

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
THURSDAY, JUNE 14, 2018
WHITE SALMON COMMUNITY LIBRARY

BOARD MEMBERS: Ken Bailey, Bill Schmitt, Bob Hamlin, Dana Peck, Rod Runyon, Jan Brending, Eric Proffitt, Rob Kimmes, Gary Thompson, Stephanie Hoppe, Sue Knapp, Tom Furey

ABSENT: Mark Zanmiller, Perry Thurston, Tonya Brumley, Humberto Calderon Ayala, Joeinne Caldwell, Paul Hendricks, Rex Johnston, Cassie Courtney, Bob Benton

STAFF: Amanda Hoey (Executive Director), Jessica Metta (Deputy Director), Siri Olson (Finance & Operations Manager), Jacque Schei (Project Manager), Carrie Pipinich (Project Manager), Kathy Fitzpatrick (Mobility Manager), Lauren Hernandez (Office Administrator), Eric Nerdin (Loan Fund Manager)

GUESTS: Keely Stawicki, Marla Harvey

CALL TO ORDER/INTRODUCTIONS

Ken Bailey called the meeting to order at 4:01 p.m. A quorum was present. A round table of introductions took place.

LOAN CLIENT HIGHLIGHT: BEND IN THE ROAD

Keely Stawicki, owner of Bend in the Road, LLC, reported that in March of 2017, she purchased a dilapidated building previously used as a gas station and convenience store. The property underwent a massive cleanup before renovation of the building began. Keely was able to finance the project with private money until it came time to renovate the face of the building. After exhausting all other options, she applied for and received a MCEDD loan. The MCEDD loan allowed her to refinance her high-interest debt and to finish the storefront. Before the storefront was finished, the business was operating from the side of the building, which caught mostly local traffic. Finishing the storefront had a huge impact, doubling and then continuing to increase revenue after its completion. Because business is doing so well, Keely has just started the process to hire a part-time employee. Bend in the Road sells consignment items but is moving into more vintage clothing, vinyl records, refinished furniture, and other items of that nature.

PRIVATE SECTOR BOARD APPOINTMENT

Amanda Hoey reported Humberto Calderon Ayala will be resigning from his position on the MCEDD board. MCEDD sent out general solicitation and also did some targeted outreach to those with other connections to MCEDD, as it is important for potential members to know the programs MCEDD operates. An application of interest was received from Scott Clements, who has been the LAB chair for a number of years. The Executive Committee recommends his appointment.

Jan Brending motioned to appoint Scott Clements to the MCEDD Board of Directors to fulfill the remainder of the term being vacated by Humberto Calderon. Eric Proffitt seconded the motion. Motion passed unanimously.

CONSENT AGENDA

Approval of the March 2018 MCEDD minutes. Approval of the Revised Personnel Policy.

Jan Brending motioned to approve the Consent Agenda. Bob Hamlin seconded the motion. Motion passed unanimously.

Tom Furey joined the meeting.

FINANCIAL REPORT:

Siri Olson presented the finance report for the period ending April 31, 2018.

On the Balance Sheet, Accounts Receivable of \$94,689.62 reflects receivables largely due to quarterly reports, which includes EDA, ODOT, GTA, GOBHI, 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. 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 are 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.

Jan Brending motioned to approve the financials as presented. Bob Hamlin seconded the motion. Motion passed unanimously.

Discussion: Ken Bailey thanked Amanda and Siri for their work on the budget and financials for the transportation department. He noted GOBHI helped assure MCEDD was not taking extra risk as it moved into the unfamiliar territory of running a transportation department.

HOOD RIVER ENERGY POSITION

Amanda Hoey introduced Marla Harvey, an AmeriCorps RARE who has been with Hood River County for the past two years working to develop the Hood River County Energy Plan. Members of the Hood River County Energy Plan Steering Committee presented to the MCEDD Executive Committee to discuss the transition of the project to be administratively housed under MCEDD. The Steering Committee proposed MCEDD become the fiscal agent for the Energy Plan and bring on an Energy Coordinator as a staff member. Assumptions for the position are included in the budget, and one requirement is that full funding must be generated to cover the position.

