

**Port of Skamania County**  
**Minutes of the Board Commissioners**  
**April 16, 2019**  
**Regular Meeting, 4:00pm**

**Call to Order:** Chairman Collins called the meeting to order at 4:02 p.m.

**In attendance:** Commissioners Kevin Waters, Todd Kingston, Gail Collins, Executive Director Pat Albaugh, Attorney Ken Woodrich, Facilities Manager Doug Bill, Auditor Monica Masco, Finance Manager Cindy Bradley, Minute Taker Wanda Scharfe

**Guests:** Christopher Ogo, Henri Bidaue, Steve from North Bonneville, Dalles Sullivan, Xun Cong (Johnny) , Sunny Chong

**Public Comment:** Chairman Gail Collins opened the meeting for public comment at 4:03 pm.

**Wrapped Trees Presentation:** Christopher Ogo presented promotional information regarding Wrapped Trees and a potential lease of the Discovery Building. Chris gave his background information in previous grow operations and what makes Wrapped Trees unique to the industry. Indicated the crop production takes a full three months to obtain saleable product. Chris indicated Wrapped Trees would be able to pay the security deposit, monthly lease, sign a purchase agreement purchasing the existing equipment in addition to paying off the outstanding balances to known debtors as discussed. He indicated some of the equipment that was previously in the building is not accounted for. Christopher was part of the original grow operation for Simply Growz. Attorney Woodrich indicated that the lease would need to be priority #1 in their budget. Commissioner Kingston questioned Chris on the prospective number of family wage jobs and the number of employees they would potentially bring to the facility. Commissioner Collins asked if they could provide references and inquired as to if he, Chris would be living here locally apart from his family. The Commission inquired about previous production. Commissioner Waters inquired as to the testing facility they had used in past production. The commission thanked them for their presentation.

---**MOTION**--- Commissioner Kingston made the motion to approve the consent agenda items one (1) through three (3). Commissioner Waters seconded, and the motion carried unanimously.

**Commission updates:** There were no commission updates

**Directors Report:** Director Albaugh updated the commission on the work at the WRBP. He is currently working with Battelle on a short term (six week) lease agreement with Battelle Industries for the residential property at the business park for a total of \$3,200. Plus \$150 after a month. Our staff will not oversee maintenance.

**Facilities Manager Report:** Facilities Manager, Doug Bill updated the Commission on the recent activities of the Port. Michael Young is our new seasonal facilities maintenance worker and he has been working out great. Bathroom was recently vandalized, and the Porta Potty was tipped over. As a result, the bathrooms have been locked and marked closed due to vandalism. Consideration is being given to locking them at high risk times of day. We have requested more patrols of the area. Also looking into a wider security option.

The Port office accessory building aka the old garage is gone. Was getting precarious. Permit was to demolish and replace the building. To be done as finance allows. The exterior ADA Port Office public restroom and parking pavement are the next priority as part of the waterfront project.

**Finance Manager Report:** Cindy Bradley, Finance Manager reviewed the financials with the Commission. As of March 31st, the cash balance is \$863,390.53. The budget variances this month were; Property revenues are behind budget primarily due to past due lease payments, retainage was paid to Grade Worx for work completed in December which was included in the 2018 budget, Bell Design was paid \$1,304 for Trout Creek Field expense and Wallis Engineering for \$2,905 for shoreline engineering. Updates were given on the budgeted grants. Notable income in March were \$22,888.64 for Property Tax and \$46.08 from Investment Interest. Total revenue for the month of March was \$96,762.67 and the total expenditures were \$66,260.03, netting excess revenue over expenses in the amount of \$30,502.64. The Delinquent Aging account was reviewed. LDB is reportedly on track with their current repayment plan. Skunk Brothers is also on schedule with their repayment plan and it was noted that they have a new bookkeeper. Simply Growz missed the March 22 deadline for repayment as per the surrender agreement. As a result, we have officially taken possession of the building and the equipment and furnishings. There are currently two entities who wish to be considered to re-establish the grow operation. Discussion ensued regarding the possible sale of the property in a one-time payment or installment option. Commissioner Waters indicated that he is aware of an entity that had done business with Wrapped Trees in the past and they had not been paid for services. The need for a very strict recital would be a must for any future grow tenant.

**Dalles Sullivan Presentation:** Dalles Sullivan with Xun Cong (Johnny) and Sunny Chong presented a proposal for a lease for the Discovery Building. Dalles Sullivan represents a management team that would be advising Johnny & Sunny and assisting them with the process of getting the operation compliant, permitted and functional. Johnny & Sunny are part of the original silent investors of the previous grow operation. They funded the build out and the growers' salaries and rent. They have the transfer documentation showing that they delivered on the investment end however, the finances were not used as intended by either Michael Yong or the operators of the facility. Director Albaugh filled the commissioners in on the back story on Simply Growz in that Michael Yong had experience in the industry and created an investment group to fund the grow operation. Johnny & Sunny have experience in the wholesale & restaurant industries in the Portland area. The commissioners inquired as to the local job impact. Dalles said that experienced growers are a must and would be brought in to establish the crop to produce a marketable product. The core staff would be for local jobs which would be for watering, trimming and packaging. The job need would be almost immediate. In order for a new grow operation to become established at that location the old license would need to be detached from the location. They are prepared to pay the back rent and purchase the equipment back. As well as pay the outstanding bills.

