

MINUTES OF THE JUNE 14, 2012 AIRPORT BOARD MEETING
Chelan City Hall, 135 East Johnson Street, Chelan, Washington

PRESENT: Airport Board President Goedde; Airport Board Members Cooney, Harper, Higgins, Isenhart, McCardle, Morehouse, Steele; Airport Manager Reinbold; Attorney Galbraith; Airport Board Secretary Liles.

Goedde called the meeting to order at 7:25 p.m.

WARRANTS AND MINUTES: Higgins moved to approve Claims Warrants No. 5572 - 5579 totaling \$30,930.42; Payroll Warrants No. 2659 - 2663 totaling \$2,750.28; and Minutes of the May 24, 2012 Airport Board meeting. Seconded by Steele, motion passed unanimously.

LEASE FORECLOSURE & ASSIGNMENT: Galbraith presented a request from Heritage Bank for the Airport Board to enter into an agreement assigning Robert Sternoff's interest in the lease of lots 210, 211 and 212 to Kamron Blevins. Galbraith explained that Sternoff leased the lots and constructed a hangar thereon pursuant to financing from Cowlitz Bank. To secure payment, the bank obtained a deed of trust in Sternoff's leasehold interest and improvements, and Lake Chelan Airport consented to the encumbrance. Sternoff then defaulted on his debt. Heritage Bank, successor to Cowlitz Bank, kept the lease current, foreclosed on Sternoff's leasehold interest and improvements, and sold them to Blevins. Galbraith explained that the proposed transaction would facilitate the use and operation of the lots and improvements, release Heritage Bank from any liability; and make title to the Lessee's interest less confusing.

There being no discussion, **McCardle moved to approve the transactions evidenced in the Acknowledgment of Foreclosure and Consent to Assignment between Heritage Bank, the Lake Chelan Airport Board and Kamron Blevins and to authorize the President of the Lake Chelan Airport Board to sign the Acknowledgement on behalf of the Lake Chelan Airport. Seconded by Isenhart, motion passed unanimously.**

There being no further business, meeting adjourned at 7:26 p.m.

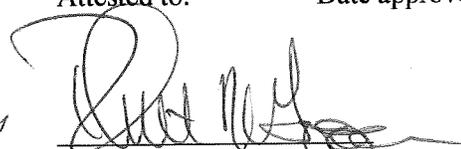
Prepared by:

Attested to:

Date approved by Airport Board:

6/28/2012


Linda Allison-Liles
Airport Board Secretary


Robert R. Goedde
Airport Board President