

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
FULL BOARD OF DIRECTORS
Thursday, December 8, 2016
4:00 P.M.**

**Hood River Fire Station
Leonard Hay Community Room
1785 Meyer Parkway
Hood River, OR**

MCEDD BOARD MEETING AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order/Introductions	5 minutes	Information
Loan Client Highlight- <i>Dorothy Van Kessel</i>	5 minutes	Presentation
Consent Agenda Approval of September 2016 Minutes (<i>White Encl.</i>) Whistleblower Policy (<i>White Encl.</i>) 2017 Meeting Calendar (<i>White Encl.</i>)	5 minutes	Approval
Audit Report- <i>Yvonne Roberts</i>	15 minutes	Information
Financial Report (<i>Yellow Encl.</i>)	10 minutes	Acceptance
RLF Plan Update (<i>Green Encl.</i>)	10 minutes	Adoption
Executive Director Report (<i>Lavender Encl.</i>)	10 minutes	Discussion
Regional Updates- <i>MCEDD Board members</i>	20 minutes	Discussion
Executive Committee Report (<i>Yellow Encl.</i>)	5 minutes	Information
CEDS Steering Committee Report	10 minutes	Information
Loan Committee Report (<i>Blue Encl.</i>)	10 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Project Manager Reports (<i>Salmon Encl.</i>)	(time permitting)	Information
New Business	10 minutes	Discussion
Adjournment		

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

Public Comment: Individuals wishing to address the Board on items not already listed on the Agenda may do so in an orderly fashion throughout the meeting. Please wait for the current topic to conclude and raise your hand to be recognized by the Chair for direction. Speakers are asked to give their name and address and to limit comments to three minutes unless extended by the Chair.

Agenda Times: Times on the agenda are approximate. The Chair reserves the opportunity to change the order and time of agenda items if unforeseen circumstances arise.

MCEDD is an equal opportunity employer, lender and provider.



Van Kessel, Inc. dba Crown Prints obtained a \$147,740 MCEDD loan in November 2008 to purchase Crown Prints, a wholesale framed art manufacturing business located in The Dalles. Dorothy Van Kessel is the owner and operator of Crown Prints. Crown Prints imports art and moldings and then manufactures custom wholesale framed art mostly for the furniture, gift, hospitality and healthcare markets. Dorothy has also developed relationships with regional artists and photographers who specialize in many genres, including wildlife, landscape, coastal, western and contemporary.

Van Kessel, Inc. dba Crown Prints also obtained an \$113,965 loan through the Oregon Investment Board in October of 2009 to refinance the seller note portion of the business purchase debt.



MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
THURSDAY, SEPTEMBER 8, 2016
SKYLINE HOSPITAL MEETING ROOM
211 SKYLINE DRIVE
WHITE SALMON, WA

BOARD MEMBERS: Ken Bailey, Jan Brending, Bob Benton, Tonya Brumley, Joeinne Caldwell, Bob Hamlin, Paul Hendricks, Rex Johnston, Robert Kimmes, Mary Kramer, Sue Knapp, Dana Peck, Mike Smith, Mark Zanmiller

STAFF: Amanda Hoey (Executive Director), Sherry Wickert (Finance Manager), Eric Nerdin (Loan Fund Manager), Jacque Schei (Project Manager), Michele Spatz (Project Manager), Jessica Metta (Project Manager), and Sherry Bohn (Office Administrator)

GUESTS: Jason Barnes (Cloud Cap Cycle & Board Shop), Stephanie Kalez (Oregon Employment Department)

CALL TO ORDER/INTRODUCTIONS:

Jan Brending called the meeting to order at 4:07 p.m. A quorum was present. A round table of introductions took place.

RECOGNITION OF OUTGOING MEMBERS

Amanda Hoey recognized out going Board members Nick Hogan and Steve Maier and thanked them for their service to the MCEEDD Board.

LOAN CLIENT PROFILE: CLOUD CAP CYCLE & BOARD SHOP

Jan Brending introduced MCEEDD loan client Jason Barnes owner/operator of Cloud Cap Cycle & Board Shop. Jason thanked the MCEEDD board and staff for all their help in getting their business up and running. Jason presented the business's background, overview, product lines and services. Jason noted that the shop will be open year round Wednesday through Sunday.

Discussion: Bob Hamlin asked what brands of bikes they will be selling. Jan Brending asked what type of bikes. Bob Benton asked if parking was an issue. Mike Smith noted the snow products and asked about snow bikes.

CONSENT AGENDA:

Approval of June 16, 2016 MCEEDD Minutes
Approval of DMV Policy

Motion to approve the consent agenda made by Bob Benton. Rex Johnston seconded the motion. Motion carried unanimously.

FINANCIAL REPORT:

Sherry Wickert reported that the new auditors will begin the field work on October 10, 2016 and invited any board member who wishes to meet with them on that date at 10:00 am. Sherry presented the finance report for the period ending July 2016, reporting that MCEEDD's loan fund

cash is higher than last year's due to repayments and early payoffs, which are also reflected in the lower Loans Receivable total balance.

Sherry reported that MCEDD's Operations Budget vs. Actual is the first month utilizing FY17's budget. She reported that Actual Carryover Revenue is still pending audit completion. Federal revenue is higher due to the carryover of a portion of the planning grant funds into FY17. Sherry reported that Loan Fund Revenue, excluding the Housing RLF funds, exceeded July's budget by \$1,591, primarily due to late fees received on a loan payoff.

