



MINUTES OF THE BUSINESS MEETING
Held December 4, 2017

The December 4, 2017 Business Meeting was called to order at 5:15 p.m., by President Matson. The meeting was held at the Port of Sunnyside's Administration Office located at: 2640 E. Edison Avenue, Ste. 1, Sunnyside, WA.

Commissioners and Staff present at the Business Meeting:

Jeff Matson, Commission President
Arnold Martin, Commission Vice President
Jim Grubenhoff, Commission Secretary
Jay Hester, Executive Director
Travis Jansen, Project Manager
Lucia Navarro, Administrative Assistant
Rob Faber, Legal Counsel

Tyler Schilperoort - Guest
Troy Berglund – Benton REA

Citizen Comments:

Troy Berglund of Benton REA explained to the Commission that Benton REA routinely reimburses customers for electrical efficiency upgrades. He shared that the Port's upgrades to the Anaerobic Digester project have made a significant impact on the amount of electricity used at the Industrial Waste Water Treatment Facility (IWWTF). After thorough research, Benton REA determined that the Port is saving over 4.5 million kilowatts of electricity annually as a direct result of the upgrades to the Anaerobic Digester. That savings translates into roughly \$170,000 annually that is saved in electric bills. The upgrades and total savings resulted in an incentive rebate check for the Port of Sunnyside in the amount of \$100,000. Troy stated that this is the single largest reimbursement check ever provided to one of Benton REA's customers. Commissioner Matson mentioned the longstanding working relationship the Port has had with Benton REA over the years. Troy Berglund thanked the Port for all of their efforts.

EXECUTIVE DIRECTOR: A typed memo was presented and the following items were discussed; (a copy of the memo is available upon request).

- The current state of the Industrial Development Bonds for Ostrom's Mushroom Farms was discussed. The meeting for the Sunnyside Industrial Development Corporation was scheduled at 6pm following the current Port meeting. As the uncertainty with the federal budget looms, Ostrom's Mushroom Farms is not sure if the bonds will be a viable option after all.

At 5:32 p.m. President Matson called for the session to adjourn and continue on December 6, 2017 at 5:15 p.m. at the Port administration office located at 2640 E. Edison Ave., Suite 1.

The continuation of the December 4, 2017 Business Meeting was called to order at 5:15 p.m. on December 6, 2017, by President Matson. The meeting was held at the Port of Sunnyside's Administration Office located at: 2640 E. Edison Avenue, Ste. 1, Sunnyside, WA.

PROJECT MANAGER: A typed memo was presented and the following items were discussed; (a copy of the memo is available upon request).

- A lease with Elite Cosmetology Spa & Barber Academy was presented to the commission for approval. Elite plans to rent the space formally occupied by Sunnyside Beauty Academy. The lease is priced at fair market value of \$0.67 per sq ft per month (\$8.00 per sq ft per year) which will include the additional classroom.
- Travis stated that progress is being made at the former Funny Farm building. Chervenell and their sub-contractors are all working together to get the job done within the allotted timeframe.

GENERAL COMMENTS:

Staff Comments: Jay shared that he received a phone call from Cynthia Weed of K&L Gates regarding a substantial acquisition by an industry that discharges to the Port. The undisclosed industry would like representation from K&L Gates during the acquisition. Ms. Weed asked Jay if he had any objection to the potential representation. Given the possibility for conflict of interest in the future, Jay stated he believed it would be best if K&L Gates did not represent said industry during their acquisition.

EXECUTIVE SESSION: The Executive Session was called to order at 5:34 p.m. by President Matson to discuss real estate issues as allowed by RCW 42.30.110 subsection C. The Commission was slated to discuss 2 potential real estate transactions with action expected on one of the transactions. The session was expected to last 15 minutes. At 5:49 p.m. the session was extended for 10 minutes by President Matson. The session closed at 5:59 p.m.

Legal Comments: Rob shared with the Commission that Ostrom's has requested an amendment to their Purchase and Sale Agreement as the closing date is quickly approaching. Rob asked the Commissioners to consider revising the use restrictions and repurchase right in the agreement.

Commissioner Comments: Commissioner Grubenhoff stated how much he has appreciated working with Commissioner Matson over the years.

Commissioner Martin also expressed his appreciation to Commissioner Matson for all of the work he has put in over the past 22 years while at the Port.

ACTION ITEMS:

- The consent agenda includes:

Minutes of the Business Meeting held on November 20, 2017. Payables issued on November 22, 2017 in the amount of \$63,365.35, totaling \$63,365.35. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve Resolution 2017-11 A Resolution Revising the Port of Sunnyside's Policy for Commission Payments to Real Estate Brokers. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.
- Motion to approve Resolution 2017-12 A Resolution Declaring Excess Personal Property.


Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.

- Motion to approve Resolution 2017-13 A Resolution Establishing a Small Works Roster. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.
- Motion to approve Resolution 2017-14 A Resolution Adopting a New Port Auditor. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve Resolution 2017-15 A Resolution Electing Officers; Appointing a Trustee and Alternate Trustees of the Washington Public Ports Association; Establishing Regular Meeting Places and Times; Appointing the Investment Officer and Deputy Investment Officer; Authorizing the Port District Executive Director/Auditor or Finance Director to make inter-fund transfers. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.
- Motion to approve Resolution 2017-16 for the Delegation of Authority. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve the lease with Integrity Driving School and authorize Jay Hester to sign on behalf of the Port. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.
- Motion to approve the updated Schedule A with DRR Fruit and authorize Jay Hester to sign on behalf of the Port. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve Change Order No. 4 with Chervenell Construction in the amount of \$11,010.84 plus tax and authorize Travis Jansen to sign on behalf of the Port. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve the lease with Elite Cosmetology Barber & Spa Academy, LLC and authorize Jay Hester to sign on behalf of the Port. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.
- Motion to approve the Commercial & Investment Real Estate Purchase and Sale Agreement for the sale to The Eye Center Sunnyside, LLC of approximately 1.2 acres of Yakima County parcel number 231030-14407, and authorize Jay Hester to sign the agreement on behalf of the Port. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.

EXECUTIVE SESSION: The Executive Session was reopened at 6:26 p.m. by President Matson to discuss personnel issues as allowed by RCW 42.30.110 subsection G with a motion expected after the session. The session was expected to last 10 minutes. At 6:36 p.m. the session was extended for 5 minutes by President Matson. At 6:41 p.m. the session was extended to 6:45 p.m. by President Matson. The session closed at 6:45 p.m.

- Motion to set the Executive Director Salary at \$111,400.00 for 2018 and allocated \$15,000 to staff wage adjustments at Executive Director's discretion. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.

ADJOURNMENT: The Business Meeting adjourned at 6:47 p.m., peace and harmony prevailing.



Jeff Matson, President

ATTEST:



Jim Grubenhoff, Secretary