



MINUTES OF THE SPECIAL MEETING
Held September 23, 2016

The September 23, 2016 Special Business Meeting was called to order at 12:18 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 to award the Wine Production Facility bid to Banlin Construction LLC of Kennewick, WA.

Commissioners and Staff present at the Business Meeting:

Jeffrey 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

COMMENTS: The Commission was informed that bids were accepted on September 14, 2016, at 2:00 p.m., and bid proceedings were reviewed prior to the bid opening. Travis stated that he began the bid opening meeting with an explanation of how the bid opening would work and the criteria for selection. It was further explained at the bid opening that the bid invitation had included a base bid and one deductive alternate.

Travis noted that there were three bids received on Wednesday, September 14, 2016 and that the lowest bid was from Banlin Construction LLC. Their total bid was for \$834,717 which included the deductive alternate #1 amount of \$5,763.00. The bid amount being reviewed for approval is \$828,954.00.

Travis further noted that a reference check with previous clients as well as state agencies was done to gather further information. All references came back in good standing and there were no issues that would disqualify them from receiving the Wine Production Facility project.

Rob stated that all legal requirements were met by the Port during the bid process. The legal requirements include (1) advertising for bids in a newspaper of general circulation within the port district at least 13 days before the submittal deadline; (2) requiring sealed bids; (3) conducting a public bid opening; (4) requiring a cashier's check, money order, or a surety bid bond in an amount not less than 5% of the total bid; (5) requiring a payment and performance bond in an amount not less than 25% of the total bid; and (6) awarding the contract to the lowest responsible bidder based upon the criteria provided within the invitation to bid.

Commissioner Matson asked if the SIED loan would be paid off by the lease with Paceline Cellars. Jay responded that at the end of the lease Paceline will have paid a total of \$121,000 towards the repayment of the SIED loan. It was then discussed how the duration of the incubator lease would not cover the entire SIED loan and how the Port will have to financially invest in the renovation of this project in order to complete it. Commissioner Martin stated that while having to financially invest in this project isn't the ideal situation for the Port, it is a necessity that this project be completed as it will greatly benefit the community by encouraging other similar businesses to come to Sunnyside. The overall return on investment to the community far outweighs the short term risks to the Port which make this project well worth the

financial investment.

ACTION ITEM:

- Motion to award the construction bid for the Wine Production Facility Incubator at 501 Grant Ave to Banlin Construction LLC in the amount of \$828,954.00 plus tax and authorize Travis Jansen to sign on behalf of the Port. Commissioner Grubenhoff moved to approve, Commissioner Martin seconded. Motion approved 3-0.

ADJOURNMENT: The Special Meeting was adjourned at 12:35 p.m., peace and harmony prevailing.



Jeff Matson, President

ATTEST:


Jim Grubenhoff, Secretary