

MALHEUR COUNTY COURT MINUTES

August 2, 2017

County Court met with Judge Dan Joyce presiding with Commissioner Don Hodge and Commissioner Larry Wilson present. Staff present was Administrative Officer Lorinda DuBois and Surveyor/Engineer Tom Edwards.

Also present was John Braese of the Malheur Enterprise and Larry Meyer of the Argus Observer.

ECONOMIC DEVELOPMENT UPDATE

Economic Development Director Greg Smith, Sherri Smith, and Phil Scheuers met with the Court. Mr. Smith provided an update of activities. Farmers Fresh Mushroom has acquired property in Vale and within approximately 30 days will begin their due diligence on site preparation to include surveying, retaining an engineer and such. Financing options are being explored and there will possibly be incentives available through the state and county enterprise zone.

Work continues on the West Park Plaza Mall project; currently finalizing the approval of a \$6 million loan to the developers and the loan includes multiple lenders. It is hoped that within 30 days the loan will be completed and renovations will start.

Assessor Dave Ingram joined the meeting.

County Counsel Stephanie Williams joined the meeting.

The current owner of the Farwell Bend project is attempting to sell the property to a developer from Atlanta, Georgia who has multiple truck stops in the South. Some water issues with the property have arisen and Economic Development is coordinating a conference call with the potential developer and Water Resources, DEQ (Department of Environmental Quality), and Anderson & Perry. The potential developer wants to rebuild the hotel, restaurant, and gas station.

Several Enterprise Zone projects are moving forward. Enterprise Zone applicants will need to continue to contribute to public safety services as well as contribute back to the community.

Staff also continues to pursue several state business leads.

Mr. Smith discussed the Malheur County Reload Facility Project. ODOT (Oregon Department of Transportation) Director Matt Garrett has indicated

that the reload facility is the number one project to come out of HB 2017; an initial proposal on how the County intends to utilize the \$26 million along with a timeline and outcomes needs to be presented to the transportation commission. After approval by the Commission, ODOT will begin to release funds for initial planning, surveying, engineering and such.

Mr. Smith outlined his suggested steps to successfully developing the reload facility:

Phase I. Retain a Project Manager. Create a 501(c)(4) non-profit economic development corporation and select seven members to serve on the board (the Project Manager would serve as Officer to the Board). The Project Manager and Board would create a project timeline. The presentation to the Oregon Transportation Commission would be made and after its approval initial funds could be acquired. Additionally, informational meetings would be hosted and the project timeline distributed to the public to keep them informed.

Phase II. Formalize a site selection process and acquire real estate. (Union Pacific plans to do site visits of potential locations later this month.)

Phase III. Begin initial planning, engineering and design work of an industrial park. Acquire necessary permits. Obtain additional grants through avenues such as Special Public Works Fund, Department of Transportation's Immediate Opportunity Fund, and programs through DEQ and Water Resources. Hold public informational meetings. Design the industrial park in consultation with partners. Develop the industrial park to include earthwork and leveling, road and pedestrian improvements, rail development, and utility installation.

Phase IV. Enter into a lease agreement with a selected company to operate the reload facility.

Phase V. Design the reload facility, acquire the necessary permits for a reload facility, and construct the facility.

Final Step. Manage contingency issues.

Mr. Smith suggested that after completion of the project, any unused funds be placed in a revolving administration fund to be used for future development opportunities. Long-term management of the development corporation will be paid for through the lease agreement proceeds. In the future, it may be possible to merge Malheur County Economic Development with the Malheur Economic Development Corporation which would create

synergy and budget savings. Selecting the correct entity for the lease agreement will be an approximate two-year process. (UP/RailEx and Hunts Point Cooperative have expressed interest.) The Project Manager will submit a quarterly letter of progress to the Development Board, County Court and public.

Mr. Smith noted he made the same presentation to the onion growers yesterday and they voted to approve Mr. Smith's proposed outline. A draft budget for the project has been developed but will not be released until the real estate is acquired.

Mr. Smith requested direction in the near future as to how the Court desires to move forward regarding the project manager and legal structure. Mr. Smith encouraged the Court to create a 501(c)(4) entity as there are strong economic reasons to create a 501(c)(4) that will bring significant savings to the project versus having the County manage it directly.

Ms. Williams indicated she is ready to move forward and that outside legal counsel is not needed at this time; someone will need to be hired to create the 501(c)(4) entity and she would like to follow Mr. Smith's recommendations. Mr. Smith explained that the legislature allocated \$520,000 of the funds for project management and those funds will be needed during the industrial park and facility development stages. Mr. Smith explained his office could begin the initial work of completing the 501(c)(4) application and legal documents as well as developing the work plan and presentation for the transportation commission but he would need to hire additional staff to assist with the project; he anticipates it will take 4-6 months and he would need an additional \$3,000 per month.

Mr. Smith suggested the development board consist of 7 members with strong representation to include one public sector member, agricultural representation, and at minimum two strong financial representatives (CPA, banker). Additionally, the bylaws of incorporation should reflect that the Court appoints and removes the board members and the 7th board member is Officer to the Board and Project Manager and reports directly to the County Court.

Ms. DuBois recommended that Mr. Smith's contract be amended immediately and that the additional funds are available in the Economic Development budget.

Commissioner Wilson moved to amend Mr. Smith's contract for the additional scope of work and hiring of additional staff in the amount of \$3,000 per month through December 2017. Commissioner Hodge seconded

and the motion passed unanimously. Ms. Williams will draft an amendment to the contract.

