



Executive Committee Meeting
Wednesday, March 2, 2016
4:00 P.M.

MCEDD Office
515 East Second Street
The Dalles, OR

AGENDA

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order- Jan Brending		
Executive Committee Minutes <i>January 2016</i>	5 minutes	Approval
Financial Report	5 minutes	Information
Budget Committee	5 minutes	Recommendation
Local Dues	10 minutes	Recommendation
Broadband Update	15 minutes	Discussion
Executive Director Report	10 minutes	Information
Other New Business/ Updates from Committee Members		

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance, please contact Sherry Bohn at 541-296-2266 (TTY 711) at least 48 hours before the meeting.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
WEDNESDAY, JANUARY 6, 2016
4:00 p.m.
MCEDD Office and Teleconference

ATTENDANCE:

In Person: Ken Bailey, Bill Schmitt, Eric Proffitt, Rod Runyon, and Bob Hamlin

Teleconference: Jan Brending, Bob Benton

Board (non-Executive Committee): Nick Hogan

Staff: Sherry Wickert, Sherry Bohn and Amanda Hoey

CALL TO ORDER:

Jan Brending called the meeting to order at 4:00 p.m. Introductions took place. A quorum was present.

EXECUTIVE COMMITTEE MINUTES:

Eric Proffitt moved to approve the December 2, 2015 Executive Committee meeting minutes as presented. Bob Hamlin seconded the motion. Motion carried unanimously.

*Discussion: Rod Runyon asked if all the noted questions had been answered.
Amanda Hoey stated that they had.*

Bob Benton joined the meeting at 4:04 p.m.

FINANCE REPORT:

Sherry Wickert presented the November financial reports. She noted that total cash is significantly higher but there is one notable decrease in cash. Sherry reported that Loan Funds has decreased by \$195,867 due to new loans made. She reported that for liabilities, Accounts Payable current balance includes bills paid in December, while the prior year's balance included expenses that were pending reimbursement through grant funds. She also noted that other current liabilities include payroll expenses that were paid in December for November 2015. For November's

Operations Budget vs. Actual Sherry reported that the report reflects variances in both Revenue and Expenses. She noted that for revenue, the most substantial is the continued lower than budget loan fund revenue, which is \$25,120.38. While overall payroll expenses are below budget by \$7,200, the majority of the difference is due to Fringe Benefits. The less than expected is the result of less in costs associated with health insurance. Sherry also noted that Expenses for Travel and Professional Services remain below budget due to the timing of expenses. The category of Event Services is higher because of unforeseen events.

Amana Hoey reported that a number of upcoming large projects will force the need for a supplemental budget in February or March.

Discussion: Ken Bailey asked about the deadline for submitting a supplemental budget. Sherry Wickert stated it was June 30th. Ken Bailey asked if it would be more beneficial to wait until later in the year. Amanda Hoey stated that the timing of new revenue and expenditures are of a scale that will require adoption of the supplemental in February or March.

INSURANCE LONGEVITY CREDIT:

Amanda explained that annually MCEDD staff reviews MCEDD's insurance coverage with its agent (Jon Davies of Columbia River Insurance) and the coverage we have through Special Districts Insurance Services. Amanda reported that as part of that review we have an agreement that, if signed, allows MCEDD to receive a \$273 longevity credit with the agreement that the District will continue participation in the Trust from January 1, 2016 to December 31, 2017. Amanda requested that the Executive Committee approve signing the longevity credit document and remain a participant with the Special Districts Insurance Services Property and Liability Program from January 1, 2016 to December 31, 2017.

Discussion: Jan Brending asked what the annual cost of the insurance is. Sherry Wickert stated that it was approximately \$3,309 annually.

Ken Bailey moved to approve signing the longevity credit document and remain a participant with the Special Districts Insurance Services Property and Liability Program from January 1, 2016 to December 31, 2017. Bob Hamlin seconded the motion. Motion carried unanimously.

Discussion: Rod Runyon asked about using CIS. Amanda explained that MCEDD uses CIS for its health insurance and explained the cost and benefits of using Special Districts for its property and liability.

SALARY SURVEY:

Jan Brending explained that MCEDD's Executive Committee provided a recommended modification to the Executive Director and Project Manager pay scales based on review of comparables and considering a number of factors and best practices. She stated that the MCEDD Board reviewed the recommendation at the December full board meeting and returned the topic to the Executive Committee for further discussion particularly considering the financial implications of any changes. Amanda explained that while there was no disagreement related to the proposed scales, there was discussion as to which step current employees should move to in the proposed modification. She noted that in the Executive Committee recommendation, employees in a position affected by revised pay scales would be placed in the step nearest their current salary level (without dropping below their current pay rate). Amanda noted that this proposal would move employees in affected positions down two steps in the scale. Amanda stated that the Board discussed consideration for moving employees down only one step, which would provide them a pay raise and bring them more into line with the comparables.

