorily or contractually required contributions*	<u>(53,364)</u>	<u>(55,146)</u>	<u>(52,901)</u>	<u>(45,180)</u>	<u>(35,646)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 691,111</u>	<u>\$ 735,294</u>	<u>\$ 770,658</u>	<u>\$ 725,209</u>	<u>\$ 699,822</u>
Contributions as a percentage of covered payroll	7.72%	7.50%	6.86%	6.23%	5.09%

Port District of Chelan County, Washington  
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
 For the Years Ended June 30:

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	<u>2018</u>	<u>2019</u>
<b>Total OPEB liability - beginning</b>	\$ 652,714	\$ 649,137
Service cost	19,696	17,682
Interest	23,888	25,512
Changes in benefit terms	-	-
Differences between expected and actual experience	(36,793)	(32,368)
Changes of assumptions	-	-
Benefit payments	(10,368)	(15,350)
Other changes	-	-
<b>Total OPEB liability - ending</b>	<u>\$ 649,137</u>	<u>\$ 644,613</u>
<b>Covered-employee payroll</b>	<u>\$ 749,701</u>	<u>\$ 703,855</u>
<b>Total OPEB liability as a % of covered payroll</b>	<u>86.59%</u>	<u>91.58%</u>

**Notes to Schedule:**

- \* Until a full 10-year trend is compiled, only information for those years available is presented.
- \* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
OWNERSHIP ALLOCATION MEMO  
LOJO REAL PROPERTY ACQUISITION**

On November 12, 2019, the Chelan Douglas Regional Port Authority Board of Directors adopted a policy governing capital investments. Section 3 of the policy addresses real property acquired after January 1, 2020. Under that section, the Board of Directors is required to adopt in advance an Ownership Allocation Memo as a means to allocate the percentage ownership of real property.

The Board of Directors has an interest in purchasing the LOJO Orchards Property located in Malaga, Washington with a parcel number of 222135100060. The property encompasses approximately 72.5 acres with an anticipated acquisition price of \$1,377,500.

Because this property is located within Chelan County and the Port of Chelan County has the financial resources to acquire the property using its own resources, the Board hereby approves the acquisition of 100% of the LOJO Orchards Property by the Port of Chelan County.

Once acquired, the Chelan Douglas Regional Port Authority shall manage the LOJO Orchards Property pursuant to and consistent with CDRPA Resolution 2020-02.

Signed and dated this 9<sup>th</sup> day of September, 2020.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

\_\_\_\_\_  
JC Baldwin, Director

\_\_\_\_\_  
Jim Huffman, Director

\_\_\_\_\_  
Donn Etherington, Director

\_\_\_\_\_  
Mark Spurgeon, Director

\_\_\_\_\_  
Rory Turner, Director

\_\_\_\_\_  
W. Alan Loeb sack, Director

# Memo

**To:** Board of Directors  
**From:** Trent Moyers  
**Date:** September 1, 2020  
**Re:** Sale of Piper Pacer Aircraft (N3023M) to Collect Unpaid Charges

---

Staff has been unsuccessful in attempting to collect unpaid fees associated with the storage of the aforementioned aircraft. At present, the total amount due in legal and storage fees is \$17,473.70. There has been a long history of non-payment and late payments associated with storing the plane that dates back to 2012. Armada collection agency was retained in November of 2016. No money was ever collected by Armada, so in July of 2017 we sought legal assistance to resolve the matter.

Since July of 2015, the following charges have accrued:

Unpaid rent + late fees:	\$13,240.44
Legal fees:	\$ 4,233.26

I have found similar aircraft of this type and vintage for sale with asking prices ranging from \$10,000 - \$18,000.



Pangborn Airport  
 One Pangborn Drive  
 East Wenatchee, WA 98802  
 (509)884-2494

# Statement

Date
10/18/2017

To:
ROBI CURTISS 6005 SUNSET HIGHWAY CASIMERE, WA 98815

		Amount Due	Amount Enc.		
		\$13,240.44			
Date	Transaction	Amount	Balance		
06/04/2015	INV #25726. Due 06/04/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	120.72	120.72		
07/01/2015	INV #25827. Due 07/01/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	313.68		
08/04/2015	INV #25969. Due 08/04/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	506.64		
09/02/2015	INV #26084. Due 09/02/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	699.60		
10/02/2015	INV #26180. Due 10/02/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	892.56		
11/03/2015	INV #26258. Due 11/03/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	1,085.52		
11/18/2015	INV #FC 487. Due 11/18/2015. Orig. Amount \$310.53. Finance Charge --- Fin Chg \$310.53 --- Invoice #25726 for 120.72 on 06/04/2015 --- Invoice #25827 for 192.96 on 07/01/2015 --- Invoice #25969 for 192.96 on 08/04/2015 --- Invoice #26084 for 192.96 on 09/02/2015 --- Invoice #26180 for 192.96 on 10/02/2015 --- Invoice #26258 for 192.96 on 11/03/2015	310.53	1,396.05		
12/02/2015	INV #26328. Due 12/02/2015. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	1,589.01		
01/06/2016	INV #26402. Due 01/06/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96 Past Due balances may be subject to a 10% finance charge.	192.96	1,781.97		
<b>CURRENT</b>	<b>1-30 DAYS PAST DUE</b>	<b>31-60 DAYS PAST DUE</b>	<b>61-90 DAYS PAST DUE</b>	<b>OVER 90 DAYS PAST DUE</b>	<b>Amount Due</b>
2,741.10	0.00	0.00	0.00	10,499.34	\$13,240.44



Pangborn Airport  
 One Pangborn Drive  
 East Wenatchee, WA 98802  
 (509)884-2494

# Statement

Date
10/18/2017

To:
ROBI CURTISS 6005 SUNSET HIGHWAY CASHMERE, WA 98815

Amount Due	Amount Enc.
\$13,240.44	

Date	Transaction	Amount	Balance		
02/01/2016	INV #26501. Due 02/01/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	1,974.93		
03/02/2016	INV #26576. Due 03/02/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	2,167.89		
04/01/2016	INV #26651. Due 04/01/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	2,360.85		
05/03/2016	INV #26757. Due 05/03/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	2,553.81		
06/01/2016	INV #26854. Due 06/01/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	2,746.77		
07/01/2016	INV #26913. Due 07/01/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	2,939.73		
Past Due balances may be subject to a 10% finance charge.					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
2,741.10	0.00	0.00	0.00	10,499.34	\$13,240.44





Pangborn Airport  
 One Pangborn Drive  
 East Wenatchee, WA 98802  
 (509)884-2494

