

**Chelan Douglas Regional Port Authority  
Meeting Agenda  
December 22<sup>nd</sup>, 2020  
9:00 am**

**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 CDRPA Minutes of December 8<sup>th</sup>, 2020 Meeting; and November 2020 Commission Meeting Calendar

**V. PORT OF CHELAN COUNTY COMPREHENSIVE PLAN AMENDMENT PUBLIC HEARING**

- A. Open Public Hearing
- B. Receive Public Comment
- C. Close Public Hearing

**VI. ACTION ITEMS**

**PORT OF CHELAN COUNTY**

1. POCC Resolution No. 2020-11 Amending Comprehensive Plan – LOJO Property
2. POCC Resolution No. 2020-12 Setting Regular Meeting Dates for 2021

**PORT OF DOUGLAS COUNTY**

3. PODC Resolution No. 2020-10 Setting Regular Meeting Dates for 2021

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

4. CDRPA Resolution No. 2020-21 Adopting 2021 Investment Policy
5. CDRPA Resolution No. 2020-22 Setting Regular Meeting Dates for 2021
6. CDRPA Resolution No. 2020-23 Surplus Property – Genie Lift & F250 Ford Truck
7. CDRPA Resolution No. 2020-24 CEO Delegation of Authority for 2021

**VII. PRESENTATIONS**

- Chelan Rotary Glass Recycling Program – Julie McCoy (10:00 am)
- S.P.O.R.T. Update – Flint Hartwig (10:15 am)

**VIII. INFORMATIONAL ITEMS**

- FAA Meeting Recap – Capital Improvement Plan
- Salcido Update
- Actapio Space
- Fibro Settlement Update
- Badger Mountain Brewing Lease Agreement
- Lineage Updates – S.P.O.R.T. & Gatens/Cusick Proposals

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

- Update on Grants Programs and Processing

**X. CDRPA – COVID-19 OTHER**

- FAA CARES Act Grant

**XI. MISCELLANEOUS STAFF REPORTS**

**XII. PUBLIC COMMENT**

**XIII. REVIEW CALENDAR OF EVENTS**

**XIV. ITEMS FROM BOARD OF DIRECTORS**

- XV. 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))

**XVI. ADJOURN**

**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**

**December 22<sup>nd</sup>, 2020**

**IV. CONSENT AGENDAS**

**CDRPA CONSENT AGENDA**

To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of December 8<sup>th</sup>, 2020 Meeting; and November 2020 Commission Meeting Calendar, as presented.

**V. ACTION ITEMS**

**PORT OF CHELAN COUNTY**

**(1) POCC Resolution No. 2020-11 Amending Comprehensive Plan – LOJO Property**

To adopt POCC Resolution No. 2020-11 amending the Port of Chelan County Comprehensive Plan to include the LOJO Property.

**(2) POCC Resolution No. 2020-12 Setting Regular Meeting Dates for 2021**

To adopt POCC Resolution No. 2020-12 setting Regular Meeting dates for 2021.

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**PORT OF DOUGLAS COUNTY**

**(3) PODC Resolution No. 2020-10 Setting Regular Meeting Dates for 2021**

To adopt PODC Resolution No. 2020-10 setting Regular Meeting dates for 2021.

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**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

**(4) CDRPA Resolution No. 2020-21 Adopting 2021 Investment Policy**

To adopt CDRPA Resolution No. 2020-21 adopting the 2021 CDRPA Investment Policy.

**(5) CDRPA Resolution No. 2020-22 Setting Regular Meeting Dates for 2021**

To adopt CDRPA Resolution No. 2020-22 setting Regular Meeting dates for 2021.

**(6) CDRPA Resolution No. 2020-23 Surplus Property – Genie Industrial Model Lift & 2001 Ford F250 Pickup**

To adopt CDRPA Resolution No. 2020-23 declaring certain personal property surplus to the needs of the Regional Port.

**(7) CDRPA Resolution No. 2020-24 CEO Delegation of Authority**

To adopt CDRPA Resolution No. 2020-24 concerning CEO Delegation of Authority for 2021.

**Board of Directors**  
**Chelan Douglas Regional Port Authority**  
**Meeting Minutes**  
**December 8<sup>th</sup>, 2020**  
**9:00 am**

**Present:**

**Directors**

JC Baldwin, Director (via Zoom)  
\*Rory Turner, Director  
Donn Etherington, Director (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  
\*Trent Moyers, Director of Airports  
Ron Criddlebaugh, Dir. of Economic Dev.  
\*Quentin Batjer, Legal Counsel  
Cami Harris, Executive Assistant  
Bealinda Tidd, Accounting Specialist  
Laura Camarillo Reyes, CTC Assistant  
Tricia Degnan, CTC Manager

Monica Lough, Dir. of Finance & Admin.  
Ron Russ, Property Manager  
Craig Larsen, Economic Dev. Manager  
Stacie de Mestre, Capital Projects Manager  
\*Bobbie Chatriand, Administrative Asst.  
Esther McKivior, Accounting Specialist

\*Commissioner Turner, Jim Kuntz, Trent Moyers, Quentin Batjer, and Bobbie Chatriand in person; others via Zoom.

**Guests (all via Zoom):**

Ray Dobbs  
Tim Lovain, Crossroads Strategies

Mayor Bob Goedde, City of Chelan  
Lori Barnett, City of East Wenatchee

**The Chelan Douglas Regional Port Authority (CDRPA) Meeting was called to order at 9:28 am (due to sound technical difficulties). 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.**

**Introductions were made.**

**Conflict of Interest:** None

**CDRPA CONSENT AGENDA:**

The Chelan Douglas Regional Port Authority Consent Agenda consisting of minutes of November 24<sup>th</sup>, 2020 Meeting; November 24<sup>th</sup>, 2020 Tri Commission Meeting; and Check Register Pages #2020-56-#2020-62, including Electronic Transfers was presented and the following action was taken:

**Motion No.**

Moved by:  
Seconded by:

**12-01-20 CDRPA**

W. Alan Loeb sack  
Jim Huffman

To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of November 24<sup>th</sup>, 2020 Meeting; Minutes of November 24<sup>th</sup>, 2020 Tri Commission Meeting; and Check Register Pages #2020-56-#2020-62, including Electronic Transfers, as presented.

Motion passed 6-0.

**POCC CONSENT AGENDA:**

The Port of Chelan County Consent Agenda consisting of Check Register Pages #2020-16-#2020-17, was presented and the following action was taken:

**Motion No.** **12-02-20 POCC**  
*Moved by:* JC Baldwin  
*Seconded by:* Rory Turner  
*To approve the Port of Chelan County Consent Agenda consisting of Check Register Pages #2020-16-#2020-17, as presented.*

*Motion passed 3-0*

**PODC CONSENT AGENDA:**

The Port of Douglas County Consent Agenda consisting of Check Register Page #2020-19, including Wire Transfer, was presented and the following action was taken:

**Motion No.** **12-03-20 PODC**  
*Moved by:* Mark Spurgeon  
*Seconded by:* Jim Huffman  
*To approve the Port of Douglas County Consent Agenda consisting of Check Register Page #2020-19, including Wire Transfer, as presented.*

*Motion passed 3-0*

**ACTION ITEMS:**

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

**Salcido Enterprises** – Kuntz reviewed the Salcido “Plan of Resolution” presented to the Board on November 24<sup>th</sup>, which included proposed amendments to the Land Lease Agreement and the CIAC #2 Agreement. Discussion ensued and the following actions were taken:

**Motion No.** **12-04-20 CDRPA**  
*Moved by:* Jim Huffman  
*Seconded by:* Mark Spurgeon  
*To authorize the CEO to sign the Land Lease Amendment with Salcido Enterprises for Pangborn Business Park.*

*Motion passed 6-0.*

**Motion No.** **12-05-20 CDRPA**  
*Moved by:* Mark Spurgeon  
*Seconded by:* W. Alan Loeb sack  
*To authorize the CEO to sign an Amendment with Salcido Enterprises for the CIAC #2 Agreement.*

*Motion passed 6-0.*

**Dave Piepel Land Acquisition (Purchase & Sale Agreement)** – Kuntz reported an initial environmental review on the Dave Piepel Property is complete, and soil testing is in process. Moyers further added this property purchase is eligible for a future FAA reimbursement. Discussions ensued and the following action was taken:

**Motion No.** **12-06-20 CDRPA**  
*Moved by:* W. Alan Loeb sack  
*Seconded by:* JC Baldwin  
*To authorize the CEO to enter into a Purchase & Sale Agreement with Dave Piepel for property adjacent to Pangborn Airport, subject to an acceptable Environmental Review.*

*Motion passed 6-0.*

## **PRESENTATION**

**Crossroads Strategies** – Tim Lovain of Crossroads Strategies provided an update and perspective on likely programs, policies, and economic stimulus programs that could be advanced by the new administration. An opportunity for discussion was provided.

## **CDRPA INFORMATIONAL ITEMS:**

- **Actapio Space Marketing Update** – Larsen provided an update on marketing efforts for the Actapio space noting the marketing brochure has been sent to over 60 local, state and national tech companies. Larsen will participate in a data center Zoom event later today where he will promote the space. The Board provided feedback on their recent tour of the space.
- **Fibro Settlement Agreement Update** – Kuntz provided an update on the Settlement Agreement with Fibro which includes a potential Regional Port property purchase near Pangborn Airport. Discussions ensued.
- **Federal Affairs Contract with Crossroads Strategies** – Discussion concerning on renewal of the 2021 agreement with Crossroads Strategies ensued. The Board elected not to renew the contract.
- **Badger Mountain Brewing Lease Agreement** – Kuntz reviewed feedback received from Badger Mountain Brewing on the proposed Lease. Staff will meet with Badger Mountain on Wednesday this week for further discussion.
- **Lineage Update** – Kuntz reported the S.P.O.R.T. MOU expired on December 4<sup>th</sup> after having been extended twice.

## **COVID-19 UPDATES:**

### **Economic Development Initiatives Related to COVID-19 – updates and information including:**

- Kuntz and Cridlebaugh provided a two page summary on grants processed to date including all programs administered by the Regional Port.

## **MISC STAFF REPORTS:**

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

- LOJO Property – Working with Chelan County in seeking a State Capital Budget request to extend water to the site. The Board supported a request with each local entity providing \$650,000 in capital contributions and requesting a state capital appropriation of \$1,500,000.
- Dave Barnes Waterville property lease update.
- Chelan Rotary Glass Recycling update – Staff will invite Chelan Rotary to present at the December 22<sup>nd</sup> Board Meeting.
- LOJO Property Orchard Lease update – several parties are interested in leasing the orchard property. Staff has provided each party with crop production reports.
- Legal Counsel continues to work on the Pangborn Airport Boundary Line Adjustments.

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

- Update on the FAA CARES Act Grant reimbursements.
- Letters sent to Chelan and Douglas Counties regarding the 2021 Tax Levies for Port of Chelan and Port of Douglas.

**Moyers provided information and updates including:**

- Received the FAA response letter concerning the Approach Lighting System. The FAA has agreed to take over the lighting system once installed by the Airport. The Design & Environmental work and the Runway Protection Zone Analysis are at the FAA for review.
- Staff will attend a Zoom meeting with the FAA and WSDOT concerning the Pangborn Airport Capital Improvement Plan.
- Pangborn was declined a CARB loan for a new Jet Fuel truck.
- Pangborn was not selected to be a Beta Test Site for the WSDOT Electric Aircraft Project.

**Cridlebaugh provided information and updates including:**

- Update on CARES 3 grant funding for small businesses that is being administered by the Washington State Department of Commerce. The Department of Commerce web-portal for applications will remain open until December 11<sup>th</sup>.

**Larsen provided information and updates including:**

- Gift baskets for large Port tenants will be delivered sometime in December.
- Two non-profit tenants at Lineage will vacate at the end of December.

**Russ provided information and updates including:**

- Airport maintenance staff is working on tenant improvements for NCESD in the 3306 Building.
- Airport maintenance staff is in the process of covering the former Giga Watt pods before winter weather.
- Smith Excavating installed some concrete barriers at Cashmere Mill District to alleviate truck traffic from Crunch Pak. Crunch Pak shared in the cost of this project.
- Holaday Parks is back on-site at Executive Flight finishing several HVAC items.

**De Mestre provided information and updates including:**

- Received some soil samples from RH2 for the Dave Piepel Property. Soil tests for lead and arsenic are below clean-up levels. Still waiting soil test reports for DDT.

**PUBLIC COMMENT** – An opportunity for public comment was provided; Chelan Mayor Goedde provided information and updates on City of Chelan.

**REVIEW CALENDAR OF EVENTS:** Next Board meeting will be December 22.

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

**EXECUTIVE SESSION:** An Executive Session was called at 11:55 am for 10-minutes 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)).

Executive Session was extended at 12:05 pm for 10-minutes. Executive Session was extended at 12:15 pm for 5-minutes; Executive Session was extended at 12:20 pm for 5-minutes.



Meeting reconvened in Regular Session at 12:25 pm and the following action was taken:

<b>Motion No.</b>	<b>12-07-20 CDRPA</b>
Moved by:	JC Baldwin
Seconded by:	W. Alan Loeb sack
	To provide the CEO a 3.5% cost of living increase for 2021 based on outstanding performance.
	Motion passed 5-1.
	Director Etherington Nay.

Meeting adjourned at 12:33 pm.

Signed and dated this 22<sup>nd</sup> day of December, 2020.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

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

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

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Donn Etherington, Director

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

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

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

**November 2020**

Date	Meeting	Location	JCB	RT	DE	JH	MS	AL
11/4	District 1 Meeting	Zoom			X			
11/5	WPPA Leg. Committee	Zoom	X					
11/5	Columbia Basin Dev. League Annual Meeting	Zoom						X
11/6	P/U Binder	CDRPA					X	
11/9	Binder/Docs	CDRPA	X					
11/10	CDRPA Reg. Meeting	CTC/Zoom	X		X	X	X	X
11/12	Binder/Docs	CDRPA					X	
11/13	Meeting with J. Kuntz	CDRPA			X		X	
11/16	Sign docs/Meet with J. Kuntz	CDRPA	X					
11/17	WPPA Tax Increment Financing	Zoom	X					
11/17	Meeting with J. Kuntz	CDRPA		X				
11/18	Columbia Basin Dev. League Meeting	Zoom						X
11/18	District 1 Meeting	Zoom			X			
11/18	10 am Zoom Call with City of Chelan/Zoning Airport	Zoom		X				
11/18	11 am Zoom Call with City of Chelan/Waterline	Zoom		*X				
11/19	10:30 am Zoom Call with City of Chelan/Airport	Zoom		X				
11/19	Fibro Arbitration	Ogden Murphy Wallace	X					
11/20	Tri Commission Breakfast Meeting	Zoom	X					
11/20	P/U Binder	CDRPA					X	
11/23	Meeting with J. Kuntz	CDRPA		X				
11/23	P/U Binder	CDRPA	X					
11/24	CDRPA Reg. Meeting	CTC/Zoom	X	X	X	X	X	X
11/24	Tri Commission Meeting	CTC/Zoom	*X	*X	*X	*X	*X	
11/25	Turner, Loeb sack & J. Kuntz Meeting	CDRPA		X				X
11/30	Binder/Docs	CDRPA	X					
*	denotes multiple meetings on same day							

**PORT OF CHELAN COUNTY RESOLUTION NO. 2020-11**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF CHELAN COUNTY TO INCLUDE CERTAIN REAL PROPERTY LOCATED AT 5375 MALAGA ALCOA HIGHWAY, IN MALAGA, CHELAN COUNTY, WASHINGTON AND COMMONLY KNOWN AS THE LOJO PROPERTY AS PART OF THE PORT OF CHELAN COUNTY'S COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS (THE "COMPREHENSIVE PLAN").**

**Whereas** the Port of Chelan County (the "POCC") owns real property located in Malaga, Chelan County, Washington, and legally described on Exhibit "A", which is attached hereto and incorporated herein by this reference (the "Property"); and

**Whereas** the POCC scheduled a public hearing for December 22, 2020, to consider and evaluate whether the Property should be included and part of the Port's Comprehensive Plan; and

**Whereas** a staff report was prepared and presented at the hearing and is incorporated as part of the record of the hearing; and

**Whereas** proper notice of the public hearing was published and an opportunity for public testimony was provided at the public hearing; and

**Whereas** the Board of Directors of the Chelan Douglas Regional Port Authority, as the manager of the Property, support and approve the decision to include the Property in the POCC's Comprehensive Plan; and

**Whereas** following the closure of the hearing, the POCC Commissioners discussed and concluded that the Property should be incorporated into the POCC's portfolio of real property for future planning, evaluation, development, leasing and related opportunities, subject to the POCC's Comprehensive Plan.