The Executive Committee reviewed and discussed the following options:

Original proposal: Employees in a position affected by revised pay scales would be placed in the step nearest their current salary level (without dropping below their current pay rate). There is nominal short term financial impact.

Alternative 1: Employees in a position affected by revised pay scales would be placed one step lower than their current step, in effect causing an immediate pay raise with the start of the new fiscal year. The short term financial impact is approximately \$13,400, without any COLA considerations.

Alternative 2: Employees in a position affected by revised pay scales would be placed in the step nearest their current salary level (without dropping below their current pay rate) however they would be eligible for consideration of a step increase on July 1, regardless of the timing of their

usual consideration for a step increase. The decisions would be based on performance, merit and budget considerations. The Board makes these decisions for the Executive Director and the Director makes these decisions for all her employees. The short term financial impact ranges from nominal if no step increases are provided to approximately \$13,400 if all are provided.

Discussion: Nick Hogan expressed his opinion in support of alternative 1 stating that he thought it was fair in regards to bringing the positions more into line with the comparables. Ken Bailey asked what step the Executive Director and the Project Managers were currently at. He asked if there was a need to add more steps to the top. Jan Brending suggested that the additional steps should be added to all positions. Ken Bailey expressed his concern that if top people are already at the top of their pay step they might be inclined to look elsewhere for employment.

Amanda reiterated that the Executive Committee is asked to make a recommendation to the Board on employee salary scales at the next MCEDD board meeting in February in order to advise the FY17 budget development.

Ken Bailey moved to recommend to the MCEDD board that employees in a position affected by revised pay scales would be placed in the step nearest their current salary level (without dropping below their current pay rate) however they would be eligible for consideration of a step increase on July 1, regardless of the timing of their usual consideration for a step increase. The decisions would be based on performance, merit and budget considerations. Eric Proffitt seconded the motion. Motion carried unanimously.

EXECUTIVE DIRECTOR REPORT:

Amanda Hoey reviewed highlights from the Director's report, including the following

- Closed loans with Veronica's Salsa and CRG Freight.
- Loan Administration Board approved a modification to the loan approval for Arcelia Maribel Quintero De Marquez dba Taqueria La Fogata.
- In February, the State Directors for the US Department of Agriculture are anticipated to visit the MCEDD region to talk with MCEDD about highlighted successes, our planning processes and USDA's contributions. We are honored to have been selected to engage with State Directors from across the nation.
- Connect Mid-Columbia has been rescheduled for Thursday, January 7, 2016.
- The Parkdale Sanitary District project which was approved for inclusion at the last board meeting is moving through USDA review and looking good thus far. The CEDS has been updated to reflect the new priority ranking.
- David Van't Hof, our contracted Government Affairs Specialist, provided a proposal to continue efforts attached to the Columbia Gorge Bi-State Renewable Energy Zone. The proposal has been sent to the entities providing initial funding for consideration. If approved, MCEDD's Executive Committee needs to verify that we are willing to continue as fiscal agent.

Discussion: Eric Proffitt asked if the state of California restriction on outside sources of energy would have any effect on the continued efforts. Amanda explained the status and noted that as one of the primary issues David is working on addressing. Consensus was to continue with the effort.

- CREA held a board meeting in mid-December to review options for financial management and are not going to further pursue a change at this time. They would, however, like to explore opportunities for reciprocal membership. Amanda noted that the best avenue for this to occur would be an MOU or partnership agreement.

Discussion: The committee expressed a general interest to explore additional opportunities through an MOU or partnership agreement.

- Copies of the audit have been mailed to relevant funding sources.
- There has been no response to the letter sent to the Port of Hood River.

OTHER NEW BUSINESS:

Amanda Hoey reported that the Oregon Governor's Transportation Forum originally scheduled for The Dalles on January 4, 2016 was cancelled and will be rescheduled for late February or early March.

ADJOURN: Meeting adjourned at 4:36 p.m.

*Respectfully submitted,
Sherry Bohn, Office Administrator*



FINANCIAL SUMMARY

FOR: January 2016

MCEDD's balance sheet reflects differences in primarily the distribution of Assets. Total cash accounts, while excluding the Housing RLF (1031), is down from the prior year. The reduction in cash is due to new loans made and is now included as part of the Loans Receivable balances.