# Statement

Date
10/18/2017

To:
ROBI CURTISS 6005 SUNSET HIGHWAY CASHMERE, WA 98815

Amount Due	Amount Enc.
\$13,240.44	

Date	Transaction	Amount	Balance		
07/31/2016	INV #FC 506. Due 07/31/2016. Orig. Amount \$1,599.36. Finance Charge --- Fin Chg \$1,599.36 --- Invoice #25726 for 120.72 on 06/04/2015 --- Invoice #25827 for 192.96 on 07/01/2015 --- Invoice #25969 for 192.96 on 08/04/2015 --- Invoice #26084 for 192.96 on 09/02/2015 --- Invoice #26180 for 192.96 on 10/02/2015 --- Invoice #26258 for 192.96 on 11/03/2015 --- Invoice #26328 for 192.96 on 12/02/2015 --- Invoice #26402 for 192.96 on 01/06/2016 --- Invoice #26501 for 192.96 on 02/01/2016 --- Invoice #26576 for 192.96 on 03/02/2016 --- Invoice #26651 for 192.96 on 04/01/2016 --- Invoice #26757 for 192.96 on 05/03/2016 --- Invoice #26854 for 192.96 on 06/01/2016 --- Invoice #26913 for 192.96 on 07/01/2016	1,599.36	4,539.09		
08/01/2016	INV #27018. Due 08/01/2016. Orig. Amount \$192.96. --- T-Hangar B \$171.00 --- Tax: Leasehold Tax @ 12.84% = 21.96	192.96	4,732.05		
Past Due balances may be subject to a 10% finance charge.					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
2,741.10	0.00	0.00	0.00	10,499.34	\$13,240.44



Pangborn Airport  
 One Pangborn Drive  
 East Wenatchee, WA 98802  
 (509)884-2494

# Statement

Date
10/18/2017

To:
ROBI CURTISS 6005 SUNSET HIGHWAY CASHMERE, WA 98815

Amount Due	Amount Enc.
\$13,240.44	

Date	Transaction	Amount	Balance		
09/12/2016	INV #FC 516. Due 09/12/2016. Orig. Amount \$398.35. Finance Charge --- Fin Chg \$398.35 --- Invoice #25726 for 120.72 on 06/04/2015 --- Invoice #25827 for 192.96 on 07/01/2015 --- Invoice #25969 for 192.96 on 08/04/2015 --- Invoice #26084 for 192.96 on 09/02/2015 --- Invoice #26180 for 192.96 on 10/02/2015 --- Invoice #26258 for 192.96 on 11/03/2015 --- Invoice #26328 for 192.96 on 12/02/2015 --- Invoice #26402 for 192.96 on 01/06/2016 --- Invoice #26501 for 192.96 on 02/01/2016 --- Invoice #26576 for 192.96 on 03/02/2016 --- Invoice #26651 for 192.96 on 04/01/2016 --- Invoice #26757 for 192.96 on 05/03/2016 --- Invoice #26854 for 192.96 on 06/01/2016 --- Invoice #26913 for 192.96 on 07/01/2016 --- Invoice #27018 for 192.96 on 08/01/2016	398.35	5,130.40		
11/09/2016	INV #27228. Due 11/09/2016. Orig. Amount \$1,434.70. --- Miscellaneous Income \$1,434.70 --- Tax: Leasehold Tax @ 12.84% = 0.00	1,434.70	6,565.10		
Past Due balances may be subject to a 10% finance charge.					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
2,741.10	0.00	0.00	0.00	10,499.34	\$13,240.44



Pangborn Airport  
 One Pangborn Drive  
 East Wenatchee, WA 98802  
 (509)884-2494

# Statement

Date
10/18/2017

To:
ROBI CURTISS 6005 SUNSET HIGHWAY CASHMERE, WA 98815

Amount Due	Amount Enc.
\$13,240.44	

Date	Transaction	Amount	Balance		
11/10/2016	INV #FC 517. Due 11/10/2016. Orig. Amount \$547.44. Finance Charge --- Fin Chg \$547.44 --- Invoice #25726 for 120.72 on 06/04/2015 --- Invoice #25827 for 192.96 on 07/01/2015 --- Invoice #25969 for 192.96 on 08/04/2015 --- Invoice #26084 for 192.96 on 09/02/2015 --- Invoice #26180 for 192.96 on 10/02/2015 --- Invoice #26258 for 192.96 on 11/03/2015 --- Invoice #26328 for 192.96 on 12/02/2015 --- Invoice #26402 for 192.96 on 01/06/2016 --- Invoice #26501 for 192.96 on 02/01/2016 --- Invoice #26576 for 192.96 on 03/02/2016 --- Invoice #26651 for 192.96 on 04/01/2016 --- Invoice #26757 for 192.96 on 05/03/2016 --- Invoice #26854 for 192.96 on 06/01/2016 --- Invoice #26913 for 192.96 on 07/01/2016 --- Invoice #27018 for 192.96 on 08/01/2016	547.44	7,112.54		
Past Due balances may be subject to a 10% finance charge.					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
2,741.10	0.00	0.00	0.00	10,499.34	\$13,240.44



Pangborn Airport  
 One Pangborn Drive  
 East Wenatchee, WA 98802  
 (509)884-2494

# Statement

Date
10/18/2017

To:
ROBI CURTISS 6005 SUNSET HIGHWAY CASHMERE, WA 98815

Amount Due	Amount Enc.
\$13,240.44	

Date	Transaction	Amount	Balance		
07/10/2017	INV #FC 520. Due 07/10/2017. Orig. Amount \$3,386.80. Finance Charge --- Fin Chg \$3,386.80 --- Invoice #25726 for 120.72 on 06/04/2015 --- Invoice #25827 for 192.96 on 07/01/2015 --- Invoice #25969 for 192.96 on 08/04/2015 --- Invoice #26084 for 192.96 on 09/02/2015 --- Invoice #26180 for 192.96 on 10/02/2015 --- Invoice #26258 for 192.96 on 11/03/2015 --- Invoice #26328 for 192.96 on 12/02/2015 --- Invoice #26402 for 192.96 on 01/06/2016 --- Invoice #26501 for 192.96 on 02/01/2016 --- Invoice #26576 for 192.96 on 03/02/2016 --- Invoice #26651 for 192.96 on 04/01/2016 --- Invoice #26757 for 192.96 on 05/03/2016 --- Invoice #26854 for 192.96 on 06/01/2016 --- Invoice #26913 for 192.96 on 07/01/2016 --- Invoice #27018 for 192.96 on 08/01/2016 --- Invoice #27228 for 1,434.70 on 11/09/2016	3,386.80	10,499.34		
10/18/2017	INV #28239. Due 10/18/2017. Orig. Amount \$2,741.10. --- T-Hangar B, 4 @ \$171.00 = 684.00 --- T-Hangar B, 6 @ \$176.00 = 1,056.00 --- Tie Down - Permanent, 4 @ \$50.00 = 200.00 --- Miscellaneous Income \$552.00 --- Tax: Leasehold Tax @ 12.84% = 249.10	2,741.10	13,240.44		
Past Due balances may be subject to a 10% finance charge.					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
2,741.10	0.00	0.00	0.00	10,499.34	\$13,240.44

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
RESOLUTION NO. 2020-17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHELAN DOUGLAS  
REGIONAL PORT REGARDING SEIZURE AND AUTHORIZING SALE OF AIRCRAFT  
1954 PA-22-135 PACER.**

**Whereas** the Board of Directors for the Chelan Douglas Regional Port Authority (the “CDRPA”) adopted a resolution on February 25, 2020 approving and adopting the Rules and Regulations for the ownership, operation and management of PMA (the “Rules and Regulations”).

