



MINUTES OF THE BUSINESS MEETING
Held November 18, 2024

The November 18, 2024, Business Meeting was called to order at 5:15 p.m., by President Martin. The meeting was held at the Port of Sunnyside's Business Administration Office located at 2405 Reith Way, Suite 2, Sunnyside, WA.

Commissioners and Staff present at the Business Meeting:

Arnold Martin, Commission President
Jim Grubenhoff, Commission Vice President
Tyler Schilperoort, Commission Secretary
Rob Faber, Legal Counsel

Adam Smith, Project Manager
Jasmine Chavez, Administrative Assistant
Travis Jansen, Operations Manager
Jay Hester (arrived at 5:51)

GUESTS: None

GUEST COMMENTS: None

DISCUSSION / ACTION ITEMS:

Executive Director

McKinstry - Once we sign the 20-year agreement, the federal portion of the contract requires that certain volumes of gas production must be produced or recovered financially. When attorney Frank Chmelik read the agreement, he noticed the requirement and investigated it further. It isn't believed to be enough to kill the deal, but there are some risks. The Port does have a backup plan to produce gas as there are other ways to achieve this goal. Per the contract we must guarantee forty-eight thousand MMBtu which we can easily produce. If our biggest industry were to drop in production, we would still be able to produce enough gas to meet the contract requirement.

Project Manager

Midvale Rd – The contractor is currently working on the joint utility trenches. There was an issue that came up with the belly of the sewer line, so they are waiting for some equipment to arrive to help with a problem. HLA is keeping an eye on it, and it will inspect after repair work is done to make sure the issue has been resolved.

Suites 2 & 3 – The contractor is working on finishes and the ceiling grid is being set. Inspire is hoping to have construction finished by the end of November so they can move their staff in.

Farm Leases – Adam presented the current farm leases for a 5-year renewal. There is an overall increase of \$10,000 to the Port's revenues. This is due in part to additional acreage being farmed.

Operations Manager

Six bids were received for the IWWTF Treatment and Enhancements project. The plan is to purchase ten (10) aerators. These aerators will help draw water from closer to the bottom of the lagoon and keep things stirred up and moving. If these aerators end up working as well as anticipated, ten (10) more may need to be purchased next year.

ACTION ITEMS:

- Motion to approve the consent agenda which includes minutes of the business meeting held on November 4, 2024, and minutes of the Rate Hearing held on November 5, 2024. Payroll issued on November 5, 2024, in the amount of \$61,915.41 and payables issued on November 8, 2024, in the amount of \$461,573.37, totaling \$523,488.78. Commissioner Grubenhoff moved to approve; Commissioner Schilperoort seconded. Motion approved 3-0.
- Motion to approve the Farm Lease with Duane Schutt for 9 acres of farmland and authorize Jay Hester to sign on behalf of the Port. Commissioner Schilperoort moved to approve; Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve the Farm Lease with Randy Schutt for 17 acres of farmland and 13.77 acres of pasture and authorize Jay Hester to sign on behalf of the Port. Commissioner Grubenhoff moved to approve; Commissioner Schilperoort seconded. Motion approved 3-0.
- Motion to approve the Farm Lease with Randy Schutt for 96 acres of farmland and authorize Jay Hester to sign on behalf of the Port. Commissioner Schilperoort moved to approve; Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve the Farm Lease with Naron Berg for 89.93 acres of farmland and authorize Jay Hester to sign on behalf of the Port. Commissioner Grubenhoff moved to approve; Commissioner Schilperoort seconded. Motion approved 3-0.
- Motion to approve the Farm Lease with Markus Rollinger for 33.5 acres of farmland and authorize Jay Hester to sign on behalf of the Port. Commissioner Schilperoort moved to approve; Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve the Farm Lease with Klompe Dairy, LLC for 350.35 acres of farmland and authorize Jay Hester to sign on behalf of the Port. Commissioner Grubenhoff moved to approve; Commissioner Schilperoort seconded. Motion approved 3-0.
- Motion to approve the contract with Rotschy, Inc in the amount of \$2,050,844.44 including tax for the IWWTF Treatment and Enhancements project and authorize Adam Smith to sign on behalf of the Port. Commissioner Schilperoort moved to approve; Commissioner Grubenhoff seconded. Motion approved 3-0.

STAFF COMMENTS:

Jay Hester mentioned that a commissioner from the WPPA Executive Board from Port of Skagit had recently passed, the board has recommended Jack Ng to replace his position, but he will have to be voted in.

COMMISSIONER COMMENTS:

Commissioner Grubenhoff wished everyone a Happy Thanksgiving.

Commissioner Schilperoort commented that he feels good about updating the blower system so we can get better efficiency, save a little money on VFD's, and clean up the air a bit.

EXECUTIVE SESSION:

As permitted by RCW 42.30.110(1)(c), we will hold an executive session to consider the price at which real estate will be offered for lease when the public knowledge regarding such consideration would cause a likelihood of a decreased price. Such consideration may include the following factors:

1. The rent amount for the leased premises, and potential for new jobs.
2. The additional kitchen equipment needed by a prospective tenant, who would be responsible for the costs, and who would own any such equipment at the end of the Lease.
3. The proposed changes to the building exterior (such as signage).
4. The length of the Lease term.
5. The prospective tenant's owner / management qualifications.
6. The prospective tenant's business plan.
7. The prospective tenant's chance of success.
8. The prospective tenant's overall presentation in its application and any interviews.

Final action may be taken.

The Executive Session was opened at 6:19 p.m. by President Martin to discuss Real Estate, Personnel and Legal issues as allowed by RCW 42.30.110 Subsections C, G, and I, respectively. The session was expected to last 21 with possible final action. At 6:40 the session was extended by 15 minutes. The session ended at 6:55 p.m.

- Motion to approve the Commercial Lease with option to purchase for the lease of 400 S. 6TH Sreet, Sunnyside to Jason H. Silva, doing business as Pizza Vida, and authorize Jay Hester to sign on behalf of the Port. Commissioner Schilperoort moved to approve; Commissioner Grubenhoff seconded. Motion approved 3-0.

ADJOURNMENT:

The Business Meeting adjourned at 6:58 p.m., peace and harmony prevailing.



Arnold Lee Martin, President

ATTEST:


Tyler Schilperoort, Secretary