

**COMMISSIONERS' MINUTES  
KITITAS COUNTY, WASHINGTON  
PUBLIC HEARING**

**TUESDAY**

**4:00 P.M.**

**AUGUST 22, 2006**

Board members present: Chairman David Bowen; Vice-Chairman Alan Crankovich and Commissioner Perry Huston.

Others: Julie Kjorsvik, Clerk of the Board; Patti Johnson, Interim Public Works Director; Kathy Jurgens, Finance System Manager (DPW); Allison Kimball, Assistant Director (CDS); Darryl Piercy, Director of Community; Jim Hurson, Chief Civil Deputy Prosecuting Attorney; George Cockle, Suncadia; Steve Lathrop, Representing Suncadia; Dell Goehring, Jeld-Wen; and three members of the public.

**PUBLIC HEARING      PERFORMANCE GUARANTEES OF SUNCADIA LLC      DPW**

At approximately 4:00 p.m. **CHAIRMAN BOWEN** opened a public hearing to consider the Performance Guarantees of Suncadia, LLC.

**PATTI JOHNSON, INTERIM PUBLIC WORKS DIRECTOR** Reviewed a staff report and stated that Suncadia, LLC has requested that Kittitas County approve the removal of Jeld-Wen from the Performance Guarantees. On July 17, 2006 the Commissioners directed staff to set a Public hearing to consider this request to determine if it would be in the County's best interest. Ms. Johnson also stated that it was brought to her attention today from **Steve Lathrop** a letter with twelve items to go over that had been sent to the past Director back in May 2006 of issues that needed to be taken care of. Patti stated she made copies and would hand them out for the Boards review.

**STEVE LATHROP, REPRESENTING SUNCADIA, LLC** stated he would like to go over the letter in regards to Suncadia Letters of Credit and Guaranties that was before the Board. He reviewed a summary of the outstanding letters of credit and guaranties from Suncadia to the County together with suggested actions for each. Preliminary to that, however, We understand that the County is in the process of preparing a resolution extending Resolution 2004-88 which expired August 2, 2005, but which was finally acted upon by the Commissioners on January 3, 2006. Central to that will be the term of the extension, and Suncadia is suggesting that it be to the end of the year. Mr. Lathrop stated that it was initially determined by the County that a "General Guaranty" would be executed by Suncadia and Jeld-Wen for each performance guaranty. This was redundant as, by its very definition and specific terms, a single, general guaranty would cover all obligations, past, present and future, unless and until all performance guaranties have been released. This process doubled the work and the documents to track and was

therefore suspended starting with the Phase 3, Divisions 6-9 plats. To clear up the documentation, Suncadia is suggesting that all presently outstanding general guaranties be consolidated into one. Relative to the guaranty process, He also made the request to the Commissioners last December, to no longer require that Jeld-Wen provide its general guaranty or execute the performance guaranties. Suncadia has a proven track record of performance with the County, substantial net worth and liquidity in its own right, and a large, valuable area yet to develop within the resort over which the County holds approval rights. Accordingly, Suncadia is proposing that the replacement, general guaranty referred to in item one above and all future performance guaranties be executed by Suncadia alone.

**COMMISSIONER HUSTON** asked where we were at with the fire station up at Suncadia, **MR. COCKLE** stated that the Sheriff's office will temporally take space in the old Roslyn administration office and then the facility will be built along with the fire station. The architect has been hired and they hope to break ground late this year so it will be ready with the hotel. Mr. Cockle stated they have already bought the equipment needed for the fire station, and the agreement has been signed, it will be done before a certificate of occupancy.

**STEVE LATHROP REPRESENTING SUNCADIA LLC** stated in regards to the letter presented to the Board to by interim Director DPW Patti Johnson, item number 7, he wanted to address stating that the Phase 3 Public Trailhead, parking and restroom performance guaranty needs to be extended to December 31, 2012 and its general guaranty replaced. The location and construction of this facility is dependent upon the final land planning for the entrance to Tumble Creek and the trail system and upon the resolution of issues involving the high concentration of cultural resources in the area and impacts within the geomorphic floodplain.

**CHAIRMAN BOWEN** stated that being only here for a year and a half he hasn't been a part of putting the guarantees in place, he's unfamiliar and needs more time to study. He stated that he understands where Suncadia is coming from and that Jeld-Wen wants to get out and free up some of there assets. He indicated we still has a lot of concerns.

**COMMISSIONER CRANKOVICH** stated he had the same concerns, as well as if there was a huge fire or disaster and we were to lost out completely.

**COMMISSIONER HUSTON** recommended to staff to freshen up a Resolution on the details and directed Community Development Services to take the lead in the public hearing and to work with the Department of Public Works.

**COMMISSIONER HUSTON** recommended continuing this Public Hearing for enabling documents and to leave Jeld-Wen in at this time with all information and they could change that if need be.

**COMMISSIONER HUSTON** moved to continue the public hearing until October 5, 2006 4:00 p.m. in the Commissioners Auditorium noting the record is open. **COMMISSIONER CRANKOVICH** seconded. Motion carried 3-0.

Meeting adjourned at 5:20 p.m.

**DEPUTY CLERK OF THE BOARD**

**KITTITAS COUNTY COMMISSIONERS  
KITTITAS COUNTY, WASHINGTON**

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**Mandy Robinson**

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**David Bowen, Chairman**