**Whereas** PMA'S Rules and Regulations, and RCW 14.08.122 authorize the securing, seizure and sale of aircraft to offset charges owed to PMA by the aircraft owner;

**Whereas** PMA has an obligation to collect all duly imposed and owing charges which remain unpaid;

**Whereas** pursuant to the Rules and Regulations and RCW 14.08.122, PMA has seized the aircraft described as 1954 PA-22-135 PACER (“aircraft”) and provided the requisite notice to the aircraft owner;

**Whereas** RCW 14.08.122 authorizes the sale by auction of the aircraft provided that: 90 days have passed since the date of the notice described in the immediately preceding recital was given to the aircraft owner; the aircraft owner is given at least 20 days’ notice of the sale of the aircraft, and the notice of sale of the aircraft is published more than 10 days but less than 20 days before the sale in a newspaper of general circulation in Douglas County; and

**Whereas** on September 15, 2020, the ninety-day period set forth in RCW 14.08.122 will have elapsed, the aircraft will be deemed abandoned under RCW 114.08.122 and PMA may proceed to sell the aircraft.

**Now, Therefore,** the Board of Directors for the CDRPA do hereby resolve as follows:

- A. That after September 15, 2020 and upon fulfillment of the conditions set forth in RCW 14.08.122 as described in this Resolution, the Director of Airports is authorized to sell the 1954 PA-22-135 PACER shown on Attachment “A” at public auction to the highest and best bidder for cash.
- B. The sale of the aircraft may be avoided by payment in full of the charges owed.

DATED this 9th day of September, 2020

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

\_\_\_\_\_  
JC Baldwin, Director

\_\_\_\_\_  
Jim Huffman, Director

\_\_\_\_\_  
Donn Etherington, Director

\_\_\_\_\_  
W. Alan Loeb sack, Director

\_\_\_\_\_  
Rory Turner, Director

\_\_\_\_\_  
Mark M. Spurgeon, Director

ATTACHMENT "A"

Amount Owed to PMA: \$17,473.70 as set forth in the RCW 14.08.122 Notice  
Aircraft: 1954 PA-22-135 PACER







# Memo

**To:** Board of Directors  
**From:**  Jim Kuntz  
**cc:** None  
**Date:** September 3, 2020  
**Re:** Frito-Lay Lease - IB#9

---

Please find attached a proposed lease with Frito-Lay to lease 15,000 square feet within IB#9. The lease term is for two years. Lease rate is \$0.85 per square foot per month plus taxes. Pete Fraley has reviewed the lease.

Board authorization allowing the CEO to sign the lease is needed.

# FRITO-LAY STANDARD BUILDING LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") dated \_\_\_\_\_, (being the latest date of execution as set forth on the signature page hereto) by and between **Chelan Douglas Regional Port Authority**, hereinafter referred to as "**Lessor**", and **ROLLING FRITO-LAY SALES, LP, a Delaware limited partnership**, hereinafter referred to as "**Lessee**".

## WITNESSETH:

**1. PREMISES.** That Lessor has leased and by these presents does grant, demise, and lease unto the Lessee, the following described premises located in the City of Wenatchee, County of Chelan, State of Washington, known locally as 130 Technology Center Way and more particularly described as:

Approximately fifteen thousand (15,000) square foot building containing approximately five thousand (5,000) square foot office area

If the foregoing described premises (the "Demised Premises") are a part of a building or a group of buildings owned by Lessor, a portion of which is leased to other tenants, Lessee, its employees, customers, invitees, and their vehicles, shall have the right to the use of common areas jointly with other tenants. A minimum of **12** parking spaces (the "Exclusive Use Spaces") shall be maintained for the exclusive use of Lessee.

**2. TERM AND RENTAL.** TO HAVE AND TO HOLD the Demised Premises for a term of **2** years (the "Term"), to begin on **10/01/2020** (the "Commencement Date") and end on **09/30/2022**. In the event that Lessor fails to deliver the Demised Premises to Lessee on the Commencement Date, then, subject to the terms of Section 16 of this Lease, the "Commencement Date" shall be pushed back to the date on which Lessor actually delivers the Demised Premises to Lessee. For the avoidance of doubt, Lessor and Lessee acknowledge and agree that, if the Commencement Date occurs on a date that is other than the first (1<sup>st</sup>) day of a calendar month, the Term of this Lease shall be deemed to have been automatically extended by the number of calendar days (including the Commencement Date) remaining in the month in which the Commencement Date occurs (the "Partial Month"), such that the Term of this Lease shall then be equal to the number of full calendar months described above, plus the number of calendar days in the Partial Month.

Beginning on the Commencement Date, and provided that Lessor has completed the W9 and ACH/EFT application attached to this Lease and returned same to Lessee, Lessee shall pay an annual Base Rental of **\$153,000.00** payable monthly at **\$12,750.00** (i.e., **\$10.20** per square foot/year), no later than the first day of each month, in advance, to Lessor in accordance with provisions of the ACH/EFT application attached to this Lease. Should the Commencement Date occur on a date that is not the first day of any month, the rental due on the Commencement Date shall be prorated with respect to the number of days remaining in such month. In addition to monthly Base Rental, Lessee shall pay monthly expenses for excise tax and park dues ("Reimbursement"). Monthly Base Rental and Reimbursement shall be as follows:

Twelve thousand seven hundred fifty and no/100 dollars covering Base Rental:	\$12,750.00
Sixteen hundred thirty-seven dollars and no/100 dollars covering Excise Tax:	\$ 1,637.00
Two hundred forty-two and no/100 dollars covering Park Dues:	<u>\$ 242.00</u>
Total monthly remittance:	\$14,629.00

It is further mutually agreed between the parties:

**3. TITLE AND ENJOYMENT.** Lessor covenants that it has good title to the Demised Premises, and that Lessee, paying the rent herein provided and on keeping, observing and performing all of the other terms, covenants and agreements herein contained, shall, during the Term, peaceably and quietly have, hold and enjoy the Demised Premises.

**4. USE OF PREMISES.** Lessee will not use the Demised Premises for any illegal purpose or in such manner as to violate any law, rule or regulation of any governmental body.

**5. REPAIRS BY LESSOR.** Lessor covenants and warrants that the Demised Premises are (or will be) well built, properly constructed, and structurally safe and sound and in compliance with all applicable laws.

Lessor further covenants to keep in repair and cause any necessary replacement of the exterior and structural portions of the Demised Premises, including the roof and exterior walls, and including the parking area and driveway, but excluding glass or plate glass. Lessor further agrees to keep in a good state of maintenance and repair the common areas, including all landscaped areas, lawns, grassy areas, trees, shrubs, flowerbeds, and the removal of snow and ice from any walkways, driveways and parking areas, as well as any heating, air conditioning or electrical equipment, pipes, lines, conduits and drains located outside of, but serving, the Demised Premises. All repairs and maintenance necessary to comply with the terms of this paragraph shall be completed by Lessor at Lessor's cost, within a reasonable time after being advised by Lessee of the need for same. If, after notice and lapse of such reasonable time, Lessor has failed to make the necessary repairs or perform the necessary maintenance, Lessee may, but shall have no obligation to, make the repairs, and offset Lessee's costs and expenses related thereto against any rent due under this Lease, or otherwise recover such costs and expenses from Lessor.

