

## Malheur County Development Corporation Board Meeting Minutes

Tuesday, April 12, 2022  
10:00 am (Mountain Time)  
Meeting held at the Waldo Conference Center  
218 Main St., Nyssa, OR 97913

*Meeting recording can be found online at [malheurcountyeconomicdevelopment.com](http://malheurcountyeconomicdevelopment.com) under the “News” section.  
All documents referred to within the meeting minutes are attached.*

### Members Present:

- Grant Kitamura, Board President
- Greg Smith
- Jason Pearson
- Kay Riley
- Corey Maag

### Regular Board Meeting Call to Order and Acceptance of Minutes:

Board President Grant Kitamura called the meeting to order at 10:01am. Kitamura referenced minutes of the March 8<sup>th</sup> board meeting. Jason Pearson moved to accept the meeting minutes as presented and Corey Maag offered a second. Minutes for the board meeting held March 8th were accepted unanimously.

Kitamura asked Greg Smith for an update. Items discussed were:

- Context on the project. This project is funded by lottery dollars, and not property or income tax.
- At the end of the day, \$29 million industrial development with no obligation of repayment.
- As of today, all bills are paid current and as agreed.
- We continue to have ongoing positive conversations with the operator of the facility, as well as Union Pacific
- Numerous time-consuming public records requests have been submitted recently, all of which are being handled in a compliant manner.
- Insurances remain in place. We are currently in conversations with our insurance provider to ensure that the coverage we have as construction proceeds is appropriate.
- Continue to receive strong interest in the property from outside businesses.

Kitamura then asked Brad Baird, President of Anderson Perry, for an update. Items discussed were:

- The project is slightly behind, facing some cost struggles, but is continuing to move forward.
- Baird primarily went over the meeting packet that was dispersed to members at the meeting.
  1. “Treasure Valley Reload Center – Project Update – April 12, 2022” provided an overview of the topics Baird would cover.
  2. “Treasure Valley Reload Center – Current Project Schedule Estimates – April 5, 2022” shows the most recent project schedule.

3. “Construction Building Indices” was used to discuss inflationary struggles.
  4. “Updated Overall Budget 04-05-2022” showed the breakdown of cost per month (in millions) by contract.
- Baird went on to discuss “Change Order Number One”, “Contractor’s Application for Payment No.3”, and “Customer Consent to proceed with Engineering/Design”. He noted that page 7 on the change order is missing information, which could be found in the separate document “CCO #1 Time and Materials Weekly Summary”.

Kitamura asked the board for a motion regarding change order number one. Maag moved to approve the change order, Pearson seconded, and the motion passed unanimously.

Kitamura then asked the board for a motion regarding payment number 3. Riley moved to approve the payment application, Maag seconded, and the motion passed unanimously.

Lastly, Kitamura asked the board for a motion to approve the Idaho Power customer consent document. Maag made a motion to approve signing the document, Pearson seconded, and the motion passed unanimously.

Baird finished by discussing the quality of the project thus far.

Kitamura asked for any further business to come before the board. None was received.

Grant Kitamura then asked for questions or comments from the public.

- Malheur County Commissioner Ron Jacobs asked for clarification on an earlier mention of a \$29 million dollar budget.
  - Smith responded that the original project received \$26 million, and the City of Nyssa has received an additional \$3 million for a water line to the industrial lands that the TVRC is located on.
- Jacobs also asked if Warrington’s share of the work is only on the earthwork contract?
  - Baird responded saying that is correct.
- Corey Evans (Argus Observer) asked if Track C was the only track in limbo at this point?
  - Baird responded that yes, it is.
- Jim Maret (Nyssa – City Manager) commented that unforeseen circumstances are an aspect of all projects, and that the TVRC is not an anomaly.
- Travis Johnson asked a question regarding local truck use for hauling rock, as well as the actual amount of extra rock needed.
  - Baird responded that approximately \$3.8 million at this point, in the worst case. In terms of local trucks, it comes down to where the contractor can find the trucks from.
- Les Zaitz asked multiple questions regarding-
  - When would the extra funds need to be acquired?
    - Baird – within the next few months.
  - Is the Special Public Works Fund a loan or grant?
    - Smith – it is a combination of both.
  - How will the schedule be impacted by the recent contract 3 bid?
    - Should not be a significant delay, so long as negotiations go well.
  - How essential is track C?

- Baird- understanding is that it will help with efficiency, but not necessary. This question is best answered by a rail engineer.
- What is the situation with leasing railcars?
  - Smith – we have tabled that conversation.
- What became of class 50 rock that was delivered to the site but taken off the schedule?
  - Baird- it has been used.
- Who is responsible for road maintenance on Arcadia?
  - Baird – Nyssa Road District

With no further discussion, Grant Kitamura adjourned the meeting at 11:39 am.

Respectfully Submitted,  
Greg Smith, Officer to the Board