

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT  
EXECUTIVE COMMITTEE MEETING  
WEDNESDAY, JUNE 6, 2018  
4:00 p.m.  
MCEDD Office and Teleconference

**ATTENDANCE:**

*Attending:* Dana Peck, Rod Runyon, Bob Hamlin, Ken Bailey, Rex Johnston, Gary Thompson

*Absent:* Bill Schmitt, Bob Benton, Eric Proffitt

*Staff:* Amanda Hoey (Executive Director), Jessica Metta (Deputy Director), Lauren Hernandez (Office Administrator), Siri Olson (Finance Operations Manager)

**CALL TO ORDER:**

Ken Bailey called the meeting to order at 4:00 p.m. A quorum was present.

**EXECUTIVE COMMITTEE MINUTES:**

**Bob Hamlin motioned to approve** the May 2, 2018 Executive Committee meeting minutes as presented. Dana Peck seconded the motion. Motion carried unanimously.

**FINANCIAL REPORT:**

Siri Olson reported Accounts Receivable of \$94,689.62 reflects receivables largely due to quarterly reports, which includes EDA \$20,000; ODOT \$36,960.00; GTA \$24,254.01; GOBHI \$10,910.00; and others. Structured Accounts Accrued Interest is now at a zero balance due to a total of \$4,300.65 of accrued interest written off to Bad Debt Expense as a result of an OIB loan client bankruptcy being finalized. Accounts Payable has a zero balance.

MCEDD's Operational Budget vs. Actual shows Total Revenue is 81.3% of what MCEDD budgeted, though May and June are not yet included in this total. Although this seems below target, MCEDD is seeing an increase in Contract Reimbursements due to increased rides for NEMT Contracts, a Transportation Operations Director contract with GOBHI, and Farebox Revenue.

Personnel Expenses are in line with what is budgeted. Travel and Conference expenditures is well below the budgeted amount, and it is anticipated this expenditure will remain below the budget for the FY even with planned out-of-state travel for the NADO Board meeting and other regular travel taking place between May and June. Bonds & Insurance is at \$10,135.00. MCEDD's insurance policy is on a calendar year basis and will be adjusted to reflect the costs for January–June. Charges for July–December are considered prepaid for FY19. Professional Services is at \$36,017.99, which is also well below budget and is anticipated to remain below budget even with anticipated CGBREZ Government Affairs and Agora expenditures.

Total Expenditures are 72.1% expended for the FY18 as of April 30, 2018, which is well below budget.

**Dana Peck motioned to accept** the financial report as presented. Bob Hamlin seconded the motion. Motion carried unanimously.

**PRIVATE SECTOR BOARD POSITION:**

Amanda Hoey reported the MCEDD Board appoints seven private sector representatives as voting members to the MCEDD Board of Directors. One of those positions is filled by Humberto Calderon, who intends to resign from his position on the board. In addition to the usual public

solicitation, Amanda targeted solicitation from individuals involved in other aspects of MCEDD, as it is difficult to be on the larger MCEDD Board if an individual has no other insight into other areas in which MCEDD operates. An interest application was submitted by Scott Clements, who is current chair of the Loan Administration Board.

**Bob Hamlin motioned to recommend** to the MCEDD Board that Scott Clements be appointed to the MCEDD Board of Directors to fill a private sector position. Dana Peck seconded the motion. Motion carried unanimously.

**PERSONNEL POLICY UPDATES:**

Amanda Hoey explained that at the last Executive Committee meeting, the Committee discussed modifications to the policy specifying requirements for calculating eligibility for fringe benefits. The language needs to be formalized to present to the MCEDD Board. The proposed policy revision reads “Employees averaging 20 or more hours worked on a weekly basis shall be eligible for a pro-rated portion of benefits. The average will be based on...” Part time employees have variable schedules, making the “20 or more hours” requirement difficult to administer. Three options for proposed language were presented for how to determine eligibility. The option recommended by MCEDD staff states, “The average of hours worked over the quarter shall be calculated at the end of each quarter to define eligibility for the upcoming quarter. Hours used for the calculation include hours taken as PTO or sick leave, actual hours worked, and paid holiday time.” Option 2 states eligibility will be based on the average of hours worked in the prior three months. Option 3 is to modify option 1 or 2 to reflect hours scheduled rather than actual hours worked. Temporary employees are ineligible for benefits. Amanda noted other considerations to be made include the waiting period for insurance and the opt-out payment on health insurance for those eligible but not accessing the insurance. Currently, MCEDD employees are eligible for benefits on the 1<sup>st</sup> day of the month following hire.

