



MINUTES OF THE SPECIAL MEETING
Held March 29, 2018

The March 29, 2018 Special Business Meeting was called to order at 12:10 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. The purpose of the meeting was to consider a proposed Amendment to the Purchase and Sale Agreement with regards to the sale of real property from the Port of Sunnyside to The Ostrom Company, and to consider any related or incidental decisions.

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, Projects Manager
Lucia Navarro, Administrative Assistant
Rob Faber, Legal Counsel

LEGAL COMMENTS: Rob shared with the Commission that the amendment being presented has several changes from the original Purchase Agreement with The Ostrom Company. The first change is that the property lines have been finalized and the total amount of property to be sold in this deal is 43.01 acres. Secondly, as a result of the defined property lines a purchase price of \$1.13 million has been established. Third, SVID is requesting a property easement for an irrigation line that will run through the property. Fourth, the original use stipulation was changed to state that the facility would need to stay as food production facility for the next five years. Fifth, was the removal of the construction completion date, but retention of the 18-month construction beginning date. He also stated that the future distribution of the \$1 million state grant that was recently approved was also addressed in this amendment. The provisions state that the Port will only advance the funds to The Ostrom Company after the signed offer letter from the Department of Commerce is received. It is believed that the funds that will be advanced will be based on invoices from work already completed at the site. If for some reason the funds are rescinded by the State the Port of Sunnyside has no obligation to provide \$1 million to The Ostrom Company. Lastly, the Amendment consents to the assignment of the buyer's rights and obligations under the Purchase Agreement to Asellus – Sunnyside, LLC conditioned upon Asellus leasing the property to The Ostrom Company for a term of not less than 5 years.

COMMENTS: Commissioner Martin expressed his concern over the risk involved in distributing the state grant money before it is received at the start of the next biennium in July 2018. Rob responded that no money would be distributed until after the offer letter from the Department of Commerce was received and a contract from the Department of Commerce signed by the Port. Commissioner Grubenhoff stated that the Port will not be spending any money of their own as the funds will be approved for reimbursement prior to the Port disbursing any funds on this project. The entire purpose of this grant is to help The Ostrom Company with their construction costs.

ACTION ITEM: Motion to approve the Amendment to the Purchase and Sale Agreement between the Port of Sunnyside, as seller, and The Ostrom Company, as buyer, relating to the sale of 43 acres located along Midvale Road and Duffy Road and identified as Yakima County Assessor's parcel number 220912-22001, and authorize Jay Hester to sign the Amendment on behalf of the Port. Commissioner Schilperoort moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.

EXECUTIVE SESSION: None

ADJOURNMENT: The Special Meeting was adjourned at 12:49 p.m., peace and harmony prevailing.



Arnold Martin, President

ATTEST: 

Tyler Schilperoort, Secretary