January's Operations Budget vs. Actual report, which includes the supplemental budget figures, indicates variances in both Revenue and Expenses. Revenue for categories that include Federal (4100), State (4200), and Contract Reimbursement (4500) are below budget due to the billings associated with contracts. Even with the supplemental adjustment to loan interest, loan fund revenue continues to be under budget. The largest difference is the category of Processing Fees (4700). This category was not adjusted due to the anticipation of new loans to be made that will "catch up" with the annualized allocation. The expenses for the loan fund program also continue to be below budget, making the overall impact much less than expected. Expense categories that are under budget due to the timing of expenses include Travel (6110), Supplies (6300), and Professional Services (6400) for contractual expenses. Expenses for Other Materials & Supplies are higher than budget partly due to FY17 expenses included, but also for expenses for dues that were not budgeted.

Respectfully Submitted,

Sherry Wickert
Finance & Operations Manager

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2016

02/23/16

Accrual Basis

	Jan 31, 16	Jan 31, 15
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1010 · MCEDD Checking	29,188.28	54,819.85
1015 · MCEDD MM	327,024.92	191,486.99
1020 · IRP		
1021 · IRP - Sherman	154,969.22	139,558.64
1022 · IRP - WA	74,918.85	60,890.75
1020 · IRP - Other	20,122.63	50,883.42
Total 1020 · IRP	250,010.70	251,332.81
1030 · Loan Funds		
1036 · EDA RLFs	48,342.16	412,085.89
1045 · Reg Strat	168,464.05	163,785.70
1050 · RBEG-OR	19,391.74	134,333.88
1055 · RBEG-WA	36,391.20	76,360.16
1057 · RBEG-KL	92,941.34	80,386.68
1067 · CDBG Microenterprises	57,860.26	48,192.62
Total 1030 · Loan Funds	423,390.75	915,144.93
1031 · Housing RLF	2,000,680.51	0.00
1070 · National Scenic Fund	1,279,573.03	1,118,475.92
1095 · CGEDA Checking	0.00	200.42
Total 1000 · Bank Demand Deposits	4,309,868.19	2,531,460.92
1100 · CDS		
1121 · IRP Reserve	96,031.33	96,031.33
1185 · CGEDA CD	0.00	18,599.41
Total 1100 · CDS	96,031.33	114,630.74
1122 · IRP - DDM Product	378,406.01	505,756.26
1196 · OR Telecom Conference	18,057.30	18,467.41
Total Checking/Savings	4,802,362.83	3,170,315.33
Accounts Receivable		
1202 · Accounts Receivable	69,787.37	73,646.17
Total Accounts Receivable	69,787.37	73,646.17
Other Current Assets		
1200 · Receivables & Accruals		

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2016

	Jan 31, 16	Jan 31, 15
1205 · Accrued Revenue	5,273.18	5,689.50
1227 · Accrued Loan Interest	22,905.31	20,197.42
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accrd Int	-155.70	-8,951.19
1229 · Structured Accts Accr'd Int - Other	5,148.79	38,401.20
Total 1229 · Structured Accts Accr'd Int	4,993.09	29,450.01
Total 1200 · Receivables & Accruals	33,171.58	55,336.93
1300 · Loans Receivable		
1330 · MCEDD Loans Receivable		
1320 · IRP	2,081,626.73	1,783,942.45
1321 · IRP - Sherman	96,707.96	102,250.00
1322 · IRP - WA	246,094.07	258,135.96
1336 · EDA RLFs	619,798.46	367,350.05
1345 · Reg Strat	4,717.84	14,905.32
1350 · RBEG-OR	274,901.55	150,792.73
1355 · RBEG-WA	59,187.74	18,016.12
1357 · RBEG-KL/SK	33,016.28	45,318.26
1367 · CDBG Microenterprises	47,696.89	56,269.92
Total 1330 · MCEDD Loans Receivable	3,463,747.52	2,796,980.81
1370 · OIB Loans Receivable	1,574,143.23	1,692,393.97
Total 1300 · Loans Receivable	5,037,890.75	4,489,374.78
1500 · Allowance for Doubtful Loans		
1520 · IRP Allowance	-127,089.85	-129,755.85
1521 · IRP - SH Co	-15,000.00	0.00
1522 · IRP - WA	-15,178.13	-15,727.81
1536 · EDA RLFs Allowance	-37,163.51	-29,699.69
1545 · Reg Strat Allowance	-644.83	-1,234.11
1555 · RBEG Allowance	-23,405.81	-15,403.71
1567 · CDBG Microenterprises	-3,171.24	-3,616.18
1575 · OIB Allowance	-45,000.00	-30,000.00
Total 1500 · Allowance for Doubtful Loans	-266,653.37	-225,437.35
Total Other Current Assets	4,804,408.96	4,319,274.36
Total Current Assets	9,676,559.16	7,563,235.86
TOTAL ASSETS	9,676,559.16	7,563,235.86
LIABILITIES & EQUITY		