**Now, Therefore,** the Board of Commissioners of the Port of Chelan County hereby resolve as follows:

1. The Property should be incorporated into the POCC's portfolio of real property for future planning, evaluation, development, leasing and related opportunities, as determined by the POCC Commissioners.
2. The POCC's Comprehensive Plan is hereby amended to include the Property.

3. Nothing herein precludes the POCC Commissioners from considering, at a future public hearing, whether to surplus all or a portion of the Property and to remove the Property from the POCC's Comprehensive Plan.

**ADOPTED** by the Commission of the Port of Chelan County, following a hearing, at a public meeting thereof held this 22<sup>nd</sup> day of December, 2020.

**PORT OF CHELAN COUNTY**

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J.C. Baldwin, Commissioner

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Donn Etherington, Commissioner

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Rory Turner, Commissioner

**EXHIBIT "A"**  
**Legal Description of Property**

That portion of Section 35, Township 22 North, Range 21 E.W.M., situate in the County of Chelan, State of Washington, more particularly described as follows:  
All of the Northeast quarter of said Section 35 lying Southerly of Chelan County Highway No. 1, EXCEPT the Westerly 1130 feet of said subdivision.

**PORT OF CHELAN COUNTY  
RESOLUTION NO. 2020-12**

**A RESOLUTION OF THE PORT OF CHELAN COUNTY  
SCHEDULING DATES AND TIMES OF REGULAR  
MEETINGS FOR 2021**

**Whereas**, the Port of Chelan County and the Port of Douglas County executed an Interlocal Agreement on June 11<sup>th</sup>, 2019 forming the Chelan Douglas Regional Port Authority, the purpose of which is to operate the Ports and Pangborn Memorial Airport as a consolidated operation. Each meeting of the Chelan Douglas Regional Port Authority will also be a public meeting of the Port of Chelan County Commission; and

**Whereas**, the Port of Chelan County Commission desires to adopt a regular meeting schedule that is identical to the regular meeting schedule for the Chelan Douglas Regional Port Authority; and

**Whereas**, in a regular Port of Chelan County Commission meeting, the members discussed a regular meeting schedule for the calendar year 2021;

**Now, Therefore, the Port of Chelan County Commission hereby resolves as follows:**

1. Meeting Schedule and Locations. The Port of Chelan County regular meetings for calendar year 2021 shall be held at the Executive Flight Building, One Campbell Parkway, East Wenatchee, WA, 98802 on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month. Due to the COVID-19 pandemic, the Port of Chelan County meetings may be held via Zoom Virtual Meeting.
2. Meeting Time. All regular meetings of the Port of Chelan County Commission shall begin at 9:00 a.m.
3. Special Meetings. Any meeting of the Port of Chelan County Commission held on a day other than the regular meeting days as set forth above shall be a special meeting of the Port of Chelan County Commission and the meeting shall be called and notice shall be given as required in RCW 42.30.080, as the same exist now or may be hereafter amended.

**Adopted** by the Port of Chelan County Commission at a regular meeting thereof held this 22<sup>nd</sup> day of December, 2020.

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JC Baldwin, Commissioner

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Donn Etherington, Commissioner

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Rory Turner, Commissioner

**PORT OF DOUGLAS COUNTY  
RESOLUTION NO. 2020-10**

**A RESOLUTION OF THE PORT OF DOUGLAS COUNTY  
SCHEDULING DATES AND TIMES OF REGULAR  
MEETINGS FOR 2021**

**Whereas**, the Port of Douglas County and the Port of Chelan County executed an Interlocal Agreement on June 11<sup>th</sup>, 2019 forming the Chelan Douglas Regional Port Authority, the purpose of which is to operate the Ports and Pangborn Memorial Airport as a consolidated operation. Each meeting of the Chelan Douglas Regional Port Authority will also be a public meeting of the Port of Douglas County Commission; and

**Whereas**, the Port of Douglas County Commission desires to adopt a regular meeting schedule that is identical to the regular meeting schedule for the Chelan Douglas Regional Port Authority; and

**Whereas**, in a regular Port of Douglas County Commission meeting, the members discussed a regular meeting schedule for the calendar year 2021;

**Now, Therefore, the Port of Douglas County Commission hereby resolves as follows:**

1. Meeting Schedule and Locations. The Port of Douglas County regular meetings for calendar year 2021 shall be held at the Executive Flight Building, One Campbell Parkway, East Wenatchee, WA, 98802 on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month. Due to the COVID-19 pandemic, the Port of Douglas County meetings may be held via Zoom Virtual Meeting.

2. Meeting Time. All regular meetings of the Port of Douglas County Commission shall begin at 9:00 a.m.

3. Special Meetings. Any meeting of the Port of Douglas County Commission held on a day other than the regular meeting days as set forth above shall be a special meeting of the Port of Douglas County Commission and the meeting shall be called and notice shall be given as required in RCW 42.30.080, as the same exist now or may be hereafter amended.



**Adopted** by the Port of Douglas County Commission at a regular meeting thereof held this 22<sup>nd</sup> day of December, 2020.

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Mark Spurgeon, Commissioner

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W. Alan Loeb sack, Commissioner

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Jim Huffman, Commissioner

**Chelan Douglas Regional  
Port Authority**

# Memo

**To:** Board of Directors

**From:**  Jim Kuntz

**cc:** None

**Date:** December 17, 2020

**Re:** Investment Policy

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Last year the Board approved an Investment Policy for the Regional Port. The policy provides that it shall be reviewed on an annual basis.

Please find attached the Investment Policy. Monica has made some minor edits. Will review in greater detail at Tuesday's meeting.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
RESOLUTION NO. 2020-21**

**A RESOLUTION OF THE BOARD OF DIRECTORS ESTABLISHING A  
CHELAN DOUGLAS REGIONAL PORT AUTHORITY INVESTMENT POLICY**

**Whereas**, the Board of Directors of the Chelan Douglas Regional Port Authority has the statutory authority to adopt from time to time resolutions authorizing the investment of Port funds which are not required for immediate expenditures and which are in the custody of the port treasurer and to specify, subject to statutory constraints, permitted investment of said funds;

**Now, therefore, be it resolved**, that the Board of Directors of the Chelan Douglas Regional Port Authority hereby adopts the following investment policy to govern investment of Port funds not needed for immediate expenditure and authorizes the investment of such funds by the port treasurer in accordance with the terms and provisions of this resolution.

The port treasurer is charged with the responsibility of preparing for the Board of Directors and CEO quarterly reports on investment activity and yields. Such reports shall contain a summary of the type of investments, amount of investments, place of investments, term of investments and yield.

This resolution is effective as of December 22<sup>nd</sup>, 2020 and shall terminate on December 31<sup>st</sup>, 2021.

**Adopted** by the Board of Directors of the Chelan Douglas Regional Port Authority at a regular meeting thereof held this 22<sup>nd</sup> day of December, 2020.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY BOARD OF DIRECTORS**

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

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

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

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

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

\_\_\_\_\_  
James Huffman, Director



## **Investment Policy**

**Adopted by the Chelan Douglas Regional Port Authority  
Board of Directors on \_\_\_\_\_.**

## **Appendix B – Chelan Douglas Regional Port Financial Guidelines**

### **Investment Policy**

#### **I. POLICY**

##### **1.1 Policy**

#### **II. SCOPE & OBJECTIVES**

##### **2.1 Scope**

##### **2.2 Objectives**

#### **III. STANDARDS OF CARE**

##### **3.1 Prudence**

##### **3.2 Delegation of Authority**

##### **3.3 Ethics & Conflict of Interest**

#### **IV. AUTHORIZED INVESTMENTS, DIVERSIFICATION, MATURITIES AND COLLATERALIZATION**

##### **4.1 Authorized Investments**

##### **4.2 Diversification**

##### **4.3 Maturities**

#### **V. DEALERS, INSTITUTIONS, SAFEKEEPING AND CUSTODY, INTERNAL & EXTERNAL CONTROL**

##### **5.1 Authorized Financial Dealers & Institutions**

##### **5.2 Safekeeping and Custody**

##### **5.3 Internal Control**

##### **5.4 External Control**

#### **VI. PERFORMANCE MEASUREMENT & REPORTING REQUIREMENTS**

##### **6.1 Performance Standards**

##### **6.2 Reporting**

#### **VII. POLICY ADOPTION**

##### **7.1 Investment Policy Adoption**

#### **I. POLICY**

### *1.1 Policy:*

It is the policy of the Chelan Douglas Regional Port Authority to invest public funds in a manner which will provide the market rate of return with the maximum security while meeting the daily cash flow demands on the Treasury and conforming to all Washington statutes governing the investment of public funds.

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements and custodial procedures necessary for the prudent management and investment of the funds of the Chelan Douglas Regional Port Authority.

## II. SCOPE AND OBJECTIVES

### *2.1 Scope:*

This investment policy applies to all financial investment assets and managed assets of the Chelan Douglas Regional Port Authority. Investment assets are accounted for in the Port Authority's Annual Financial Report.

### *2.2 Objectives:*

The primary objectives, in priority order, of the Port Authority's investment activities shall be legality, safety, liquidity, and return:

#### *Legality of Investments:*

The Port Authority's investment holdings shall be in conformance with federal, state and other legal requirements.

#### *Safety:*

Safety of principal is the foremost objective of the Investment Policy of the Chelan Douglas Regional Port Authority. Investments of the Port Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

#### *Liquidity:*

The Port Authority's investment portfolio will remain sufficiently liquid to enable the Port Authority to meet all operating requirements which might be reasonably anticipated.

#### *Return on Investment:*

The Port Authority's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Port Authority's investment risk constraints and the cash flow characteristics of the portfolio.

## III. STANDARDS OF CARE

### *3.1 Prudence:*

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### *3.2 Delegation of Authority:*

Management responsibility for the investment program is hereby delegated to the Director of Finance & Administration serving as the Port Authority's Treasurer, who shall establish written procedures for the operation of the investment program, consistent with the investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance & Administration. The procedures will be periodically reviewed and updated at the direction of the Director of Finance & Administration.

### *3.3 Ethics and Conflict of Interest:*

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Chief Executive Officer any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Port Authority's portfolio.

## IV. AUTHORIZED INVESTMENTS, DIVERSIFICATION, MATURITIES AND COLLATERALIZATION

### *4.1 Authorized Investments:*

All municipal corporations in Washington State, including the Chelan Douglas Regional Port Authority, are empowered by statute to invest in the following securities: (The enabling legislation is RCW 39.58 and, as amended, RCW's 53.36, 39.58, 39.59, 39.60, 43.84.080 and 43.250). The Port Authority has chosen to limit the authorized investments to the following:

- 1) Investment deposits including certificates of deposit, with qualified public depositories.
- 2) Certificates, notes, or bonds of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States.
- 3) Obligations of government-sponsored enterprises which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System. (These include but are not limited to Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes, Federal Home Loan Mortgage Corporation and Federal Farm Credit Bank bonds.)

- 4) Bankers' acceptances purchased on the secondary market which have at the time of investment the highest credit rating by a minimum of two recognized rating agencies.
- 5) Commercial Paper provided that the Director of Finance & Administration adheres with the policies and procedures of the State Investment Board regarding commercial paper (RCW 43.84.080(7)).
- 6) Bonds of the State of Washington and any local government in the State of Washington, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.
- 7) General obligation bonds of a state other than the State of Washington and general obligation bonds of a local government of a state other than the State of Washington, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.
- 8) State Investment Pool - As prescribed by the RCW code, the legislation has provided for a mechanism whereby political subdivisions may, at their option, utilize the resources of the State Treasurer (OST) to maximize the potential surplus funds while ensuring the safety of public funds. A state investment pool has been designated to meet this function.

*4.2 Diversification:*

The Port will diversify its investment by security type and institution. The constraints will provide for a disciplined guide in making investment decisions.

*Diversification Constraints:*

ISSUER TYPE	% of TOTAL PORTFOLIO
Local Government Investment Pool	100%
US Treasury Obligations	100%
Government Sponsored Enterprises (GSE's)	100%
Callable issues	up to 50%
Certificates of Deposit/Bank Deposits/Saving	75%
Obligations of the State of Washington	50%

*4.3 Maturities:*

The Port Authority will invest in securities with maturity dates five (5) years from the date of purchase or less.

The maximum weighted maturity (modified duration) of the total portfolio shall not exceed 3.0 years. This maximum is established to limit the portfolio to excessive price change exposure.

Liquidity funds will be held in the State Pool, bank deposits or in money market instruments maturing six months or less.



The investment portfolio will have securities that mature between 1 day and 5 years.

Exception to 5-year-maturity maximum: The Chelan Douglas Regional Port Authority may invest in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds or where deferred payment to the Port Authority are matched to the maturity date.

## V. DEALERS AND INSTITUTIONS, SAFEKEEPING AND CUSTODY, INTERNAL AND EXTERNAL CONTROL

### *5.1 Authorized Financial Dealers and Institutions:*

The Director of Finance & Administration will limit banking transactions to designated banking relationships and will refer to the financial institutions list provided by the Public Deposit Commission of banks authorized to provide investment services (RCW 39.58.080).

In addition, the Port Authority will approve security broker/dealers by credit worthiness, and understanding of the Port Authority's requirements and policy. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15c3-1 (Uniform Net Capital Rule). No public deposit shall be made except in a qualified public depository in the State of Washington.

A current financial statement is required to be on file for each broker/dealer with which the Port Authority invests.

### *5.2 Safekeeping and Custody:*

All security transactions entered into by the Chelan Douglas Regional Port Authority shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian designated by the Director of Finance & Administration and approved by the State Treasurer.

### *5.3 Internal Control:*

The Director of Finance & Administration shall establish a process of periodic review by the Accounting/Finance Staff. This review will provide internal control monitoring by assuring that policies and procedures are being complied with.

### *5.4 External Control:*

The Director of Finance & Administration may engage the services of outside professionals as necessary for the efficient management of the investment program. External service providers shall be subject to the provisions of this Investment Policy.

## VI. PERFORMANCE MEASUREMENT AND REPORTING REQUIREMENTS

### *6.1 Performance Standards:*

The Port Authority's investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the Port Authority's investment risk constraints and cash flow needs. A market benchmark may be utilized and will be established through the Director of Finance & Administration. The return shall be based on the net yield after accounting for the amortization of the discounts or premiums paid.

### *6.2 Reporting:*

The Director of Finance & Administration shall provide the Board of Directors with consistent periodic reporting. These reports shall provide an accurate and meaningful representation of the investment portfolio, its performance versus the established benchmark, and proof of compliance with the investment policy. At a minimum these reports will be presented quarterly and such reports will include:

- Total investment portfolio yield and earnings rate.
- Percentage of the portfolio in each investment category.
- Summary of securities by investment type held at the end of the reporting period.
- Average term and yield by investment type.
- Investment yield comparison to various benchmarks.

## VII. POLICY ADOPTION

### *7.1 Investment Policy Adoption:*

The Chelan Douglas Regional Port Authority investment policy shall be adopted by resolution of the Board of Directors. The policy shall be reviewed on an annual basis and any modifications made thereto must be approved by the Board of Directors.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
RESOLUTION NO. 2020-22**

**A RESOLUTION OF THE CHELAN DOUGLAS REGIONAL  
PORT AUTHORITY BOARD SCHEDULING DATES AND  
TIMES OF REGULAR MEETINGS FOR 2021**

**Whereas**, the Port of Chelan County and the Port of Douglas executed an Interlocal Agreement on June 11<sup>th</sup>, 2019 forming the Chelan Douglas Regional Port Authority, the purpose of which is to operate the Ports and the Pangborn Memorial Airport as a consolidated operation;

**Whereas**, the Chelan Douglas Regional Port Authority Board consists of the three Commissioners of the Port of Chelan County and the three Commissioners of the Port of Douglas County;

**Whereas**, in a regular Chelan Douglas Regional Port Authority Board meeting, the members discussed a regular meeting schedule for the calendar year 2021;

**Now, Therefore, the Chelan Douglas Regional Port Authority hereby resolves as follows:**

1. Meeting Schedule and Locations. The Chelan Douglas Regional Port Authority regular meetings for calendar year 2021 shall be held at the Executive Flight Building, One Campbell Parkway, East Wenatchee, WA, 98802 on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month. Due to the COVID-19 pandemic, the Chelan Douglas Regional Port Authority meetings may be held via Zoom Virtual Meeting.