Marla Harvey stated she has been a RARE since 2016 and has been working as Hood River Energy Coordinator. She was brought to Hood River County to help coordinate a multijurisdictional effort to create the Energy Plan. The Energy Plan focuses on the idea that a number of opportunities are available now and will become available for those communities that are planning around energy and that are ready to receive the resources. In 2018, the Port of Cascade Locks, Port of Hood River, City of Hood River, and County of Hood River signed a resolution to support the Energy Plan. Those entities supported the idea that the Energy Plan is long range and is community oriented. It is not the sole responsibility of any single governing body. Implementing the Energy Plan will take additional capacity and collaboration. When the Steering Committee was planning what implementation of the plan would look like, it was clear a staff position was needed to continue to coordinate and connect entities to opportunities. MCEDD rose up as the best option to house this staff member. Marla stated the Energy Plan is, at its core, a series of economic development strategies, and it needs to be implemented at a regional level. MCEDD is familiar with regional energy needs due to involvement with CGBREZ.

Marla stated the Steering Committee is in the process of securing funding for the Energy Coordinator position. The coordinator's role is to work one-on-one with partners already in place in Hood River County and at the state and regional level. The coordinator will connect partners to opportunities and help organizations better collaborate around the topic of energy. The hope of the Steering Committee is that during the first year of the Energy Coordinator being housed under MCEDD, the coordinator will develop a regional project, whether policy focused or other, that is relevant to other counties in the region and that could be expanded upon in the future. An Energy Council would be created and would be comprised of representatives of various jurisdictions involved in energy efforts as well as local volunteers who are experts in that area.

Discussion: Jan Brending asked if the Energy Coordinator would be an employee of MCEDD. Amanda replied yes. MCEDD would provide administrative support for the position, though the position is fairly independent. Hood River County offered in-kind space, so there will be no logistical challenges in housing an additional person. Gary Thompson asked Marla to visit Sherman County, as renewable energy is a fast-moving sector. Amanda stated there is advantage for MCEDD to house the position. Currently, Amanda is the one coordinating CGBREZ. Having a dedicated staff member focusing on this sector gives MCEDD the opportunity to move forward. Rod Runyon asked what the primary sources of energy are that Marla is currently dealing with. Marla stated the plan doesn't detail where energy sources come from. Hood River County is mostly wind and solar with some biomass resources. Currently, implementation has been centered around

solar, but this could change in the future. Ken Bailey expressed appreciation that the Hood River Energy Plan Steering Committee approached MCEDD with this proposal.

PRESENTATION OF FY 2019 MCEDD BUDGET; PUBLIC HEARING

Chair Ken Bailey opened the Fiscal Year 2019 Budget Public Hearing at 4:26 p.m.

Amanda Hoey presented an overview of the budget, noting the budget is different than past budgets due to the LINK transition. The budget was prepared through careful analysis of prior year budgets, actual expenditures, and forecasted revenues and expenditures for new projects. The budget being presented has been approved by the MCEDD Budget Committee and recommended to the board.

Siri Olson explained the full narrative gives detail about aspects of the budget, and the LINK overview narrative goes through what the transportation budget is comprised of. The Historical Comparison compares the budget to previous years. This year, there are the normal historical pieces, including the EDA Planning grant for \$80,000, OIB at \$94,000, Mobility Management funded by ODOT and WOSDOT for the entire region at \$110,000, and the USDA Rural Development Initiative Grant for Agora.

Siri reviewed where revenue for the transportation department comes from. Most revenue is from ODOT grant agreements. Those agreements are based on a biennium through FY19. At the end of the biennium, MCEDD will apply for new grants for further funding. In the transportation budget, STF Enhancement funds are for the bus barn at the Transit Center. These funds were carried over from MCCOG, and MCEDD hopes to get this project taken care of in FY19. LINK receives pass through ODOT grant funds through Wasco County for operation purposes. STIF funds will be funded through payroll taxes beginning July 1, 2018. The revenue in the budget for STIF funds came from ODOT guidelines of what can be expected from these new tax dollars. The transportation budget also includes contract agreements with GOBHI for NEMT rides and the Transportation Operations Director.