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2016

	Jan 31, 16	Jan 31, 15
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · A/P General	-99.00	5,757.81
Total Accounts Payable	-99.00	5,757.81
Other Current Liabilities		
2030 · Accrued Loan Payment	61,747.81	62,012.08
2035 · Accrued Interest Payable	488.26	373.14
2050 · PTO - Accrued	24,497.84	24,889.44
2060 · Deferred Comp Payable	2,000.00	1,510.00
2070 · Health Insurance Payable	0.00	1,487.36
2080 · Life & Disability Payable	0.00	-2.89
2090 · WC SAIF Ins	-213.05	-256.41
2100 · Payroll Liabilities		
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	32.26	29.97
2115 · OR- SUTA Payroll Liabilities - Other	39.63	36.76
Total 2115 · OR- SUTA Payroll Liabilities	71.89	66.73
Total 2120 · State Payroll Liabilities	71.89	66.73
2100 · Payroll Liabilities - Other	2,950.53	2,947.85
Total 2100 · Payroll Liabilities	3,022.42	3,014.58
2800 · Deferred Revenue	13,333.33	15,833.32
Total Other Current Liabilities	104,876.61	108,860.62
Total Current Liabilities	104,777.61	114,618.43
Long Term Liabilities		
2820 · IRP Loan Payable \$1million	551,573.23	588,221.59
2821 · IRP Loan Payable \$600,000	438,485.25	459,423.94
2822 · IRP Loan Payable \$750,000	625,806.66	650,921.44
2823 · IRP Loan Payable - Washington	309,906.38	309,990.41
2824 · IRP Loan Payable - Sherman	193,188.09	200,000.00
Total Long Term Liabilities	2,118,959.61	2,208,557.38
Total Liabilities	2,223,737.22	2,323,175.81
Equity		
3100 · Fund Balances	7,320,555.07	5,145,867.54
3110 · Carryforward Balance	22,692.87	15,443.51
Net Income	109,574.00	78,749.00

4:22 PM

02/23/16

Accrual Basis

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2016

	Jan 31, 16	Jan 31, 15
Total Equity	7,452,821.94	5,240,060.05
TOTAL LIABILITIES & EQUITY	<u>9,676,559.16</u>	<u>7,563,235.86</u>

Mid-Columbia Economic Development District
Operations Budget vs. Actual
 July 2015 through January 2016

	Jul '15 - Jan 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Carryover Revenue	345,666.47	299,529.00	46,137.47	115.4%
4100 · Federal	99,966.08	111,072.65	-11,106.57	90.0%
4200 · State	11,910.66	17,150.00	-5,239.34	69.4%
4300 · Local Match	12,384.91	10,571.80	1,813.11	117.2%
4400 · Local Dues	45,529.00	45,530.00	-1.00	100.0%
4500 · Contract Reimbursement	282,267.67	296,138.30	-13,870.63	95.3%
4600 · Loan Interest	152,737.05	161,366.50	-8,629.45	94.7%
4700 · Loan Processing Fees	5,159.96	19,191.65	-14,031.69	26.9%
4705 · Loan Filing Fees	736.78	5,291.65	-4,554.87	13.9%
4710 · Loan Late Fee	3,380.82	1,220.85	2,159.97	276.9%
4750 · Investment Interest	1,060.86	2,041.60	-980.74	52.0%
4800 · Receipts - Other	2,644.14	4,774.00	-2,129.86	55.4%
4803 · Sponsor Donations	0.00	0.00	0.00	0.0%
4934 · In-Kind Revenue	22,904.56	43,670.50	-20,765.94	52.4%
4935 · In Kind - MM	500.00	700.00	-200.00	71.4%
Total Income	986,848.96	1,018,248.50	-31,399.54	96.9%
Gross Profit	986,848.96	1,018,248.50	-31,399.54	96.9%
Expense				
5000 · Wages	254,472.75	262,508.75	-8,036.00	96.9%
5500 · Fringe Benefits	64,693.34	72,249.20	-7,555.86	89.5%
5700 · Payroll Taxes	22,528.14	22,669.30	-141.16	99.4%
6110 · Travel & Conference	9,446.41	20,512.55	-11,066.14	46.1%
6190 · Event Services	3,748.84	4,666.65	-917.81	80.3%
6200 · Equipment	2,504.03	2,539.00	-34.97	98.6%
6300 · Supplies	15,937.44	30,777.10	-14,839.66	51.8%
6400 · Professional Services	39,486.28	97,426.00	-57,939.72	40.5%
6600 · Communications	7,168.18	8,438.30	-1,270.12	84.9%
6700 · Building Costs	9,263.04	10,878.55	-1,615.51	85.1%
6800 · Bonds & Insurance	4,652.00	3,450.00	1,202.00	134.8%
6900 · Other Materials & Supplies	8,216.49	5,054.65	3,161.84	162.6%
9000 · Indirect Spread	0.00	-4,943.70	4,943.70	0.0%

