STUDY SESSION MINUTES (Special Meeting)
July 14, 2004

THOSE PRESENT:  Perry Huston, Max Golladay, George Cockill, Jim Hurson, Steve Lathrop, Paul Bennett, Kelly Carlson

SR/903 BULLFROG LAND ACQUISITION – George Cockill stated that Suncadia is choosing to get a second appraisal done by a firm in Wenatchee for the Jeff Anderson property. They feel that Jeff’s price is too high, and his Board had no comment on low and middle numbers. He stated that they should have a number by next week. Perry stated that he wants to get this done and completed before Jeff Anderson gets tired of the situation, he doesn’t want to drag this out. Max stated that until Kittitas County knows where Suncadia stands on this Paul cannot go any further with the negotiations. George Cockill said he will call their appraisers and see if he can hurry the process up. Paul then presented three property value offers that had been brought up in prior study sessions and they were discussed. No decisions made.

BOARD DIRECTION: Perry directed Staff to put this on the 7/19 agenda and for George Cockill to come prepared to have a final number to offer Jeff Anderson.

SUNCADIA ALTERNATIVE BONDING: Paul went over a staff report he had prepared for the meeting. George Cockill stated that in looking at the Performance Guarantee the named party should be Jeld-Wen, not Jeld-Wen Inc (a subsidiary) and they will get that changed. Perry asked what they had found out about the assignment of contractors, and George stated that this option would not give the County security, so Perry stated that this is not an option. The BOCC questioned as to whether Trendwest can provide assurance that they can financially cover the construction, maybe a letter from their bank, but George stated that their books would not be available. Paul stated that there will be approximately $15-$20 million under bond by the end of this year, which is half of the County’s entire budget. He recommends Trendwest accelerating their construction schedule and this would not keep their money tied up to long. George Cockill stated that he can’t disagree that the County is taking a risk, and the challenge is giving the County assurance of Jeld-Wen’s financial security. Max stated that he can’t think of any reason to put the County at risk.

BOARD DIRECTION: The Board directed Staff to prepare a schedule and costs (conservative, accurate estimate, private sector doing work) to determine the element of risk for Kittitas County. Paul & George Cockill will get with Raul and get the necessary numbers.

Adjourned at 2:30

Paul D. Bennett, P.E.
Director of Public Works