Loan funds are included in the All Funds budget. Loan fund revenue was projected using the current loan portfolio and new funds were projected using a three-year average. MCEDD staff took into consideration that some of the loans are unstable and removed those items from the projection. Loan fund interest on new loans is estimated at 7.25%, which is a conservative estimation. MCEDD staff anticipates utilizing all Attainable Housing Loan Fund funds available. Revenue was calculated based on this activity. The Attainable Housing RLF has an estimated 4.75% interest rate for new loans, which is based on MCEDD's current plan. The EDA Revolving Loan Fund is budgeted at more than 50% allocation of interest fees that will be restricted for relending purposes. This satisfies the EDA requirement.

Discussion: Amanda stated the percentage estimation for interest rates is the projection for new loans. Existing loans are included at their actual rate. Bob Hamlin asked if the loan interest estimated amount of \$175,000 was an average based on past activity. Amanda stated the \$175,000 reflects the actual activity in this current fiscal year, plus new loan projections. MCEDD has seen an increase in lending activity, which changes the projections for existing loans into next year, which is why this number is higher than it was in last year's budget.

Siri explained the Special Projects budget has \$564,000 of projected revenue. Three projects will be ending in FY19, including the Agora investment platform (ending July 2018), Gorge Cider project, and Oregon Connections (which will be moved to another agency). Additional revenue sources have to do with the Energy Coordinator position, which would generate additional revenue. Full funding needs to be secured before MCEDD implements the position. The revenue is included in the budget to give MCEDD spending authority should this happen. MCEDD anticipates a Ford Family Foundation grant contract to support the MCEDD contribution for a RARE position.

The budget includes a 2% COLA increase for all employees plus regular step increases for FY19. Compared to last year, the following personnel changes are reflected in the budget:

- An increase in the Office Administrator position due to the growth of MCEDD in relation to the transportation department, which was incorporated into the FY18 supplemental budget.
- An increase of the Deputy Director position to 1.0 FTE, which was included in the FY18 supplemental budget.
- Transportation staff positions were included (drivers, dispatchers, Transportation Operations Director), which were part of the FY18 supplemental budget.

MCEDD staff anticipate an increase in support services associated with driver and dispatch positions. New services include a deviated fixed route, service to the Farmers' Market, and STIF resources for additional new services. Other payroll expenses include an increase in health insurance at 9.1% and dental coverage at 4% increase.

Siri highlighted other notable items in the budget. Travel budgeted for FY19 is considerably higher than in the past. It includes out-of-state travel for the Executive Director, as Amanda has been elected to the NADO Board of Directors and the NADO Research Advisory Council. It also includes trips for the Energy Coordinator to go to California as well as scholarship-funded out-of-state travel. Professional services is higher. MCEDD anticipates full legal review of closing loan documents. Other expenses are associated with the LINK, including vehicle and building costs expenses MCEDD did not have before the acquisition. Bonds and Insurance has also increased in relation to the transportation department.

Discussion: Tom Furey noted Contractual Professional Services has increased from \$235,000 to \$388,000 and asked if this was due to the LINK. Amanda replied \$135,000 of this is contractually related to the transportation department, with most of that amount due to a proposed transit master plan through a proposed Transportation Growth Management grant. Tom asked if Amanda was comfortable with the budget or if there were risks or assumptions she was unsure about. Amanda stated the budget is comfortable and the projections presented were done with detailed analysis of MCEDD's core programs as well as the transportation department. One area of concern is vehicle maintenance which is projected hither, and the hope is not to need to spend as much as projected. Another area of uncertainty is the State wide Transportation Package, as this is very new. MCEDD relied on ODOT's projections, which were conservative. Amanda feels comfortable with what was projected. MCEDD staff is conservative in how revenue streams are looked at compared to expenses. Siri added the supplemental budget process gave a good background on what to expect in the upcoming fiscal year. MCEDD staff has a better idea on knowing where funding will come from, especially for current ODOT