Mid-Columbia Economic Development District
Operations Budget vs. Actual
 July 2015 through January 2016

	Jul '15 - Jan 16	Budget	\$ Over Budget	% of Budget
9600 · Transfer to/from Source	5,195.66	0.00	5,195.66	100.0%
Total Expense	447,312.60	536,226.35	-88,913.75	83.4%
Net Ordinary Income	539,536.36	482,022.15	57,514.21	111.9%
Other Income/Expense				
Other Expense				
7010 · Bad Debt Expense	0.20	0.00	0.20	100.0%
7400 · Loan Payment	64,953.05	64,953.00	0.05	100.0%
7500 · Carryover to Next Year	368,359.34	379,274.00	-10,914.66	97.1%
7600 · In-Kind Contractual	23,404.56	44,370.50	-20,965.94	52.7%
Total Other Expense	456,717.15	488,597.50	-31,880.35	93.5%
Net Other Income	-456,717.15	-488,597.50	31,880.35	93.5%
Net Income	82,819.21	-6,575.35	89,394.56	-1,259.5%

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
2016 PIPELINE**

SPECIAL PROJECTS SUMMARY		ANTICIPATED 2016	SUBMITTED	IN PROCESS	TOTAL	CONFIRMED %
	Special Projects - Anticipated Revenue	426,937	17,000	-	443,937	96.17%
	Budgeted Expenses FY 2016 (Excludes In-Kind)	359,914				
	Gap/Surplus	67,023				
COD E	SPECIAL PROJECTS DETAILS	2016	NOTES			
	ANTICIPATED REVENUE					
517	Klickitat CDBG	17,000				
518	Cascade Locks CDBG	5,000				
519	Dallesport CDBG	7,750				
520	Google Broadband	7,000				
521	Specialty Crop Grant	31,300	2yr grant annual cash only, no in-kind			
522	Agency Coordination Pilot - Transportation	17,000	2yr project - starting FY15			
523	ODOT - Coordinated Human Sves Trans Plan	16,485	2yr project - starting FY16			
524	Travel Oregon Wine Country Mkting	3,250	Staffing \$250			
525	GTA Robotics (Wind Challenge)	18,700	2yr project			
526	MCCFL CDBG	6,649	Multiple year project			
527	City of Antelope - CDBG Project	4,918	Multiple year project			
528	DWD Wastewater CDBG	2,400				
548	ColPac	2,500				
549	HR County Enterprise Zone Mgmt	1,000	Estimation based on hourly rate			
551	Urban Renewal	1,500				
554	Sherman Co ED	38,250				
557	GTA Staffing	65,852				
559	Wasco Co ED	35,000				
560	Oregon Connx	3,500				
570	OEDD Website	700				
571	Mobility Management	80,000				
575	GTA Robotics	12,656	New contract FY16			
582	HR EDG	7,000				
585	Commute Options	8,000	2yr project - starting FY16			
587	HR Drive Less Connect - ODOT	12,687	2yr project - starting FY16			
596	RBDG - Wine Marketing	15,440	Staffing \$500			
E599	Wasco Cultural Trust	400				
E906	Travel Oregon - JDRT	5,000				
	TOTAL ANTICIPATED REVENUE	426,937				
	PROPOSALS SUBMITTED					
	City of The Dalles - EDA Mgt Project	7,500				
	Gorge Night Sky - Google	7,500				
	Gorge Night Sky - ODOE	1,000				
	Gorge Night Sky - BPA	1,000				
	TOTAL PROPOSALS SUBMITTED	17,000				
	IN DEVELOPMENT					
	TOTAL IN DEVELOPMENT	-				

Memorandum

Date: February 22, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: Budget Committee

Overview

The MCEDD Budget Committee is an unpaid committee that meets to review and approve the MCEDD budget. The budget is adopted by the MCEDD Board. The Budget Committee consists of an equal number of at-large members and MCEDD board members. Members serve three year terms, staggered so that one third of the terms of the appointive members end each year. Members are appointed by the MCEDD Board based on recommendations from the MCEDD Executive Committee. The primary qualification for appointive members is that they must be representative of the services provided by MCEDD.

