

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
TUESDAY, March 1, 2022
4:00 PM
ZOOM TELECONFERENCE**

ATTENDANCE

Attending: Les Perkins, Ken Bailey, Joe Dabulskis, Steve Kramer, Scott Clements, Bob Hamlin, Leana Kinley

Staff: Jessica Metta (Executive Director), Jill Brandt (Administrative Assistant), Carrie Pipinich (Deputy Director of Economic Development), Kate Drennan (Deputy Director of Transportation), Dana Woods (Finance Manager), Lauren Hernandez (Office Administrator)

CALL TO ORDER / INTRODUCTIONS

Bob Hamlin called the meeting to order at 4:02 p.m. A round of introductions took place.

EXECUTIVE COMMITTEE MINUTES

Steve Kramer motioned to approve the February 2, 2022 Executive Committee meeting minutes as presented. Ken Bailey seconded the motion. All voted in favor and the motion carried.

FINANCE REPORT

Dana Woods presented the Financials for January 2022. Total Cash balance as of 1/31/2022 was \$7,350,005.16, an increase from the previous month. There was one new \$10,000 loan funded in January out of the EDA CARES RLF. This was an additional loan to an existing loan client. Current Loans Receivable balance was \$3,563,737.22. There was one loan payoff in the IRP fund. The cost of fuel continues to be a concern. Fuel costs have doubled plus the additional Hood River to The Dalles route that was added in October 2021 has increased the amount of fuel purchased. The recently approved LGIP funds will show up in February's financials with the expected increase in Interest income, some \$500 for the month. We have heard our benefits will have a zero-cost increase expected with medical and dental insurance. However, vision benefits could increase as much as 9.5 percent. Dana explained that although this sounds high, the actual dollar increase will only amount to \$.83 per employee.

Discussion: Bob asked Dana about Caselle training. Dana explained that Caselle offers a week-long training in Provo, Utah.

Les Perkins motioned to accept the financial report as given. Scott Clements seconded the motion. All voted in favor, and the motion passed.

BUDGET COMMITTEE

Jessica gave a brief background on the budget committee's makeup and terms. Each year the term for two seats on this committee expires. This year the terms for Sam Bauer (at large) and Jan Brending (Board appointee) will end. MCEDD has advertised through both a media press release and in MCEDD's newsletter. There was no response to the advertisements. Sam Bauer is interested in reappointment to the committee. Jan Brending is retiring this summer and Jonathan Lewis is willing to

serve on the committee. The Executive Committee needs to make a recommendation to the Board for these appointments.

Scott Clements motioned to approve the recommendations as presented. Sam Bauer to be reappointed to the At Large position and Jonathan Lewis appointed to the Board position on MCEDD's Budget Committee. Leana Kinley seconded the motion. All voted in favor, and the recommendation passed.

GRANT APPLICATION REQUEST

Carrie gave a brief background. This grant from Business Oregon will support coordination around sector businesses to connect to statewide resources through an innovation hub. The concept is to give all eleven Business Oregon regions the opportunity to build resources for the smaller rural communities within their respective regions. MCEDD resources and connections will extend to our Washington counties. This grant will award up to \$140,000 in staff time and consulting services. Carrie asked for the Executive Committee's approval to apply for this grant.

Discussion: Bob Hamlin asked if there were any downsides, and if the chances of winning this award were high or low. Carrie replied that the legislature has approved this funding, and Business Oregon is distributing the money. Business Oregon staff looks to economic development partners to help support the needs of the smallest communities. Ken Bailey asked if this program will also connect with WA Dept of Commerce and be a benefit to both states in our region. Carrie stated that this opportunity will help to connect further with MCEDD's Washington partners. Ken stated that opportunities should include both sides of the river. Steve Kramer agreed and pointed out that there was no mention of a match requirement for this grant.

Ken Bailey motioned to approve the application for the Business Oregon Regional Innovation Hub Planning Grant. Leana Kinley seconded the motion. All voted in favor, and the motion passed.