agreements. The budget is conservative but stable. Ken Bailey stated the supplemental budget was a good trial run and involved a little more risk because MCEDD had no experience with running a transportation department. After 3-4 months of operating the transportation department, he feels MCEDD staff have a good feel for what to expect in the upcoming fiscal year. Amanda stated the budget is in a good position for special projects, as most are already under contract. Project Managers worked to get many of them secured before the fiscal year. Jan Brending asked if the Budget Committee recommended the budget. Amanda replied yes, and a few of those members are also members of the MCEDD Board.

Ken asked if there were any comments from the general public. No comments were heard. The public hearing closed at 4:48 p.m.

Jan Brending motioned to approve Resolution 2018-4, Adopting the FY July 1, 2018– June 30, and the 2019 Budget. Bill Schmitt seconded the motion. Motion passed unanimously.

INDIRECT COST POLICY

Siri Olson explained MCEDD has an established indirect policy to allocate administrative costs across all class codes evenly. These administrative costs support all MCEDD programs and also include items like rent and utilities. The policy was last reviewed in 2011, and with the acquisition of the transportation department, it is good practice to review the policy again. MCEDD staff looked at multiple examples of how other organizations handle indirect costs, including COIC, which has a transportation department. The current policy uses a variation of indirect allocation by direct wages. A portion of attributable expenses for audit, building expenses, and insurance is directed to primary programs with the remainder allocated through direct wages against all programs. MCEDD staff looked at allocations based on total cost, hours, revenue, and a base 10% indirect rate. Staff recommends the board consider two options: allocation based on a percentage of direct wages and allocation based on a flat 10% direct rate. Siri presented an indirect allocation analysis example for the board to compare the two options using numbers from February 1 to April 30.

Amanda Hoey stated MCEDD staff is comfortable with either of the two options presented. After the board adopts changes to the indirect policy, the next step will be for MCEDD staff to submit changes to MCEDD's cognizant agency and granting agencies for approval. MCEDD's auditor reported basing indirect cost allocation on wages is the most common way to do it, though some agencies use the flat allocation percentage because it is easier to get approved by federal agencies. The direct wage allocation option is the closest to what MCEDD currently does. Siri added the auditors noted allocation based on wages is the option easiest to back up because it is based on expenditures.

Discussion: Bob Hamlin stated the allocation based on wages is a small change based on current practices. Amanda stated that currently, some direct allocations are related to larger programs, but the program mix has shifted, so it is more appropriate to base the allocation solely on direct wages. Eric Proffitt asked if there are a number of grants where contractual administrative allocation is low but actual administrative time spent is high. Amanda replied that with the change in office management and the budget, whichever option the board chooses to adopt will allow MCEDD to allocate out those

administrative costs. The Specialty Crop Block grants do not allow administrative to be allocated, but this program is closing out. With the current programs, allocation based on a flat 10% is projected to more than cover all administrative costs, that that is not guaranteed for the future. Tom Furey asked if 10% is the flat rate commonly used. Amanda replied it is based on the de minimus federal rate allowed. Jan Brending asked if federal programs allow allocation based on direct wages. Amanda replied changes will be submitted to MCEDD's cognizant agencies for approval. Jan stated indirect cost allocations are complicated and time consuming, and she recommends using one MCEDD staff is familiar with, like allocation based on wages. Ken Bailey stated if MCEDD uses a flat 10%, staff may not be able to justify the costs as easily. Dana Peck stated he does not want to take away staff time from program management just for record keeping. Amanda stated either system would be easy to use, but she appreciates the board's concern for staff time. Siri stated she prefers the allocation based on total wages.