2. Meeting Time. All regular meetings of the Chelan Douglas Regional Port Authority Board shall begin at 9:00 a.m.

3. Special Meetings. Any meeting of the Chelan Douglas Regional Port Authority Board held on a day other than the regular meeting days as set forth above shall be a special meeting of the Chelan Douglas Regional Port Authority Board and the meeting shall be called and notice shall be given as required in RCW 42.30.080, as the same exist now or may be hereafter amended.

4. Simultaneously Called Meetings. Any meeting of the Chelan Douglas Regional Port Authority Board shall also mean simultaneous meetings of the Port of Chelan County and Port of Douglas County.

**Adopted** by the Board of Directors of the Chelan Douglas Regional Port Authority at a regular meeting thereof held this 22<sup>nd</sup> day of December, 2020.

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

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

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

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

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

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

**Chelan Douglas Regional  
Port Authority**

# Memo

**To:** Board of Directors

**From:**  Jim Kuntz

**cc:** None

**Date:** December 17, 2020

**Re:** Surplus Property

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Staff is proposing the surplusing of two pieces of equipment.

The 1989 Genie high lift was acquired as part of the acquisition of the Executive Flight Building. We have had a certified repair company inspect the high lift. While they believe they can repair it, they would not be able to certify it due to its age. I do not want Staff using a non-certified high lift.

The 2001 Ford Pickup was a used pickup when we purchased it from Douglas County in 2006. It currently has over 216,000 miles on it.

Once surplused, the Regional Port will use a web based public auction site to sell the equipment.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
RESOLUTION NO. 2020-23**

**A RESOLUTION OF THE BOARD OF DIRETORS OF THE CHELAN  
DOUGLAS REGIONAL PORT AUTHORITY DECLARING CERTAIN  
PERSONAL PROPERTY SURPLUS TO THE NEEDS OF THE REGIONAL  
PORT**

**Whereas**, the Chelan Douglas Regional Port Authority (the "Port") owns certain personal property consisting of a 1989 Genie Industrial Model Z-45/22 Serial #4589-2217 and a 2001 F250 Ford Pickup VIN# 1FTNW21L71EC39252. See attached Exhibit "A" and Exhibit "B"; and

**Whereas**, the Directors have determined that retaining the Property is not absolutely necessary or needed for the Port's purposes and concluded that the Property should be disposed of in the manner determined by the Chief Executive Officer;

**Now, Therefore**, be it resolved by the Board of Directors of the Chelan Douglas Regional Port Authority as follows:

1. The Property is no longer needed or necessary for the Port's purposes, and is hereby declared to be surplus.

2. The Chief Executive Officer is hereby authorized to dispose of the Property, including through sale, transfer, or disposal/destruction, on such terms and conditions as the Chief Executive Officer deems appropriate.

3. The Chief Executive Officer is hereby authorized to execute all documents necessary to dispose of the Property.

**ADOPTED** by the Chelan Douglas Regional Port Authority Board of Directors at a regular meeting thereof held this 22<sup>nd</sup> day of December 2020.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY BOARD OF DIRECTORS**

DATED this 22<sup>nd</sup> day of December, 2020

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

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

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

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

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

\_\_\_\_\_  
James D. Huffman, Director

**Exhibit "A"**

**1989 Genie Industrial Model Z-45/22**

**Serial #4589-2217**




**Exhibit "B"**

**2001 Ford F250 Crew Cab**

**VIN# 1FTNW21L71EC39252**

**Chelan Douglas Regional  
Port Authority**

# Memo

**To:** Board of Directors  
**From:**  Jim Kuntz  
**cc:** None  
**Date:** December 17, 2020  
**Re:** 2021 Delegation of Authority

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Please find enclosed the proposed 2021 Delegation of Authority Resolution for your consideration. This resolution maintains all the dollar limits that are in the 2020 Delegation of Authority. I believe this resolution strikes the right balance with giving the CEO some limited authorizations, with the Board retaining decision making authority for major transactions of the Regional Port.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
RESOLUTION NO. 2020-24**

**DELEGATION OF AUTHORITY  
CALENDAR YEAR 2021**

**Whereas**, RCW 53.12.270 authorizes the Commission to delegate administrative powers and duties to the Executive Director, and

**Whereas**, the Port Commissions of both the Port of Chelan County and the Port of Douglas County have in the past adopted policy directives delegating administrative authority to its respective Executive Director for the purpose of expeditious administration of the Ports, and

**Whereas**, both Port Commissions have from time to time found it necessary to amend and revise such directives due to changes in law and/or operations, and

**Whereas**, both Port Commissions shall, from time to time, employ a Director of Finance and Administration, who shall act as the managing official of the Port in the absence of the Executive Director, and

**Whereas**, on June 11, 2019 both the Port of Douglas County and the Port of Chelan County entered into an Interlocal Cooperation Agreement for the functional consolidation of Port Finances, Management and Operations, and

**Whereas**, the functionally consolidated organization was named the Chelan Douglas Regional Port Authority ('Port Authority'), with both Port Commissions combining into one governing body, the Board of Directors, consisting of three commissioners from the Port of Chelan County and three commissioners from the Port of Douglas County, and

**Whereas**, the Chelan Douglas Regional Port Authority will use RCW 53.12.270 in similar fashion to delegate administrative powers and duties to the Chief Executive Officer, and

**Whereas**, the Board of Directors of the Chelan Douglas Regional Port Authority now wishes to provide a master policy directive on the delegated administrative powers and duties of the Chief Executive Officer, or in the absence of the Chief Executive Officer, to the Director of Finance,

**Now, Therefore, Be It Resolved** by the Board of Directors of the Chelan Douglas Regional Port Authority as follows:

Section 1. The master policy directive of the Board of Directors, as set forth herein, is adopted for the purpose of establishing the delegated administrative powers and duties of the Chief Executive Officer and the Director of Finance and Administration. This policy directive will remain in effect until December 31, 2021, unless it is extended prior to that date.

Section 2. All portions of resolutions, policies or motions heretofore approved by the Board of Directors pertaining to the subject matters contained in this resolution are hereby repealed.

Section 3. The Revised Code of Washington 53.08.090 authorizes Board of Directors to delegate to the Chief Executive Officer, by resolution, the authority to sell and convey port district property with a value of \$10,000 or less. State law requires that this authority be renewed by resolution annually by the Board of Directors. Said authority is hereby authorized by the adoption of this resolution. See Section 4, Article XVIII.

Section 4. The following policy directive on the delegated administrative powers and duties of the Chief Executive Officer and the Director of Finance and Administration is hereby adopted:

**I. PREAMBLE**

- A. The following policy is adopted by the Board of Directors for the purpose of establishing the administrative powers and duties of the Chief Executive Officer who is responsible for Port Authority operations. Any Board directives or initiatives shall be implemented through the Chief Executive Officer and shall be made only by the Board acting as a body of the whole at a public meeting.
- B. The phrase “administration and Port Authority operations”, as used herein, means the regular day-to-day business of the Port Authority, including but not limited to: operating, maintaining, and administering all of its properties, leasehold properties, facilities services and programs, including the implementation of construction work, alterations, repairs, maintenance, and improvements of the Port Authority’s real estate and physical facilities, and the necessary planning incidental thereto; the conduct of financial accounting and legal matters as they relate to the Port Authority’s operation; the administration of all other operations which include personnel administration (i.e., hiring, firing, wages and benefits, training, grievance procedures, and task and project assignments, etc.); the execution and administration of contracts; publishing legal notices; and all other pertinent authorized functions. As it pertains to personnel administration, the Chief Executive Officer’s implementation shall be consistent with the Chelan Douglas Regional Port Authority Personnel Policies as adopted by the Board of Directors on September 10<sup>th</sup>, 2019, as may be amended.
- C. The Chief Executive Officer shall inform the Board regarding significant information, incidents, and business transactions by methods agreeable to the Board. The Chief Executive Officer shall report to the Board those actions made in reliance on this delegation. The Chief Executive Officer, or in the absence of the Chief Executive Officer, the Director of Finance and Administration, is the managing official of the Port Authority, appointed by the Board, and holds office as their representative. Nothing herein should be construed in any way as abrogating the duties and the responsibilities of the Board.

## II. FINANCIAL

- A. Budgets – The adoption of Port Authority budgets, including supplemental budgets, are the responsibility of the Board of Directors. The Chief Executive Officer has no authority to adopt budgets, but the Chief Executive Officer shall be responsible for submitting to the Board of Directors proposed budgets, together with all necessary supporting data. The Chief Executive Officer shall also be responsible to ensure all legal notices are placed in newspapers regarding budget hearings and adoptions.
- B. Expenditures – The Chief Executive Officer is given the authority to spend Port Authority funds without prior Board approval subject to:
1. The expenditure must fall within a budgeted expense category.
  2. The expenditure must not cause the amount of a budgeted expense category to be exceeded.
  3. Expenditures in accord with Emergency Public Works Contracts.
  4. Any applicable financial limits established by this Resolution.
- C. Management of Port Authority Finances – The Chief Executive Officer or the Director of Finance and Administration is authorized to transfer funds between operating funds and investment funds to meet Port Authority financial obligations.
- D. Imprest Working Funds (Petty Cash/Change Funds) - The Chief Executive Officer is authorized to establish imprest working funds (petty cash/change funds), provided that the total cumulative amount of all such funds does not exceed \$2,000.
- E. Banking Services – The Chief Executive Officer is authorized to negotiate for banking services and enter into agreements for such services. Procedures shall be established concerning the deposit/disbursal of Port Authority funds recognizing the requirements cited in RCW 53.36.010 and providing for an adequate system of internal control.
- F. Investments – The investment of Port Authority funds, which are those funds not required for immediate expenditures, shall be invested by the Port Authority Treasurer, in accordance with applicable laws relating to investment of public funds and consistent with Board approved Investment Policies. The Chief Executive Officer shall be authorized to determine the amount of funds to be invested in order to ensure adequate cash flow to meet Port Authority obligations.
- G. Other Obligations – The Chief Executive Officer shall have the authority to incur obligations and make commitments on behalf of the Port Authority, so long as they are for budgeted items, except, the Chief Executive Officer:
1. May not issue promissory notes.
  2. May not issue bonds.
  3. May not incur obligations or make commitments in excess of those amounts specifically provided for elsewhere in this resolution.

### III. POLICY GOVERNING REAL PROPERTY

- A. Types of Agreements – The following directives apply to all agreements for use of Port Authority real property, including but not limited to leases, license agreements, concession agreements, rental agreements, operating agreements, memorandums of understanding and use agreements.
- B. Lease Arrangements – All real property, when available for leasing, shall be leased only under an appropriate written instrument approved by the Board of Directors. Except where the Board has delegated authority to the Chief Executive Officer here in Section 4, III, prior to the execution of such instrument, the Chief Executive Officer shall have secured the approval of the Board, provided for proper security, submitted the Agreement to Port Authority Counsel for approval (if the Port Authority's standard agreement form is not used) and follow all other applicable laws.
- C. Chief Executive Officer's Authority to Sign Lease and Rental Agreements without Prior Board Approval – The Chief Executive Officer may, without prior Board approval, execute lease and rental agreements subject to all of the following conditions:
1. Agreements having a term (including any options) of five years duration or less and lease payments of \$5,000 per month or less (not including state leasehold tax) and the Port Authority's financial obligation for building improvements does not exceed \$50,000.
  2. The Port Authority's standard agreement form is used, except for provisions not applicable and state and federal leases that require the use of the tenant's lease form as long as the content of the lease form does not materially change the Port Authority's intent in its standard lease form.
  3. The appropriate lease surety must be in place which shall be defined as a minimum of one month's rental, not including state leasehold tax.
  4. The amount of rent shall be in accordance with rental rate objectives of the Board.
  5. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the goals, directives, and policies adopted by the Board for the same or similar Port Authority property or properties.
  6. The Chief Executive Officer shall provide the Board with a monthly written report of all agreements executed.
- D. Lease Modifications; Extensions – The Chief Executive Officer may, without prior Board approval, make minor modification to existing leases including payment deferrals, due dates for payments, adjustments to the leased premises, and the like, where the increase or decrease in annual revenue projected to be generated does not exceed \$50,000. The Chief Executive Officer may, without prior Board approval, grant an extension of the current term of an existing lease for a period not greater than six (6) months. The Chief Executive Officer shall advise the Board of any such action within a reasonable period of time, not later than the next regular Board meeting.

- E. Sublease Procedures – Leases, concession agreements, operating agreements, and related contracts between the Port Authority and its tenants, and other parties shall include restriction on the subleasing and require at a minimum the prior written consent of the Port Authority to such subleases. Subject to the provisions of the lease or agreement, the Chief Executive Officer is authorized to grant consents to subleases, which for the purposes hereof shall include suboperating agreements and subconcession agreements.
- F. Lease Renewals – The Chief Executive Officer is authorized to renew leases provided: such renewals are provided for in the current lease; all other substantive terms of the lease remain unchanged; rental adjustments provided for in the lease are made; and the lease is in good standing. The Chief Executive Officer shall have the authority in Section 4, Article III(D) to make modifications to a lease as part of a lease renewal.
- G. Lease Enforcement and Lease Terminations – The Chief Executive Officer is authorized to enforce all terms and conditions of Port Authority leases. The Chief Executive Officer is authorized to issue all appropriate notices of default and/or notices of termination with regard to Port Authority leases. The Chief Executive Officer is authorized to terminate any lease under the terms and conditions therein. Upon termination, the Chief Executive Officer is authorized to take all steps necessary to retake possession of the leasehold and recover for the Port Authority all sums due the Port Authority pursuant to the lease and the law. The Chief Executive Officer shall keep the Board informed with respect to lessees that are issued default notices or termination notices.
- H. Realtors Compensation Program – The Chief Executive Officer is authorized to make payments for real estate services consistent with the Board of Directors adopted Real Estate Guidelines per Motion #09-10-19 as may be amended.
- I. Other Documents – The Chief Executive Officer is authorized to execute the following instruments, subject to the terms specified herein:
1. Temporary and permanent easements for purposes of utility installments only. For easements granted by the Port Authority, all easements will require the grantee at its own expense to relocate, lower or otherwise protect the utility to accommodate future development of the Port Authority, its agents, or assigns unless otherwise authorized and directed by the Board.
  2. Business Licenses and Licenses to Operate.
  3. If the Board has previously approved a grant application, the Chief Executive Officer may execute all related agreements associated with the Port Authority obtaining local, state or federal grant funds, unless Board approval is otherwise required (e.g. FAA grants).
  4. Binding site plans, short plats, building permits, and similar documents, and applications therefore, consistent with Port Authority master plans or otherwise where the Board has approved the subject development.

5. Changes in name of responsible party to the lease if all other conditions including primary ownership, remain the same.
6. Lease assignments for purposes of collateral.
7. Estoppels, attornments and non-disturbance agreements.
8. Permits ancillary to the normal operation of the Port Authority.
9. Liquor Control Board forms related to tenants leasing Port Authority property.
10. Landlord Waiver and Consent agreements subject to legal counsel review.
11. Assignments of agreements for use of Port Authority real property (as defined in Section 4, III. A above) where the assignment does not alter the underlying terms of the agreement.

**IV. POLICY GOVERNING LEASE SURETY, SURETY BONDS, RENTAL DEPOSITS, AND INSURANCE POLICIES**

- A. The Chief Executive Officer is authorized to take all necessary actions on behalf of the Board in connection with lease surety, lease surety bonds, rental deposits, or insurance coverage required pursuant to any leases of the Port Authority, including any of the following actions:
1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided.
  2. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.
  3. To approve any substitute or modifications of surety or insurance coverage, and to release any surety or insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the Port Authority.

**V. POLICY GOVERNING CHIEF EXECUTIVE OFFICER 'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES**

- A. Property Acquisitions – When the Board authorizes the acquisition of real property by negotiated purchase or condemnation and has entered an agreement, the Chief Executive Officer shall take all necessary steps, including appraisals, environmental assessments, and surveys, if necessary, and signing all necessary documents to secure title of such property for the Port Authority consistent with the purchase and sale agreement.
- B. Property Sales – When the Board authorizes the sale of Port Authority real property and has entered an agreement, the Chief Executive Officer shall take all necessary steps to complete the transaction, including but not limited to ordering appraisals, surveys and accepting deposits, opening escrow and signing all necessary documents consistent with the purchase and sale agreement.



- C. Amendments – When the Board has entered a purchase and sale agreement, the Chief Executive Officer may approve minor modifications to the agreement, including but not limited to extensions to feasibility periods, changes to the closing date, minor modifications in the legal description based on survey or title work, and the like; provided that any modification of the price at which property is sold or purchased shall be approved by the Board.

