

September 8, 2022, Regular Board Meeting

7:30 – 9:00 AM

Minutes – Board Meeting (held via teleconference and in person)

Attendance

S3R3 Solutions Members physically present: Greg Birchell, Al French, Larry Krauter, Scott Simmons

S3R3 Solutions Members present via teleconference: Breean Beggs, Johnnie Perkins

S3R3 Solutions Members absent: None

S3R3 Solutions Staff physically present: Todd Coleman, Executive Director; Karen Corkins, Project Manager; Sueann Herkel, Executive Assistant

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

Guests physically present: None

Guests present via teleconference: Marcia Davis, Gerry Gemmill, Katherine Miller, Galen Ribelia, Sloane Stinson,

Meeting called to order 7:34 AM

Welcome and Introductions:

Acting Board Chair Larry Krauter requested roll call of Board, quorum present. He also extended a welcome to all attendees and guests.

Public Comment/Courtesy of the Floor:

Public Comment was requested by Acting Board Chair Larry Krauter, no comments were made. Additionally, it was noted that no members of the public were physically present.

Election of Board Officers

Acting Board Chair Larry Krauter asked Legal Counsel Taudd Hume to brief the procedure for board elections. Mr. Hume explained that due to the resignation of the previous Board Chair, an opening was created. There is no specific mention in the bylaws how to fill that opening. Therefore, recommendations can be taken from the current board after a review of each position. First position to be discussed was Board Chair. Board Treasurer Al French nominated Acting Board Chair, Larry Krauter. Board Member Johnnie Perkins seconded, recommendation passed unanimously with Larry Krauter abstaining. The second position discussed was Board Vice Chair. Board Chair Larry Krauter nominated current Board Treasurer, Al French. Board Member Johnnie Perkins seconded, recommendation passed unanimously with Al French abstaining. The third position discussed was Treasurer. Board Vice Chair Al French nominated current Board Secretary, Breean Beggs. Board Member Johnnie Perkins seconded, recommendation passed unanimously. The fourth position discussed was Secretary. Board Vice Chair Al French nominated Scott Simmons. Board Member Johnnie Perkins seconded, recommendation passed unanimously with Scott Simmons abstaining. A review of the slate of officers is as follows:

Board Chair	Larry Krauter
Board Vice Chair	Al French
Board Treasurer	Breean Beggs
Board Secretary	Scott Simmons

Board Chair Larry Krauter recognized that this election is out of sequence. Therefore, all positions will be held until the end of 2022. It is anticipated that January 2023 will include a reorganization and reelection.

Action Item No. 1 – Consent Agenda

Board Chair Larry Krauter stated the Chair is open to a motion to approve the Consent Agenda Action Item No. 1 which included minutes for the August 11, 2022 Board Meeting, Special Meeting Minutes from August 26, 2022, and financials for August 1-31, 2022. Board Vice Chair Al French motioned for approval, Board Secretary Scott Simmons seconded, motion passed unanimously.

Project Updates, Presentations and Briefings

Board Secretary and Chief Executive Officer for Spokane County discussed the work that has been done with the County and City to create a sustainable formula to consistently and correctly calculate retail sales tax. The methodology has been reviewed of said formula has been discussed at length and appears solid. For the record, 2017 will be used as the base year and will account for incremental growth. Using the formula, it is calculated that the City owes \$400,000 and the County owes \$200,000 to S3R3 Solutions. Those figures do not exclude a dollar amount equal to 1% administration fee to be assessed by the City and County. Executive Director Todd Coleman concurs with the aforementioned calculations. Scott Simmons wanted to raise a specific point of discussion regarding the frequency of paying retail sales tax. Th collective suggestion was to pay every six months (September/March).

Board Vice Chair Al French raised the land situation at the northwest corner of the Medical Lake Interchange and questioned why this property was not included within the boundary of the West Plains PDA. Both him and Board Secretary Scott Simmons thought it was an oversight not to include this property since it goes along the Urban Grown Boundary.

Executive Director Todd Coleman commented that he has left Project Papers for 13 projects that need to be addressed and continued. The Project Papers detail the project name, purpose of the project, status and next steps. One critical project is the Air Cargo Warehouse. A one year walk through of the warehouse went well with some small repairs needed. Upon completion of the inspection, the retainage can be released to Garco Construction.

