

MALHEUR COUNTY COURT MINUTES

July 20, 2016

County Court met with Judge Dan Joyce presiding with Commissioner Don Hodge and Commissioner Larry Wilson present. Staff present was County Counsel Stephanie Williams.

Also present was Vale City Manager Lynn Findley and John Braese of the Malheur Enterprise.

ANI-CARE ANIMAL SHELTER INC.

Amanda Grosdidier and Brian Feeley met with the Court. Ms. Grosdidier explained that herself, and Mr. Feeley have been running Ani-Care since last February; papers were recently signed to take over the business from Ross Hendricks (previous owner of Ani-Care). Ms. Grosdidier would like to continue to contract with the County for shelter services for canines. It was briefly discussed that law enforcement case numbers are not assigned by the County for canines taken to the shelter. It was explained that County law enforcement does not transport dogs to the shelter and the County does not have a mandatory licensing program. (The cities do have officers who transport dogs to the kennel and do have mandatory licensing requirements so law enforcement case numbers are generated.) The business name is now Ani-Care Animal Shelter Inc. and is a non-profit corporation. Ms. Grosdidier noted that she is hoping to work with the Ontario Feral Cat program to eventually expand services outside the city limits of Ontario. Ani-Care Animal Shelter Inc. is not purchasing the real property rather a lease has been entered into with the property owner. Mr. Findley noted that at times the City of Vale does transport county dogs to the shelter.

TREASURE VALLEY PARAMEDICS (TVP)

Meeting with the Court from Treasure Valley Paramedics (TVP) were Attorney Max Taggart, Steve Patterson and Heather Land. Mr. Taggart reviewed the draft minutes of the June 14, 2016 Special Meeting of the Board of Directors of Treasure Valley Paramedics, which included a resolution of the board to offer for sale TVP's land and its improvements, and TVP's tangible and intangible personal property, to include the contract with Malheur County, to TVP Inc. and TVP Enterprises LLC. The sale is subject to some contingencies listed in the resolution to include: Authorization from the County Court to assign the current personal services contract between TVP and Malheur County from TVP to TVP Inc., which will conduct EMS (Emergency Medical Services) under that contract; the resolution of all necessary issues with the Internal Revenue Service; the giving of proper notice to the Oregon Department of Justice as required by ORS (Oregon Revised Statute) and the resolution with Department of Justice (DOJ) of any issues required to be resolved.

The parties to the sale will be: The seller is Treasure Valley Paramedics, an Oregon non-profit corporation; the buyers are TVP Inc. and TVP Enterprises LLC.; the guarantor of TVP's currently guaranteed debts is Steve Patterson.

The assets of Treasure Valley Paramedics to be sold are: All real property with its improvements; and all tangible and intangible personal property, including all business operations, good will, accounts receivable, bank accounts, contracts of insurance and the current personal services contract with Malheur County.

The purchase price for the Company shall be \$390,000. The real property will be sold to TVP Enterprises LLC and the personal property will be sold to TVP Inc. The purchase price will be proportionately allocated between TVP Enterprises LLC and TVP Inc. based on the equity in the real property and the personal property on December 31, 2015. The purchase price will be paid as follows: At closing, \$50,000 in cash; the remaining balance (\$340,000) will be evidenced by a promissory note, which will

bear interest at 2.5%, monthly installments of \$3,911, payable on the first day of the second calendar month following the date of closing. Monthly payments paid later than ten days following the due date will be assessed a late fee of 5%. The makers of the promissory note will be TVP Enterprises LLC and TVP Inc. The promissory note may be prepaid, in whole or in part, at any time without penalty. Full and timely performance of the promissory note will be personally guaranteed by Steve Patterson.

The promissory note will be secured by: TVP Enterprises LLC will execute a trust deed describing the real property and containing customary terms and provisions; TVP Inc. will execute a security agreement describing the personal property and containing customary terms and provisions which security agreement will be perfected as required by law. The trust deed and security agreement will contain terms necessary to respect the right of Malheur County to exercise the "take-over" provisions in the current personal services contract between TVP and the County.

The transaction described in the resolution is intended to be As Is, Where Is, subject to known, unknown and latent defects, other than that TVP is vested with fee simple title in the real property and has rights, including ownership, in the personal property.

Closing of the sales transaction needs to occur as soon as reasonably possible, and certainly before the end of the year. Ms. Land explained that due to Medicare requirements the moving from the nonprofit to the for-profit entity needs to happen within 60 days of the application approval date to Medicare (the application approval date was July 11, 2016).