Jan Brending motioned to approve an indirect cost allocation methodology based on a percentage of direct wages. Eric Proffitt seconded the motion. Motion passed unanimously.

EXECUTIVE DIRECTOR REPORT

Amanda Hoey provided the Executive Director's report, highlighting:

- The audit is scheduled for the first week in October. Board members are provided the opportunity to meet with the auditors upon arrival.
- The annual MCEDD workplan was completed. The plan provides direction for staff and identifies focus areas. This is done after the adoption of the economic development strategies. New items include:
 - Conducting a salary survey.
 - Securing an AmeriCorps RARE to expand staff capacity and to be supervised by Carrie Pipinich, Project Manager.
 - Exploring how to better utilize the 501c3 Four Rivers Community Corporation to better maximize resources to the region.
 - Facilitating employer discussions on housing solutions sets.
 - Securing EDA disaster dollars for the region.
 - Looking at regional resiliency applications with a commitment of matching funds.
 - Convening the region through the annual Economic Symposium.
 - Hosting a dig once broadband gathering for the Gorge Consortium.
 - Transitioning and assessing pathways for certain projects concluding funding.
 - Conducting an updated legal review of all template loan closing documents.
- Federal funding is still in development, but possible future opportunities include:
 - The potential expansion of the USDA Strategic Economic and Community Development, with the incorporation of planning funding. These dollars are for projects tied into regional plans like the CEDS. This gives advantage to projects prioritized through MCEDD's process and is how MCEDD supported Parkdale Sanitary in securing additional funds.
 - The Economic Development Administration's directive on regional innovation with a focus on advanced wood products.
 - The potential for USDA focus on "very small communities" water/wastewater system predevelopment planning.

- Partial foundation grant funding was secured for the Executive Director's travel to the NADO 2018 Annual Conference.
- Ten Opportunity Zones were designated in the MCEDD region. The Executive Committee is looking at these zones closely and engaging heavily in terms of planning how to leverage these zones.

EXECUTIVE COMMITTEE REPORT

Ken Bailey presented the Executive Committee report highlighting the Committee:

- Conducted the Executive Director's annual evaluation.
- Authorized staff to purchase updated non-profit salary survey data, if necessary. Amanda Hoey secured funding for this, so MCEDD did not have to purchase it.
- Reviewed the MCEDD annual staff workplan.
- Considered a request from the Hood River Energy Advisory Committee for a partnership with MCEDD.
- Discussed the status of Opportunity Zone designations and discussed potential roles for MCEDD.
- Heard updates on the status of the Columbia River Gorge Commission Management Plan economic development working group. Amanda Hoey provided the detail of the first draft with possible revisions. Ken Bailey was elected as chair of the working group. The group will meet through this year to create a draft proposal for the chapter on economic development. The draft will update the chapter and make it more relevant for businesses of the Gorge.

Ken read a note received from a transportation planner from Southwest Washington Regional Transportation Council. The letter praised the work of Kathy Fitzpatrick, Mobility Manager, who has been collaborating with both Skamania and Klickitat counties. Ken thanked Kathy for her leadership and thanked the MCEDD staff for their hard work. MCEDD took the risk of acquiring the transportation department to integrate it into regional transportation programs, and this kind of note shows the hard work of staff and that good things are happening with transportation.

DEPUTY DIRECTOR/TRANSPORTATION BOARD REPORT

Jessica Metta provided the Deputy Director's report, highlighting:

- Postcards advertising free rides to the Farmers' Market have been printed thanks to a grant from PacificSource. The Farmer's Market is June-October, and this will be the first time the LINK will be able to operate on a Saturday.
- MCEDD was successful in applying for the Northern Wasco County PUD grant to provide matching funds to cover the LINK bus shelter grant through ODOT. MCEDD also received a grant to allow for a deviated fixed route, which should begin in April 2019.
- MCEDD staff are preparing a grant application for the ODOT Transportation and Growth Management grant. This grant will provide funding to develop a 20 year master plan for transportation in Wasco County. The grant will be presented to the Wasco County Board of Commissioners for approval to serve as the applicant on behalf of MCEDD.
- The part-time dispatch position is still open and is in the process of being filled. The LINK will also need to hire another part-time driver.
- Preparations for STIF funding have started. Applications come out in August.

