

Port of Shelton
Regular Commission Meeting Minutes
August 15, 2023

I. CALL TO ORDER

Commissioner Taylor called to order the meeting of the Port of Shelton Commission at 2:00 PM on August 15, 2023.

The following persons were present: Commissioner Buck; Commissioner Patterson; Tricia Needham, Finance Director; Jan Fancher, Port Auditor and CPA; Skip Houser, General Counsel; Jeff Neely.

II. PLEDGE OF ALLEGIANCE

Commissioner Taylor led the Pledge of Allegiance.

III. PUBLIC COMMENTS

None

IV. ADOPT AGENDA

The agenda was amended to add item D) Resolution No. 23-03 – Emergency Action under section VII. Agenda was adopted as amended.

V. APPROVE MEETING MINUTES

Meeting Minutes from the regular meeting on August 1, 2023 were approved as presented.

VI. CHECK CONTROL

Commissioner Patterson presented the August 15, 2023 Check Control Report. She reported there were payroll and payroll liability electronic payments dated August 4, 2023 in the amount of \$41,684.35. Accounts payable check numbers 32220 through 32239 dated August 9, 2023 and August 15, 2023 in the amount of \$369,171.30, and accounts payable electronic payments dated August 2, 2023 through August 15, 2023 in the amount of \$1,947.97 for a total accounts payable of \$371,119.27. Total general fund checks and electronic payments were approved in the amount of \$412,803.62. These have been approved and accepted as presented. Commissioner Patterson noted the Port paid Helix Design Group \$11,966.35 for the Belco project and Enduris for insurance renewal over \$300,000 this payable cycle.

VII. ACTION/DISCUSSION ITEMS

A. Lease Renewals – Fungi Perfecti – Action

Finance Director Needham presented three leases that Fungi Perfecti, LLC intends to renew on a month to month basis. The three leases are set to expire soon and they consist of buildings and land at 181 William White Way, 281 Business Park Loop and 191 William White Way.

Commissioner Patterson made a motion to approve the month to month lease renewals with Fungi Perfecti LLC beginning September 1, 2023 and expiring February 29, 2024 for 181 William White Way and 281 Business Park Loop and beginning October 1, 2023 and expiring February 29, 2024 for 191 William White Way. Commissioner Buck seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Patterson – In Favor

Motion Carries.

B. Lease Terminations – Fungi Perfecti - Action

Finance Director stated that Fungi Perfecti has secured a large warehouse located south of Tumwater right off of I-5, which allows for their overflow warehousing, a need currently filled by leases with the Port. Fungi has since vacated the building at 241 Business park Loop in late June 2023 and they plan to vacate 101 Henry Trusler Way at the end of this month when their lease expires.

Commissioner Patterson made a motion to accept the lease terminations with Fungi Perfecti LLC for the leases at 241 Business Park and 101 Henry Trusler Way. Commissioner Buck seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Patterson – In Favor

Motion Carries

C. Lease Addendum – Dynamic Systems Technology - Action

Finance Director Needham presented a lease addendum 1 for the lease that was approved at the August 1, 2023 commission meeting for Dynamic Systems Technology. The new tenant is currently involved in a large project and was able to receive a lease extension from their current landlord in order to give them a bit more time to move their operations to the Port. The addendum simply adjusts the three-year lease to start October 1, 2023 rather than August 1, 2023.

Commissioner Patterson made a motion to approve the lease addendum 1 with Dynamic Systems Technology adjusting the term of the lease to start October 1, 2023 through September 30, 2026. Commissioner Buck seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Patterson – In Favor

Motion Carries

D. Resolution No. 23-03 – Emergency Action - Action

Finance Director Needham reported that an incident occurred the previous afternoon on port property where a semi-truck and trailer encountered electrical wires near the intersection of W Business Park Road and W Henry Trusler Way, disrupting power and communication services to several buildings occupied by port tenants. The resolution presented declares this incident an emergency situation and waives the public works competitive bidding process to proceed timely with necessary repairs.

Commissioner Patterson made a motion to approve Resolution No. 23-03 an Emergency Action hereby authorizing the Executive Director to cause the Public Works project to be executed other than by contract let under competitive bid. Commissioner Buck seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Patterson – In Favor

Motion Carries

VIII. STAFF COMMENTS

Finance Director Needham informed the commissioners preparation for the fiscal year 2024 budget is well under way and on track. She also stated Executive Director Smith has been in contact with the State Auditor and the audits for 2021 and 2022 are anticipated to start in October. Executive Director Smith is currently on leave and will be returning next Tuesday.

IX. PUBLIC COMMENTS

Jeff Neely

Jeff Neely inquired if the commissioners knew why Fungi Perfecti was relocating to Olympia. He stated the owner, Paul Stamets, seems to be local and supportive of Mason County. The commissioners all agreed the port has been working with Paul for years to lease space to accommodate his business needs to encourage him to stay at the port. There was discussion on the rapid growth of the business, which has expanded domestically and internationally. Commissioner Patterson indicated the business seems to be more concerned with access to I-5 and the Tumwater location meets those needs. Commissioner Taylor indicated there were multiple buildings at the port whereas the Tumwater location is one building and the reasons for leaving are simply speculation at this point. Commissioner Buck indicated the port would continue to work with Paul and would love to his business back at the port.

X. COMMISSIONER COMMENTS

Commissioner Patterson plans to attend the EDC event at the Ridge and the WPPA Environmental conference in Tacoma.

Commissioner Buck attended the EDC meeting last week and plans to attend the EDC appreciation meeting on Thursday.

Commission Taylor plans to attend the EDC event at the Ridge, the Sheriff's breakfast on the 25th and the PRTPO executive meeting on-line on Friday.

XI. EXECUTIVE SESSION

Commissioner Taylor made the announcement to the public that the commission will enter into executive session pursuant to 42.30.110 (g) – To review the performance of a public employee. The executive session will last 30 minutes and begin at 2:32 p.m. and end at 3:02 p.m. Following the executive session, no action will be taken by the commission. Commissioner Taylor recessed the meeting at 2:32 p.m.

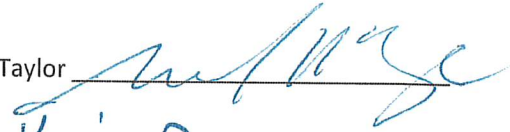
The regular commission meeting resumed at 3:02 p.m.

XII. ADJOURNMENT

With no further business, Commissioner Taylor adjourned the regular meeting of the Port of Shelton Commission at 3:02 p.m.

Minutes submitted by: Tricia Needham, Finance Director

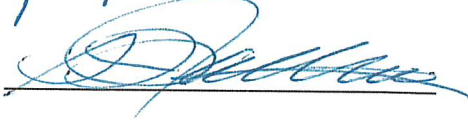
Minutes approved by: Commission Chairman Taylor

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Minutes approved by: Commissioner Buck

A handwritten signature in blue ink, appearing to read "Buck", written over a horizontal line.

Minutes approved by: Commissioner Patterson

A handwritten signature in blue ink, appearing to read "Patterson", written over a horizontal line.