



MINUTES OF THE BUSINESS MEETING
Held September 16, 2019

The September 16, 2019 Business Meeting was called to order at 5:15 p.m., by President Martin. 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:

Arnold Martin, Commission President
Jim Grubenhoff, Commission Vice President
Tyler Schilperoort, Commission Secretary
Jay Hester, Executive Director
Travis Jansen, Project Manager
Nicole Jech, Finance Officer
Cory Wilson, Plant Operator
Lucia Navarro, Administrative Assistant
Rob Faber, Legal Counsel

GUESTS: None

The public hearing on the 2020 Preliminary Budget was opened at 5:16 p.m. by President Martin.

Legal Comments: Rob Faber reviewed the 6 requirements that needed to be met for the Public Hearing on the 2020 Preliminary Budget:

1. A preliminary budget for the ensuing fiscal year must be prepared by September 15th. RCW 53.35.010. Here, the 2020 preliminary budget was prepared and provided to the Commissioners on Friday, September 13, 2019.
2. The preliminary budget must be considered at a public hearing held by the Commission no earlier than September 15th and no later than the first Tuesday following the first Monday in October. RCW 53.35.020. Here, the hearing is being held on September 16, 2019.
3. Notice of the public hearing on the budget must be published once each week for two consecutive weeks in a legal newspaper within the Port district. RCW 53.35.020. Here, the notice of the public hearing was published on Wednesday, September 4, and Wednesday, September 11, with the Sunnyside Sun newspaper in Sunnyside.
4. The first publication of the notice must not be less than 9 days nor more than 20 days before the hearing. RCW 53.35.020. Here, the first publication of the notice of public hearing was published 12 days before the hearing (September 4 1st publication; September 16 hearing).
5. Increases in property taxes by individual taxing districts are limited to the lesser of inflation or 1% annually, in addition to any increases for new construction, improvements to property, and increases in the value of state-assessed property. WAC 458-19-050(7), 458-19-020 & 458-19-005(2)(j), (m) and (o)(3). Here, the tax levy budget is increasing

by \$6,168.66, which is an increase of 1% to the Port's 2019 tax levy amount of \$616,865.51. Any additional increase in the tax levy budget is due to new construction, improvements to property, and increases in the value of state-assessed property. Additionally, the implicit price deflator shows inflation to be more than 1% for the most current year (Q2 2018: 110.281 to Q2 2019: 112.175, which is 1.688%).

6. The tax levy for general port purposes cannot exceed \$0.45 per \$1,000.00 of assessed value of the port district. RCW 53.36.020 & WAC 458-19-050. In 2019, the Port's assessed valuation was \$1,640,320,204, and the Port's 2019 tax levy amount was \$616,865.51, which is a 2019 levy rate of \$0.37606408 per \$1,000.00 of assessed value.

As of meeting time there were no public comments received.

Citizen Comments: No comments

The public hearing on the 2020 Preliminary Budget was closed at 5:24 p.m. with no further comments or questions.

DISCUSSION/ACTION ITEMS:

FINANCE OFFICER:

- Resolution 2019-09 was discussed. This Resolution declares excess personal property and allows the disposal of excess property. Commissioner Schilperoort asked if selling the trailer listed on the excess property sheet was an option. Jay explained that the trailer is in very poor condition and wouldn't recommend selling it.
- Nikki shared the upcoming meeting dates for the 2020 budget. She mentioned the rate study is still being conducted by FCS Group and once the report is completed then the budget numbers can be finalized. The report is expected to be finalized within our timeframe to be included in the upcoming budget meetings.
- During review of the 2020 budget Commissioner Schilperoort asked for more clarification on what quat lock is and how it is used. Cory responded that the quat lock is a chemical utilized in the treatment of wastewater sent to the lagoon, specifically during disruptions sent to the system. Commissioner Schilperoort asked why water testing is projected to decrease by 87%. Cory responded that the lab is not sending out as many testing samples as originally budgeted for. Instead, they are performing the testing in house which has decreased that cost.