Another critical project concerning the water issue with the City of Spokane was discussed as well. Conditional permits are being issued which will discourage developers from investing in the West Plains. Projects may be approved but Certification of Occupancy will not be granted until the water reservoir and booster pump station are complete. Board Member and Spokane City Manager Johnnie Perkins reported that currently there is no funding for a booster pump station which is estimated to cost \$5,000,000. The reservoir is being constructed with an expected completion date of late 2024. Board Member and City Council President Breean Beggs reported that there are a number of issues regarding the City's approach to the water situation in the West Pains, specifically mentioning that the City has been providing emergency water to the City of Airway Heights for the past five years and will continue to do so for the foreseeable future. Additionally, a main constraint has been getting parts and building materials. Regardless, Mr. Beggs has agreed to discuss the issue with his staff.

Board Member Greg Birchell noticed that a representative of Big Sky Public Relations was online for the meeting and asked their representative Sloan Stinson to give an update. Ms. Stinson gave a positive report of the advancement of social media for S3R3 Solutions. The current target date to go live with social media is November if not sooner.

Executive Director Todd Coleman mentioned the proposed changed to Traffic Impact Fees (TIF) and how the changes could possibly double the fees paid by developers. Mr. Coleman posed the question if TIF could be regional.

Project Manager Karen Corkins reported on ongoing projects:

- Harris Homestead particular the Davis Harris property. Currently working on the exchange of property with Mr. Harris to remove the structure from S3R3's land and transfer it to a piece of property owned by Mr. Harris. S3R3 will get conservation easements over various areas. Several documents are with legal counsel for review. Legal Counsel Taud Hume, Legal Counsel, takes responsibility for the delay in document review. Board Vice Chair Al French congratulated the PDA for working two years to bring the Wetland Mitigation Bank to fruition. He also acknowledged the Cheney PRM bridges the gap of two years before the 414 acres purchased for the Wetland Mitigation Bank are ready to be sold for credits. He also stated that he has a customer for credits that is also a good candidate for the Cheney PRM. Executive Director Todd Coleman commented that the Cheney PRM is a conceptual agreement given the Letter of Intent with the City of Cheney; it is still a work in progress. Additionally, we may need to have an Interlocal Agreement with the City of Cheney to solidify the project.

- Stormwater Implementation is proceeding after a meeting with Parametrix regarding the scope of work. Parametrix presented provided a draft of the scope of work and budget. Both are currently being reviewed.

Other Business

1. Unfinished:

Nothing reported

2. New Business:

Discussion on filling current vacant Board Position: Several points were discussed regarding filling the currently vacant position; they were as follows:

- Board Chair Larry Krauter would like the current positions to be reviewed and possibly changed to fit current and future anticipated needs.
- Board Treasurer Breen Beggs would like to consider filling the position with someone that could effectively represent the underserved of our surrounding communities. Board Member Johnnie Perkins concurs.
- Board Member Greg Birchell would like to evaluate the strength of past board members regarding real estate and fill the position with someone that could fill current gaps in necessary skills. Board Vice Chair Al French concurs and also suggested seeking someone with rail experience. Board Secretary Scott Simmons concurs but suggests that it could be beneficial to wait until the Executive Director is hired to identify gaps more finitely.
- Board Chair Larry Krauter echoed and summarized previous opinions to be laser focused on qualifications and skills sets that are complimentary. He further stated that there is no specified timeline and will be at the Board's discretion. He then asked each Board Member if they concurred to the points he mentioned which all did.

Board Chair Larry Krauter read Resolution 2022-04, Expressing Appreciation to Todd Coleman, Executive Director of S3R3 Solutions. He then stated he was open to a motion to approve Resolution 2022-04. Board Member Greg Birchell motioned for approval and Board Secretary Scott Simmons seconded, motion passed unanimously. Further comments were made to include Gerry Gemmill thanking Mr. Coleman for his friendship and acknowledging S3R3 Solutions would not be where it is right now without him. Board Member Johnnie Perkins thanked Mr. Coleman for his thorough education and passing his knowledge of the West Plains to him. Board Secretary Scott Simmons stated that the goal, vision and anticipated outcomes have been met and exceeded.

Board Member Items

None

Executive Session

None

At 9:04 AM the September 8, 2022 Board Meeting was adjourned.