**6. REPAIRS BY LESSEE.** Lessee will, at its own expense, maintain and keep in a good state of repair, the interior of the Demised Premises, including interior plumbing, heating and electrical systems and facilities, as well as all glass windows and doors. At the expiration or earlier termination of this Lease, Lessee will deliver the Demised Premises to Lessor, insofar as Lessee is required to maintain the same, in as good condition as received, except for ordinary wear and tear and damage by fire or other casualty.

**7. REMODELING.** Lessee shall have the right to make, from time to time, any non-structural alterations, changes and improvements inside the Demised Premises, at its own expense, subject to the advance written approval of the Lessor.

**8. FIXTURES AND EQUIPMENT.** Lessee may install in, and remove from the Demised Premises, such trade fixtures, furniture, equipment, machinery and appliances as may be necessary to the conduct of its business on the Demised Premises. If Lessee shall remove such property from the Demised Premises, it shall repair any damage done by the installation and removal.

**9. ASSIGNMENT AND SUBLETTING.** Lessee may assign or sublet the Demised Premises, or a part thereof, only with the written consent of Lessor, which shall not unreasonably be withheld, conditioned or delayed so long as the use is consistent with current covenants applicable to the Demised Premises. Notwithstanding the forgoing, in the event that Lessee should be merged or consolidated with any other corporation, it may assign this Lease to such corporation without the written consent of Lessor. Lessee may also assign this Lease or sublet the Demised Premises in whole or in part to Lessee's parent or to any subsidiary or affiliate of Lessee or Lessee's parent, without the written consent of Lessor.

**10. UTILITIES.** Lessee shall reimburse Lessor all charges when billed for all utility charges incurred by Lessee. The reimbursement for all utility charges under this Section 10 is in addition to the amounts set forth in Section 2, above.

**11. TAXES, FIRE/OTHER CASUALTY; INSURANCE.** Lessor shall pay all property taxes on the Demised Premises, and shall maintain insurance on the Demised Premises and any appurtenant common areas in an amount not less than one hundred percent (100%) of the "replacement cost" thereof insuring against the perils and costs of fire, lightning, flood, tornado, hurricane and other occurrences included within "extended coverage". Lessor shall maintain a policy of commercial general liability insurance of not less than \$1,000,000.00 combined single limit for bodily injury or death or property damage in any one occurrence. Lessor hereby releases and holds Lessee, its officers and employees, free and harmless from any and all loss or expense resulting from damage to the Demised Premises caused by fire, explosion or acts of God. Lessee hereby agrees to pay any taxes due on the personal property of Lessee.

Lessee shall reimburse Lessor for its prorata share of Lessor's actual cost (excluding late fees and penalties) of insurance costs. Lessor shall provide written notification of any such costs, including copies of proof of payment and statements from the insurance carriers. Lessee will not reimburse Lessor and will have no liability to Lessor for any such costs if (i) Lessor does not provide notice to Lessee within thirty (30) days of the date Lessor's payment of such costs is first due, (ii) Lessor does not provide statements from the taxing authorities and insurance carriers or (iii) Lessor does not provide evidence of Lessor's payment of such costs. Lessee's pro-rata share is one hundred percent (100%).

Lessee shall remit monthly amounts covering Excise Taxes and Business Park Dues (collectively "Reimbursement". Monthly Reimbursement shall be paid by Lessee to Lessor, and shall be reflected in

Reimbursement Notice. Lessee shall pay monthly Reimbursement as depicted in TERM and RENTAL paragraph herein.

Lessor's right, if any, to receive payment for the amount by which Lessee's share of actual insurance premiums, taxes, and all other similar expenses exceeds the estimated amount paid by Lessee, if any, must be exercised within one year after the close of the calendar year in which such expenses are incurred (the "Reconciliation Period"). Lessor hereby waives the right to receive payment from Lessee for insurance premiums, taxes, operating expenses, common area maintenance expenses and all other similar expenses of which Lessee is not given express written notice within the Reconciliation Period. This provision shall survive the expiration or earlier termination of this Lease.

**12. INDEMNITY.** Lessee will be responsible for and will indemnify Lessor against and hold Lessor harmless from any liability for any third party injury or damage to either person or property, or both, which shall occur in or about the Demised Premises, and which shall arise out of the use or occupancy of the Demised Premises by Lessee, except to the extent resulting from any act or omission or neglect of Lessor, its agents or employees. Lessor will be responsible for and will indemnify Lessee against and hold Lessee harmless from any liability for any third party injury or damage to either person or property, or both, which shall occur in or about the Demised Premises, to the extent arising out of any act or omission or neglect of Lessor, its agents or employees.

**13. DAMAGE BY FIRE OR OTHER CASUALTY.** If during the term of this Lease the Demised Premises and/or any appurtenant common areas are damaged or destroyed by fire or other casualty covered by the insurance described in Paragraph 11 above, then, subject to the conditions set forth below, Lessor agrees (a) at its own expense, to promptly repair and restore the Demised Premises and appurtenant common areas (the "Restoration"), and (b) to abate or reduce the rent payable hereunder by Lessee from and after the date of such casualty until the date the Restoration is complete, to extent that Lessee is deprived of the intended use of the Demised Premises. Lessor shall notify Lessee in writing (the "Casualty Notice") no later than twenty (20) business days following such casualty of the estimated time and cost to perform the Restoration. If such time exceeds ninety (90) days following the occurrence of the fire or other casualty, of if the costs of the Restoration exceeds \$15,000, or if the casualty occurs in the last six (6) months of the Lease term, then either Lessor or Lessee may terminate this Lease, effective as of the date of the occurrence of the fire or other casualty by giving written notice to the other party within thirty (30) days following the delivery of the Casualty Notice.

**14. CONDEMNATION.** In the event that the Demised Premises or any part thereof are taken or condemned for public or quasi-public use, this Lease shall, as to the part so taken, terminate as of the date title shall vest in the condemnor, and the rent reserved shall be adjusted so that Lessee shall be required to pay for the remainder of the term that portion of the rent reserved which the value of the part remaining after condemnation bears to the value of the entire Demised Premises at the date of condemnation, or shall cease if the entire Demised Premises be so taken. In the event of the taking or condemnation of a portion of the Demised Premises, the rental shall be apportioned, as aforesaid, by agreement between the parties or by legal proceedings, but pending such determination or adjudication, Lessee shall not be required to pay rent until such determination of legal adjudication is accomplished at which time the same shall become due and payable.

Notwithstanding anything to the contrary herein provided, it is agreed that in the event the remainder of the Demised Premises after such condemnation is, in Lessee's sole opinion, not fit or suitable for the maintenance and operation of Lessee's business in substantially the manner in which Lessee is operating at the time of such condemnation, Lessee, at its option, may terminate this Lease at any time, to be effective as of the date of condemnation.