EXECUTIVE DIRECTOR:

- Task Authorization No. 11 from Parametrix was discussed. Commissioner Martin asked what this task was for specifically. Jay stated this task will allow Parametrix to finish out the year in providing technical assistance to the Port. This contract is the funnel for all of the projects at the IWWTF to complete year end.
- J-U-B's agreement for services was presented for approval. This agreement outlines the work needed to be done for the Miles Smith Business Park project. Commissioner Martin asked what was all included in the price of \$180,000 for task #12 on the Scope of Services. Jay responded that the price includes all construction management and design of the project. Commissioner Martin asked if the total amount presented for

approval is just to get ready for the project to begin. Jay responded yes, all of the work presented on the agreement for services is needed to get the site ready before the project can begin. The estimated total cost of the project is around \$2.5 million. Commissioner Martin suggested that the Port should just prepare McLean Road for the expected new business then see what happens. Commissioner Schilperoort asked what the Port's responsibility would be for this project. Jay explained that under the Purchase and Sale Agreement with Oxarc that the Port is only responsible for the curb and gutter. Jay explained that this cost of services will get the business park ready for future businesses that may want to land in Sunnyside. The site is currently not ready for any business. Commissioner Martin stated he did not want to do this right now. Commissioner Grubenhoff stated that he believes this work is necessary to prepare the site. Jay commented that the drawings provided by J-U-B show what the park can look like – nothing is set in stone yet. Travis commented that J-U-B's previous feasibility study completed in 2018 created the diagram for visual purposes but it can change depending on the future needs for the business park. The site lines shown in the diagram are needed to show where utilities will most likely be needed during the development of the park. Jay stated the project is needed due to the increase in Sunnyside's economic development. Commissioner Grubenhoff stated that the project may cost more if the Port waits to do this project for a few years. Jay stated that a few of the Port's loan payments will be freed up in two years' time which will allow the Port to begin payments for the this project. Commissioner Grubenhoff stated that the Port needs to do this work anyway so he doesn't see the harm in doing it now. Jay commented that he can put this on the Special Meeting Agenda for September 30. Commissioner Schilperoort stated he would like more time to review this. Commissioner Grubenhoff stated he would approve this tonight but seeing as he is outnumbered he is willing to wait to the next meeting.

- Rob provided an update on the Oxarc property sale. He shared with the Commission that there was a provision placed in the Purchase and Sale Agreement in relation to the development standards for the property. Those standards were shared with Oxarc last week and Oxarc communicated to Rob that they would not be able to meet those standards. Rob advised them to contact the Port and discuss their issues relating to the standards to see what could be worked out. Commissioner Martin stated that Port staff should have a discussion with Oxarc and work with them on coming to an agreement that works for both sides. The landscaping in front of the JM Eagle plant was discussed as an acceptable type of landscaping for the Miles Smith Business Park.

PROJECT MANAGER:

- Resolution 2019-10 was discussed. This resolution is for supplemental bidder criteria for the Pre-Filtration and UV Disinfection Project at the IWWTF. Every project that has supplemental bidder criteria is required to have a Resolution tied to it that approves the criteria. This is another tool utilized to select the bids after they are received. Travis shared that the UV Project walk through took place on Thursday, September 12. He commented that it will be easier to roll both the Flare project and the UV project into one project which will allow the Port to only have one contractor out at the plant. This will also streamline both projects.
- A potential special meeting was discussed for September 30, 2019. This meeting would allow for Parametrix to come down and present the ideas for the future of the IWWTF. Bids are due on this day also so this will allow the Port to receive the bids and commissioners to be present during the reading of the bids. The meeting start time can be at 10am and work through lunch if that works with the commissioners schedules. All

commissioners stated that proposed time works for them. Port staff will finalize the details and prepare a Special Meeting notice for later this week.

GENERAL COMMENTS:

Staff Comments: None

Legal Comments: None

Commissioner Comments: Commissioner Grubenhoff stated that he attended the Downtown Sunnyside Farmer's market last Friday. He commented that it was well attended by patrons and vendors alike.

ACTION ITEMS:

- The consent agenda includes:

Minutes of the Business Meeting held on September 3, 2019. Payroll issued on September 5, 2019 in the amount of \$42,225.24, payables issued on September 10, 2019 in the amount of \$376,818.58 totaling \$419,043.82. Commissioner Grubenhoff moved to approve, Commissioner Schilperoort seconded. Motion approved 3-0.

- Motion to approve Resolution 2019-09 A Resolution Declaring Excess Personal Property and authorizing the disposal of excess personal property. Commissioner Schilperoort moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.
- Motion to approve Task Authorization No. 11 with Parametrix in the amount of \$55,242.14 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 Resolution 2019-10 A Resolution of the Commission of the Port of Sunnyside Authorizing the Executive Director to Adopt Supplemental Bidder Responsibility Criteria and Appeal Procedures Pursuant to RCW 39.01.350 for Public Works Contracts. Commissioner Schilperoort moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.

EXECUTIVE SESSION: None

ADJOURNMENT: The Business Meeting adjourned at 6:32 p.m., peace and harmony prevailing.



Arnold Martin, President

ATTEST:


Tyler Schilperoort, Treasurer