

**COMMISSIONERS' MINUTES
KITITAS COUNTY, WASHINGTON
COMMISSIONERS AUDITORIUM
SPECIAL MEETING**

WEDNESDAY

1:30 P.M.

JULY 7, 2010

Board members present: Chairman Mark McClain; Vice-Chairman Paul Jewell and Commissioner Alan Crankovich.

Others: Catherine Dunn, Deputy Clerk of the Board; Greg Zempel, Prosecutor, Neil Caulkins, Deputy Prosecuting Attorney; Steve Lathrop, Paul Eisenberg, Gary Kittelson and Tom Luersen, representing Suncadia.

SPECIAL MEETING

SUNCADIA UPDATE

COMMISSIONERS

At 1:30 p.m. **Chairman McClain** opened a special meeting to meet with Suncadia representatives.

Neil Caulkins, Deputy Prosecutor, handed out a draft settlement agreement. He said all the issues were completed in Phase II Division II, except some grouting and grass planted in stormwater swales. He said the lift station has been connected, the holding tank filled with sand and they have been signed off by the Kittitas County Public Health Department. He said the remaining issue is the performance guarantee and this agreement sets out the framework to make sure the Jenkins DR/Winston Bridge is constructed by the deadlines of 2013 and 2014.

Chairman McClain said he understood that Suncadia was providing private counsel to address the services. **Prosecutor Greg Zempel** replied that a private attorney was working with the Prosecutor's office. He said he had no reservations.

Tom Luersen, Suncadia, said that he had been involved in the project since day one, in the planning of amenities and doing oversight. He was now the Managing Director on behalf of the owner partnership. He said the re-capitalization is going fine but not yet complete. HE said the term sheet or letter of intent by the lenders and owner partnerships were in the works. He said the economic recovery was taking long than they expected but they have survived. He said there were some positive things happening with the Horse Park underway and a winery on the property along with Real Estate transactions. He said he was pleased with the hospitality numbers and that the property taxes will be paid.

2010-07-07 MINUTES

APPROVED
8/3/2010

Commissioner Crankovich said the Letter of Credit extension is a key thing. He asked if Suncadia was confident it would be extended.

Tom Luersen said yes and the County had the ability to hold the Suncadia feet to the fire.

Vice-Chairman Jewell asked about the amount of the Letter of Credit. He asked if the Prosecutor's office had received a list from the Department of Public Works on the amount needed for completion. **Deputy Prosecutor Caulkins** said he had not yet received it.

Chairman McClain directed staff to place the Suncadia Guarantee on the agenda for July 20, 2010 under Board Discussion and Decision.

The meeting was adjourned at 1:50 p.m.

DEPUTY CLERK OF THE BOARD


Catherine Dunn

KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON


Mark McClain, Chairman