- The GTA hosted the 5th STEM career day, which saw 700 students from around the region.
- Planning has started for a GTA round-table discussion focused on the housing needs of the Gorge and what local governmental entities are doing in the short and long-term. Some of the discussion will center on what companies can do if they are interested.
- The next GTA networking event will feature a company that developed automation equipment to label apples.

LOAN ADMINISTRATION BOARD REPORT

Eric Nerdin presented the loan committee report, highlighting increased lending activity. A \$600,000 Attainable Housing loan to Michael Kitts Homes, Inc. and Hood River Homes, Inc. was closed. The Loan Administration Board approved several loans, including \$341,000 to purchase service station business, \$70,000 to Diamond Lazy K, LLC for working capital, \$50,000 to Feast Market, LLC for working capital and business expansion, and \$25,000 to T & B Transportation Services, LLC for start-up of a freight business. Loan modifications were also approved, including modifications for Veronica's Salsa, LLC, Seufert Enterprises, LLC, and Abundance Marketing & Design, LLC. The MCEDD loan portfolio shows a balance of \$414,130 increase in the portfolio balance and a two loan increase from June 2017.

Eric reported there is an increased level of activity on enterprise zones. An extended abatement application was approved for Orbital. Eric has been working with Native Cider in Cascade Locks to finalize their enterprise zone authorization. Eric attended a Mid-Columbia Regional Community Reinvestment Act listening session put on by the FDIC. MCEDD staff continue to reach out to perspective loan clients.

Eric presented the Delinquent Loan Report.

EXECUTIVE SESSION

Per ORS 192.660 (f) (Exempt Documents), the MCEDD Board of Directors moved into Executive Session at 5:25 a.m.

Regular Session reconvened at 5:28 a.m.

STAFF REPORTS

Kathy Fitzpatrick, Mobility Manager, highlighted the following:

- MCEDD was awarded a grant of \$61,000 by the Oregon Transportation Commission to fund the regional bus shelter project.
- June 16 will be the Public Transportation Celebration, which is part of a public awareness campaign to inform the public about the new regional fixed route service expansion and Gorge TransLink bus stops.
- The Port of Hood River unanimously approved the bridge toll waiver for Mt. Adams Transportation.
- The Gorge TransLink Alliance is working on an annual universal employee pass. This is currently in phase one.
- The Gorge TransLink Alliance is moving forward to adopt an electronic e-fare mobile ticketing app.

- The Everybody Rides campaign project received a \$10,000 grant award from ODOT's Transportation Options Innovation grant program and will build on the Columbia Gorge Health Council's grant award of \$3,500. The project begins July 1.
- Three projects in the region were funded from the FLAP, including the Bridge of the Gods, Dog Mountain, and the SR14 congestion and mitigation study.
- Providence Memorial Hospital released a request for a Gorge transportation capacity building project. The goal of the project is to convene mobility and transportation stakeholders. MCEDD will be an ideal agency to lead that project, so a response to the request will be submitted.

Carrie Pipinich, Project Manager, highlighted the following:

- Maupin was successful in receiving dollars from the Oregon Legislature and is now working through permitting issues. When these are resolved, the phase to get fiber to the home will begin.
- Sherman County is working on an RFP process to find a private partner to work with to bring fiber to the home. A review committee recommended moving forward with GorgeNet.
- Carrie was invited to sit on a panel at Rural Development Initiative's Regards to Rural Conference. The panel discussed policy and on the ground tactics for improving services for rural areas.
- Wasco County is working through the process of re-designating enterprise zones. Carrie is working with communities around the county to expand the zone to incorporate additional zones in the county.
- Sherman County is working on finalizing the application for the Biggs Water System Improvements project. This is a priority project on the CEDS list.
- The Wasco County Economic Development Commission's Open for Business Committee hosted a grant writing training for smaller communities, which was well attended.