OUT-OF-STATE TRAVEL

MCEDD's policy states that all out of state travel needs to be included in the budget or approved by the Executive Committee. The requests presented today were unknown when the budget was made and approved last year. Carrie Pipinich requested approval to travel to Missouri for the Center on Rural Innovation (CORI) summit in May. She explained that CORI will cover travel costs and requested that MCEDD cover her staff time to participate in the summit. The second request was to approve the travel for Project Manager Cheryl Eniero to travel to Florida in April for the GTA mixer event. Carrie explained sponsorship funding through the GTA was planned to cover the costs for travel.

Discussion: Steve Kramer asked why Dana's trip to Provo was not included in this request. Ken stated that Dana's training costs were included when the contract with Caselle was approved, but it couldn't hurt to add an approval. Dana added that her travel will likely occur after the next budget process, and can be included in next year's proposed budget.

Scott Clements motioned to approve the requested travel for Carrie and Cheryl. Les Perkins seconded the motion. All voted in favor, and the motion passed.

Steve Kramer motioned to approve Dana's travel to Utah for the Caselle training. Ken Bailey seconded the motion. All voted in favor, and the motion passed.

EXPANSION TASK FORCE UPDATES

Jessica has provided this written report on the work of the task force that will be the basis of the update to the full Board at the March meeting. Background memos will also be included. She requested feedback.

1. Issue: Gilliam County's request to join the MCEDD district. The request to MCEDD's Board: to approve a motion clarifying the MCEDD Board's interest/ willingness to continue the process to add Gilliam County to the MCEDD district.
2. Issue: Ensure a strong Oregon/ Washington balance in MCEDD's Board of Directors such that Board members from both sides feel equally heard and supported. Ensure equal staff support through the use of our EDA Planning Grant. Consider adding an additional private sector seat on the MCEDD Board. The request to MCEDD's Board: Provide feedback on adding a Forestry representative (or other industry TBD) to the MCEDD Board. Provide any additional feedback related strengthening MCEDD's work in Klickitat and Skamania Counties.

Discussion: Bob Hamlin appreciated the outline format. Steve Kramer noted that a Forestry representative seat would be value added to the Oregon counties of Wasco and Hood River as well as the Washington counties. Steve was in favor of moving forward to add the Forestry representative seat onto the Board. Scott Clements also approved the presentation. Bob asked for any further discussion.

Ken noted that if Gilliam comes in, we may want to add another public sector seat on the Washington side to maintain balance. He added that this discussion is for later since it is not applicable until Gilliam's reps join the Board.

Jessica stated that we may have to change the bylaws to add a new forestry seat if it is approved. Ken said that the bylaws may direct us on this process. Jessica will check the bylaws and will check with the EDA to confirm we are adding Board members correctly according to their process.

Steve clarified that this item proposes to add a Forestry representative to balance between OR/WA in the District. Adding Gilliam County in the future is a separate item that will grow our board even more. Steve added that he was in full favor of adding a forestry seat to be filled with a Washington person. Skamania is 90% forestry; it is where their economy is based. Ken agreed.

Ken stated the need to clarify how difficult the process of adding seats will be. Adding this proposed forestry seat now will go through the process. Adding Gilliam later will create going thru the process twice, and the possibility of adding another seat to balance Gilliam will be three times to go through the process. If Jessica finds going through this process is difficult, then we should add all of these positions at once, in one process. This is why we need to understand how we change the bylaws that list who is on the Board. Doing it more than once is OK if it is not a difficult process.

Scott raised the question about the size of MCEDD's board. He noted that when he raised this question before, the response was that MCEDD's Board was so large that it would not make a

difference. Ken replied that adding a seat does make a difference, but not significant enough to matter. Boards above 12-15 members are too large to function effectively for administration. This is why the bulk of MCEDD's administration at Board level is done by the Executive Committee and has been operating this way for a long time. Adding one or two members to the full board will not make a significant difference.

Bob Hamlin asked if the full Board was expanded with more positions, will the Executive Committee expand also? Ken responded that this will be a discussion for the full Board.

Bob Hamlin asked for clarification if today's discussion requires any action, or just approval. Jessica responded that if the Committee feels strongly, they could make a recommendation. Bob then asked if the Executive Committee wanted to make a recommendation to add Gilliam, and/or make a recommendation to add a Forestry seat. Ken clarified that the Committee's recommendation is a much stronger stance. The Executive Committee has made a decision and is asking the Board to approve it. The Board does not need to take the time to discuss it in depth because the Executive Committee has done that in the process of making their recommendation.