*Discussion: Ken Bailey clarified the policy revision will be recommended by the Executive Committee to the MCEDD Board. Amanda stated staff will ask SDAO to review the recommended policy change.. Rod Runyon stated eligibility on the 1<sup>st</sup> day of the month following hire seems costly, and he asked how this compares to other entities. Amanda stated she looked at samples from other entities which show variations comparable to MCEDD with wait periods around a 2-3 month range. Siri Olson stated the majority of MCEDD employees are hourly based with irregular schedules, meaning some weeks employees meet the 20 hour requirement, and some weeks they do not. The point of the policy revision is to establish a simplified process to determine eligibility. Ken supported option 1 of looking at the quarterly average instead of option 2 as option 2 requires calculation every month. Siri stated option 1 is clearly laid out so employees know if they are eligible or not for the upcoming quarter.*

**Rod Runyon motioned to recommend** to the MCEDD Board the option 1 policy language revision as recommended by MCEDD staff (specifying eligibility for benefits for part time employees will be determined by the average of hours worked over the quarter calculated at the end of each quarter to define eligibility for the upcoming quarter). Bob Hamlin seconded the motion. Motion carried unanimously.

Amanda explained if the Executive Committee revises the language around the waiting period for eligibility of insurance, the policy will reflect this revision. If no revision is made, the policy language will be adopted to include option 1 as recommended by MCEDD staff.

*Discussion: Rod asked if the MCEDD policy differs from the MCCOG policy for the transportation department. Amanda replied MCCOG offered no benefits to part time*

employees. Rod asked what the waiting period was for MCCOG benefits for full time employees, but Amanda uncertain and noted that this is not just for transportation but all employees. Amanda stated if any changes are made to the MCEDD policy regarding the waiting period, she recommends the policy remain consistent between full and part time employees. Ken clarified MCEDD can keep the existing policy of beginning benefits on the first day of the month following hire or it can establish a waiting period. He asked if a wait period would affect employee turnover. Amanda replied MCEDD has a good record of employee retention, though there are new positions coming up in the future. Rod stated his worry is for the tax payer. If MCEDD hires a new employee, that employee is immediately eligible for benefits, and the employee quits soon after, MCEDD has to pay the full month of benefits, which is costly. He feels there should be a wait period for benefits, which is normal, and stated that most part time positions with other entities are not eligible for benefits at all. Amanda noted MCEDD does not pay 100% of a part time employee's benefits, as they are prorated. Dana Peck stated the current policy is an attractive recruitment tool. Rod suggested the start date for benefits could be a point of negotiation for hiring new employees. Amanda stated if a wait time is written into policy, it will not be varied and will be applied consistently, so could not be used for negotiation. Bob Hamlin asked if the current policy has been working so far. Amanda replied yes, it has.

**Rod Runyon motioned to retain** the timeline for benefits eligibility remain as written and to recommend to the MCEDD Board adoption of the 6.1 eligibility chart as recommended by staff. Bob Hamlin seconded the motion. Motion carried unanimously.

Amanda noted the current insurance policy runs through December, and renewals begin in October. This timeline is used to make determinations around the policy currently in place. Currently, the opt-out amount for an employee eligible for benefits who does not take them is \$25.

Gary Thompson joined the meeting.

*Rod asked why the opt-out amount was \$25 and stated a bigger amount may be more of an incentive. Amanda stated \$25 has historically been the amount. MCEDD covers 100% of the cost of full time MCEDD employees and 50% of the cost of the full time employee's family. Benefits for a single full time employee cost approximately \$600. Ken stated a higher incentive amount would be more likely to persuade an employee to not take benefits. Increasing the opt-out incentive should be looked at to make it more attractive. Amanda explained if the Executive Committee has an interest in discussing the opt-out amount, the renewal process begins in October and coverage begins in January. Further conversation on this specific matter can be had at a later Committee meeting before bringing a recommendation to the MCEDD Board.*