Jacque Schei, Project Manager, highlighted the following:

- Jacque provides grant administration and has been helping grant recipients move past unexpected issues with their projects.
- The Mid-Columbia Center for Living building project groundbreaking ceremony was May 22nd.
- The City of Antelope submitted an application to the Drinking Water State Revolving Fund to help get additional funds for additional cost incurred for archeological surveys.
- Management of cider marketing and events continues. Jacque is working to help the Gorge Cider Society implement a strategic plan and develop a membership structure as well as to organize events to promote the industry.

REGIONAL UPDATES

Stephanie Hoppe – This year, CGCC has more graduates than last year. Overall, there will be 290 degrees and certifications awarded at the graduation ceremony. Dan Spatz continues to perform industry outreach interviews with companies and employers in the area. There are many positions needed that would require a skill center. CGCC is still actively pursuing funding to

help achieve the match for the funds from the state allocation of \$7.3 million. CGCC has until January 2019 to raise the match funds.

Gary Thompson – Sherman County has many things happening in the renewable energy sector. The County is seeing more solar projects in addition to wind and battery projects. It will be important for the workforce to be trained to work on these kinds of projects. Gary hopes the classes at CGCC will remain in place in the long-term.

Eric Proffitt – Unemployment is hovering at 3-4%. Housing prices are affecting Hood River and Wasco County. For a single person to be able to afford a one bedroom home, they have to be earning \$15 per hour and work 51 hours per week. In Hood River, these numbers increase to \$17 per hour and 60 hours per week. The people in this demographic spend 65% of take home pay on housing, when the industry preferred rate is 25%. Many businesses talk to Work Source Oregon and then make the decision not to locate to the area because there is no workforce or housing for a workforce. Eric noted some employers are now stating they are THC friendly, and it is interesting to see the shift in what businesses are requiring of employees in order to attract qualified candidates.

Jan – The Society Hotel is working on its facility in Bingen, but construction appears to be slower than anticipated. Underwood Fruit is moving at a rapid pace to get its replacement facility running by fall. Construction is happening on the underpass into the Port, but it is a slow process. White Salmon and Bingen have construction projects going on this summer. Everybody's Brewing is getting ready to open soon. There is a shuffling of businesses moving into the building the brewery currently occupies. Off street parking won't be available for these businesses. Sagetech is moving out of its current facility. The City is looking at big infrastructure construction projects over the next few years. White Salmon received a grant for moving an additional slow sand filter system off of the White Salmon River. There are currently feasibility studies on that to expand water capacity for White Salmon, Bingen, and the Port. It has been proposed the Metropolitan Park District should build a pool, and this will be on the ballot in November. This will compete with the EMS district levy at the same time. The City of White Salmon has an ad hoc housing committee that meets on a monthly basis to look at policies coming to the council related to short term vacation rentals. The City has an issue with corporate rentals. Housing starts have picked up hugely in the White Salmon area. The goal is to create more housing supply, which will drive down housing prices.

Sue Knapp – The City of Maupin will not allow vacation rentals at this point in time. The council may look at this again in future. The option tax levy for operating expenses for Dufur Recreational District passed. The option tax levy for operating expenses for White River Health District did not pass. The District's budget is hurting to make ends meet without additional funds from the tax base. Maupin hired Griffin Construction for construction of the new Civic Center. Groundbreaking will be on September 8. Shaniko is working with other cities on Highway 97 to develop a Sherman-Wasco loop tour to promote activities in each of the small towns.