**VI. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK**

- A. Public Work of \$50,000 or less – The Chief Executive Officer may, without prior Board approval, approve plans, specifications and estimates, seek bids and execute small works roster contracts up to \$50,000 per project subject to the project appearing as a line item capital project in the Port Authority budget or within the overall capital budget authorized limits established by the Board, and so long as all statutory procedures are followed.
- B. Public Work between \$50,001 and \$100,000 – The Chief Executive Officer may, without prior Board approval, approve plans, specifications and estimates, and seek bids on public works contracts (including small works roster contracts) between \$50,001 and \$100,000 per project subject to the project appearing as a line item capital project in the Port Authority budget or within the overall capital budget authorized limits established by the Board, and so long as all statutory procedures are followed. Board approval shall be required for awarding said contracts.
- C. Public Work in Excess of \$100,001 – For projects estimated to cost in excess of \$100,001, Board authorization to proceed shall be obtained prior to seeking bids. In this event, the Chief Executive Officer shall have the authority to approve plans, specifications and estimates associated with the project. Board approval shall be required for awarding contracts.
- D. Project Close Out. For all public work contracts entered by the Port Authority, the Chief Executive Officer is authorized to take all further steps to see the project through to completion including final acceptance, provided that all requirements of RCW 53.08.120-135 and all other applicable laws and Port Authority policies are met.
- E. Emergency Public Works Contracts – When any emergency shall require the immediate execution of a contract for work, the Chief Executive Officer, pursuant to the Procedures of RCW 39.04.020 and 39.04.280 (as it may be amended or succeeded), is authorized to make a finding of the existence of such emergency and execute any contracts necessary to respond to the existing emergency, provided that the Chief Executive Officer shall, at the first Board meeting following the Chief Executive Officer’s finding of the existence of an emergency, request Board ratification of the finding of emergency and any contracts awarded and/or executed pursuant to that finding. From the inception of any such emergency, the Chief Executive Officer shall continuously advise the Board of the development of the emergency situation and the progress of any contracts executed to remedy the emergency.

- F. Change Orders – Where contracts for the performance of work have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Chief Executive Officer is authorized to execute individual change orders to the contract provided all of the following conditions are met:
1. Change orders are within the project budget established by the Board.
  2. The estimated cost of the individual changes in plans and/or specifications will not exceed 10% of the established project budget. However, when an individual change order issued under any contract shall cause the total cash amount of change orders in the established project budget to exceed a sum equal to 10% of the project budget amount, such change order shall not be issued without prior Board approval and no future change orders to said contract may be issued without Board approval.
  3. The contract provides for issuance of change orders.
  4. The individual change order has been approved and certified by the project architect or engineer as being necessary to the proper accomplishment of the work called for in the basic contract.
  5. Any time extension for completion of said contract which accompanies said change order does not exceed sixty (60) days.

**VII. POLICY GOVERNING ACQUISITION OF MATERIALS, EQUIPMENT, AND SUPPLIES; UNIT PRICE CONTRACTS**

- A. The Chief Executive Officer shall have the responsibility for following all required statutory procedures, where applicable, in connection with (i) all contracts for the acquisition of utilities, materials, equipment, and supplies and (ii) unit price contracts (RCW 53.08.120(3)). Where utilities, materials, equipment, and supplies are acquired on the open market or pursuant to published prices or tariffs and used or are necessary in normal maintenance and operations of the Port Authority, no prior approval shall be required but where appropriate shall be approved as a part of normal monthly expenses. The Chief Executive Officer may execute contracts for the acquisition of utilities, materials, equipment, and supplies and unit price contracts subject to the following conditions:
1. The contract or purchase order price does not exceed Fifty Thousand (\$50,000) in a calendar year, or if specifically identified in the annual budget, the amount shown in such budget, and the contract provides for a term of no more than three years, with an option to extend the contract for one (1) additional year, provided that the basic contract or purchase order price and any contract extensions must be within appropriate annual budget limits.
  2. Unit price contracts must be competitively bid based on estimated quantities of the anticipated types of work or trades involved, and specify how the Port Authority will issue work assignments, work orders, or task authorizations. Unit price contracts must be awarded to the lowest responsible bidder and must comply with the provisions of RCW 53.08.120(3), which includes the payment of prevailing wages.

3. Unless otherwise required by law, the Chief Executive Officer shall determine whether and to what extent a performance bond is necessary.

B. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services – When an emergency shall require the immediate acquisition of materials, equipment, supplies, and services, the Chief Executive Officer is authorized to make a finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services necessary to respond to the existing emergency, provided that the Chief Executive Officer shall, at the first Board meeting following the Chief Executive Officer’s finding of the existence of an emergency, request Board ratification of the finding of an emergency and any contract awarded or executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Board and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

C. Repair and Maintenance of Equipment – The Chief Executive Officer shall be responsible for equipment repair and maintenance and, to that end, may use the Port Authority’s own labor forces or may have work done by contract. The Chief Executive Officer is authorized to expend such funds as are reasonable and necessary to keep the equipment in good order and repair.

#### **VIII. COMPETITIVE BIDDING REQUIREMENTS – EXEMPTIONS (See RCW 39.04.280)**

The Chief Executive Officer is authorized to waive competitive bidding requirements for public works and contracts for purchases for:

1. Purchases that are clearly and legitimately limited to a single source of supply.
2. Purchases involving special facilities or market conditions.
3. Purchases of insurance or bonds.
4. Public works in the event of an emergency.

When the competitive bidding requirements are waived, the Chief Executive Officer shall require documentation be filed stating the nature of the purchase of work, and the justification for determining the exemption criteria was met. The documentation must be available for public inspection.

#### **IX. ARCHITECTURAL, ENGINEERING, AND TECHNICAL SERVICES, INCLUDING SURVEYORS, INTERIOR DESIGNERS AND LANDSCAPE ARCHITECTS**

The Chief Executive Officer is authorized to contract with qualified architectural, engineering, technical testing and inspection firms, surveyors, interior designers and landscape architects, licensed in the State of Washington to provide such services as required for architectural or engineering work or small projects of the Port Authority. Selection and reimbursement for such services shall follow all required statutory procedures and shall be consistent with normal established fees paid for such services. The Chief Executive Officer may arrange for such services following a competitive selection process; provided the fee to the same firm on any single

project or closely related work does not exceed the amount of fifty thousand dollars (\$50,000), and the funds are within the approved project capital budget. Board approval shall be required for contracts exceeding \$50,000.

**X. PERSONAL SERVICES**

The Chief Executive Officer shall be responsible for obtaining personal services where deemed necessary in carrying out normal Port Authority operations and provided all applicable legal requirements are met. The Chief Executive Officer shall follow Port Authority policies governing management of personal service contracts currently in existence or hereafter adopted.

**XI. AMENDMENTS TO ARCHITECTURAL, ENGINEERING, PROFESSIONAL, CONSULTANT AND PERSONAL SERVICES:**

Where services are formally approved by the Board, increases in the approved contract amount may be approved by the Chief Executive Officer without prior approval of the Board for amounts not to exceed 10% of the last Board approved total, or \$50,000, whichever is less, provided the funds are within the approved appropriate annual budget.

**XII. LITIGATION**

- A. Management and Supervision of Litigations – The Chief Executive Officer and the Port Authority’s Legal Counsel (appointed by the Board) shall be responsible for the procedures necessary for management and supervision of all litigation in which the Port Authority has an interest, direct or indirect. For purposes of this section, “litigation” shall mean the assertion or potential assertion of any position, right or responsibility by or against the Port Authority, including actions which have been filed in any court or any quasi-judicial or administrative forum.
- B. Special Legal Services – The Chief Executive Officer is authorized to retain such other special counsel at fees as may be negotiated to assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port Authority, within overall budgetary constraints.
- C. Engagement of Experts – The Chief Executive Officer may engage or cause to be engaged, such experts as may be necessary for the orderly support of claims or litigation in which the Port Authority has a direct or indirect interest, without limitations otherwise prescribed in this resolution. Such engagement shall be upon consultation given by Legal Counsel after having satisfied him/her that such expenditure is necessary to the adequate preparation and representation of the Port Authority’s position in such litigation or claim and shall, wherever practicable, include evaluation of the litigation or claim and an estimate of the probable cost of such experts.
- D. Commencing Lawsuits – The Chief Executive Officer may not commence litigation without the prior approval of the Board.

**XIII. POLICY GOVERNING ADJUSTMENT AND WRITE-OFF OF ACCOUNTS RECEIVABLE**

- A. Definition of "Write Off" – The term "write-off" means the adjustment of the accounting records of the Port Authority to reflect the fact that the account is uncollectible in the normal course of operations. The Chief Executive Officer may authorize Legal Counsel to initiate or continue with legal action to collect an account without regard to whether the account has been written off the accounting records of the Port Authority.
- B. Procedures – The Chief Executive Officer is authorized to establish procedures for and to write off any uncollectible account which does not exceed the sum of Ten Thousand Dollars (\$10,000) subject to the following general guidelines:
1. Prior to writing off any account receivable or uncollectible, the Chief Executive Officer shall be satisfied that every reasonable effort has been made by the Port Authority to accomplish the collection of the account.
  2. Any account in excess of Ten Thousand Dollars (\$10,000) which is deemed to be uncollectible shall be referred to the Board for final write-off, with the exception of any account that has filed for bankruptcy which the Chief Executive Officer may write off up to \$25,000 per account without prior Board approval.
  3. The Chief Executive Officer shall provide the Board once per month a listing of all accounts that are 90 days past due.

**XIV. POLICY GOVERNING TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT AUTHORITY**

- A. The Chief Executive Officer is authorized to approve travel by employees and/or other authorized representatives of the Port Authority in order to effectuate necessary Port Authority operations, in conformity to the travel policy adopted by the Board (Motion #09-07-19) as may be amended, provided that the travel expenses are within the annual budget approved by the Board and provided that the Board shall be advised prior to all international travel (excluding Canada). Board travel outside of the Pacific Northwest (Washington, Oregon and Idaho) shall be approved, in advance, at an open public meeting; provided, however, the Chief Executive Officer may authorize such travel in the event of unique or unanticipated circumstances and obtaining advance approval of the Board is not possible. In this event, the Chief Executive Officer shall notify the entire Board at the next Board meeting.

**XV. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION**

- A. The Chief Executive Officer shall have the authority to manage all personnel matters for Port Authority employees and staff which include hiring, firing, training, grievance procedures, employee benefits, and administration of the employee salary schedule. The Chief Executive Officer shall carry out these

responsibilities according to guidelines and policies to be established by the Chief Executive Officer and within overall budgetary constraints. The Chief Executive Officer shall also carry out these responsibilities consistent with the Chelan Douglas Regional Port Authority Personnel Policies as adopted by the Board.

#### **XVI. UTILIZATION OF PORT AUTHORITY EMPLOYEES**

- A. The Chief Executive Officer is authorized to use necessary Port Authority employees for operations and maintenance of facilities.
- B. The Chief Executive Officer shall be responsible for obtaining prior Board approval for work projects which are new construction or major modifications of Port Authority facilities to be carried out by Port Authority crews when the total estimated cost of materials exceeds Twenty-Five Thousand Dollars (\$25,000).

#### **XVII. RULES AND REGULATIONS**

The Chief Executive Officer is authorized to adopt any administrative rule or regulation necessary for the efficient operation of the Port Authority so long as such rules and regulations are reported to the Board.

#### **XVIII. POLICY GOVERNING SALE OF PERSONAL PROPERTY**

- A. Sale of Property Pursuant to RCW 53.08.090 - The Chief Executive Officer is authorized, pursuant to RCW 53.08.090, to sell and convey surplus personal property of the Port Authority subject to the following conditions:
  - 1. That the market value of such personal property does not exceed \$10,000 as may be increased by the statute; and
  - 2. That prior to any such sale or conveyance, the Chief Executive Officer shall itemize and list the property to be sold and make written certification to the Board that the listed property is no longer needed for Port Authority purposes;
  - 3. That offers for purchase are solicited from at least three (3) parties whenever possible or placed in a public auction;
  - 4. That any large block of such property having a value in excess of \$10,000 shall not be divided into components of a lesser value and sold unless done so by public competitive bid; and
  - 5. That in no case shall surplus personal property be sold to any Port Authority official or employee or members of their families without the specific approval of the Board.

#### **XIX. INSURANCE PROGRAMS**

##### **Comprehensive General Liability, Auto, Property, Public Officials, etc. al.**

The Chief Executive Officer shall be authorized to negotiate and obtain appropriate policies of insurance to cover Port Authority Property, liability, employee coverage, and other areas appropriately included within a comprehensive insurance program.

The Chief Executive Officer is authorized to approve changes or modifications within the policies of insurance, including programs to provide self-insurance or deductible provisions, so long as such programs are promptly and regularly reported to the Board so it is kept informed of basic changes made in the overall insurance program of the Port Authority. The Board has the responsibility for selecting the Port Authority's insurance broker/agent.

#### **Health Insurance**

The Board has the responsibility for determining each year health benefits that will be offered to Port Authority employees. Once benefits are determined by the Board, the Chief Executive Officer shall be authorized to negotiate and execute all agreements and instruments necessary to carry out that determination.

### **XX. ECONOMIC DEVELOPMENT PROGRAMS**

The Chief Executive Officer is authorized, consistent with statutory limitations, to develop and carry out economic development programs and enter economic development agreements consistent with the budget. Economic development programs may include advertising (including the use of advertising firms within budgetary authority), and promotion of the Port Authority, including its properties, facilities and services. Such economic development programs shall be reviewed by the Board from time to time.

### **XXI. CHELAN AIRPORT**

The Chief Executive Officer is authorized to work with the City of Chelan on all matters involving the jointly owned City of Chelan Airport consistent with the Joint Operating Agreement between the parties.

### **XXII. ACCOUNTING AND AUDITING SERVICES**

Subject to Section 4(X), the Chief Executive Officer is authorized to retain necessary services from recognized accounting and auditing firms. Such services may include the comprehensive annual financial report, audits, and appropriate accounting services as required, at established rates for such services in the area.

### **XXIII. REIMBURSABLE SERVICES**

The Chief Executive Officer is authorized to enter into agreements pursuant to which the Port Authority will provide reimbursable services, when such services are part of normal Port Authority operations or incident thereto.

### **XXIV. GOVERNMENTAL AFFAIRS CONTRACTS**

The Chief Executive Officer is authorized to enter into governmental affairs contracts subject to said expense appearing in the budget and subject to each individual contract not exceeding \$5,000 per month, not including reimbursable expenses.

## **XXV. ABSENCE OF CHIEF EXECUTIVE OFFICER**

In addition to any other authority expressly delegated herein to the Director of Finance and Administration, in the absence of the Chief Executive Officer, the Director of Finance and Administration shall have all of the authority set forth in this Resolution. When relying on this Article XXIV, the Director of Finance and Administration shall notify the President of the Board as soon as reasonably possible of the exercise of any delegated authority.

## **XXVI. BOARD RETAINED AUTHORITY**

Except as specifically set forth by the Board in the preceding portion of this Resolution, or unless specifically set forth by the Board in the preceding portion of this Resolution, or unless specifically authorized by other action of the Board, the Board shall retain the following authority:

- a. To approve leases, contracts, purchases, change orders, and other agreements exceeding the delegation set forth above;
- b. To borrow funds;
- c. To establish levy rates;
- d. To oversee the work of the internal auditor and legal counsel;
- e. To establish levels of compensation and adjustments, including benefits, for the Chief Executive Officer;
- f. To approve vouchers, budgets, and amendments thereto (including line-item adjustments);
- g. To determine and establish the direction, goals, and policies of the Port Authority, unless specific direction for the determination or implementation has been given to the Chief Executive Officer or to others;
- h. To change the duties and responsibilities of the Chief Executive Officer at any time by the specific action of the Board, including amendment or modification to this Resolution; and
- i. To delegate specific authority, whether or not described herein, to a Board Member or another employee of the Port Authority, by motion made and approved at an open public meeting (e.g. delegating authority to a Board Member to approve any changes made to an agreement that has been approved by the Board; delegating signature authority to a Port Authority employee overseeing a particular project).



**ADOPTED** by the Board of Directors of the Chelan Douglas Regional Port Authority this 22<sup>nd</sup> day of December, 2020, and duly authenticated in open session by the signatures of the Board of Directors voting in favor thereof.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

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

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Jim Huffman, Director

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

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

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

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

**WORKING BUSINESS PLAN**

**Chelan Glass Recycling/Repurposing Project**

**Rotary Club of Lake Chelan**



**October 9, 2020**

## 1. EXECUTIVE SUMMARY

**1.1 Product/Service:** This endeavor has a product aspect, as well as a service aspect. The service involves providing glass repurposing for the City of Chelan and surrounding area to meet the overwhelming demand for glass recycling by local residents and businesses.<sup>1</sup> The product is the crushed glass cullet that the repurposing project will generate as a result of pulverizing in the Andela Products GP-05L pulverizing system. *See* Exhibit A hereto, the Andela Products brochure and product overview. The end product can take any of three forms: (1) a fine sand; (2) a larger glass aggregate; and (3) a combination of both sand and aggregate. There are different applications suited to each of the three products. *See* Exhibit B hereto, a description of the rounded cullet produced by the Andela pulverizing system and list of potential end uses for the Andela-manufactured glass cullet.