The committee as appointed in FY16 includes the following individuals:

Name	Term Expires
Sam Bauer (At Large)	February 2016
Jeff Helfrich (At Large)	February 2016
Marcus Denney (At Large)	February 2017
Barbara Briggs (Board)	February 2017
Leana Johnson (At Large)	February 2018
Jim Kacena (Board)	February 2018

Expiring Terms

Board Positions

All three board positions on the Budget Committee transition. The following are interested to seek appointment:

- Dana Peck (WA Chambers representative)
- Eric Proffitt (Workforce representative)
- Nick Hogan (Cities of Skamania County representative)

We generally seek to have balance between Oregon and Washington members on the committee.

At-Large Position

One at-large position expires; the position held by Sam Bauer. Notification on the expiring at-large position was sent to local newspapers with interest forms due by February 19, 2016. The following individuals expressed interest in serving on the budget committee (interest forms attached).

- David Roth
- Sam Bauer

Request

Discuss expiring position for the MCEDD board representative. Recommend a candidate for the at-large position and for the board positions.

Memorandum

Date: February 23, 2016
To: MCEDD Executive Committee
From: Carrie Pipinich, Project Manager and Amanda Hoey, Executive Director
Re: Gorge Broadband Consortium and MCEDD Activities

Overview

One of MCEDD's strategic focus areas for regional economic development coordination is enhancing access to, awareness of and adoption of broadband technologies. These connections are critical to providing economic opportunities throughout the Mid-Columbia region. In July, the Board reaffirmed commitment to engaging in activities that advance broadband connectivity in the region. The purpose of the discussion today is to:

- Provide a program review from the past year.
- Ensure an understanding of broadband activities MCEDD staff supports and leads.
- Identify priorities for ongoing broadband activities in which MCEDD is engaged.
- Discuss preferred ongoing, sustained funding mechanisms.

Funding History

Since 2012, much of our broadband planning activity has been supported through grant funding. Over the last four years, we have utilized several funding and technical assistance opportunities to support information gathering and identification of opportunities to address broadband access opportunities in our region. These include:

- **2012-2014: Washington State Local Technology Planning Team Grants (ARRA funds).** These grants funded trainings for community members and businesses related to broadband utilization, a Klickitat and Skamania Counties Broadband Needs Assessment, demand surveys in Appleton and Snowden, an asset inventory that encapsulated the two counties, and development of the Gorge Broadband website. In addition, to share these findings and gather input on the projects underway the group gathered interested parties, public and private, in our quarterly meetings. This project also developed the "Making the Business Case" worksheet focused on data collection around broadband access and a residential demand survey template that has been useful both in the Mid-Columbia and with partners around the Northwest.
- **2014: The Oregon Broadband Outreach and Strategic Planning Project (ARRA funds)** provided technical assistance to Q-Life/Wasco County to discuss broadband adoption opportunities and highlighted the need for additional access in South Wasco County. As a result of this process, the WebWorks:Anywhere! Forums were piloted in Dufur, and additional partners came together around the need for further broadband access throughout Wasco County.
- **2014-2015: Google Community Grant** provided support related to conducting asset and demand studies in South Wasco County, moving broadband consortium meetings to a bi-annual meeting that encompassed our five county region, and conducting WebWorks forums throughout the region.
- **Annually: EDA Planning Grant:** We utilize a portion of our annual EDA planning grant funds to support staff implementing the broadband strategies listed in our CEDS.

MCEDD Broadband Activities

Below is an outline of our current projects in supporting broadband.

- **Convening and facilitating Columbia Gorge Broadband Consortium meetings:** Semi-annual regional broadband consortium meetings provide a space for ongoing conversation

about broadband issues, assist in identifying broadband implementation opportunities and help address access and utilization challenges. These meetings are attended by engaged community members, local and regional governmental staff, Internet Service Providers, and other partners from the local, state, and federal entities. MCEDD staff convenes and hosts these meetings.