#### **EDA PERFORMANCE QUESTIONNAIRE:**

Amanda explained MCEDD's federal agency is the US Economic Development Administration. As a district, MCEDD receives an annual planning grant through the EDA and has to adhere to the code of federal regulations, which sets up an economic development district governing body and dictates how the governing body must operate. EDA Seattle Regional Office staff contacted MCEDD regarding a performance evaluation questionnaire. Part 1 and 2 cover MCEDD's compliance with regulations. Amanda noted that yes, MCEDD is complying with regulations. Part 3 of the questionnaire is a subjective analysis about MCEDD's CEDS implementation and program performance. Amanda asked the Executive Committee to look at this section and bring up any areas where there may be a deficiency or point of discussion.

*Discussion: Rod Runyon asked which areas Amanda thought needed discussion. Amanda stated that regarding CEDS implementation, in comparison with MCEDD's peers, MCEDD does an excellent job. There are no segments on the survey she is concerned about. The last portion of the survey rates EDD Effectiveness, and this is where she would like feedback. Bob Hamlin stated that compared to how big of a region other economic development districts are in, MCEDD is very strong in comparison to others in eastern and southern Oregon. Amanda stated the EDA will use the questionnaire to determine if MCEDD needs technical assistance or other support. Rod noted the first section under EDD Effectiveness is public awareness. He noted MCEDD may not have much awareness in the general public, but it does as much outreach as possible. Dana Peck added there is much opportunity to reach the general public through CEDS implementation. Ken agreed that MCEDD has made an improvement with public awareness over the years but still has room for improvement. Amanda noted this area as 3 out of 4. Ken noted the second section under EDD Effectiveness is reputation, and MCEDD does have a good reputation. The other areas under EDD Effectiveness are collaboration and innovation, which Ken stated are good. Amanda noted the EDA included a question about how the EDA could be more effective. She stated the MCEDD staff response is to encourage EDA to visit the region more often. The EDA uses an online grant system which has shown to be problematic for MCEDD staff as well as grantees. MCEDD staff recommends the EDA withdraws this. Another recommendation is that the EDA work with the national association, which is providing MCEDD with innovation practices. The biggest recommendation will be for EDA to increase its presence in the region.*

### **ANNUAL SYMPOSIUM:**

Amanda reported the Columbia Gorge Economic Symposium is Friday, November 2. Esina Alic, the CEO of Insitu, has been secured as keynote. Tickets were released on Eventbrite for \$25. So far, the symposium has two sponsors: Columbia Gorge Community College and NW Natural. These sponsorships will allow MCEDD to offer some leeway if someone is unable to participate due to the ticket price. MCEDD Board and LAB members will have comped tickets. MCEDD staff has done some targeted outreach to spread the word and invite interested parties, but Amanda asked the Committee for feedback on other city, county, organization, non-profit, or business contacts to reach out to. Jessica will reach out through GTA as well. Amanda's upcoming focus will be on targeted sponsorship or partnership requests and drafting the agenda and highlighting services MCEDD offers.

### **DEPUTY DIRECTOR REPORT:**

Jessica Metta reviewed highlights from the past month including:

- The Columbia Gorge Express launch celebration will be Saturday, June 16 from 9:00 a.m. to 10:30 a.m.
- Postcards have been distributed advertising free transportation to the farmer's market provided through the LINK. A Spanish version is in production. The first weekend of service saw 7 riders.
- The part time dispatch position has not yet been filled.
- Jessica, Charlotte Dupree, Transportation Operations Director, and Kathy Fitzpatrick, Mobility Manager, have been attending ODOT trainings to increase transportation skills and knowledge.
- The Gorge STEM fair was successfully held in Hood River and saw great attendance. There were many booths and technology companies involved, including MCEDD Board member Tom Furey with Sagetech.

*Discussion: Rod Runyon asked if Kathy Fitzpatrick is involved with the transportation department. Jessica replied Kathy is involved in some of the trainings and grant writing. Amanda noted Kathy is working on submitting a Travel Oregon grant, is working on a universal pass system, and has made much progress with the port on bridge toll issues.*

### **EXECUTIVE DIRECTOR REPORT:**

Amanda Hoey reviewed highlights from the past month including:

- The LAB has approved three loans that are in the process of being funded: Diamond Lazy K, Feast Market, LLC, and T & B Transportation Services, LLC.
- MCEDD closed the \$600,000 loan to Michael Kitts Homes, Inc. and Hood River Homes, Inc., though these funds have not yet been drawn down.
- OIB made two loan commitments. One \$250,000 loan to Farmer's Conservation Alliance closed. The other loan is approximately \$37,000 and is being administered through the OIB pilot program.