**15. LESSEE'S DEFAULT.** Should (i) default be made in the payment of any of the rent to be paid hereunder and such default continue for a period of ~~twenty-ten~~ (120) days after written notice from Lessor to Lessee, (ii) default be made in the performance or observance of any other covenant or condition herein required to be performed or observed by Lessee, and such default continue for a period of thirty (30) days after written notice from Lessor to Lessee specifying such default, (iii) all or substantially all of the assets of Lessee be placed in the hands of a receiver or a trustee for the benefit of creditors of a trustee under the Bankruptcy Act as the same now exists or under any amendment thereto which may hereafter be enacted or under any other act relating to the subject of bankruptcy and such receivership or trusteeship continue for a period of ten (10) days, (iv) Lessee make an assignment for the benefit of creditors or be finally adjudicated a bankrupt, (v) Lessee institute any proceedings under the Bankruptcy Act as the same now exists, or under any amendment thereof which may hereafter be enacted, or under any other act relating to the subject of Bankruptcy wherein Lessee asks to be adjudicated a bankrupt, or to be discharged of its debts, or to effect a plan of liquidation, composition or

reorganization, or (vi) any involuntary proceeding be filed against Lessee under such bankruptcy law and Lessee consent thereto or acquiesce therein by pleading or default, then in any such events and in addition to any and all other rights or remedies of Lessor hereunder and/or by law provided, it shall be lawful for Lessor, at its sole option, to declare the term hereof ended and to re-enter the Demised Premises and terminate this Lease and Lessee shall have no further claim thereon or hereunder; or Lessor, at its option and without declaring this Lease ended, may re-enter the Demised Premises and lease the whole or any part thereof for and on account of Lessee for a term greater or lesser than the remaining balance of the leased term, and on such other terms and conditions and for such reasonable rent as Lessor may deem proper, and may collect said rent or any other rent that may thereafter become payable and apply the same toward the amount due or thereafter become due from Lessee and on account of the reasonable expenses of such subletting incurred by Lessor. Should such rentals be less than that herein agreed to be paid by Lessee, Lessee agrees to pay such deficiency to Lessor and to pay to Lessor, forthwith upon any such reletting, the costs and expenses Lessor may incur by reason.

Notwithstanding the foregoing, if the default complained of (money payments excepted) is of such a nature that the same cannot be rectified within the period allowed for curing such default, then such default shall be deemed to be rectified if Lessee shall have commenced within such period to comply with the provisions hereof which have been breached by it, and if Lessee shall, with all diligence, proceed to rectify such default.

**16. LESSOR'S DEFAULT.** If Lessor in any respect fails to perform any covenant or agreement in this Lease contained on the part of Lessor to be performed, and such default continue for a period of ninety (90) days after written notice from Lessee to Lessor specifying such default, then and in any such event or events and in addition to any and all other rights or remedies of Lessee hereunder and/or by law provided, Lessee may, at its sole option, declare the term hereof ended and surrender the Demised Premises and terminate this Lease and Lessor shall have no further claim thereon or hereunder; provided further, that Lessee, after the continuance of any such failure or default for thirty (30) days after notice in writing thereof is given by Lessee to Lessor, may (but this shall not be deemed to impose an obligation on Lessee so to do) cure such defaults all on behalf of and at the expense of Lessor and do the necessary work and make the necessary payments in connection therewith. In such event, Lessor agrees to pay to Lessee, forthwith, the amount so paid by Lessee, and agrees that Lessee may withhold such amount from rental payments and other payments thereafter becoming due to Lessor pursuant to the provisions of this Lease, or any extension thereof, and may apply the same to the payment of such indebtedness of Lessor to Lessee until such indebtedness of Lessor to Lessee is fully paid.

Notwithstanding the foregoing, if the default complained of is of such a nature that the same cannot be rectified within the period allowed for curing such default, then such default shall be deemed to be rectified if Lessor shall have commenced within such period to comply with the provisions which have been breached by it, and if Lessor shall use all diligence to proceed to rectify such default; provided further, that should Lessee's intended use of the Demised Premises be adversely affected by any violation of any zoning law, rule or regulation as a result of Lessor's actions, negligence or failures, Lessee reserves the right and option to terminate this Lease and have its unearned rent returned and Lessor promises and agrees to indemnify Lessee for any and all loss or damage arising therefrom including, but not limited by such, attorneys fees and costs as in the opinion of Lessee shall be reasonably necessary to protect itself.

**17. RENEWAL OPTION.** Intentionally deleted.

**18. HAZARDOUS MATERIALS.** Lessor warrants that the Demised Premises do not contain hazardous or toxic materials. Lessee shall have no responsibility or liability relating to or arising from the existence of hazardous or toxic materials located in or on the Demised Premises or the surrounding land; provided, however, the foregoing shall not release Lessee from responsibility or liability in the event that Lessee creates, places or disposes of such substances in or on the Demised Premises or the surrounding land.

Lessor shall indemnify and hold Lessee harmless from and against any and all claims, liability, cost and expense (including reasonable attorneys' fees) arising from or relating to the existence of hazardous or toxic materials located in or on the Demised Premises or the surrounding land if such substance was not created, disposed of or placed therein by Lessee. Lessee shall indemnify and hold Lessor harmless from and against any and all claims, liability, cost and expense (including reasonable attorneys' fees) arising from or relating to the existence of hazardous or toxic materials which Lessee creates, disposes of or places in the Demised Premises or the surrounding land.

**19. AMERICANS WITH DISABILITIES ACT INDEMNIFICATION.** Lessor warrants that the offices, rooms, buildings, structures, and adjacently owned property that might be used by customers, clients, and the

general public, such as parking lots, walkways, entrances, hallways, elevators, and other devices or pathways for access to the Demised Premises, conform to the requirements of the Americans with Disabilities Act and all regulations issued by the U.S. Attorney General or other authorized agencies under the authorization of the Americans with Disabilities Act as of the date this Lease is executed by Lessor. Lessor promises to reimburse and indemnify and defend Lessee for any expenses incurred because of the failure of the Demised Premises and adjacently owned property to conform with the above-cited law and regulations as of the date this Lease is executed by Lessor, including the costs of making any alternations, renovations, or accommodations required by the Americans with Disabilities Act, or any governmental enforcement agency, or any court, any and all fines, civil penalties, and damages awarded against Lessee resulting from violation or violations of the above-cited law and regulations, and all reasonable legal expenses incurred in defending claims made under the above-cited law and regulations, including reasonable attorneys' fees.

**20. FOOD AND DRUG ADMINISTRATION COMPLIANCE.** Lessor and Lessee acknowledge that, due to the nature of Lessee's business, the Demised Premises may be subject to periodic inspections by the U.S. Food and Drug Administration ("FDA Inspections"). In the event that the results of an FDA Inspection require repairs and/or modifications to ~~the structural portions of~~ the Demised Premises, the systems serving the Demised Premises and/or the common areas, Lessee shall make such repairs and/or modifications, at Lessee's sole cost, no later than thirty (30) days following receipt of such demand and a copy of the applicable FDA Inspection results, subject to Section 7, above, or in the alternative, the Lessee may terminate the Lease by providing 30 days advance written notice of termination to the Lessor.-

**21. SUBORDINATION OF THE RIGHTS OF LESSEE.** Any subordination of the rights of Lessee under this Lease to any ground lease, mortgage or deed of trust now existing or hereafter created which affects the Demised Premises is expressly conditioned upon Lessee not being disturbed in its possession of the Demised Premises, in the event of a termination of such ground lease, or foreclosure (or conveyance in lieu thereof) of such mortgage or deed of trust, so long as Lessee is not in default hereunder.