The Court members will individually submit names for appointment to the development board to Ms. Williams and she will compile a list for the Court members to consider.

Mr. Smith reminded the Court that this board will be different than the board that will be formed under HB 2012 - the Eastern Oregon Border Economic Development Board.

Mr. Braese left the meeting.

SHERIFF'S OFFICE

Sheriff Wolfe met with the Court and explained that a Jordan Valley deputy had resigned. Sheriff Wolfe explained that housing in the Jordan Valley area is problematic and it may be necessary to consider the County purchase a manufactured home to place on the County property across from the rodeo grounds in Jordan Valley as it is a requirement of the position that the deputy live in the area.

Sheriff Wolfe also explained Jail Sgt. Castro will submit retirement papers later this month and would like to contract employment through the end of the year.

The Court had no objections to advertising/hiring for the Jordan Valley deputy position and no objections to contracting with Sgt. Castro for employment through the end of December 2017.

Sheriff Wolfe said that no staff within the Criminal Division will be granted vacation during the Solar Eclipse weekend and following few days.

Judge Joyce asked about the status of local fires. Sheriff Wolfe said all are currently contained or controlled and explained there have been a lot of fires but BLM has had available resources and the rangeland fire protection associations have responded quickly.

Sheriff Wolfe also expressed support for the effort to improve the airstrip at Owyhee reservoir and the road leading to the airstrip as it is beneficial for search and rescue events and accessing that part of the reservoir quickly.

VECTOR CONTROL DISTRICT

Vector Control District Manager Gary Page, Operations Manager Jessica Norton, Board Trustee Carl Hill, and Health Department Director Angie Gerrard met with the Court. Ms. Gerrard explained that with the extremely

wet winter it is proving to be a bad mosquito year; Vector Control has mosquito traps throughout the county and does testing for various mosquito borne diseases; multiple mosquito pools across a broad area have tested positive for West Nile virus and one pool has tested positive for St. Louis Encephalopathy (There was one human case of St. Louis Encephalopathy in summer 2016. The number of positive test pools for West Nile virus this year is much higher than normal and they are spread over a much broader geographical swath. A presumptive human case of West Nile virus was received yesterday in the Vale area.

Ms. Gerrard explained that the Vector Control District's Mosquito Control Plan allows for aerial spraying if the Health Department declares it an epidemic level of mosquitos with vector borne disease and the County Court declares an emergency related to mosquito borne disease. Ms. Gerrard contacted the State public health veterinarian who concurred that additional abatement efforts in the form of aerial spraying are warranted, as well as public notification and messaging as to how to protect oneself from mosquito bites and such.

Mr. Page said that the areas of focus are west of Vale and the Harper area. Some of these areas are difficult to access by ground and aerial applications would be beneficial. Mr. Page expressed that the Vector Control Board does not have the authority to authorize aerial spraying without a declaration from the Health Department or County Court; the State and other districts throughout the state recommend that the County Court make the declaration.

The Court members concurred that there is a public health concern. Commissioner Wilson moved to declare a significant and escalated public health concern related to mosquito borne disease. Commissioner Hodge seconded and the motion passed unanimously.

COURT MINUTES

Commissioner Wilson moved to approve Court Minutes of July 26, 2017 as written. Commissioner Hodge seconded and the motion passed unanimously.

DEED - PROJECT DOVE

Commissioner Hodge moved to approve Quitclaim Deed to Project Dove for the property located at 452 NW 1st Street, Ontario. Commissioner Wilson seconded and the motion passed unanimously. The deed releases the County's interest and restrictions that were set out in the Special Warranty Deed of 1997 as Project Dove wishes to sell the property. See instrument #2017-3149

IGA - YOUTH DEVELOPMENT DIVISION

Commissioner Hodge moved to approve Intergovernmental Agreement (IGA) No. 11082 with Oregon Department of Education, Youth Development Division. Commissioner Wilson seconded and the motion passed unanimously. Funding is in the amount of \$45,000 for Juvenile Crime Prevention (JCP) services; the agreement terminates June 30, 2019. See instrument #[2017-3049](#)

FUND TRANSFER RESOLUTION

Commissioner Wilson moved to approve Resolution No. R17-31: In the Matter of Fund Transfers Under Local Budget Law ORS 294.463. Commissioner Hodge seconded and the motion passed unanimously. The resolution accounts for end of the 2016-2017 fiscal year necessary budget transfers. See instrument #[2017-3045](#)

County Court was closed and the Ambulance Service District (ASD) session was opened.

FUND TRANSFER RESOLUTION

Commissioner Wilson moved to approve Resolution No. R17-32: In the Matter of Fund Transfers Under Local Budget Law ORS 294.463. Commissioner Hodge seconded and the motion passed unanimously. The resolution accounts for end of the 2015-2016 fiscal year necessary budget transfers. See instrument #[2017-3046](#)

The ASD (Ambulance Service District) session was closed and the Malheur County Agricultural Educational Extension Service District session was opened.

FUND TRANSFER RESOLUTION

Commissioner Wilson moved to approve Resolution No. R17-33: In the Matter of Fund Transfers Under Local Budget Law ORS 294.463. Commissioner Hodge seconded and the motion passed unanimously. The resolution accounts for end of the 2015-2016 fiscal year necessary budget transfers. See instrument #[2017-3047](#)

The Extension District session was closed and County Court was reopened.

COURT ADJOURNMENT

Judge Joyce adjourned the meeting.