Mr. Taggart explained that TVP nonprofit will need to continue to exist for at least two years and keep its liability coverage in place. New directors will need to be in place. No decisions were made at the TVP Special Meeting as to how the proceeds of the sale would be distributed - whether to a governmental entity or similar nonprofit entity. Mr. Taggart indicated that he did not believe that the TVP Directors would have any objections to the funds going to the Ambulance Service District (ASD). The Ambulance Service District could form a committee and criteria for how the funds would be dispersed to benefit the ambulance providers, EMT's (Emergency Medical Teams) and fire districts. Mr. Patterson could be involved in the committee and creation of the criteria.

Mr. Taggart noted that Steve Patterson would be the sole member of the LLC; and Steve Patterson would be the sole shareholder, sole director, the president and secretary of the Corporation. Mr. Taggart said he could amend the resolution to include a provision that changes would not be made without consent of the County. It is anticipated that in 3 to 5 years Mr. Patterson may want to bring in additional members/directors.

Mr. Taggart suggested that after two years he would like to dissolve TVP nonprofit and distribute the promissory note and trust deed security agreement to the County/ASD. Ms. Williams expressed concern with that scenario as the statute of limitations for contract claims is 6 years.

Commissioner Wilson noted some conditions the Court had regarding TVP proceeding with for-profit status including: The \$390,000 go to ASD; a committee of ASD members, including Steve Patterson, will then decide what equipment, supplies, vehicles, training etc. will be purchased for ambulance providers, EMTs and fire districts; drafting of an acceptable written assignment between the County and TVP Inc.; and DOJ approval. Additionally, if the resolution from the TVP Special Meeting Minutes of June 14, 2016 is amended the Court is to be provided a copy and kept well informed; and the TVP for-profit entities members/directors not be changed without consent of the County.

Mr. Taggart expressed concern with the condition that Mr. Patterson be a member of the ASD committee formed specifically to distribute the sale proceeds. Rather, Mr. Taggart suggested that the sale proceeds

be distributed to the ASD and the ASD Advisory Board and County Court, as the governing board of the ASD, be responsible for distribution of the funds. The Court was agreeable to this suggested change. Mr. Taggart said he could draft a supplemental resolution addressing the conditions as outlined by the Court.

Unanimous consensus of the Court was that based upon all information to date and subject to the above referenced conditions, the Court does not object to TVP proceeding forward with for-profit status as outlined to the Court on July 6 and July 20, 2016.

COURT MINUTES

Commissioner Wilson moved to approve Court Minutes of July 6, 2016 as written. Commissioner Hodge seconded and the motion passed unanimously.

AMENDMENT - CONTRACT WITH GREG SMITH

Commissioner Hodge moved to approve Third Amendment to Contract for Personal Services: Malheur County Economic Development Consultant/Coordinator with Gregory Smith & Company LLC. Commissioner Wilson seconded and the motion passed unanimously. The contract expires June 30, 2017. See instrument # [2016-2377](#)

Mr. Findley left the meeting.

EMPLOYMENT AGREEMENT - DUGAN

Commissioner Hodge moved to approve Malheur County Assistant Attorney - employment of PERS retiree Employment Agreement with Michael T. Dugan. Commissioner Wilson seconded and the motion passed unanimously. Mr. Dugan will be employed as a Malheur County Assistant District Attorney on a limited and temporary basis consisting of no more than 518 hours from July 18, 2016 through December 31, 2016 at an hourly rate of \$50.00. See instrument # [2016-2376](#)

EOCCO COMMUNITY ADVISORY COUNCIL (CAC)

Commissioner Hodge moved to appoint Carrien Broyles, Mindy Best, Amy Romans, Kristie Rae Cooper, Carlos Soriano, Justin Pendleton, Jessica Steele, Linda Smallwood, and Kathleen Quintero to the Eastern Oregon Coordinated Care Organization (EOCCO) Local Community Advisory Council. Commissioner Wilson seconded and the motion passed unanimously.

CROSSING PERMIT

Commissioner Wilson moved to approve Crossing Permit #19-16 to City of Vale for installation of water transmission line on Lytle Boulevard #570. Commissioner Hodge seconded and the motion passed unanimously. The original permit will be kept on file at the Road Department.

COMMENTS FROM COURT MEMBERS

Commissioner Hodge noted he had participated in the interviews for the Equipment Operator position at the Road Department.

Commissioner Hodge also noted that Road Supervisor Richard Moulton had visited with him about possibly purchasing the Wilcox gravel pit. The Court briefly discussed the matter. Commissioner Wilson requested Mr. Moulton make a formal presentation regarding the property to the Court.

COURT ADJOURNMENT

Court was adjourned.