



MINUTES
Ellensburg Business Development Authority
May 16, 2006

PRESENT: Charlotte Tullos Lynn Jenison Desmond Knudson
 Bill Meyer Doug Ryder Bob Titus

ABSENT: Bruce Tabb Jerry Decker Fritz Glover

STAFF/GUESTS: Debbie Strand Sherry Luke

I. Establish Quorum

The Ellensburg Business Development Authority (EBDA) met in the 221 E 4th conference room on Tuesday, May 16, 2006. Chair Charlotte Tullos confirmed that a quorum was present and called the meeting to order at 5:30 p.m.

II. Minutes – March 21, 2006

Lynn Jenison moved to approve the minutes with one minor correction (which has been done). Doug Ryder seconded, and the motion passed unanimously.

III. Financials

Debbie Strand reviewed the Financials for the absent Treasurer.

A. Approval of March and April 2006 Checks

March – Other than the NBIA Conference expenditure, all EBDA-Operations transactions were usual. Bill Meyer moved to approve checks #9541-9561 in the amount of \$10,650.54, Jenison seconded, and the motion passed unanimously. For EBDA-Airport, Hobart's partial rent payment and expenditures for the ground lease and Hobart's legal fees were noted with all other items usual. Ryder moved to approve checks #1390-1395 in the amount of \$17,280.92, Jenison seconded, and the motion passed unanimously. **April** – For EBDA-Operations, quarterly taxes and the NBIA hotel expenditures were noted with all other items usual. Bob Titus moved to approve checks #9562-9581 in the amount of \$9,692.44, Meyer seconded, and the motion passed unanimously. For EBDA-Airport, Hobart's rent receipt (now current) and the quarterly tax expenditure were noted with all other items usual. Ryder moved to approve checks #1396-1399 in the amount of \$13,118.62, Jenison seconded, and the motion passed unanimously.

B. Review of Year-to-Date Financials at April 30, 2006

Profit and Loss Budget vs. Actual by Fund – Revenues were less than budget due mostly to ADO funds. Expenditures were less than budget due mostly to the ground lease. Net operating revenue is less than budget. For non-operations, legal fees for Hobart were noted. Grant funds will be received and spent during the next several months. *Balance Sheet by Fund* – We have a strong cash position. Accounts receivable are for memberships, Consolidated Routing (copy fees), Iron Horse Brewing (now paid in full), and Worley.

IV. Chair's Report

A. New Building?

The Board thoroughly discussed the possibility of constructing a second Airport Building, including potential tenants, size, loading docks, other private warehousing facilities, costs, funding (Kittitas County .08 tax and CERB), and lease rates. Ryder moved to authorize Strand to apply for \$100,000 of the Kittitas County funds and investigate details of the CERB grant and loan. A friendly amendment increased the Kittitas County funding request to \$150,000, which was accepted. Jenison seconded the motion and it passed unanimously following further discussion about county funds, Bowers Road, competition with private facilities, time lines (possibly by late fall), the pro forma analysis (based on actual costs), lack of sales tax deferrals, and loading dock specifications.

B. New Leases

Now that Hobart is current, a new lease will be created that includes Board Rent Policies previously adopted. Titus moved to authorize Strand to hire an attorney for \$300 to develop a new lease. A friendly amendment increased attorney fees to \$500, which was accepted. Meyer seconded the motion, and it passed unanimously without further discussion.

C. Roof at Airport Building

MSI quoted \$19,981 during mid-April to repair the roof, including roof panels, sales tax, clean up, other necessary items, and which includes a 12% mark-up for a sub-contractor. We will obtain other bids. Hobart will be kept informed about the status of repairs.

D. Grant Funds to Economic Development Group

EBDA received \$50,000 in City funding. Jenison moved to award \$25,000 to the Economic Development Group as an economic development grant. Meyer seconded, and the motion passed unanimously.

V. Director's Report

A detailed written report was provided with Board packets.

A. Tenant/Borrower Status – Hobart and Iron Horse are paid in full. Central Washington Biodiesel paid first month's rent and a security deposit on Bay 1. Strand is assisting them with grant applications for federal and state funding. Their business model has now changed to use some virgin oil along with the used waste oil. Aragorn-Miglino rented Bay 3 for his woodworking business, but will build a shop on his own land during the next year or so.

B. Staff Activities

We received many good applications for the new position, but have narrowed it down to nine. Interviews will be conducted on May 31st. All is ready for the Annual Meeting on May 23rd. The National Incubator Conference was very expensive (but paid by grant funds) and well attended. Sessions were varied and provided good information, including the idea of “satellite” incubators (such as in Cle Elum and/or Roslyn) with different purposes (like tourism, recreation, high tech or artisans). Management and finances are universal problems for new businesses. The annual conference will be in Seattle next year. D & M Coffee was very flattered to win the Ellensburg business award.

VI. New Business

None.

VII. Other Business

Roslyn, Kittitas, and Cle Elum will begin Comp Plan revision hearings next week.

VII. Announcements

None.

X. Adjourn

Knudson moved to adjourn the meeting and Meyer seconded. The meeting was adjourned at 6:52 p.m.

Respectfully submitted,

Lynn Jenison, Secretary