**1.2 Customers:** Potential customers for the glass cullet include the City of Chelan, the Chelan-Douglas Port Authority, the County of Chelan, local residents, construction companies, landscaping companies, wineries, countertop manufacturers, glass blowers, and artists, to name a few. A more detailed discussion of the most viable potential end uses of the pulverized glass cullet is set forth in Section 4.4.

**1.3 What Drives Us:** The main driver of this project is the public outcry to return glass recycling to Chelan and the surrounding area. Before the City abolished its glass recycling program, it is estimated that 400 tons of glass was being diverted from the landfill annually.<sup>2</sup> Since that diversion program was abolished, all glass generated by local residents enters the solid waste stream and is sent to the landfill. Local residents find the practice of placing their glass bottles and jars in the trash abhorrent and have been clamoring for a way to recycle glass for over two years.<sup>3</sup> We have learned anecdotally that a number of local residents and visitors to our area haul their used glass to destinations West of the Cascades that accept glass for recycling, rather than be forced to dispose of it in the trash.

A second driver of the project is the desire for the Rotary Club of Lake Chelan (RCLC) to provide a service to the community that fills a genuine, and widely held, need and also provides visibility to the community service work of RCLC. It is anticipated that this project will be highly visible, and RCLC will receive ample recognition for its role in restoring glass recycling to the community and running the glass recycling program.

Yet another driver is RCLC's desire to increase environmental awareness in the local community. Encouraging residents to recycle/repurpose their used glass is envisioned as an initial building block in bringing awareness to the larger panoply of environmental issues that confront our community and Valley. It is hoped that as residents experience the gratification of repurposing their used glass, they may be motivated to take other steps to improve the environment and alleviate strain on the local landfill (such as composting food waste). RCLC has committed to embrace Rotary International's

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<sup>1</sup> J. McCoy and M.P. Scofield, Interview with former Mayor Mike Cooney, June 23, 2020; Anecdotal evidence supplied by numerous call-ins to KOZI "Second Cup of Coffee" during 2018-2019 at approximately the time that the City was forced by economic considerations to eliminate glass recycling, resulting in a public outcry in protest.

<sup>2</sup> J. McCoy, Interview with Scott Beaton, former manager of glass recycling program for City of Chelan, July 16, 2020.

<sup>3</sup> *See* Glass Recycling Coalition Industry Survey, 2018, p.2, stating that the main factor driving glass recycling programs nationwide is the expectation of local residents that glass should be recycled.

newly-adopted Seventh Area of Focus on the environment, and one facet of this area of focus is repurposing/recycling. We hope to bring attention to this Seventh Area of Focus, and RCLC's embrace of it, as a way to attract new members to RCLC and demonstrate Rotary's continuing relevance throughout our community and the world.

Still another driver for this project is the valuable partnerships that will be cemented between RCLC and the City, as well as local businesses that choose to participate in the venture. Relationships and collaboration are critical to the continuing success and relevance of Rotary, and this project will boast ample opportunity for RCLC to form and nurture both existing and important new relationships in our community. The collaboration with the City likely will prove beneficial to both parties, as the City realizes substantial savings in hauling and tipping fees at the landfill, based on glass being diverted from the solid waste stream, and also realizes savings on purchases of sand and aggregate for public works projects.

Lastly, community and economic development likely will be impacted in a positive way, and this honors yet another Rotary Area of Focus: community and economic development. To the extent that the project attracts new businesses (such as artists, countertop manufacturers, and glass blowers, to name a few), the project could result in significant economic stimulation in our community. As the project itself grows, it may provide employment opportunities as additional personnel are required to receive, crush, and stockpile glass. There is even potential for implementing a glass pick-up program, which could employ drivers and others to load and unload the post-consumer glass that is collected.

## **2. PROJECT DESCRIPTION**

**2.1 Mission Statement:** Our mission is to provide a permanent, sustainable solution for glass recycling/repurposing for the City of Chelan, its residents, businesses, and the surrounding area, and in doing so to provide a "local solution to a local problem" by identifying and taking advantage of local end uses and markets for the repurposed glass cullet.

**2.2 Principal Members:** This endeavor is proposed to be a joint venture between the City of Chelan and RCLC, with support/sponsorship from a number of local wineries, and perhaps other local businesses, which will provide seed money for the project. The Chelan Douglas Port Authority and the County of Chelan may also partner with RCLC in the venture and/or lend their support to the project. We are particularly interested in the potential for the Port Authority to identify and attract new businesses that may become purchasers for the end product, such as manufacturers of glass countertops, for example.

**2.3 Legal Structure:** We propose a Joint Venture between the City of Chelan and RCLC to be memorialized in a definitive written agreement which will define the glass recycling enterprise, including the physical location of the pulverizing system, City equipment that might be utilized at the crushing site, and the staffing of the facility to receive the post-consumer glass, operate the pulverizer, and stockpile the resulting pulverized glass cullet. Such agreement will also address the financial obligations of each party as to the other and will contain appropriate mutual indemnification provisions. Insurance issues can also be addressed, as RCLC is the beneficiary of a policy of insurance held by Rotary International that provides coverage for RCLC's community service endeavors, of which this will be one.

### 3. MARKET RESEARCH

**3.1 Industry:** Glass recycling is largely conducted by municipalities and solid waste facilities to address consumer demand for recycling. True “recycling” involves using post-consumer glass to fabricate new glass bottles and jars, as glass is 100% and endlessly recyclable.<sup>4</sup> The challenge is that there are a limited number of “cullet” processors in the U.S., and they are geographically dispersed and typically located near large urban centers.<sup>5</sup> (A cullet processor processes post-consumer glass into a form (“glass cullet”) that can be sold to a glass manufacturing facility.) This means that for a municipality to recycle its glass requires transporting it to a cullet processor that may be several hours away. For rural communities, this makes actual recycling less attractive because of the expense and the deleterious effect on the environment of hauling glass to distant locales. This is the situation faced in Chelan, as the closest cullet processor, Strategic Materials, is located in the Seattle area.<sup>6</sup> Compounding the issue, Strategic Materials has told RCLC that while it will accept our glass cullet, it will not pay for the product or the transportation costs.

As a result of the foregoing, local municipalities with glass crushing equipment have been using crushed glass cullet for a wide range of local applications, such as glassphalt,<sup>7</sup> road traction,<sup>8</sup> drainage,<sup>9</sup> construction,<sup>10</sup> and landscaping.<sup>11</sup> A number simply make the product available free to local residents

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<sup>4</sup> Glass Manufacturing Industry Council, “Cullet Supply Issues and Technologies” White Paper, October, 2018.

<sup>5</sup> GMIC White Paper, page 8, estimating that there are only 16 cullet suppliers operating 51 glass processing plants in 27 states, the largest of which by far is Strategic Materials, Inc.

<sup>6</sup> Sustainable Wenatchee, [www.sustainablewenatchee.org/post/recycling-or-repurposing-glass-in-ncw](http://www.sustainablewenatchee.org/post/recycling-or-repurposing-glass-in-ncw), April 16, 2019.

<sup>7</sup> Clean Washington Center (CWC) Best Practices in Glass Recycling, Preparation and Placement of Glassphalt, BP-GL-02-02, concluding “Under the right economic conditions, and with proper technical expertise, specification roads, especially those designed for medium traffic, can be made using glass as a portion of the fine or course aggregate in asphalt. The economics of glassphalt are a local issue and generally rely on recognition of the value of waste diversion.”; The Asphalt Handbook, 1989, Asphalt Institute Manual Series No. 4; U.S. Department of Transportation, Federal Highway Administration Research and Technology Report, “User Guidelines for Waste and Byproduct Materials in Pavement Construction”, Publication No. FHWA-RD-97-148.

<sup>8</sup> Anchorage Daily News, January 2, 2017, reporting that Anchorage is using crushed glass for traction at their recycling center.

<sup>9</sup> Concrete Construction, “Crushing Glass for Cash,” September 9, 2016; C. Andela and E. Sorge, “Handbook of Alternative Uses for Recycled Glass,” p. 12.

<sup>10</sup> Concord Monitor, “If recycling glass becomes impossible, what can be done with it? Grind it up, of course,” April 6, 2018.

<sup>11</sup> “I’ve got a crush on you: Should your community consider a glass crusher?” December 30, 2014,

and businesses, finding that glass repurposing is well worth the effort even if the end product cannot be sold locally because of the savings realized on hauling and tipping fees.<sup>12</sup> Some have found very unique markets for their glass cullet product, such as glass countertops,<sup>13</sup> stained glass windows,<sup>14</sup> hydroponics,<sup>15</sup> and even glass pumice stones.<sup>16</sup> To the extent that RCLC cannot identify sufficient end uses/markets locally for the cullet, our contingency plan would be to ship the cullet to Strategic Materials on an as-needed basis to eliminate any excessive stockpile. Strategic Materials' assurance that they will accept the cullet provides RCLC with a backstop to ensure that the venture does not become burdened with a large accumulation of glass cullet at the City's Recycle Center, the proposed site of the operation.

Our research has revealed only one for-profit model for glass recycling (excluding solid waste facilities, which of course turn a profit). Glassman Recycling and Repurposing based in Omaha, NE, is a company in its infancy and bears watching.<sup>17</sup> It appears Glassman has not settled on a precise end user for its crushed glass, but it has set up a collection system for local residents and businesses.<sup>18</sup>

**3.2 Customers:** The initial "customer" for the crushed glass is the City of Chelan, which has indicated an interest in both the sand and aggregate. The sand is suitable for road traction,<sup>19</sup> golf course sand, and potentially for use on beaches and volley ball courts. The aggregate is suitable for drainage and bedding/fill applications.<sup>20</sup> In consideration of the City's allowing RCLC to use the Recycle Center to

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[www.themunicipal.com/2014/12/ive-got-a-crush-on-you/](http://www.themunicipal.com/2014/12/ive-got-a-crush-on-you/) (Gustavus Bay, AK selling crushed glass to landscapers for \$17 per bin).

<sup>12</sup> J. McCoy, Interview with Daniel Chavez, Recycling Operator, City of Los Lunas, NM, June 26, 2020, reporting that after the City lost the local market for its glass cullet, it continued to make the product available free of charge to local residents, as the savings on landfill costs justified continuing the program while another paying end user was identified.

<sup>13</sup> "Cumberland County Recognized for Innovative 'Friendly Glass' Recycling System," article supplied by Andela Products, reporting that crushed glass is being sold to a local countertop fabricator for \$120 to \$150 per ton. *See* Exhibit C hereto, which summarizes Cumberland County's success with the Andela glass cullet.

<sup>14</sup> J. McCoy, Interview with Daniel Chavez, Recycling Operator, City of Los Lunas, NM, June 26, 2020.

<sup>15</sup> Concrete Construction, "Crushing Glass for Cash," September 9, 2016, reporting that City contracted with hydroponic grower to purchase the excess glass after local public works projects were accommodated.

<sup>16</sup> *Id.*

<sup>17</sup> *See* [www.glassmanrandr.com](http://www.glassmanrandr.com), the company's official website.

<sup>18</sup> J. McCoy, Interview with Simeon Worthing, Principal and Founder, Glassman, July 21, 2020.

<sup>19</sup> C. Andela and E. Sorge, "Handbook of Alternative Uses for Recycled Glass," p. 28.

<sup>20</sup> J. McCoy, Interview with Cynthia Andela, July 27, 2020.

house the pulverizing system and the operation, RCLC would provide the City with the glass cullet free of charge in such quantities as it desires. As mentioned, local wineries and landscaping companies are also potential customers. The product has a special appeal in landscaping applications as a substitute for mulch. When the sand and aggregate are combined, they produce a mulch that provides excellent drainage as well as, paradoxically, excellent water retention.<sup>21</sup> It also repels insects (functioning much like diatomaceous earth, although unlike DE, glass cullet is entirely and endlessly renewable), provides insulation in the Winter months, and reflects sunlight back up onto the plants on days of limited sunlight.<sup>22</sup> Other potential customers include paving companies, construction projects, manufacturers/installers of septic systems, pool and spa companies, manufacturers of glass countertops, childrens' playgrounds, artists, churches, manufacturers of fiberglass, distributors of aquariums, sandblasting companies, glass blowers, jewelry makers, and many others.

**3.3 Competitors:** As this is a not-for-profit project, RCLC has no real competitors. However, the Rotary Club of Ellensburg has indicated it is launching a glass recycling program for its community. We are collaborating and sharing information in the hopes that both endeavors will be successful. This is a "cutting edge" business venture which is postured to address any or all of numerous untapped markets. *See Exhibit B hereto, "Markets for Andela Glass."*

**3.4 Competitive Advantage:** We will utilize state-of-the-art technology for this project in the form of the proprietary technology offered by Andela Products, which produces a product that has no sharp edges and is safe to handle. Older technologies have proven to present challenges resulting from a product that is either too fine (powdery) or too sharp (glass shards) to have many potential end markets. While other municipalities have used crushing machines that break glass into smaller pieces for the purpose of reducing the volume of the glass so as to make it more amenable to transportation (such as the City of Chelan once did and Twisp currently does), the goal of this project is not simply to reduce the volume, but to produce a product that can be used locally, thus avoiding the need for transportation altogether. The other issue with the older technology, as we have learned anecdotally, is that it is difficult to maintain and malfunctions frequently. The Andela technology features easily replaceable parts, such as the hammers, and Andela has provided a service schedule that, if followed, should either eliminate or drastically reduce machine break-downs. *See Exhibit D hereto, Andela's "Wear Part Cost" summary for the 05L system under consideration.* Andela's Director of Sales has told RCLC that it is not unusual for their machines to remain in service for well over 20 years. The Andela processing system also utilizes a proprietary technology that removes labels, metal lids, and other contaminants. *See Exhibit A.*

**3.5 Regulation:** WSDOT has issued specifications for the use of crushed glass in various construction projects. While not applicable to the City or any of the other potential customers, those specifications can serve as guidelines for the use of the City, Port, County, and others that may desire to make use of our end product in construction projects.<sup>23</sup> In general the specifications allow for the use of glass cullet up to 20% of total material for certain applications.

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<sup>21</sup> *Id.*

<sup>22</sup> Lincoln University Centre for Viticulture and Oenology, "Reflective mulch effects on the grapevine environment, Pinot noir vine performance and juice and wine characteristics," April, 2010.

<sup>23</sup> Table on Maximum Allowable percent (By Weight) of Recycled Material, WSDOT 2020 Standard Specifications (M 41-10), Page 9-38, Table 9-03.21(1)(E).

## 4. PRODUCT/SERVICE LINE

**4.1 Product or Service:** As mentioned, we will be producing three products: sand, aggregate, and a mixture of the two. The pulverizing system under consideration, manufactured by Andela Products of Richfield Springs, NY, produces an end product that has no sharp edges and is safe to handle. The sand is suitable for childrens' playgrounds and beaches. The service we will offer is glass recycling/repurposing for Chelan and the surrounding area, which will be a service to the City and its residents and businesses. Exhibit A hereto contains photographs of the end products that will be produced with the Andela pulverizing system.

**4.2 Pricing Structure:** With certain exceptions, RCLC plans to charge a "drop off" fee of five cents per pound for residents and businesses to deposit their used glass for crushing. (A normally-sized wine bottle, for example, weighs approximately one pound.) We anticipate providing sand and aggregate free of charge to the City of Chelan in consideration of the City allowing RCLC to use City property (the Recycle Center) to house the pulverizing system and receive and crush glass. However, RCLC will need to cover the anticipated costs of maintaining the system by selling some of the product to other customers. Initially, RCLC will make the product available to local residents and businesses via a "scoop your own" program for which we will charge \$5.00 for a 5-gallon bucket. This should cover RCLC's costs of operation initially. Thereafter, we hope to identify other end markets, and perhaps to sell the combined product to local wineries at the price the market will bear. The exception would be the participating wineries that contribute to the purchase of the pulverizing system. RCLC would offer the product to those wineries free of charge for a period of time so as to allow them to recover their initial investment in the machine and, on the same rationale, RCLC would not charge those participating wineries and other businesses a drop-off fee. To the extent that RCLC turns a profit on the enterprise beyond the return on RCLC's initial investment and what is required to fund future anticipated maintenance costs, we would utilize those profits to fund the various charitable endeavors of RCLC, including other local community service projects, local scholarship programs, and the international projects financed and managed by RCLC in Kenya. In particular, RCLC would seek to identify other local environmental causes that might be capitalized with proceeds from the glass repurposing program.

