

Board Meeting Minutes

Tuesday, January 14, 2020
10:00 am (Mountain Time)
Baker and Murakami Produce
1431 Se 1st Street, Ontario, OR 97914
Conference Call Number: 541-896-1824

Members Present:

- Grant Kitamura, Board President
- Greg Smith, Officer to the Board (via phone)
- Kay Riley (via phone)
- Toni Parish (via phone)
- Jason Pearson

Staff:

- John L. Braese
- Julie Hicks (via phone)

Regular Board Meeting Call to Order:

The meeting was called to order at 10:01 am with special guests present:

- Randi Svaty
- Mike Walker
- Pat Caldwell, Malheur Enterprise (via phone)
- Bob Quick
- Larry Meyer, Argus Observer (via phone)

Discussion and Action: Review and approval of December 31, 2019 meeting minutes.

Board Member Kay Riley made a motion to approve the minutes of December 31, 2019 with the correction of Randy Svaty's last name misspelled. The motion was seconded by Board Member Jason Pearson. By unanimous vote, the minutes were approved with the correction noted.

Discussion and Action: Update

Board President Grant Kitamura handed the meeting over to Officer to the Board Greg Smith for updates on the project.

Smith announced to the board the previous week had been busy and productive. The line of credit has been established at the Bank of Eastern Oregon and signatures have been made. This is an unsecured line, backed up by Malheur County and will be used to pay invoices before submission to ODOT for reimbursement.

The land has been acquired from the Farmer family by the county. Work will now begin on subdividing the property with a parcel to the corporation for the reload center. A subcommittee is also working on covenants and restrictions with Board Member Toni Parish serving on the subcommittee.

Smith also announced 30 percent of civil design has been completed by Anderson Perry and forwarded to ODOT. A public meeting is also planned on the civil design. In addition, Rail Pros staff is working on 30 percent design with completion expected tomorrow.

Smith stated the proposed operator of the facility has received preliminary approval from their executive team. The next step in process is a meeting with Union Pacific personnel and executives with the proposed operator. Smith cautioned the corporation must continue to manage sensitivity and announced the Malheur Enterprise was naming the operator in an upcoming article.

Smith briefed the board regarding an upcoming court case. The Malheur Enterprise has sued Economic Development in the amount of \$52 to recoup costs of a public records request. Smith stated the case is being litigated as the Development “cannot reward the behavior” shown by the paper.

Mike Walker commented he was pleased to see a public meeting presenting the 30 percent civil and rail design was scheduled in the future. Walker did express concern with plans for a triple net lease as he would like the board to consider a simple straight lease.

In reply, Smith stated a triple net lease was an industry standard and would keep the rail facility on the county tax rolls. Smith asked Walker to be willing to serve on a subcommittee regarding the structure of the agreement with the operator when appropriate.

Kitamura reported on a Department of Justice form, stating he contacted Lonnie Hytrek regarding the form. Smith reported the form was customary, but that a learning curve was needed in Malheur County as few non-profits exist like the board.

Board Member Jason Pearson reported he and others were currently working of projections to markets other than New York. The data on these now markets should be completed in next few days.

Kitamura stated paperwork was not completed on the organization of the Treasure Valley Onion Shippers, but he had received commitments from 14 businesses to join the group.

Adjournment:

With no further discussion, the meeting was adjourned at 10:27 am.

Respectfully Submitted:
Greg Smith, Officer to the Board