Sunny Chong will be moving to Washington so that he will be able to have hands on approach to the grow operation and will eventually take over. The group would need to establish an LLC.

**Commission discussed the two proposals.** Christopher has been good to work with in the past, but his grow history has not produced anything to sell in the time that he was with the operation. The second group provided investment funding but was not involved in the management or operation. They stand to lose their Four million investment and were not given an opportunity to use their business knowledge to save Simply Growz. The need for more stringent recitals is necessary regarding payment history and would determine the

option to renewal. The consensus of the Commission was to go with the second group represented by Dalles Sullivan. The specifics of a lease were to be worked out by Director Albaugh and Attorney Ken Woodrich. There will be no connection to the previous tenant, Simply Growz.

The consensus of the Commissioners was to issue an agreement to this group and offer a lease requirement for a 4-month deposit of \$48,000, with a \$12,000 per month lease plus CPI adjustment, \$60,000 upfront payment of the equipment. The lease would be for a 2-year period with an option to renew for 5 years. An additional requirement would be to pay the past due amounts that are due to the electrician and other bills to local agencies.

**Attorneys Report:** Attorney Woodrich reported that he will be attending a conference in the next week.

**New Business:**

Director Albaugh reviewed the MOU Agreement with the County Noxious Weed to conduct services on Port property.

---**MOTION**--- Commissioner Waters made a motion to approve the agreement between the Port of Skamania and Skamania County Noxious Weed as presented. Commissioner Kingston seconded, and the motion carried unanimously.

Director Albaugh reviewed the EDC Contract Amendment for the original EDC Contract to account for a new IT Contract which will be a shared cost with the EDC.

--**MOTION**--- Commissioner Waters made a motion to approve the third amendment to the original contract dated Oct. 2017 between the Port and The Skamania Economic Development Council to increase the monthly services fee from \$6,250 to \$6,465.50 per month. Commissioner Kingston seconded, and the motion carried unanimously.

Director Albaugh reviewed the second lease amendment for Eli Lewis' office space change.

--**MOTION**--- Commissioner Waters made a motion to ratify the second lease amendment between the Port of Skamania and Eli Lewis, sole proprietor; to move his office space from Suite 70 I of the Tichenor Building to suite 90-C of the Tichenor Building with a lease rate of \$145 per month, beginning April 1, 2019 plus Washington State Leasehold tax. The Board acknowledges there is no change to the security deposit, which the Board acknowledges is less than the 1-year statutory deposit. Commissioner Kingston seconded, and the motion carried unanimously.

Director Albaugh reviewed the lease amendment for Kim Puckett DBA as Expressatory LLC.

--**MOTION**--- Commissioner Waters made a motion to ratify the lease between the Port of Skamania and Kim Puckett DBA Expressatory LLC for two office spaces at 390 Evergreen Drive in the Teizel Building as presented with a lease rate of \$300 per month, beginning April 1, 2019 plus Washington State Leasehold tax and a security deposit of \$600, which the board acknowledges is less than the 1 year statutory deposit. Commissioner Kingston seconded, and the motion carried unanimously.

Director Albaugh reviewed a pending lease with Chad Hoover DBA Galvatronix LLC

**--MOTION---** Commissioner Waters made a motion to approve a lease between the Port of Skamania and Chad W. Hoover DBA Galvatronix LLC for office space at 40 Cascade Avenue in the Tichenor Building as presented with a lease rate of \$325 per month, beginning May 2019 plus Washington State Leasehold tax and a security deposit of \$650, which the board acknowledges is less than the 1 year statutory deposit. Commissioner Kingston seconded, and the motion carried unanimously.

Director Albaugh reviewed a document received from the City of Stevenson. Reviewed a document that was intended as an MOU agreement. It was determined that the agreement needs work. Ken indicated he would just be a scrivener. There was discussion regarding the Whereas items. Commission directed Director Albaugh to make revisions on the agreement and return it to the City of Stevenson. Director Albaugh has reached out to Brian Bair who will work directly with Leana regarding the demands. Monica mentioned the possibility of both entities to hiring a mediator to help us get through this project.

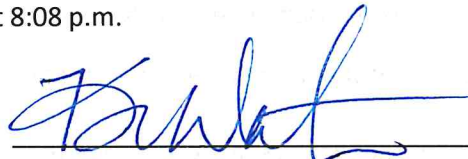
Ordinance 2013-1 Director Albaugh asked the Commission if they had additional changes for the future revision of the Ordinance. Consensus was a May public hearing would be the next. We will hold a public hearing on use of Port Property at the next Commission meeting.

Director Albaugh reviewed the pending proposed contract which would change the service from Century Link to Wave Communication in a combined contract with the EDC. Next month there will be another revision for the EDC Contract


**Executive Session** Commissioner Gail Collins called for an Executive Session including himself, Commissioner Todd Kingston, Commissioner Waters, and Director Pat Albaugh for 25 minutes from Per RCW 42.30.110 (g)

Commissioner Collins adjourned the meeting at 8:08 p.m.

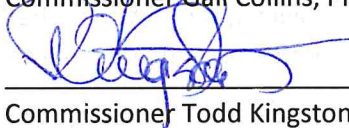
**APPROVED BY:**



Commissioner Kevin Waters, Secretary (District 1)



Commissioner Gail Collins, President (District 2)



Commissioner Todd Kingston, (District 3)

ATTEST:   
Wanda Scharfe, Minutes Taker