**4.3 Intellectual Property Rights:** Any trademark or trade-dress that is developed to brand or market this effort would be the intellectual property of RCLC. We anticipate commissioning a distinctive logo and branding for this project, which would then become the intellectual property of RCLC. This presents an opportunity for RCLC, as we could (and should) license our logo/trade dress to other Rotary Clubs that wish to launch glass recycling projects.

**4.4 Research & Development:** The research supporting this project has largely consisted of exploring end uses for the pulverized glass cullet. That research has revealed at least the following potential end uses, many of which are well-established markets.

**Construction applications under WSDOT specifications:** WSDOT allows recycled glass cullet to constitute up to 20% of the content of materials used in various fill applications, although legislation does not currently require its use.<sup>24</sup>

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<sup>24</sup> Table on Maximum Allowable percent (By Weight) of Recycled Material, WSDOT 2020 Standard



**Glassphalt:** Many jurisdictions have utilized crushed glass as a component of asphalt (known as “glassphalt”).<sup>25</sup> This is a well-established practice that has existed for several decades and is widely utilized in the Northeast U.S.<sup>26</sup> The City has expressed some preliminary interest in this application, and it bears further exploring.<sup>27</sup>

**Septic Drainfields and Onsite Treatment of Waste Water:** Washington Department of Health has approved crushed glass for use in septic drainfields and in sand lined trench systems.<sup>28</sup>

**Water Filtration:** Crushed glass is often used as a substitute for sand in water treatment systems.<sup>29</sup>

**Pools and Spas:** Crushed glass has a proven market for use in pool and spa filtration.<sup>30</sup>

**Road Traction:** The sand product produced by the Andela pulverizer has been deemed appropriate for use as a sand substitute for road and sidewalk traction.<sup>31</sup>

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Specifications (M 41-10), Page 9-38, Table 9-03.21(1)(E).

<sup>25</sup> See, <https://www.youtube.com/watch?v=rHBMOXReYok&feature=youtu.be>, a short video on the use of “processed glass aggregate” for paving projects; Pothole.Info, “Glassphalt: Have Roads Made with Recycled Glass Changed Pavement?” reporting that Adams County, WI, states that their parking lots made with glassphalt “feature no potholes and require much less maintenance compared to projects constructed with gravel, saving even more money in the long term.”; Jordan Journal of Civil Engineering, Vol. 11, No. 1, 2017 “Effect of Waste Glass on Properties of Asphalt Concrete Mixtures,” stating “Satisfactory performance of upper asphalt pavement layers can be achieved by adding glass waste with 10% of the mix.”

<sup>26</sup> The Seattle Times, “Big Apple Shine: New Yorkers Sold on New ‘Glassphalt’ Paving,” June 30, 1991; [www.sioneer.com](http://www.sioneer.com), “How Glass Benefits the Road and Surfaces Industry.”

<sup>27</sup> J. McCoy, Conversations with Mitchell Paving and J. Youngren, various dates.

<sup>28</sup> Pipeline, “Alternatives to Gravel Drainfields,” Spring, 2005, Vol. 16, No. 2.; “Crushed Glass as a Filter Medium for the Onsite Treatment of Wastewater, Final Report,” prepared for CWC, March, 1997; Washington State Department of Health, “Recommended Standards and Guidance for Performance, Application, Design, and Operation & Maintenance, Sand Lined Trench Systems,” March, 2014; Washington State Department of Health, “Recommended Standards and Guidance for Performance, Application, Design, and Operation & Maintenance, Stratified Sand Filter Treatment Systems,” July, 2012.

<sup>29</sup> C. Andela and E. Sorge, “Handbook of Alternative Uses for Recycled Glass,” p. 31.

<sup>30</sup> C. Andela and E. Sorge, “Handbook of Alternative Uses for Recycled Glass,” p. 32.

<sup>31</sup> L. Shedlock, “Glass for Traction: A cutting edge Idea,” Scranton Times Tribune, December 10, 2003; <https://register.gotowebinar.com/recording/1036257116204026113>, a brief webinar on the use of recycled glass in public works projects.

**Sand Blasting and Abrasives:** This is an established market for crushed glass.<sup>32</sup>

**Glass countertops and table-tops:** This is a potentially lucrative market for the crushed glass, which can be utilized to produce beautiful countertop surfaces. Cumberland County, NC, recently contracted with a manufacturer of glass countertops to sell crushed glass for this purpose for \$120 to \$150 per ton.<sup>33</sup> The thriving construction industry in Chelan and the surrounding area makes this an attractive potential end-market for the glass cullet.

**Fiberglass:** Crushed glass is widely used in the manufacture of fiberglass. The closest manufacturer of fiberglass to Chelan is Owens-Corning in Corvallis, OR, making this particular market untenable for this project.<sup>34</sup>

**Sand bags:** The sand and even the combined product are suitable for use in sand bags. Chelan Building Supply has been offering sand bags containing crushed glass to its customers for some time now.

**Trails and Walking Paths:** We have learned anecdotally that recycled glass is deposited on certain trails in Mazama.<sup>35</sup>

**Art Projects and Decoration:** Some municipalities have found that local artists incorporate the crushed glass into various art projects and that residents use it in gardens and planters for its decorative, aesthetic appeal.<sup>36</sup> This raises the potential for projects with the Senior Center and local schools.

**Agricultural applications:** The agricultural and landscaping applications for the combined product (aggregate and sand) offers many possibilities. The crushed glass cullet allows for good drainage (via the larger aggregate product on top), but also retains water at the base of the plant (via the sand product at the bottom).<sup>37</sup> (The glass has a negative charge, which attracts water.) The glass also provides insulation for the plants in Winter and reflects sunlight back up the plants on days of limited sunshine. It also protects the plants from insects, which get cut on the substance. It is very similar to diatomaceous earth and in fact has the same chemical structure as DE, but is completely renewable. Landscapers have found that the product results in 30% better

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<sup>32</sup> C. Andela and E. Sorge, “Handbook of Alternative Uses for Recycled Glass,” p. 22.

<sup>33</sup> “Cumberland County Recognized for Innovative ‘Friendly Glass’ Recycling System,” article supplied by Andela Products, Exhibit C hereto.

<sup>34</sup> See [www.rippleglass.com](http://www.rippleglass.com), “The Ripple Effect,” local customer (Owens Corning) converts crushed glass into fiberglass insulation; Forester Network, “Does Glass Recycling Still Make Sense?” June 30, 2016, reporting sales of crushed glass to Owens Corning and Johns Manville for fiberglass.

<sup>35</sup> J. McCoy, Interview with S. Beaton, July 16, 2020.

<sup>36</sup> J. McCoy, Interview with Daniel Chavez, Recycling Operator, City of Los Lunas, NM, June 26, 2020.

<sup>37</sup> J. McCoy, Interview with Cynthia Andela, July 27, 2020.

water retention over soil and other types of mulch. A vineyard in New Zealand is experimenting with the product on grape vines, and this is something we intend to pursue.<sup>38</sup> Landscapers are said to prefer the glass cullet to other kinds of mulch because of its superior properties. RCLC has a potential consulting resource in the Viticultural Program of the Wenatchee Valley College. This is a developing market with intriguing implications which merits further in-depth study.

**Reclaimed Water:** This is a new potential end use. We have learned that Lowridge Technologies has a patent pending for a water treatment method that will use recycled glass as the treatment media to produce Class A reclaimed water from waste water.<sup>39</sup>

**Weighted Blankets:** RCLC recently learned anecdotally that crushed glass is being used as the “fill” for weighted blankets.<sup>40</sup>

**Road Base:** The City of Olympia sends its post-consumer glass to Concrete Recyclers of Tumwater, WA, where it is crushed into aggregate for road and construction base.<sup>41</sup>

**Horse Arenas:** We are investigating the use of glass cullet in horse arenas and are in discussion with the local saddle club about this possibility.<sup>42</sup>

**Other Potential Uses:** There are so many potential end uses for crushed glass that a discussion of all of them is beyond the scope of this working business plan. Attached as Exhibit B is a publication generated by Andela Products that identifies still other potential end uses, some of which are not specifically discussed in this document, but should not be discounted either.

## 5. MARKETING AND SALES

**5.1 Growth Strategy:** The strategy is to start this project slowly to allow time for the public to embrace it and allow RCLC time to develop best practices and efficiencies. The project might initially receive glass only from those who can prove residency in Chelan, Manson or Chelan Falls, so as to keep the project manageable during the inevitable “learning curve.” Thereafter, we can potentially expand the project countywide as soon as we have maximized efficiencies in running the operation and have met the market for the desired end product (including, especially, the City’s requirements). At this point RCLC will be in a position to take on more “work” and expand into additional markets.

The project will start as a regular Rotary Community Service event, with RCLC staffing the effort on

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<sup>38</sup> Lincoln University Centre for Viticulture and Oenology, “Reflective mulch effects on the grapevine environment, Pinot noir vine performance and juice and wine characteristics,” April, 2010.

<sup>39</sup> [www.lowridgetech.com/water-reuse](http://www.lowridgetech.com/water-reuse).

<sup>40</sup> See [www.relaxeden.com](http://www.relaxeden.com).

<sup>41</sup> See [www.olympiawa.gov/city-utilities/garbage-and-recycling/](http://www.olympiawa.gov/city-utilities/garbage-and-recycling/).

<sup>42</sup> See <https://extension.psu.edu/riding-arena-footing-material-selection-and-management#:~:text=Angular%20sand%20provides%20better%20stability,among%20the%20most%20expensive%20sands>.

Saturdays during pre-published hours. Rotarians will receive the glass, collect the applicable fee, and feed the bottles and jars through the pulverizer, crushing and stockpiling the end product according to perceived demand. Rotarians will also collect the fee for those who avail themselves of the “scoop your own” opportunity. Eventually, we may find that there is more glass than a single day per week of crushing can accommodate. At that point, it may be necessary to bring in one or more of our partners to receive and crush glass on another day or days. Potential candidates include our winery partners, Rotaract, and Interact (the latter with supervision from RCLC).

As the project grows, either RCLC or the City may choose to fund a part-time position to assist with the crushing and receiving process. As the City realizes savings on hauling and tipping fees<sup>43</sup> and the purchase of sand and aggregate,<sup>44</sup> it may even want to take over the endeavor and staff it full-time with City employees. RCLC might be involved to a more limited extent at this point. We are very cognizant that the project must offer some ongoing incentive for both the City and RCLC to have sufficient motivation to invest the time and effort into it for years to come. To that end, RCLC will continue to look for avenues to ensure the project remains sustainable for the long-term, perhaps by adopting a business model with paid employees to staff and oversee the enterprise. Alternatively, there is also the possibility that at some point, the City may want to take over the project and run it as part of its Public Works Department. If RCLC successfully places some of the end product with paying customers, this likely will facilitate a very easy transition (if that is what both parties desire), as the demonstrated economics will prove that the project is not only sustainable, but a lucrative revenue stream for years to come. Sustainability is a key feature of any Rotary project and one RCLC has made the highest priority in this endeavor.

**5.2 Communication:** We will publicize the project through all available means: KOZI, Lake Chelan Mirror, Lake Chelan Now, social media postings, posters in public places (such as the post offices in Chelan and Manson), and via printed material provided to our winery partners describing the program and promoting their participation in it. In addition, we will generate descriptive correspondence to provide to all potential partners, including the City and the local wineries.

**5.3 Prospects:** Initial prospects include all local wineries, the Chelan Wine Alliance, Campbell’s Resort, the City, the County, and perhaps the Chelan Douglas Port Authority. These prospects will be approached regarding participating in the cost of the pulverizing system, thus providing seed money for the venture. Sponsorship levels will be developed to correspond with different levels of financial support. These levels will include various levels of recognition (signage, radio, social media, etc.) as well as arrangements for amounts of glass that will be received and crushed without a fee. For example, at the \$10,000 level, a sponsor might be entitled to five years of crushing free of any deposit charge, another five years at a discounted rate, etc. These specifics can be developed as we gauge interest through RCLC’s initial canvassing of potential partners.

**6. FINANCIAL PROJECTIONS:** The list price of the Andela 05L pulverizing system is \$111,600, exclusive of freight and installation. *See* Exhibit E, hereto. However, as a courtesy to RCLC, a “sister” Rotary Club to the Richfield Springs Club of which Andela’s principal is the past president, Andela has quoted RCLC an “all in” price of \$110,588. *See* Exhibit F. This amount will be raised through soliciting

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<sup>43</sup> J. McCoy and M.P. Scofield, Interview with former Chelan Mayor Mike Cooney, June 23, 2020.

<sup>44</sup> *Id.*

financial partners and through fundraising. RCLC's contributions will be the operation of the project and the research and groundwork (including financial solicitation) to bring the project to fruition and make it a reality. RCLC will also do the public outreach/community education to garner the public participation that will be needed to make the endeavor a success. It is hoped that most or all prospects mentioned in Section 5.3 above will contribute financially to the initial investment in the pulverizing system. If there is a shortfall after all prospects have been solicited, RCLC will hold a pledge drive (e.g., Seven Acres Foundation) or other fundraiser(s) to close the gap, soliciting funds from members of the community. The broader the stakeholder base RCLC has as we launch the endeavor, the broader the support for the ongoing project and the greater the likelihood of its success, so we would hope to spread the opportunity throughout the community as broadly as possible, amassing support from individuals and businesses alike. Again, sustainability is RCLC's chief priority in this endeavor.

Aside from the initial purchase price for the pulverizing system, ongoing maintenance costs must also be factored into the financial equation.

The cost of maintaining the pulverizing equipment according to information supplied by Andela (Exhibit D) is as follows:

- Hammer replacement (28 at \$72 each) required after 300 to 400 hours (estimated at one year of operation).
- Chromium Carbide Barrel Liners (\$1,862 total) required after 4000 hours (at approximately ten years of operation).
- Trommel Brush (\$515) replacement required after 1000 hours (after approximately three years).
- For purposes of estimating, we can anticipate the cost at \$3.01 per ton assuming we are crushing two tons per hour and \$6.02 per ton at one ton per hour. (An all-sand crush equates to one ton per hour, per conversation with Cyndy Andela on or about September 10, 2020.)

On the income side, RCLC will be charging a drop-off fee (with certain exceptions) and for the "scoop your own" program. Suggested charge for "scoop your own" is \$5.00 per 5-gallon bucket. This should cover the cost of operations assuming the cost averages out at about \$5.00 per ton. In addition, we will charge a drop-off fee of five cents per pound. As stated above, certain partners will either be exempt from a fee or will be charged a discounted fee, depending upon their initial investment in the pulverizing system.

Further, RCLC will explore other revenue streams as we satisfy the City's demand for the product and judge the level of demand for "scoop-your-own" in the community. As we have additional capacity, RCLC can begin identifying other paying customers. The possibilities here are numerous. Attracting a manufacturer of glass countertops with the help of the Port Authority probably would provide RCLC with a market that would allow us to take glass from far-flung areas, provided RCLC can marshal the person-power and space to crush and stockpile all the glass. And if a significant number of the wineries decide they want the product for their vines, RCLC could then find itself in the position of being able to hire a staff and run the operation as a business. At that level, income generated could support RCLC club operations as well as all of RCLC's service projects, which should serve as the incentive for Club members to continue the program for many years hence, again addressing sustainability.

Attached as Exhibit G is an example of a possible income and expense summary based on hypothetical data for the project. Income and expense projections will be refined as the project launches, gains purchase in the community, and expands.

**7. ADDITIONAL OBSERVATIONS:** While this business plan may be slightly unconventional because of its fluidity, RCLC believes it is important to have a flexible plan to accommodate an organic formulation of this “business” as opportunities arise for partners and end markets. Research has revealed a wide range of end uses for glass cullet, and more are being identified as the need to repurpose glass has taken on some degree of urgency in many communities, resulting in innovation and experimentation with a variety of applications. It seems the possibilities are limited only by the human imagination. The City’s desire to use the product for public works projects ensures that at least a portion of the initial product produced will have a viable, local end use. This will allow time for RCLC to identify paying customers for the product, which may even entail enticing a new business or businesses to the City of Chelan, such as a manufacturer of glass countertops or a glass blower. Both of these kinds of businesses would be good fits with our Valley and the local environment, glass blowing a natural complement to the wineries and other tourist attractions. The unique environment of our Valley with the flourishing wine industry presents something of an embarrassment of riches for this project, as there is an ongoing supply of raw material (wine bottles) to “feed” this endeavor, enabling the project to leverage the sustainable, perpetual supply of raw product from which to produce the end products. The Preserve Planet Earth Committee of RCLC, which has researched and produced this business plan, will continue to research and follow developments in the glass recycling/repurposing industry so as to identify additional end markets for the product and to implement best practices and efficiencies for the project itself.