- **Hosting Gorgebroadband.org:** MCEDD develops and (with in-kind support from Gorge.net) hosts a regional resource for broadband information where residents and business can find out who their internet service providers are, where wifi hotspots are located in their communities, and find both online training resources and information on in-person classes focused on broadband utilization. This is also a place where communities-both in our region and elsewhere-can find tools to conduct needs assessments for broadband access in their communities. We have continued to update this resource and find it useful for partners.
- **Supporting State Funding:** Staff worked with North Central Oregon Regional Solutions and local partners to identify broadband access as a regional priority, and supported focusing two thirds of the Regional Solutions funding requests in the 2015 legislative session on projects to support broadband access in rural Sherman and Wasco counties. This funding was secured at a reduced level, but has spurred further project development to leverage these funds into middle mile fiber projects in both counties. This prioritization also helped begin conversations with ODOT regional representatives about how ODOT's investments and broadband requirements can support additional rural broadband access.
- **Advocating for Federal Engagement:** There have been several opportunities to take a regional approach to conversations with federal partners around broadband related funding. The Connect America Funds provided through the FCC to CenturyLink and Frontier in our region, have presented an opportunity to engage with federal partners to discuss the program and provide local feedback for key investment areas. MCEDD staff also participated in planning the "Making Rural Communities Better with Broadband" Workshop with USDA, Rural Development and Oregon Rural Development Council.
- **Hosting the Oregon Connections Telecommunications Conference.** This conference draws attendees from all regions of the state to share ideas, experiences and knowledge about telecommunications infrastructure and utilization
- **Enhancing Broadband Utilization; Hosting WebWorks: Anywhere! Forums:** Staff worked with local communities in Maupin, The Dalles, Goldendale, and Stevenson to host forums that highlighted businesses utilizing broadband effectively. These gatherings were an opportunity for peer-to-peer learning between local businesses but also an opportunity for community conversation around broadband needs.
- **Supporting Community Access:** In partnership with local communities and community groups, MCEDD engages in projects to enhance direct broadband access. This year staff conducted broadband demand and asset studies to identify gaps in services and the interest of communities in South Wasco County for additional broadband capacity and worked with Q-Life on a targeted feasibility study in the Maupin area for a fiber project. Activity related to the feasibility study involved collecting letters of intent to purchase service and identification of funding sources. Staff also continues work with communities in Klickitat County to conduct demand studies, identify funding opportunities and communicate interest to local ISPs.

Next Steps

In 2015, the [Broadband Opportunity Council](#) was formed as a place where federal agencies would come together to discuss broadband in the United States. This quote sums up the current state of broadband very well: "Much of the easy work has been done – building out broadband infrastructure in more profitable areas of the country where the community capacity is strong and

the business case is compelling; and encouraging broadband adoption and use among people who are already “digitally ready.” The hard work that remains is reaching those communities where geography and economics work against deployment and reaching individuals who do not yet have the same opportunities to use broadband to meet personal and professional goals.”

As in the country, there are still significant gaps in broadband service in the Mid-Columbia region. These areas are our more rural locations that will likely require public participation through grant funds or other creative ways to support extending infrastructure, as the private business case is challenging to make. These solutions can include wired builds, but will also include wireless or other solutions where feasible given the cost to bring service to many of these locations.

Broadband continues to be of critical importance to the economic vitality and competitiveness of our region. Consistent service delivery from MCEDD, continuation of proactive broadband planning efforts and coordinating ongoing conversations related to broadband opportunities and issues is central to our work. These regional coordination efforts require planned investment as they are more difficult to fund than some of our more specific, tangible projects that fit easily into a grant writing mold.

Recommendation

Input from the Executive Committee on direction is requested as we work through the sustainable funding model and core activities in our broadband strategy.

Staff recommends continuation of the following activities:

- Continue convening semi-annual Gorge Broadband Consortium meetings as a forum for ongoing conversation. Utilize these meetings and network to continue conversations related to Connect America Fund investment.
- Continue to be a resource related to improving community access. Support projects where funding is available to continue engagement. A) Continue to host the Oregon Connections Telecommunications conference, as long as they are willing to return to the MCEDD region as we contract for services to act as local host. B) Continue to engage in County economic development activities driven by contracts with those entities, such as in Wasco County.
- Maintain Gorgebroadband.org. Hosting is provided by in-kind sponsorship through Gorge.Net.
- Host Webworks Anywhere! Forums *only if* grant funding or adequate sponsorship is available to support the forums.

While we will continue to identify and seek grant resources to support activities, the ongoing actions require sustainable funding options. Options for consideration:

- Option 1: Continue informal consortium and solicit contributions, with MCEDD acting as fiscal agent and staff. Match with EDA planning dollars.
- Option 2: Do not solicit contributions and rely on MCEDD resources to support activities.
- Option 3: Develop formal membership with defined contributions for participation.



Executive Director's Report
Prepared for March 2016 Executive Committee Meeting

This report covers activities in February 2016.