Rex Johnston left the meeting

- Opportunity Zones were designated and formalized for all ten zones nominated in MCEDD's region. The rules on the mechanism through which investments can be made are yet to be formalized. MCEDD staff are meeting with the State of Oregon and other foundations to discuss how to leverage the Economic Development Strategy and Agora platform to provide the easiest pathway for investments to occur in areas where the region would like to see focus. There will be no way to control where investments are made, so the best strategy is to partner with other entities.

*Discussion: Dana Peck asked if Amanda has contacted Washington economic development entities, as lack of regional outreach in Washington makes it more difficult to partner on projects. Amanda stated she has a better relationship with Oregon foundations than Washington foundations but would like to make contacts on the Washington side.*

- The MCEDD website is updated, including highlights on regional projects.
- MCEDD is working with applications from Cascade Locks, Stevenson, and Skamania County PUD to seek disaster funding.
- Governor Brown sent a letter of support for the regional economic resiliency application. This will allow for the opportunity to move forward with disaster funding.
- Jacque Schei is continuing work on infrastructure grant administration projects. MCEDD anticipates expanding the Crystal Springs Water District project, as the district has two additional funding applications pending state review. One application is for construction of a new reservoir and the other is for consolidation efforts with the Odell Water Company. MCEDD will contract for grant administration services if funding is received. The Antelope project required additional resources and anticipates submitting an application to the Drinking Water State Revolving Fund for those resources. If awarded, MCEDD will negotiate a revision to the agreement due to the expanded scope of the project.
- Carrie Pipinich has focused on broadband and enterprise zones in Wasco County. In Sherman County, the focus is supporting the Biggs Water Service District in submitting an application to the USDA.
- MCEDD's audit is scheduled for the first week of October. This is a good opportunity for board members to meet with the auditors to ask questions.
- The NADO summer board meeting was a good opportunity to discuss what is coming up on a federal level. There is uncertainty about funding. There is increasing focus from one core

federal agency in innovation of wood products. The USDA will use a small carve out of funds from the strategic economic and development dollars. The proposal is they will expand these funds to provide alternative resources. They will also focus on “small communities water and wastewater systems planning.” This may cover most of the communities in the region. Once there is clarification about what ‘small communities’ means, MCEDD can convene the water systems entities in the region to discuss opportunities.

- Amanda presented a handout of the working draft of the Economic Development chapter for the Gorge Commission. The economic work group is trying to come to a consensus on a common direction for how this chapter should look.

*Discussion: Ken Bailey stated MCEDD has taken the lead on drafting the proposed amendments to the chapter. Approximately 30 others are in the work group. Amanda will present the proposed changes, and if there are additional comments from the group, they will be incorporated and presented at the next work group meeting. Because MCEDD is involved in the drafting, other economic partners that are hesitant about the Gorge Commission are more willing to give suggestions and be involved in the process. A good relationship is being built between partners at the work group meetings. Amanda stated she expects there will be changes when the economic chapter comes to the Commission. The intention is the work group is united in the core areas where it is looking to see revision.*

- Amanda will attend the next Gorge Commission meeting as part of quarterly economic development updates. MCEDD will bring in Wasco County partners. The goal is to emphasize to the commission that MCEDD and the regional economy are broader than OIB funds.
- Amanda provided her 2018 goals to the Committee.

*Discussion: Jessica Metta noted the transportation department received a grant from North Wasco PUD which will cover match funds for the LINK bus shelters and the rebranding of the LINK busses so they no longer reference MCCOG. Once the rebranding is complete, more focus will be put into public education and marketing.*

#### **OTHER NEW BUSINESS; COMMITTEE MEMBER UPDATES:**

No updates were heard.

The next Executive Committee meeting is scheduled for August 1 at 4:00 p.m.

#### **ADJOURN:**

Meeting adjourned at 5:18 p.m.

*Respectfully submitted,  
Lauren Hernandez, Office Administrator*