EXHIBITS TO BUSINESS PLAN

GLASS RECYCLING/REPURPOSING  
PROJECT

ROTARY CLUB OF LAKE CHELAN

## **EXHIBIT A**



  
**ANDELA**  
Products



## Andela Equipment

Our pulverizers, breakers, trommel screens, surge hoppers and conveyors are manufactured in custom designs for selective reduction and separation systems. We fabricate everything in-house and have been shipping systems domestically and across the world for over twenty five years.



GP-MINI



GP-MEGAMINI



GP-05L



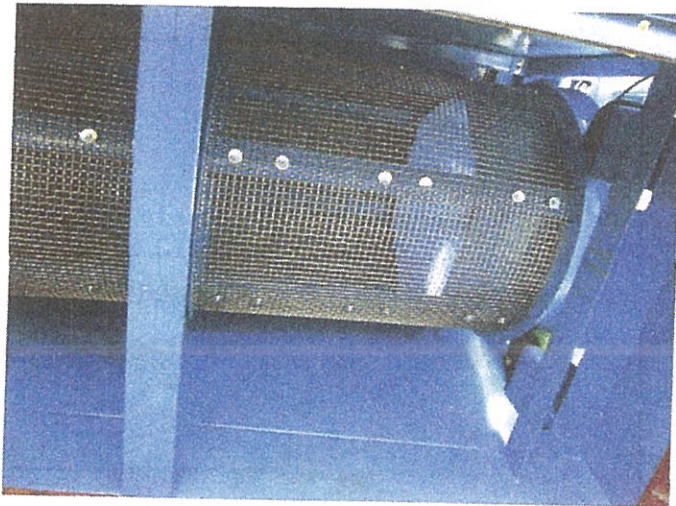
GPT-1HD



SURGE HOPPER



GPT-1HD



TROMMEL SCREEN



PULVERIZER

## *Andela Glass Pulverizing*

Andela Products is a manufacturer of recycling equipment and systems for glass. We offer bottle, plate, mixed/broken glass, windshield and CRT/TV glass reduction and recycling systems.

Our systems recycle glass into a safe-handling fine granular product with no sharp edges. It is sold in the community and internationally as engineered aggregates, landscaping mulch and for various local use.

### WASTE GLASS

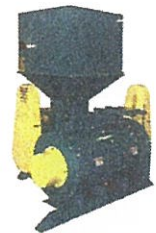
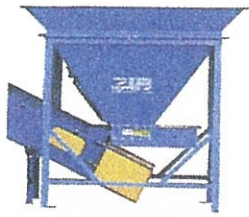


### PULVERIZED GLASS SAND



### PULVERIZED GLASS GRAVEL



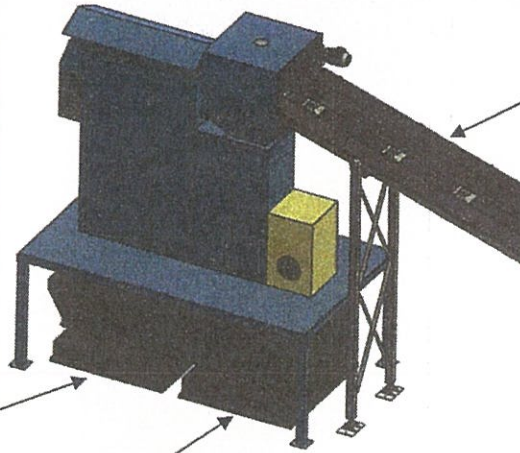


# GLASS CLEAN-UP UNIT

Separated Residue



Single Stream Mixed Glass



Cleaned Glass Cullet



The Andela Glass Clean-Up Unit is designed to separate glass cullet from paper and other residue using our proprietary equipment / process. Our Glass Clean-Up Unit features easy access panels and hand adjustments to achieve the desired output. Cullet and Residue can discharge into tip-bins, conveyors or bunkers and can be integrated into your currently existing system.

- Simple to operate and maintain
- Easy Installation
- Reasonably priced
- Durable
- Totally enclosed with easy access doors and adjustments
- Single frame construction

## ANDELA PRODUCTS

493 State Route 28  
Richfield Springs, NY 13439  
Phone: (315) 858-0055 x 1

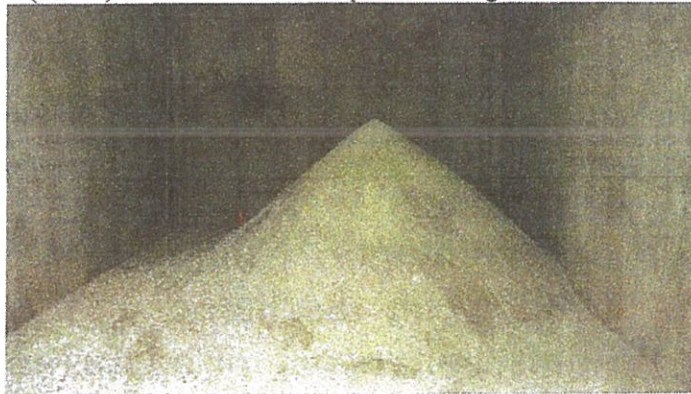
[www.andelaproducts.com](http://www.andelaproducts.com)  
[info@andelaproducts.com](mailto:info@andelaproducts.com)

## Andela Pulverizer System processing Single Stream Glass

1. The Andela Metering Surge Hopper feeds the system single stream glass into the system consisting of broken glass, mixed with paper shred, plastics, and metal pieces. The product mix should not contain non-glass material larger than 6" in size. Glass can be any size. Typical material mix may be 10% - 20% non-glass. (by weight).



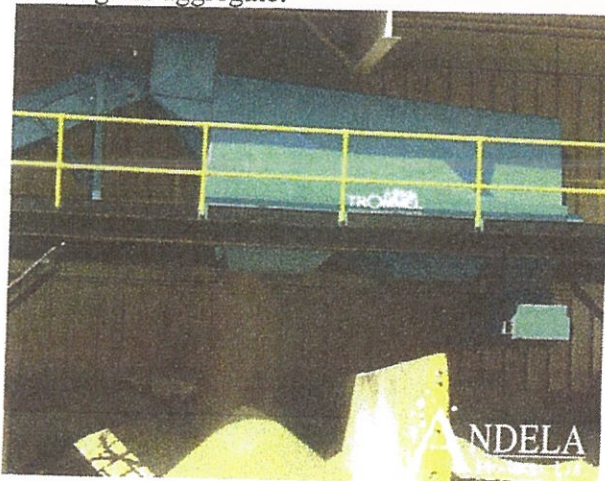
2. The mix is transferred by conveyor into the Andela Pulverizer. It may go under a cross-belt magnet to remove metal.
3. The Andela Pulverizer selectively reduces the glass into sand and gravel sized aggregate (less than 7/16") with flexible impactors, but passes the non-glass through without size reduction. There are no internal screens or pinch points in the pulverizer so the non-glass is not shredded or reduced in size. <http://www.youtube.com/watch?v=mFXVO8rn50A>
4. The Andela Trommel is a long rotating barrel screen with two sections. The first section has a fine screen (3/16") to remove the fine pulverized glass sand.



- The second section has a larger screen (7/16") to remove the gravel sized glass. The glass may be mixed with paper shred and small plastic bits. The paper removal system uses a blower to remove the paper shred as the material falls out of the trommel screen. The glass gravel may fall into a bunker or be transferred by conveyor back into the pulverizer for re-grind into glass sand.



- The pulverized glass does not have any sharp edges. The gradation of the pulverized sand and gravel will meet engineered aggregate specifications. The pulverized glass aggregate will have 1% or less organic content. The system will reduce 95% of the glass into a 7/16" minus glass aggregate.



7. The non-glass will exit the end of the trommel screen and may go to an Eddy Current Separator for recovery of aluminum.

**Andela GP-2HD Glass Pulverizer System.**

<http://www.youtube.com/watch?v=VMh8zv10Atc>

<http://www.youtube.com/watch?v=gCFzDvKgXCw>





# ANDELA

## RECYCLING SYSTEMS FOR GLOBAL SOLUTIONS

**Andela Products** produces a growing line of rugged, versatile machines to serve special needs that are sold worldwide. Each product is thoughtfully designed and engineered to provide a high capacity to cost ratio and superior durability. Simple to operate with minimal operator intervention, these systems reduce training and supervision requirements which contribute to lower overhead costs. Contact us for more information on any of the products listed below.

\* **Andela Pulverizer Systems**- This system reduces glass, and many other frangible products, to "friendly sand sized material" which has no cutting edges. It will separate it from most other non-frangible material and discharge them at different points. Capacities are available from a small, hand fed model to 20 tons per hour. The Andela Pulverizer may be purchased alone for size reduction of uniform frangible material.

\* **Andela Breaker Systems**- There are large and small crushers for every application. They reduce color sorted glass to cullet acceptable for use in furnaces. Capacities are available from 1 ton to 20 tons per hour. The Andela Breaker may be purchased alone for size reduction or as a key element in a system used for product destruction. For low volume size reduction, hand fed breakers are available in several styles.

\* **Andela Windshield Stripper Systems**- This is an exciting business opportunity that capitalizes on our ability to break, separate, pulverize and trommel windshields to recycle the processed windshield glass and the separated PVB layer.

\* **Andela Gypsum Board Recycling System**- Built on the technology that made us successful the Gypsum Board Reducer system will break down gypsum board into a fine grade of gypsum separate from the paper facing. A dust collection system is standard with the containerized package.

\* **Andela CRT Recycling System**- This revolutionary system is unique in its ability to process whole CRT, VDT, and TV tubes into separate crushed glass and metal products. The system will process one tube every three to five seconds. It is delivered in its own environmentally enclosed security container complete with dust collection system.

\* **Andela Glass Clean-Up Systems**- Our systems offer different options and configurations to clean up feedstock before the pulverizer and/or after the trommel screen, depending on the amount of contamination and the desired output.

\* **Andela Glass Processing Plant**- Based on years of experience in providing solutions for processing mixed-broken glass, Andela has developed a complete turn-key plant for processing mixed glass and single stream residue into a washed, sanitized, and graded glass product.

\* All **Andela Equipment** can be supplied individually or part of a custom designed system. We will tailor its features to meet your specific needs and we offer application and layout assistance.

**EXHIBIT B**



## **ANDELA "FRIENDLY GLASS"**

The first question most people interested in pulverizing recycled glass ask is; what will I do with it? The second question is; whom can I sell it to? The third and easily the most important question is; who will pay the most money for the recycled glass product I produce? The answers to these questions will depend on your local market. Local markets are virtually unlimited and save on the cost of transportation. The key is to collect, process, and sell locally.

The next series of thoughts may seem obvious but are crucial to profitability. What am I selling? What are its advantages? What are my customers needs? Can I tailor my product to more closely meet a potential customer's existing specification? Does my product offer my potential customer any advantages over his existing material? These are all important questions. Once you understand the difference the ANDELA GLASS PULVERIZER provides, you can answer these questions.

The ANDELA PULVERIZER SYSTEM produces a glass commodity that is clean and has no sharp edges. This is why it is called "*friendly glass*". The pulverized glass material is so "friendly" it is used by ANDELA employees in many applications at home. It is used as children's play sand, landscape material, swimming pool filters, driveway cover and other construction material supplements such as filtration sand or skid resistant additives to paints and sealers. It has even found its way into craft projects like Christmas ornaments, decorations, and terrariums.

The ANDELA GLASS PULVERIZER processes glass into sizes from fine sand to pebble sized material. When looking for your local markets, look for a profitable "mix" of customers since they will prefer one size or grade of material over another.

When material is processed through an ANDELA PULVERIZER SYSTEM and viewed using optically enhanced equipment, its unique cubical shape is apparent. Andela glass is tumbled through the pulverizing process. Safety and ease of handling makes this material a marketable commodity. Many applications are now accessible to you with an ANDELA GLASS PULVERIZER.

Your local markets may offer more possibilities than we have listed on the following page but here are some of the uses that ANDELA GLASS PULVERIZER customers have found for their processed glass.

## **Markets for Andela Glass**

### **Glassphalt - Paving Applications**

Aggregate Base Course, Asphalt Base Course-Glassphalt, Asphalt Surface Course-Glassphalt, Parking Lots and Driveways,

### **Aggregate**

Backfill/Clean Fill, Beach Sand, Embankments, Hydroponics, Landfill Cover, Oil Spill Cleanup, Road Sand, Solar Heat Storage, Termite Barrier, Utility Bedding and Backfill, Weighted Bags-Construction, Golf Course Sand Traps

### **Filtration**

Swimming Pool Filter Sand, Wastewater Filter Medium, Filter Sand for Septic Tank Systems

### **Drainage**

Choker Grit, Drain Pipe Bedding, Backfill, Drainage Aggregate, Septic Fields, Underdrains, French Drains, Golf Course Green Drainage

### **Abrasives**

Sandblasting, Sandpaper

### **Glass Products**

Art Glass, Decorative Marbles, Ecoglass, Fiberglass Manufacturing, Flat Glass, Foamglass, Glass Beads, Bottle Manufacturing, Hand Rolled Flat Glass, Industrial Marbles, Jewelry, Opacified Flat Glass, Pressed Glass, Sintered Mosaic Tile, Waste Vitrification

### **Other Glass Composite Products**

Aqueduct Liner, Brick/Steel Fluxing Agent, Composite (Plastic-Glass) Wall Panels Flue Gas Sorbent, Glass-Mica Composite, Glass-Polymer-Composite(GPC) Sewer Pipe, Glass/Sludge Tile, Glasscrete, Glasscrete Architectural Surfacing, Industrial Flooring, Plastics Filler, Rockwool Manufacturing, Roof Tiles, Terrazzo, Vibratory-Cast Wall Panels

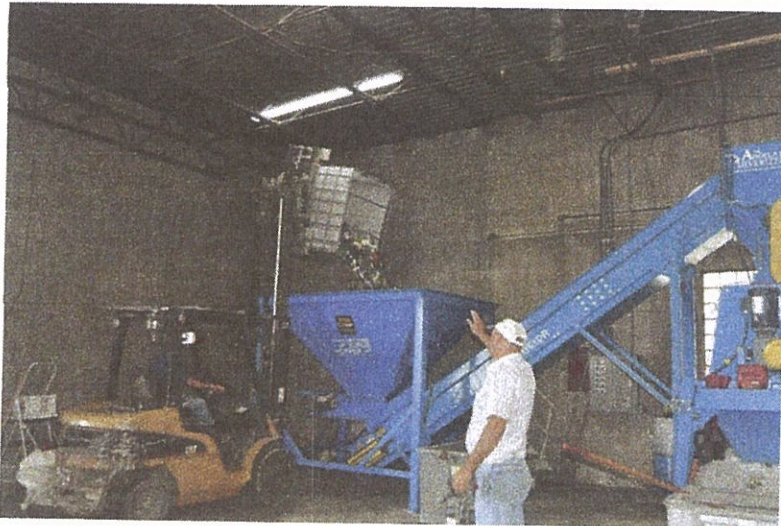
## **EXHIBIT C**

## Cumberland County Recognized for Innovative “Friendly Glass” Recycling System

Glass bottles pose unique materials management challenges due to their weight and volume. Markets for recycled glass are often located too far from rural counties for the revenue to offset transportation costs, yet disposal of glass bottles is also expensive, and wasteful of natural resources, energy, and landfill space.

Last year, the Cumberland County Solid Waste Department made a significant investment in a new state-of-the-art technology designed to address this dilemma. The Andela Pulverizer is a machine that crushes all types of glass to three-eighths of an inch or less. The crushed material can be screened to both a fine, sand-like consistency, as well as a larger, “gravel” size, with any trash (e.g., paper labels) and residue removed. The pulverized glass is angular in shape and has no sharp edges, which allows the glass “sand” and the glass “gravel” to be used safely for many different applications, including landscaping, road maintenance, and as a raw material for making new products.

