



# Malheur County Development Corporation

Tuesday, August 20, 2024

10:00am (Mountain Time Zone)

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**Attendees:** Grant Kitamura, Board Chair; Mike Walker, Board Member; Corey Maag, Board Member; Shawna Peterson, Executive Director; Taylor Rembowski, Malheur County Economic Development

**Online Attendees:** Jason Pearson, Board Member; Kay Riley, Board Member; Emily Conlon, S Peterson Law; Les Zaitz, Malheur Enterprise; Pat Caldwell, Malheur Enterprise; Steven Mitchell, Malheur Enterprise; Antonio Sunseri, Argus Observer

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## 1. Call meeting to order.

Board Chair Grant Kitamura called the meeting to order at 10:03am.

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## 2. Review and acceptance of previous meeting minutes.

Kay Riley made a motion to approve the August 20, 2024, meeting minutes. Mike Walker seconded the motion and all present board members voted in favor.

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## 3. Reports:

### a. Update from Executive Director Shawna Peterson

**Turnout Pad / Switch and Signal Installation progress.** Peterson relayed to the board that the earthwork has been completed and compaction testing passed; there is UP equipment staged at the site.

**Commtrex Report.** Executive Director Peterson asked to receive the report by Monday, September 2, but has not yet received it. She will share the report with the board as soon as it is delivered. The original due date of the report was August 1. Mike Walker expressed issue with Commtrex's failure to meet the deadlines. Peterson will schedule a call with Commtrex to follow up again. Taylor Rembowski asked if the board should look for a second opinion. Peterson suggested UP Sales and the Loup team could review the Commtrex report once received and provide their opinion on it.

The board discussed shipping logistics. Mike Walker believes that St. Louis is the best option for a transload location. Kay Riley and Jason Pearson will speak with freight brokers and compare freight rates.

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Unanticipated agenda items may or may not be included.

The meeting is accessible to persons with disabilities. For any special accommodations, please email [malheurcountydevelopmentcorp@gmail.com](mailto:malheurcountydevelopmentcorp@gmail.com) at least 48 hours prior to the meeting.

#### **4. Discussion and Action Items:**

##### **a. Funding Agreement with Malheur County**

Executive Director Peterson presented the Funding Agreement with Malheur County presented at the last meeting. The process for approval is that the MCDC board approves the Agreement and then the County Court will review and approve the Agreement. Mike Walker sought clarification on several terms in the agreement. Kay Riley made a motion to approve the Funding Agreement with Malheur County. Corey Maag seconded the motion. Kay Riley motioned to call the question. The motion passed with a 4 aye (Kitamura, Riley, Maag, Pearson), 1 nay vote (Walker).

##### **b. RailWorks Change Order**

The board already approved the increased cost of the ballast and walkway rock. The other change includes two things: moving and staging of rock material (\$42,480) and UP rail material (\$111,310). The \$111,310 is an “up to” number, as Axiom is working with UPRR provide all of the materials that they can reuse, bringing the number down to approximately \$26,500. Peterson also requested approval for two additional months of Axiom’s project management services (\$19,000). Jason Pearson made a motion to approve Executive Director Peterson’s recommendation to request approval from ODOT for project expenditures totaling up to \$329,313.15. Corey Maag seconded the motion and all present board members voted in favor.

##### **c. Test Lane Analysis: Mike Walker**

Mike Walker compared the candidate Mississippi transload locations using published freight data and the February 2024 ODOT business case. Numbers in Walker’s analysis represent savings to Nyssa origin refrigerated truck rates per 50 lb bag of onions. Walker explained that the analysis concluded no site west of the Mississippi River would be profitable to operate at. The board discussed the analysis, focusing on the Chicago and St. Louis transload sites. The board will continue to gather information.

##### **d. Building Configuration Options: Mike Walker**

The board discussed the size of the building and the board’s opinion that the size of the building is uneconomical. The board discussed reconfiguring the building to better fit the needs of the reload site or whether a different building altogether would be appropriate. Executive Director Peterson will look into reselling building material that is currently onsite and other options

Mike Walker raised the issue of whether the MCDC board has legal recourse for past events. The board discussed and would like to gather additional information. Mike Walker would like to review the Americold relationship and Kay Riley raised the issue of the service provided by Anderson Perry. Executive Director Peterson was tasked with reporting back to the board on avenues to analyze these possibilities.

##### **e. Approval of Invoices (if any)**

None.

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## **5. Next Meeting Agenda Build**

The next board meeting is scheduled for September 17, 2024 at 10:00am at the Malheur County Courthouse.

Les Zaitz had two questions for the board and Executive Director. The first question was regarding the Change Order discussed in the meeting. Zaitz also asked who brought to the board's attention that additional material needed to be acquired. Executive Director Peterson answered that when Rail Works was on site, they notified her that additional material was needed.

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**6. Adjournment.** The meeting ended at 11:23am.

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