

March 18, 2021

7:30 – 9:00 AM, scheduled time

Minutes - Regular Meeting (held via teleconference due to Governor's Proclamation 20-28)

Attendance

S3R3 Solutions Members physically present: Breean Beggs, Bill Butler, Greg Birchell, Al French, Gerry Gemmill

S3R3 Solutions Members present via teleconference: Larry Krauter

S3R3 Solutions Members absent: Scott Simmons

S3R3 Solutions Staff physically present: Todd Coleman; Executive Director, Sueann Herkel; Executive Assistant,

S3R3 Solutions Staff present via teleconference: Taudd Hume; Legal Counsel

S3R3 Solutions Staff absent: None

Guests present: None

Guests present via teleconference: Amy Edelan, Paul Hunt, Katherine Miller, Nancy Neraas, Galen Ribellia

Meeting called to order 7:30 AM

Welcome and Introductions:

Board Chair Al French conducted roll call of Board, quorum present.

Public Comment/Courtesy of the Floor:

No public comment taken due to Governor's Proclamation.

Action Item Number 1-Consent Agenda

Board Chair Al French requested comment on Consent Agenda Action Items which included Minutes for the February 24, 2021 Regular Board Meeting and February 1 – 28, 2021 Financials. Hearing none, he called for a motion for approval of all items as presented in the Consent Agenda. Board Member Chair Greg Birchell motioned for approval, Board Vice Chair Bill Butler seconded, motion passed unanimously.

Action Item Number 2 – Authorize Amendment No. 2 (Guaranteed Maximum Price Amendment) to the Design Build Contract with Garco Construction

Executive Director Todd Coleman requested that the Board authorize Amendment No. 2 which is the Guaranteed Maximum Price (GMP) Amendment to the Design Build Contract approved by the Board in January. The amendment is based upon Garco Construction, OAC Services and Amazon working collectively to define the building requirements and price the building and site design and construction. Increase is partially due to a 60% increase in cost of materials since March 2020 due primarily to the availability of materials resulting from COVID-19 restrictions. The GMP is not to exceed \$5,385,718 exclusive of WSST. Executive Director Coleman briefed the Board that the total cost of the building will be approximately \$6.1 million and will require the expenditure of the \$800,000 included in the 2021 budget. Board Chair Al French requested comment. Hearing none, he called for a motion for approval. Board Vice Chair Bill Butler motioned for approval, Board Treasurer Larry Krauter seconded, motion passed unanimously.

Action Item Number 3 – Resolution 2021-01 Providing for the Issuance of a Lease Revenue Bond

Nancy Neraas, a Principal with and representative of Foster Garvey PC, briefed the Board on the Lease Revenue Bond to finance the Air Cargo Warehouse. S3R3 selected Wheatland Bank as the preferred vendor to finance the Air Cargo Warehouse. Resolution 2021-01 allows the Executive Director to execute the Lease Revenue Bond and associated legal documents, not to exceed \$5,256,000.00, with Wheatland Bank. Board Chair Al French requested comment. Hearing none, he called for a motion for approval. Board Member Gerry Gemmill motioned for approval, Board Treasurer Larry Krauter seconded, motion passed unanimously.

Action Item Number 4 – Authorize Executive Director to Execute a Lease Agreement and Consent and Agreement Regarding Lease

In keeping with the strategic plan established by the S3R3 Solutions Board in December of 2020 to support the creation of jobs in the West Plains and Spokane region, the Board authorized the execution of a Ground Lease with Spokane International Airport (SIA). As Executive Director Todd Coleman explained, the proposed Lease Agreement supports the creation of new jobs and increase in commercial air cargo at SIA. Additionally, the Consent and Agreement Regarding Lease provides approval for SIA to lease the premises to a tenant and required the tenant to adhere to the conditions of the Ground lease between SIA and S3R3 Solutions. Also, if authorized, the Lease Agreement and Consent and Agreement Regarding Lease will become part of the closing package for execution with the Ground Lease and Revenue Bond. Executive Director Todd Coleman is requesting authorization to execute a Lease Agreement and associated documents to execute the lease for use of the air cargo warehouse and premises for the movement of air cargo. Furthermore, the Executive Director will be authorized, in coordination with S3R3 Legal Counsel, to make administrative changes to the Lease Agreement provided the changes do not materially change the structure of the Lease Agreement prior to its execution. Board chair Al French requested comment. Hearing none, he called for a motion for approval. Board Secretary Greg Birchell motioned for approval, Board Vice Chair Bill Butler seconded. Motion passed with an abstention from Larry Krauter. After the vote was finalized, Paul Hunt from Amazon expressed his appreciation for the approval.

Project Updates, Presentations and Briefings:

Although the West Plains Stormwater Study was listed in the agenda for today’s meeting, the discussion will be deferred to the next scheduled board meeting. Executive Director Todd Coleman did briefly mention that the open house held online March 11, 2021 was attended by approximately 30 people.

Other Business:

1. Unfinished Business

The question was raised as to whether the ground lease recently developed would be used as a template for future projects. Legal Counsel Taudd Hume commented that although every deal is different, yes, certain portions of the lease can be used as a template for moving forward. Board Treasurer and CEO of SIA Larry Krauter echoed that sentiment adding that the FAA can change some parts but that, again, in large the agreement could be used for future deals.

With regard to the Amazon Air Cargo Warehouse deal, Board Member Breean Beggs asked for instructions on how to respond to media. Paul Hunt, a representative of Amazon, stated that an internal email will notify Amazon leadership who will then officially notify City, County and State leaders. From that email, Executive Director Todd Coleman will email bullet points to the Board Chair adding the S3R3 Solutions perspective.

Board Chair Al French commented that the Amazon deal would not have happened without S3R3 Solutions. Board Vice Chair thanked Paul Hunt (Amazon) for his outstanding efforts.

2. New Business

None

Board Member Items:

Board Chair Al French announced that Scott Simmons will replace retiring Gerry Gemill as the Chief Executive Officer for Spokane County thus changing his position on the S3R3 Solutions Board. Several Board Members congratulated Scott and thanked Gerry for his years of devoted service.

Board Treasurer Larry Krauter commented to affirm the need for S3R3 Solutions and noting the Amazon deal as a significant moment for S3R3 Solutions. He specifically mentioned his gratefulness to the Board and Executive Director Todd Coleman.

Executive Session:

None

At 8:13 AM the March 18, 2021 Meeting was adjourned.