Since the Andela system was purchased and became operational in December 2011, the rate of glass recycling in Cumberland County has more than doubled. Initially the rate of glass being collected and recycled county-wide was about ten tons per week; currently it is over twenty tons per week, and the amount continues to increase each week. Tom Breeden, Cumberland County Solid Waste Director, stated that the acquisition of the Andela machine is unequivocally the main reason for this dramatic increase in the county’s glass collection and recycling rate. The Solid Waste Department has promoted the Andela system and glass recycling with local newspaper and radio ads, and has added additional glass recycling collection containers at the county’s fourteen convenience centers, as well as at their main recycling center on Maryetta Street in Crossville. All of the collected glass is now processed in the Andela machine.



*Glass bottles being loaded into the hopper of the Andela Pulverizer at the Cumberland County Recycling Center in Crossville. Mike Harvel, Cumberland County Assistant Solid Waste Director, in the foreground.*

For every ton of glass recycled, Cumberland County saves its taxpayers \$30.67 in landfill disposal (tipping) fees. At their current glass collection and recycling rate this is an annual savings to the county of almost \$32,000 per year. Furthermore, the crushed glass material produced by the Andela machine is a marketable product that generates additional revenue for the county. The Solid Waste Department just recently contracted with a Knoxville-based company, Virtuous Products, Inc., who will pay the county between \$120-\$150 per ton for the material to make recycled-glass countertops and tables using a proprietary process. The savings in landfill disposal costs, along with the revenue generated by the sale of the product, is projected to completely pay back the \$100,000 it cost to purchase the machine in about eighteen months.



*Recycled glass bottles are turned into "gravel" (shown above) and "sand" after processing with the Andela Pulverizer.*

Mike Harvel, Assistant Solid Waste Director and a member of the Cumberland County Commission, stated that the Andela system is one of the best investments the county has made in many years. He and Mr. Breeden both agreed that this system is one that many other local solid waste programs could benefit similarly from, and they have been actively sharing their success story with their counterparts across the state.

In recognition of the exemplary commitment, innovation, and leadership demonstrated in initiating the Andela "Friendly Glass" project, the Cumberland County Solid Waste Department was recently announced as the recipient of the 2012 Governor's Environmental Stewardship Award for Excellence in Materials Management.



*Tom Breeden, Cumberland County Solid Waste Director, demonstrates the Andela "Friendly Glass" Pulverizer machine, which he credits for more than doubling the rate of glass recycling in Cumberland County in less than one year.*

## **EXHIBIT D**





**Wear Part Cost**  
**Andela Glass Pulverizing System**  
Model: GP-05L System  
1 – 2 ton/hr

To assist you in determining the estimated operating costs for your planned operation, we submit the following information for your consideration:

**Electrical Energy Requirement:**

Total HP for GP-05L System	9	HP
Total kW/Hour for System	6.7	kW

**Wear Parts Cost Requirements:**

Hammers 28 @ \$72 ea.

Chromium Carbide Barrel Liners \$1,862

Trommel Brushes 1 @ \$515 ea.

**Estimated Wear Life:**

300 - 400 hours

4000 hours

1000 hours

**Estimated wear parts cost/ton:**

1 ton/hr \$ 6.02 / ton

2 ton/hr \$ 3.01 / ton

\* These costs are approximations and vary by individual operation.

## **EXHIBIT E**



F

Andela Glass Pulverizer  
 Budgetary Turnkey System Pricing 2020

GP-MINI	1,500 LBS/HR	\$28,400	
GP-MEGAMINI	1 TPH	\$50,000	
GP-05L	1-2 TPH	\$111,600	
GPT-1HD	3-5 TPH	\$170,000	
		\$192,600	WITH SERVICE PLATFORM
<i>(ADD \$47,000 FOR ADDITIONAL GLASS CLEAN-UP SYSTEM)</i>			
*GP-1HD	10 TPH	\$249,500	
		\$287,700	WITH SERVICE PLATFORM
<i>(ADD \$58,000 FOR ADDITIONAL GLASS CLEAN-UP SYSTEM)</i>			
<i>(ADD \$80,000 FOR WINDSHIELD STRIPPER + CONVEYOR)</i>			
*GP-2HD	20 TPH	\$309,200	
		\$375,500	WITH SERVICE PLATFORM
<i>(ADD \$63,000 FOR ADDITIONAL GLASS CLEAN-UP SYSTEM)</i>			
<i>(ADD \$80,000 FOR WINDSHIELD STRIPPER + CONVEYOR)</i>			

Andela Laminated Glass Processing System

AWS-2/ATROM-104	3-5 TPH	\$170,000	
		\$192,600	WITH SERVICE PLATFORM

*(Pricing provided does NOT include cost of shipping or installation)*

## **EXHIBIT F**

3

**ANDELA PRODUCTS**

493 State Route 28  
Richfield Springs, NY 13439  
(315) 858-0055  
[www.andelaproducts.com](http://www.andelaproducts.com)

**Pro Forma Quotation**

Date: 9/24/2020

**PROPOSAL: Andela GP-05L Glass Pulverizer  
1 - 2 tons per hour System**

**QUOTE FOR: Julie McCoy  
Lake Chelan Rotary Club  
PO Box 2156  
Chelan WA 98816**

<b>Quotation number:</b> LCGP05L092420		<b>Salesperson:</b> C Andela	
<b>Payment terms:</b> 50% down with Sales Order. 40% before delivery, 10% Net 30			
<b>EXW point:</b> Richfield Springs, NY 13439		<b>Method of shipment:</b> Flat bed	
<b>Shipment:</b> 12 - 14 Weeks from receipt of signed Sales Order and Deposit			
ITEM NO	QTY	DESCRIPTION	AMOUNT
		Andela GP-05L Glass Pulverizer System	\$94,900.00
AMSH-86-12	1	Andela Metering Surge Hopper (AMSH-86)	
AC 18X22TR	1	Conveyor: 18" Belt x 22' Long - TR	
GP-05L	1	Andela Glass Pulverizer/2Screen Unit (GP - 05L)	
ELEC-05	1	Electrical Enclosure, Controls and Disconnect	
Misting System	1	Dust Suppression System	
		Shipping: one flatbed truck - Richfield Springs, NY to Chelan, WA	\$8,688.00
		<b>Installation Supervision:</b> Up to 1 week installation supervision and training Includes travel and accommodations expenses	\$7,000.00
		*Shipping quote valid for 10 days only	
		*Applicable Taxes, Duties, and Export Fees Not Included	
<b>*Total</b>			<b>\$110,588.00</b>

## **EXHIBIT G**

## PROJECTED ANNUAL INCOME AND EXPENSE

### ROTARY CLUB OF LAKE CHELAN GLASS REPURPOSING PROJECT

#### Assumptions

400 Tons	Amount Crushed Annually
50 Tons	Amount Received Annually from Non-Sponsors
350 Tons	Amount Received Annually from Sponsors (No Deposit Fee)
25 Tons	Amount Sold Annually to Non-Sponsors
\$.05	Drop-off Fee (per pound) for Non-Sponsors
\$.10	Price (per pound) for Sales of Product to Non-Sponsors

#### Income

\$5,000 Drop-off Fees	50 Tons Per Year (2,000 lbs/ton) at \$.05/lb
\$5,000 Sales of Cullet	25 Tons Per Year (2,000 lbs/ton) at \$.10/lb

#### Expenses

\$2,000 Annual Maintenance Fees	400 Tons Per Year at \$5.00/ton
\$3,000 Annual Repair Reserve	

**Annual Income: \$5,000**



Acct Name: CHELAN DOUGLAS REGIONAL PORT

**SUMMARY - USD**

Page 1

Acct Number: XXXXXXXX013

For period 11/01/2020 - 11/30/2020

**ACTIVITY - Settled/Cleared Cash Activity**

<b>Transaction Type</b>	<b>Amount</b>
Purchases	0.00
Purchase Reversals	0.00
Sales	0.00
Sale Reversals	0.00
Withdrawals	0.00
Receipts	0.00
Deliveries	0.00
Principal Reversals	0.00
Interest	0.00
Interest Reversals	0.00
Interest Adjustments	0.00
Maturities	0.00
Calls	0.00
Puts	0.00
Paydowns	0.00
Paydown Adjustments	0.00
Payups	0.00
Payup Adjustments	0.00
Cash Dividends	0.00
Balance Changes	0.00
Stock Dividends	0.00
Closeouts	0.00
Closeout Dividends	0.00
<b>Net Activity</b>	<b>0.00</b>

Your Sales Representative is: SAFEKEEPING OPERATIONS  
(800) 236-4221

**Statement Contents**

- \*Summary
- \*Activity - Projected Activity for Next Statement Period
- \*Holdings
- \*Cash Flow Projections

**HOLDINGS - Custody**

<b>Category</b>	<b>Par/Shares</b>	<b>Original Face</b>	<b>Principal Cost</b>	<b>Market Value</b>
US Government Agency Securities	4,000,000.00000	4,000,000.00000	4,091,592.50	4,183,670.50
<b>Total Custody Holdings</b>	<b>4,000,000.00000</b>	<b>4,000,000.00000</b>	<b>4,091,592.50</b>	<b>4,183,670.50</b>





Acct Name: CHELAN DOUGLAS REGIONAL PORT

**ACTIVITY - USD**

Page 2

Acct Number: XXXXXXXX013

**Projected Activity for Next Statement Period**

Date Ticket	Activity	Description	Rate Maturity	Par/Shares Price/NAV	Security ID	Amount
12/09/2020 392209429	Interest	FEDERAL HOME LOAN BANK 12/09/22	1.875 12/09/2022		313381BR5	4,687.50
12/21/2020 392209428	Interest	FEDERAL HOME LOAN MTG CORP 06/19/23	2.750 06/19/2023		3137EAEN5	6,875.00
<b>Net Projected Activity</b>						<b>11,562.50</b>



Acct Name: CHELAN DOUGLAS REGIONAL PORT

**HOLDINGS AS OF 11/30/2020 - USD**

Acct Number: XXXXXXX013

**CUSTODY**

Maturity	Security ID Ticket	Rate Acq Date	Description	Par/Shares Original Face	Principal Cost	Market Value NAV
<b>US Government Agency Securities</b>						
08/12/2021	3137EAEC9 392209432	1.125 02/20	FREDDIE MAC 3137EAEC9 08/12/21	500,000.00 500,000.00	497,876.00	503,466.00
01/21/2022	3133ELHR8 392209431	1.600 02/20	FEDERAL FARM CREDIT BANK 01/21/22	500,000.00 500,000.00	501,833.00	508,091.00
10/13/2022	3133ELGN8 392209430	1.600 02/20	FEDERAL FARM CREDIT BANK 10/13/22	500,000.00 500,000.00	502,900.00	513,208.50
12/09/2022	313381BR5 392209429	1.875 02/20	FEDERAL HOME LOAN BANK 12/09/22	500,000.00 500,000.00	506,935.00	517,202.50
06/19/2023	3137EAEN5 392209428	2.750 02/20	FEDERAL HOME LOAN MTG CORP 06/19/23	500,000.00 500,000.00	522,897.50	532,309.50
02/05/2024	3135G0V34 392209427	2.500 02/20	FEDERAL NATL MORTGAGE ASSN 02/05/24	500,000.00 500,000.00	521,402.50	535,793.00
09/13/2024	3130A2UW4 392209426	2.875 02/20	FEDERAL HOME LOAN BANK 09/13/24	500,000.00 500,000.00	532,965.00	548,580.50
01/07/2025	3135G0X24 392209425	1.625 02/20	FEDERAL NATL MORTGAGE ASSN 01/07/25	500,000.00 500,000.00	504,783.50	525,019.50
<b>US Government Agency Securities Total</b>				<b>4,000,000.00000</b>	<b>4,091,592.50</b>	<b>4,183,670.50</b>
<b>Total Custody Holdings</b>				<b>4,000,000.00000</b>	<b>4,091,592.50</b>	<b>4,183,670.50</b>



Acct Name: CHELAN DOUGLAS REGIONAL PORT	<b>CASH FLOW PROJECTIONS - USD</b>	Page 4
Acct Number: XXXXXXXX013	<b>For The Next 12 Months</b>	

Last Pay Date Security ID Description	Ticket	Dec 20 Apr 21 Aug 21	Jan 21 May 21 Sep 21	Feb 21 Jun 21 Oct 21	Mar 21 Jul 21 Nov 21
08/12/2021 3137EAEC9 FREDDIE MAC	392209432	0.00 0.00 502,812.50	0.00 0.00 0.00	2,812.50 0.00 0.00	0.00 0.00 0.00
01/21/2022 3133ELHR8 FEDERAL FARM CREDIT BANK	392209431	0.00 0.00 0.00	4,000.00 0.00 0.00	0.00 0.00 0.00	0.00 4,000.00 0.00
10/13/2022 3133ELGN8 FEDERAL FARM CREDIT BANK	392209430	0.00 4,000.00 0.00	0.00 0.00 0.00	0.00 0.00 4,000.00	0.00 0.00 0.00
12/09/2022 313381BR5 FEDERAL HOME LOAN BANK	392209429	4,687.50 0.00 0.00	0.00 0.00 0.00	0.00 4,687.50 0.00	0.00 0.00 0.00
06/19/2023 3137EAEN5 FEDERAL HOME LOAN MTG CORP	392209428	6,875.00 0.00 0.00	0.00 0.00 0.00	0.00 6,875.00 0.00	0.00 0.00 0.00
02/05/2024 3135G0V34 FEDERAL NATL MORTGAGE ASSN	392209427	0.00 0.00 6,250.00	0.00 0.00 0.00	6,250.00 0.00 0.00	0.00 0.00 0.00
09/13/2024 3130A2UW4 FEDERAL HOME LOAN BANK	392209426	0.00 0.00 0.00	0.00 0.00 7,187.50	0.00 0.00 0.00	7,187.50 0.00 0.00
01/07/2025 3135G0X24 FEDERAL NATL MORTGAGE ASSN	392209425	0.00 0.00 0.00	4,062.50 0.00 0.00	0.00 0.00 0.00	0.00 4,062.50 0.00
		<b>11,562.50</b>	<b>8,062.50</b>	<b>9,062.50</b>	<b>7,187.50</b>
		<b>4,000.00</b>	<b>0.00</b>	<b>11,562.50</b>	<b>8,062.50</b>
		<b>509,062.50</b>	<b>7,187.50</b>	<b>4,000.00</b>	<b>0.00</b>
<b>Total Projected Cash Flow</b>		<b>579,750.00</b>			

Projections are made only on holdings paid through U.S. Bank and are not guaranteed.



December 14, 2020

The Honorable Jay Inslee  
Governor  
State of Washington  
PO Box 40002  
Olympia, WA 98504-0002

**RE: CARES Act Funding Request – Economic Development Software for Statewide COVID-19 Response**

Dear Governor Inslee:

On behalf of Washington Economic Development Association (WEDA), I am writing to request consideration of an investment of \$267,000 of Washington's remaining CARES Act allocation to purchase a statewide license to [Dun & Bradstreet's Market Insight](#) software, or another similar product, for Washington's Associate Development Organization (ADO) network.

Each of Washington's 39 counties are represented by an ADO that works to recruit, retain and expand businesses in our local communities. Throughout COVID-19, Washington's ADOs have been working tirelessly with employers to provide resources to survive the pandemic and retain the Washingtonians they employ. ADOs have limited resources and most are rarely able to purchase data resources for in-depth analysis.

Market Insight is a cloud-based software platform that will connect ADOs to the global Dun & Bradstreet Data Cloud that will provide valuable demographic, hierarchical, and forecasting information on over 400,000 employer locations in Washington and over 300 million across the globe. By allowing ADOs to sort and identify the businesses in their local communities showing signs of financial stress in real-time, this foundational tool will empower ADOs to focus their resources on the businesses in greatest need of assistance. Later, when COVID-19 cases drop and our economy begins to reopen, ADOs will be able to use these same tools to help expand businesses, rebuild the small business community and grow jobs to speed our state's recovery.

WEDA believes this is an essential tool for our state's economic development network. We recently hosted a meeting of ADOs and there was strong interest in making these tools available to assist business retention efforts during these unprecedented times. Every one of Washington's ADOs are members of WEDA, and we would be pleased to serve as the coordinating entity to get make these tools available to each ADO and to schedule training and the sharing of best practices among the ADO network. Alternatively, if CARES Act funds need to flow through a state agency, Washington's Department of Commerce could serve in that capacity.

We greatly appreciate your consideration of this important request and would be pleased to answer questions.

Sincerely,

Suzanne Dale Estey  
Executive Director  
Washington Economic Development Association

Chelan Douglas Regional Port Authority  
Calendar of Events

12/18/2020

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attending</i>	<i>Cami RSVP arrangements if applicable</i>
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>		
December 25	Friday	<i>Christmas Day Office Closed</i>		

Will begin updating the 2021 Calendar of Events!