**22. PARKING.** In addition to the Exclusive Use Spaces, if any, Lessee shall have the right to use any surface parking for the benefit of its employees, agents, customers and invitees during the Term of this Lease at no cost to Lessee.

**23. NOTICES.** Required Notices shall be given hereunder in writing by registered or certified mail, facsimile or e-mail to the following address:

Notices to Lessee shall be mailed to:

Rolling Frito-Lay Sales, LP  
7701 Legacy Drive  
Attention - Real Estate Department, MD 1B-350F  
Plano, TX 75024  
Phone: 972-334-7024  
Fax: 972-334-2418  
Email: julia.edwards.contractor@pepsico.com

Notices to Lessor shall be mailed to:

Chelan Douglas Regional Port Authority  
Craig Larson  
One Campbell Parkway  
East Wenatchee, WA 98802  
Phone: 509-884-4700  
Fax: \_\_\_\_\_  
Email: craig@cdrpa.org

Notices shall be deemed received (a) three (3) business days after being deposited in the U.S. mail, registered or certified, return receipt requested, or (b) upon confirmation of transmission, if sent by facsimile or e-mail and a hard copy is simultaneously sent by U.S. mail or nationally recognized overnight courier service.

**24. SURRENDER OF POSSESSION AND HOLDING OVER.** Lessee will surrender possession of the Demised Premises to Lessor at the expiration or any prior termination of this Lease. Failure by Lessee to

surrender the Demised Premises and any holding over by Lessee shall not operate except by express written agreement between the parties to extend or renew this Lease, and in the absence of such agreement either party may thereafter terminate such occupancy at the end of any calendar month by giving to the other party ~~ninety~~ thirty (30) days' notice in writing of intention so to terminate. Rent, together with real estate excise tax and "park dues", during any hold-over period shall collectively increase by 15%. Lessor will conduct a joint walk-through of the Demised Premises (the "Walk-Through") with Lessee's appointed representative on the day that Lessee surrenders the Demised Premises. All defaults and outstanding obligations (including, but not limited to, any failure by Lessee to maintain and keep in a good state of repair, the interior of the Demised Premises) for which Lessor does not give written notice to Lessee within ~~one-ten~~ (10) business day after completion of the Walk-Through shall be deemed waived by Lessor. The Demised Premises will be deemed to have been surrendered in a condition identical to that in which it was received by Lessee if Lessor fails to schedule the Walk-Through prior to the later to occur of (a) Lessee's actual surrender of the Demised Premises and (b) the expiration or any prior termination of this Lease. This provision shall survive the expiration or earlier termination of this Lease.

**25. GENERAL PROVISIONS.** Time is of the essence of this Lease, but no delay or failure of either party to exercise any right hereunder or to insist upon strict compliance with the terms and provisions hereof shall constitute a waiver of any right hereunder or a waiver of the right thereafter to insist upon strict compliance with the terms and provisions hereof.

The terms and provisions of this Lease shall inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of Lessor and Lessee.

**26. ATTORNEYS' FEES.** If either party brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "**Prevailing Party**" shall include, without limitation, a party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorneys' fees awarded shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred.

**27. SEVERABILITY.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

**28. NO PRIOR OR OTHER AGREEMENTS.** This Lease contains all agreements between the parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective.

**29. CUMULATIVE REMEDIES.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

**30. WAIVER OF STATUTORY LIEN.** Lessor shall not be entitled to any statutory lien or security interest in any personal property owned by Lessee located on the Demised Premises.

**31. COUNTERPARTS; DELIVERY BY FACSIMILE OR E-MAIL.** This Lease may be executed in multiple counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute a single instrument. Lessor and Lessee agree that the delivery of an executed copy of this Lease by facsimile or e-mail shall be legal and binding and shall have the same full force and effect as if an original executed copy of this Lease had been delivered.

**32. NOT BINDING UNTIL EXECUTED BY LESSEE.** Neither this Lease nor any of the terms and provisions hereof, shall be binding upon or enforceable against Lessee unless and until the same is executed by Lessee.

**33. CHOICE OF LAW VENUE.** The validity, interpretation and performance of this Lease shall be controlled and construed under the laws of the State of ~~Texas~~ Washington without regard to conflicts of laws principles, and the state or federal district courts located in ~~Dallas~~ Eastern Washington or ~~Gollin-Chelan~~ County, Texas Washington, shall have non-exclusive jurisdiction over any legal action concerning or relating to this Lease.

~~34. **RESERVED. CONFIDENTIALITY.** Lessor agrees that prior to disclosing any information contained in this Lease or publicizing it in any way, it will secure the prior written consent of Lessee (which consent may be withheld in Lessee's sole discretion).~~

**35. ENVIRONMENTAL ASSESSMENT.** At any time and from time to time during the Term of this Lease, Lessee shall be entitled, at Lessee's sole cost, to cause a Phase I and/or Phase II environmental assessment of the Demised Premises (and the land on which it is located) to be performed, and Lessor agrees to reasonably cooperate with Lessee's performance thereof.

**36. ADDITIONAL CONDITIONS.** Lessor, at its sole cost and expense, shall provide lawn maintenance, snow removal and gravel refresher. Lessee, at its sole cost and expense, shall provide trash removal.

**37. TERMINATION OPTION.** Intentionally deleted.

**38. AUTHORITY; NOT RESTRICTED.** Lessor and Lessee each represent and warrant to the other that this Lease has been duly authorized, executed and delivered by and on behalf of each party hereto and constitutes the valid and binding agreement of Lessor and Lessee in accordance with the terms hereof.

Lessor warrants and represents to Lessee that Lessor is not, and shall not become, a person or entity with whom Lessee is prohibited or otherwise restricted from doing business under regulations of the Office of Foreign Asset Control of the United States Department of the Treasury ("OFAC") (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities. Lessor further warrants and represents to Lessee that Lessor is currently in compliance with, and shall at all times during the Lease Term remain in compliance with, the regulations of OFAC and any other governmental requirement relating thereto. In the event of any violation of this section, Lessee shall be entitled to immediately terminate this Lease and take such other actions as are permitted or required to be taken under law or in equity. LESSOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS LESSEE FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, RISKS, LIABILITIES AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COSTS) INCURRED BY LESSEE ARISING FROM OR RELATED TO ANY BREACH OF THE FOREGOING WARRANTIES AND REPRESENTATIONS. These indemnity obligations shall survive the expiration or earlier termination of this Lease.