Business Assistance Division

- MCEDD closed loans this month with **Baseline Brewing** and **A/R Market**.
- The MCEDD Loan Administration Board approved a \$30,000 loan for **Seckora Consulting, LLC**.
- The Oregon Investment Board approved a \$258,000 loan to **Beachwood Eatery, LLC dba 9th Street Sugar Bowl**.
- Through our National Association, we are monitoring the progress of a recently introduced House Bill Introduced that Includes EDA Revolving Loan Fund Reforms. The bipartisan bill, **Public Buildings Reform and Savings Act** of 2016 (H.R. 4487), includes language that authorizes the EDA to release the federal government's interest in connection with a grant not less than seven years after final disbursement of the grant. Currently, grant recipients such as MCEDD are required to comply with extensive federal reporting and audit requirements forever. H.R. 4487 was referred to the House Transportation and Infrastructure Committee and the House Financial Services Committee for further consideration.

Economic Development Administration, Regional Economic Development

- On February 24, 2016 MCEDD was pleased to host all of the **State Directors for the US Department of Agriculture** from across the nation as well as DC staff, including the Undersecretary. We were honored to have been selected for the visit, which was part of their "Finishing Strong" conference in Portland. I presented on the regional strategic economic development plan, industry clusters, Agora Investment Platform and development throughout the region. Carrie Pipinich presented on broadband initiatives and Jessica Metta briefly introduced the Gorge Tech Alliance. We were able to highlight MCEDD loan clients Pfriem and Brigham Fish Products with site visits. We featured MCEDD loan client Boda's, which catered the lunches. Finally, we were able to converse with Jenny Taylor from Insitu during our final stop. I extend my appreciation to Board Chair **Jan Brending** for joining us on the final stop and Board member **Robb Kimmes** who provided the space at Skyline Hospital. Finally, MCEDD staff provided on the ground support to ensure the day ran smoothly.
- The next **Connect Mid-Columbia** meeting is scheduled for March 10, 2017 at 9 am at the CGCC Lecture Hall in The Dalles. We will be reviewing project submissions and identifying any potential gaps in preparation for the CEDS conversation.
- The **Dark Sky Campaign** application was submitted to Google. We received follow-up questions in February and anticipate a decision in March.
- We are analyzing our role with the Pacific Northwest Manufacturing Partnership and ways to make it more effective. I would like to discuss with the Executive Committee.



USDA Visit at Skyline

- **David Porter, EDA representative**, will visit the region on February 29. He was originally invited by Scott Anderson to follow up on technical assistance discussion and a Stevenson economic development plan. We will follow the meeting with a tour of EDA investments at the Port of Skamania and Columbia Gorge Regional Airport.
- The Columbia Gorge **STEM Hub** grant application to the Oregon Department of Education was funded through the Regional Achievement Collaborative.
- Carrie Pipinich presented at the USDA broadband event in Bend.
- I participated in a site visit with Nancy Straw from the **Ford Family Foundation** with Gorge Owned. Discussion included opportunities for enhancing investment in our region, options related to our revolving loan funds and the critical support of the SBDC network.

Project Management

- Jessica Metta and Jacque Schei are working on planning for the upcoming April 30 **Wind Challenge**. This is a new project for us, under an agreement with Google. They are currently seeking volunteers. The day prior is our STEM career day.
- The IGA with the City of Antelope is now signed. We are supporting them with grant administration and labor standards management for their CDBG funded water project.
- Carrie Pipinich submitted the biennial **Specialty Crop Block Grant** concept proposal to further grow the Gorge Cidermasters. We request Executive Committee approval to accept the contract, if awarded.
- We are working through finalizing our contract amendments with David Van't Hof and participating funding partners.

Operations

- We have received three proposals for removing the sink in our bathroom and installing one which is ADA compliant. The least cost bid is Ridgeline Plumbing. We anticipate moving forward with their agreement, following Executive Committee confirmation.
- Training:
 - In February, I attended the CIS conference, gathering information on changes in our benefits and impacts to our budget.
 - Sherry Wickert attended the SDAO conference, gathering information that will update our employment practices.
 - Carrie Pipinich and Mark Heystek attended the CEDS training hosted by the Oregon Economic Development District network.
- Steve Lawrence has stepped down from the MCEDD Board with a recent appointment to another board. We are working on a Cities of Wasco County replacement.
- Auditor solicitation: We have received two responses thus far. The RFQ is listed on our website and letters have been sent out to known auditors in the area.
- All local dues are paid from all participating entities.

Upcoming Events:

- **Connect Mid-Columbia March 10, 2016, 9 am, CGCC Lecture Hall, The Dalles**
- **Next Full Board meeting: March 17, 2016 at 4 pm at Skyline Hospital.**
- **Next Executive Committee meeting: April 6, 2016 at 4 pm.**