

Board Meeting Minutes

Tuesday, December 18, 2018
11:00 am (Mountain Time)
St. Alphonsus Medical Center
351 SW 9th Street, Ontario, OR 97914
Conference Call Number: 541-896-1824

Members Present:

- Grant Kitamura, Board President
- Lynn Findley, Board Vice President
- Greg Smith, Officer of the Board
- Jim Farmer
- Kay Riley
- Toni Parish
- Corey Maag

Staff:

- John L. Braese

Regular Board Meeting Call to Order:

The meeting was called to order at 11:05 am with special guests present.

- Malheur County Commissioner Larry Wilson
- Malheur County Planning Director Eric Evans
- Lee Birch (Umpqua Bank)
- Doug Lamm (Nichols Accounting)

Discussion and Action: Review and approval of July 18, 2018 meeting minutes.

Due to lack of a quorum on July 18, 2018, no minutes were approved for that date. Notes for the July 18, 2018 meeting were reviewed and discussed by those present.

Discussion and Action: Land rezoning hearing on December 11, 2018.

Board President Grant Kitamura handed the meeting over to the Officer of the Board Greg Smith to discuss the approval of 213 acres rezoned to be used for the facility. Smith expressed his appreciation to Malheur County Commissioner Larry Wilson for the work Wilson put forth in the extensive process.

Board Vice President Lynn Findley briefed the board regarding his discussion with Department of Land Conservation and Development Director Jim Rue. Findley stated Rue is behind the project and supportive of the work completed regarding the rezoning.

Smith stated with the total of three parcels now available for the facility, the question will be if available funds are available to purchase the entire three parcels. The board will monitor the situation.

Discussion: Review of time line on Oregon Department of Transportation decision.

Findley shared he had spoken with Oregon Department of Transportation's Director Matthew Garrett earlier in the day. During the discussion, Findley said he stressed the need to Garrett to have "dirt turned this spring."

Smith briefed the board the report from the third-party reviewer (Tioga) had been completed and Oregon Department of Transportation would review the project plans in February with an expected decision by the transportation board in March.

There occurred much discussion by the board on the length of time taken by the state agency to issue a decision.

Smith updated the board on work occurring while waiting for final approval from the Oregon Department of Transportation. He also anticipates the first phases of construction to begin in April.

Smith announced he was requesting the Oregon Department of Transportation to release an additional \$400,000 in allocated money and modify the existing contract to pay for planning work.

Motion made by board member Jim Farmer, seconded by board member Corey Maag for Smith to request the Oregon Department of Transportation to modify contract and release five percent of funds for planning purposes. Motion passed with no dissent.

Discussion: BUILD (TIGER) grant

Smith briefed the board on process to obtain additional funding for facility with use of federal grants known as BUILD grants. Smith provided approximate time line for obtaining funding and work to be accomplished prior to July deadline.

Discussion: Financial Update

Kitamura announced a financial update to be presented by Doug Lamm, Nichols Accounting. Lamm provided the board a one-page balance sheet on available cash and receivables from the Oregon Department of Transportation. Lamm also supplied a two-page document showing payables and a payment list.

Lamm cautioned the board the current line of credit would not be adequate once the process of purchasing land starts. A discussion centered around a \$1 million line of credit.

Lee Birch, store manager for Nyssa's Umpqua Bank branch, cautioned a line of credit of \$1 million would need a guarantor, most likely Malheur County. Birch stated the bank would unlikely issue any greater line of credit without a guarantor.

The board requested Smith to investigate alternatives for a line of credit to meet future needs.

Discussion: Addition of Dirk De Boer to board

Smith recommended the board consider the addition of Dirk De Boer as a board member due to his history in the industry and interest in the project. Board member Jim Farmer questioned De Boer if De Boer considered the Nyssa site acceptable. Much discussion was held on the positive and negative aspects of the Nyssa site.

De Boer said he was in favor of the project but asked the board to consider the alternative of setting up the facility as a container transfer site.

Motion made by Findley to request the Malheur County Court place De Boer on the Malheur County Development Corporation Board, seconded by Smith.

Motion passed with no dissent.

Adjournment:

With no further discussion. The meeting was adjourned at 12:33 p.m.

Respectfully Submitted:
Greg Smith, Officer to the Board