Lessee warrants and represents to Lessor that Lessee is not, and shall not become, a person or entity with whom Lessor is prohibited or otherwise restricted from doing business under regulations of the OFAC (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities. Lessee further warrants and represents to Lessor that Lessee is currently in compliance with, and shall at all times during the Lease Term remain in compliance with, the regulations of OFAC and any other governmental requirement relating thereto. In the event of any violation of this section, Lessor shall be entitled to immediately terminate this Lease and take such other actions as are permitted or required to be taken under law or in equity. LESSEE SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, RISKS, LIABILITIES AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COSTS) INCURRED BY LESSOR ARISING FROM OR RELATED TO ANY BREACH OF THE FOREGOING WARRANTIES AND REPRESENTATIONS. These indemnity obligations shall survive the expiration or earlier termination of this Lease.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGES FOLLOW]



IN WITNESS WHEREOF, the parties have caused this instrument to be executed and their respective seals to be affixed hereto on the day and year first above written.

**LESSOR:**

**Chelan Douglas Regional Port Authority**

By: \_\_\_\_\_  
Name: Craig Larson  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone: 509-884-4700  
Email: craig@cdrpa.org

**Attest:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

**ROLLING FRITO-LAY SALES, LP, a Delaware limited partnership  
By Frito-Lay Sales, Inc., a Delaware corporation, its sole general partner**

By: \_\_\_\_\_  
Name: Betsy K. Power  
Its: Authorized Signatory  
Date: \_\_\_\_\_  
Phone: (972) 334-2183

**Attest:**

By: \_\_\_\_\_  
Name: Julia Edwards  
Date: \_\_\_\_\_

# Memo

**To:** Board of Directors  
**From:** Trent Moyers  
**Date:** September 1, 2020  
**Re:** Waterville Airport Pavement Maintenance Project

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During the August 25, 2020 Board of Directors meeting, staff was authorized to solicit bids for the Waterville Airport pavement maintenance project. As a reminder, the CDRPA was awarded a WSDOT Aviation grant to crack seal, slurry seal, and reapply pavement markings on the Waterville runway and taxiway. The \$184,783.50 grant requires a local match of \$20,531.50. This project is included in the most recent supplemental budget with a total project cost of \$205,315. The engineer's estimate for the base bid work is \$154,105.49, and engineering fees of \$31,100 for a total project cost of \$185,205.50.

Bids for the project will be opened on September 17, 2020. To expedite the process and to ensure the project can be completed this year, staff recommends that at the September 9<sup>th</sup> Board of Directors meeting, the Board grant the CEO authorization to award the bid to the lowest apparent bidder, contingent upon WSDOT concurrence and that the lowest bid plus engineering fees does not exceed the total budget of \$205,315.00

## Budget Estimate

Base Bid:	\$154,105.49
A&E Fees, etc:	\$ 31,100.00
Base Bid Contingency:	\$ 20,109.51
Total Estimated Budget:	<u>\$205,315.00</u>



CHELAN DOUGLAS  
**Regional Port**  
AUTHORITY

One Campbell Parkway, Suite A

East Wenatchee, WA 98802

Phone: 509.884.4700

Fax: 509.662.5151

[www.cdrpa.org](http://www.cdrpa.org)

September 9, 2020

Douglas County Commissioners  
Dan Sutton, Kyle Steinburg and Marc Straub  
P.O. Box 747  
Waterville, WA 98858-0747

Dear County Commissioners,

Thank you for prioritizing small business grants to Douglas County businesses impacted by the business downturn associated with COVID-19. We are also appreciative of the County Commissioners entrusting the Regional Port to administer the program on your behalf. The funds have now been dispersed to deserving businesses throughout Douglas County.

As the Regional Port prepares to issue additional small business grants through the CARES Act II Program, we are particularly appreciative of Douglas County's concurrence that the dollars should be distributed based on the number of businesses in each county. This regional approach will help businesses most in need receive funding.

The Regional Port values its close working relationship with the County Commissioners and staff. We look forward to our continued partnerships.

\_\_\_\_\_  
JC Baldwin, Director

\_\_\_\_\_  
W. Alan Loeb sack, Director

\_\_\_\_\_  
Rory Turner, Director

\_\_\_\_\_  
Mark Spurgeon, Director

\_\_\_\_\_  
Donn Etherington, Director

\_\_\_\_\_  
Jim Huffman, Director

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**BOARD OF DIRECTORS**

**Donn Etherington**, Commissioner, Chelan County Dist. 1  
**W. Alan Loeb sack**, Commissioner, Douglas County Dist. 2

**Jim Huffman**, Commissioner, Douglas County Dist. 1  
**Mark Spurgeon**, Commissioner, Douglas County Dist. 3

**JC Baldwin**, Commissioner, Chelan County Dist. 2  
**Rory Turner**, Commissioner, Chelan County Dist. 3



## **CHELAN AND DOUGLAS COUNTIES**

### **CARES Act Phase II – Small Business Grant Program**

#### **Criteria**

- 1. Small businesses with 20 employees or less located in Chelan or Douglas County.**
- 2. Must have been in business for a period of six months.**
- 3. Provide a UBI number.**
- 4. A per business cap of \$5,000. Please only apply for funding needed.**
- 5. Businesses that received \$5,000 or more from the Working Washington Small Business Emergency Grant (WWSBEG) Program are ineligible for this second round of funding.**
- 6. The Regional Port will prioritize small businesses that have not received funding from Regional Port managed grant programs to-date and/or businesses that have received less than \$10,000, subject to the restriction that WWSBEG awarded businesses are ineligible for CARES Act Phase II funding (see #5 above).**
- 7. Fill out an application form.**
- 8. Funding used for costs incurred between the dates of March 1, 2020 thru November 15, 2020.**

**9. Once approved, grant Recipients must self-attest to the following 5 statements:**

- a. The expense is connected to the COVID-19 emergency.**
- b. The expense is “necessary” to continue business operations.**
- c. The expense is not filling a short fall in government revenues, (i.e. taxes, licenses, state, county, federal, and/or city fees).**
- d. The business will self-attest that the expense is not funded by any other funder, whether private, State or Federal.**
- e. The business wouldn’t be requesting assistance with expenses if they had not been impacted by COVID-19.**

**10. Small businesses may not be reimbursed by multiple funders for the same cost (double dipping), and this principle also applies to any recipients of CARES funding. No duplicate payments or supplanting of other costs are allowed.**

**Small Business Stabilization Grant Program**

The information provided allows the CDRPA to evaluate your grant application.

<b>Company Name:</b> <b>Address:</b> <b>City:</b> <b>State: WA</b> <b>Zip Code:</b>	<b>Year of Establishment:</b>	<b>In operation for at least 6 months?</b> <input type="checkbox"/> YES <input type="checkbox"/> NO	<b>UBI Number:</b>
<b>CEO/President Name:</b> <b>Email:</b> <b>Phone:</b>		<input type="checkbox"/> Minority-owned <input type="checkbox"/> Tribal-owned <input type="checkbox"/> Women-owned <input type="checkbox"/> Veteran-owned	
<b>Industry Sector:</b> <input type="checkbox"/> Retail <input type="checkbox"/> Restaurant/Food Business <input type="checkbox"/> Hospitality <input type="checkbox"/> Manufacturing <input type="checkbox"/> Other: _____			
<b>Has your business been affected by emergency public health protections in place and/or mandatory closure by executive order due to COVID-19?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No  <b>Amount of Assistance Being Requested (up to \$5,000):</b> \$ _____ <b>Likelihood of Permanently Closing the Business?</b> <input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low		<b>Is your L&amp;I account current?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure <input type="checkbox"/> N/A  <b>Are your Property taxes current?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure <input type="checkbox"/> N/A	
<b>COMPANY BACKGROUND</b>			
<b>Total Number of Employees Including Yourself as of 01/2020:</b> _____		<b>Number of Workers Laid Off Due to COVID-19:</b> _____	
<b>Average Employee Salary &amp; Benefits:</b> _____			

What county is your business located within?    Chelan    Douglas

Describe the company, business structure (LLC/Partnership/Sole Proprietorship), and its products/services.