Rod Runyon– The MCCFL project broke ground. Bids came in \$1 million above the original project budget listed. MCCFL will make adjustments as necessary. The project is not Wasco County's project but the County is the backer for the project. Insitu rented the adjoining building

at NORCOR. The NORCOR director is resigning in mid-October. Rod hosted members of the Veterans Administration in The Dalles at the Oregon Veterans' Home. This allowed veterans to meet the people working in the Portland and Vancouver offices. Rod will be involved in a tour of The Dalles area. County commissioners, veterans' service officers, and other agency representatives will tour The Dalles and Wasco County. The 1st annual Hops and Hogs festival will happen soon. 12 breweries will be there. The Columbia Gorge Veterans Museum will be hosting a Hail to the Jeep car show.

Dana Peck – In Goldendale, a 4,500 acre plot of land (the old nursing home building) will be developed into unit apartments for workforce housing. The community is excited to see this happening. Several pre-existing businesses in Goldendale are expanding. Main Street was repaired. Side streets repaired have noticeably improved the housing stock. Dana hopes the tourism program starting in Washington State will allow the Chamber to be more of a partner. The Chamber arranged for a large delegation to discuss the pumped storage project. Union representatives and electrical workers expressed interest, as the project would be 4-5 years. A resolution will go to the governor's office encouraging this project to be a high priority. The Chamber looks forward to potentially seeing the \$2 billion project completed.

Bob Hamlin – Legislation is being introduced to congress about the additional transfer of building and property at the Wind River Nursery in the Stabler area. The first conveyance did not include the water system. After developing 188 acres, challenges have occurred due to lack of infrastructure. The PUD will do a line upgrade to increase power capacity at the Wind River Business Park. Home Valley Hot Springs Resort is being proposed. This proposal will go to the Planning Department. The proposal is for a 13,000 sq/ft structure to house a spa that would pump spring water up the hill to use in the spa. In the future, the hope is to have shops and a hotel. Skamania EDC will present pub talks where people meet to discuss local business trends. There was a meeting held about the sewer system in Stevenson. The infrastructure issue has limited many options.

Bill Schmitt – Test holes are being drilled at the Port to determine if the water levels will allow for an underpass. The Port has started to have problems with water and undermining the road. The Port is working on infrastructure to prepare for a few more lots. There was an inquiry for Port property in Bingen. It has been hard keeping a second maintenance person due to wage increases and lack of housing. The Port hears the same complaints about lack of housing and is a fairly large concern right now.

Ken Bailey – Cherry harvest has started. The orchard has 300-700 pickers, and 200-300 more will be added soon. It is not difficult to fill positions, but it is difficult to house employees. The orchard has adequate housing, but after acquiring some additional acres, the pre-existing housing isn't up to standard. It is a struggle to improve the housing because this can only be done before the season, not during. The orchard takes responsibility for providing housing for seasonal employees. Currently, there is adequate housing for 700-800 people. The cherry market started high but has dropped after the first week. Prices are better than last year.

Tom Furey – The tech industry has seen strong growth. The challenge is how to find people, house them, and find adequate facilities. Low unemployment in the Gorge is good, but it makes

it difficult to find qualified employees. Through conversations with other tech leaders, it is apparent that finding adequate facilities is a challenge. Not every company wants to build a new facility because they would prefer to move into a pre-existing facility. Many companies are looking for a larger space. The STEM fair was successful. Many colleges, organizations, and tech companies were present, and many kids attended. Sagetech received word that the rezoning request in Dallesport was approved. The permitting process has started. This will allow Sagetech to move from cosmetic work to construction inside. A few classrooms were cleaned up without major work. It is anticipated the workforce will occupy the building in early November. Sagetech will be in conversations with other companies to backfill the space it is currently occupying. One major issue with the Sagetech workforce is the commute between Dallesport and White Salmon. Sagetech contacted Kathy Fitzpatrick, Mobility Manager, to discuss options, and many employees were surprised with how many public transportation options exist to make the commute easier.

NEW BUSINESS

Ken Bailey stated it is almost time to appoint a nominating committee for officers. Nominations will be presented to the board in September. Any board member interested in being on the committee or the Executive Committee should contact Ken.

ADJOURNMENT

Meeting adjourned at 6:17 p.m.

Respectfully submitted by Lauren Hernandez, Office Administrator