Jessica noted that private sector seats are not currently tied (designated) to either state but are filled to balance both sides. She stated that she preferred that this proposed seat be officially undesignated but know that the goal is it is filled by someone on the Washington side.

Scott Clements motioned to add a Forestry representative to the MCEDD Board. Steve Kramer seconded the motion. All voted in favor, and the motion passed.

Scott Clements motioned to recommend moving forward with the process of adding Gilliam County to the District. Ken Bailey seconded the motion. Six members voted in favor; Steve Kramer voted against. The motion carried.

EXECUTIVE DIRECTOR REPORT

For this update, Jessica included her 2022 work plan as information only.

- EDA visit: when Jessica contacted the new EDA director in the Seattle office to propose a site visit, she got an immediate response with a proposed date of April 28th.
- The lending program continues to be a source of concern.
- For this year's salary survey, Jessica explained that some of the sources that were used last year do not reevaluate annually, therefore there is not as much data available this year. Some HR staff asked about COLAs in response to the consumer price index rise to 7.5%. Some companies have made a market wage adjustment flat across the board to stay competitive and reflect inflation. Jessica asked the Committee members what their respective organizations are doing this year about COLAs.

Discussion: Bob Hamlin replied that Skamania County has been going through negotiations and will do a step increase of 3% for 3 years, with an additional stipend of \$1500 for two years.

Leana Kinley reported that Stevenson went with a 5% COLA following the CPI that came out in June. She added that following the CPI is the traditional procedure for Stevenson.

Steve Kramer added that Wasco County did an adjustment last year (up 5%). He further explained that the County dropped their scale down 2 levels because many employees were topped out. This adjustment allows the senior employees to receive another increase before retiring. This year's budget is looking at a \$900,000 increase this year, and \$300,000 the year after. Steve added that leaders need to be thinking about the next 3-5 years for all of our organizations.

Bob Hamlin asked if COLAs need to be reevaluated yearly? Many positions in Skamania are done in terms of contracts that are not reassessed yearly. Jessica replied that MCEDD does not hire staff under contracts. Salary review is done each year as a part of MCEDD's budget process. Jessica further explained that the Budget committee discusses COLAs that are historically based on the CPI, which is usually 2%. The 7% increase is dramatic! Jessica added that the City of Hood River plans to go with a 4% COLA this year.

Bob Hamlin stated that Skamania County also looks at comps for positions.

Les Perkins reported for Hood River County, where administrators are in the middle of their salary survey. He said that the County is behind with their wages and plans to be aggressive with their increases this year. We have unions to negotiate with and are looking at split increases for 6 months. The unions seem to be agreeing with this approach, and it has the added benefit of minimizing the impact on the fiscal year with this approach.

Jessica thanked the board for this helpful information.

Scott Clements asked for more information on Jessica's comment about the lending program. He was not aware that the program was under duress. Jessica will explain this at the next LAB meeting, but very basically MCEDD has loan payments to make and cannot. There has been a waterfall of early payoffs, coupled with very little interest in new loans. She added that MCEDD is not alone with this problem. We have asked the USDA for deferrals and have discovered that the IRP program does not make deferrals but will do a payment plan. These options will be brought to the Loan Administration Board.

OTHER NEW BUSINESS/ COMMITTEE MEMBERS UPDATES

Bob asked for any new business or updates. None were noted.

EXECUTIVE DIRECTOR EVALUATION

Executive Session per ORS 192.660(i) (performance evaluations of public officers and employees) was entered at 4:51pm.

Leana Kinley left the meeting.

Regular Session Reconvened at 5:05pm.

EXECUTIVE DIRECTOR ACTION

Les Perkins made a motion to approve a step increase for Jessica Metta based on her positive annual evaluation. Scott Clements seconded. All voted in favor, and the motion passed.

ADJOURN

Bob Hamlin adjourned the meeting at 5:06pm.

Respectfully submitted by Jill Brandt, Administrative Assistant.