Describe the effect of the public health crisis on the business and why funding is critical to this business?

What are your current plans for reopening (if closed) and/or continuation of business in today's economy?

Currently, is the company facing any pending litigation or legal action?

Has the company had any state compliance/regulatory issues within Washington or another state you are in or have done business in within the last three years?

Please list any Federal, State, or Local assistance received to date related to COVID-19:

**Self-Attest Cost Eligibility:  
In order to receive funding, business must mark "true" to the following statements:**

By Checking the box, you're attesting the following is true and correct.

- The expense is connected to the COVID-19 emergency.
- The expense is "necessary" to continue business operations.
- The expense is not filling a short fall in government revenues, (i.e. taxes, licenses, state, county, federal and/or city fees).
- The business will self-attest that the expense is not funded by any other funder, whether private, State or Federal.
- The business wouldn't be requesting assistance with expenses if they had not been impacted by COVID-19.

**Double Dipping Disclaimer:**

I hereby understand my small business may not be reimbursed by multiple funders for the same cost (double dipping), and this principle also applies to any recipients of CARES funding: No duplicate payments or supplanting of other costs are allowed.

By checking the box, I understand and agree to the "Double Dipping Disclaimer"

Please sign affirming that all information is correct and accurate to the best of your knowledge.

(If printing & scanning - please sign & date.) \_\_\_\_\_

Date \_\_\_\_\_

Please submit completed application to [grants@cdrpa.org](mailto:grants@cdrpa.org) or use the "Submit Button" below. Application will need to be saved to your computer prior to emailing. Questions? Please email [grants@cdrpa.org](mailto:grants@cdrpa.org) or call 509.884.4700.

**Submit**

**Chelan Douglas Regional Port Authority  
Calendar of Events**

9/3/2020

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attending</i>	<i>Cami RSVP arrangements if applicable</i>
September 9	Wednesday	CDRPA Special Board Meeting; 1:00 PM/Zoom	Commissioners/Staff	Date and Time Revised
September 9	Wednesday	NCWEDD Board Meeting, Zoom; 9:00 am	Craig, Commissioner Huffman	
September 10	Thursday	CDTC, 9-11am, Zoom	Commissioner Baldwin	
September 15	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am, Zoom	Commissioner Spurgeon	
September 16	Wednesday	GWATA Board Meeting, 3-5pm Zoom		
September 17	Thursday	9am-1030am Anova Works Flu Shots;Executive Flight	Commissioners/Staff	
September 22-25	Tuesday - Friday	WFOA Conference Virtual	Monica	
September 22	Tuesday	CDRPA Board Meeting; 9:00 AM/Zoom		
September 23	Wednesday	Douglas County Community Leadership Advisory Meeting, CDRPA Office , 2:30 pm - 4:00 pm Zoom	Ron C.	
September 24	Thursday	Partners Breakfast; 7:30am; Convention Center	CANCELLED	
September 24-25	Thur-Friday	WPPA Environmental Seminar; Alderbrook Resort	Virtual	
October 4-7	Sun - Thurs	NWAAAE Annual Conference; Jackson Hole, WY	Cancelled ?	
October 8	Thursday	CDTC, 9-11am, Zoom	Commissioner Baldwin	
October 13	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
October 14	Wednesday	NCWEDD Board Meeting, Zoom; 9:00 am	Craig, Commissioner Huffman	
October 15	Thursday	Economic Leadership Roundtable Lunch; 11:30 am ; 230 N. Georgia, E. Wen.	CANCELLED	
October 20	Tuesday	Board Retreat - tentative date; location TBD	Commissioners/Staff	
October 20	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am, Zoom	Commissioner Spurgeon	
October 21	Wednesday	GWATA Board Meeting, 3-5pm, Zoom		
October 22	Thursday	Economic Development Planning Meeting; 2:00 pm	CDRPA Staff	cancel?
October 23	Friday	Cashmere Chamber of Commerce Banquet; 5:30pm-8:30pm	CANCELLED	
October 22-23	Thur-Friday	WPPA Small Ports Seminar; Enzian Leavenworth	Virtual?	
October 27	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		



October 28	Wednesday	Douglas County Community Leadership Advisory Meeting, Zoom, 2:30 pm - 4:00 pm	Ron C.	
November 5	Thursday	Airport Planning Meeting; 2:00 pm	CDRPA Staff	Cancel?
November 10	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		(2020 Budget Hearing)
November 11	Wednesday	NCWEDD Board Meeting, Zoom; 9:00 am	Craig, Commissioner Huffman	
November 12	Thursday	CDTC, 9-11am, Zoom	Commissioner Baldwin	
November 12	Thursday	Economic Development Planning Meeting; 2:00 pm	CDRPA Staff	Cancel?
TBD	TBD	Wenatchee Valley Chamber Board Retreat - TBD	Commissioner Spurgeon	
November 18	Wednesday	GWATA Board Meeting, 3-5pm, Zoom		
November 19	Thursday	Airport Planning Meeting; 2:00 pm	CDRPA Staff	Cancel?
November 19	Thursday	Cashmere Museum Membership Meeting	Zoom?	
November 24	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		(2020 Budget Adoption)
November 25	Wednesday	Douglas County Community Leadership Advisory Meeting, Zoom , 2:30 pm - 4:00 pm	Ron C.	
November 26-27	Thur-Friday	Thanksgiving Holiday Office Closed		
December 2-4	Tuesday - Friday	WPPA Annual Meeting, Hyatt Regency, Bellevue	Virtual ?	
December 3	Thursday	Airport Planning Meeting; 2:00 pm	CDRPA Staff	Cancel?
December 8	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
December 9	Wednesday	NCWEDD Board Meeting, Zoom; 9:00 am	Craig, Commissioner Huffman	
December 10	Thursday	CDTC, 9-11am, Zoom	Commissioner Baldwin	
December 10	Thursday	Economic Development Planning Meeting; 2:00 pm	CDRPA Staff	Cancel?
December 15	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am, Zoom	Commissioner Spurgeon	
December 16	Wednesday	GWATA Board Meeting, 3-5pm, Zoom		
December 17	Thursday	Airport Planning Meeting; 2:00 pm	CDRPA Staff	Cancel?
December 22	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
December 23	Wednesday	Douglas County Community Leadership Advisory Meeting, Zoom , 2:30 pm - 4:00 pm	Ron C.	
December 24	Thursday	<i>Christmas Eve Office Closed</i>		