Sherry reported that most expenses are below projections, due to the timing of anticipated expenses. She noted that Indirect Spread's budget reflects a "negative" expense, which is the result to the data entry of the budgeted figure. The budgeted entries are spread equally (monthly), while the charges for these services vary (based on actual for month), producing a balance other than zero.

Motion to accept the financials as presented was made by Mike Smith. Bob Hamlin seconded the motion. Motion carried unanimously.

PRIVATE SECTOR APPOINTMENTS:

Amanda Hoey stated that at the annual meeting the MCEDD Board must ratify appointments of members to the private sector MCEDD Board positions. These are unpaid positions for one year terms. She explained that the the following individuals were seeking appointment/reappointment.

- Ken Bailey (representing agriculture)
- Stephanie Hoppe (representing nonprofits)
- Robb Kimmes (representing healthcare)
- Mary Kramer (representing higher education)
- Steve Maier (representing high tech)
- Gabriel Muro (representing Latino social service agencies)
- Eric Proffitt (representing workforce)
- Dana Robison-Miller (representing high tech)

Motion to approve these appointments to the MCEDD Board was made by Mike Smith. Seconded by Mary Kramer. The motion carried unanimously.

Discussion: Sue Knapp asked about the balance between Oregon and Washington representation. Amanda explained and noted the balance focus between the two states was an ongoing priority.

MCEDD LOAN ADMINISTRATION PRIVATE SECTOR APPOINTMENTS

Amanda Hoey stated the MCEDD Loan Administration Board is an unpaid committee that meets bi-monthly to make loan policy and all major loan decisions including loan approvals and subsequent loan modifications and foreclosures. Amanda reported that the Loan Administration Board is composed of the five county representatives to the MCEDD Board and two private sector representatives. The terms for these private sector at-large representatives expire annually. She stated that both Scott Clements and Dillon Borton are interested in continuing to serve. Amanda also explained that with the adoption of the new Revolving Loan Fund plan, MCEDD had an additional position open for an "alternate" private sector Loan Administration Board

member. Amanda noted that this individual participates in all meetings and is a voting member when any another private sector loan board member cannot attend. One candidate applied, AJ Tarnasky.

Motion to approve the reappointment of Scott Clements and Dillon Borton and to appoint AJ Tarnasky to the alternate private sector position to the MCEDD Loan Administration Board was made by Bob Hamlin. Seconded by Tonya Brumley. The motion carried unanimously.

NOMINATING COMMITTEE REPORT

Dana Peck explained that the Nominating Committee met prior to the annual meeting to discuss a slate of officers for the MCEDD Board. The following slate of officers is proposed by the MCEDD Nominating Committee:

MCEDD Officers	
Position	Nomination
Chair	Jan Brending
Vice-Chair	Ken Bailey
Secretary/Treasurer	Bill Schmitt

Motion to approve the nominated slate of officers as presented was made by Tonya Brumley. Seconded by Mike Smith. The motion carried with one abstention (Jan Brending).

Dana also explained that in addition to a slate of officers, the MCEDD Nominating Committee also discussed private sector membership on the MCEDD Executive Committee. Amanda explained that Ken Bailey is automatically a member of the Executive Committee given his role as an officer. The following private sector members are nominated to serve on the MCEDD Executive Committee:

MCEDD Executive Committee, Private Sector Membership	
Position	Nomination
Executive Committee, Private Sector	Eric Proffitt
Executive Committee, Private Sector (officer – automatic appointment)	Ken Bailey

Motion to approve the nominated slate of slate of private sector members to the Executive Committee as presented was made Robb Kimmes. Seconded by Dana Peck. The motion carried unanimously.

EXECUTIVE DIRECTOR REPORT:

Amanda presented the Mobility Management 2017-2019 Consolidated Grants Program Application opportunity. She presented an overview, role of the Mobility Manager, MCEDD’s role, project importance, specific areas of support and targeted community organization and human services agencies. Amanda noted that this project was implemented in 2009 and since

that time has continued to receive both WSDOT and ODOT grant support. She reported that the project funds a Mobility Manager on staff at MCEDD with resources allocated through both ODOT and WSDOT's consolidated grant application processes. In the last biennium, the total project budget was \$162,800. MCEDD had a cash match to that of \$6,000 (\$3,000 annually) and local providers supported cash match of \$14,000 (\$7,500 annually). Additional in-kind match was included. Amanda reported that WSDOT's consolidated grant application was released at the end of August and applications are due October 14, 2016. ODOT's application has not yet been released, but is anticipated to be due in January or February 2017. For WSDOT, match requirements for returning projects will increase 5%.

Amanda noted that each biennium, the Board has an opportunity to analyze these programs and determine willingness to continue to serve in the convening and coordinating role for Gorge TransLink Alliance. If willing to continue, the Board needs a determination on level of cash match MCEDD is willing to provide and to determine approval and authorization to submit applications to ODOT and WSDOT.

Discussion: Jan Brending asked if it has been advantageous to the program. Amanda stated that there were benefits to regional transportation focuses, even with it challenges, and that it is a long term strategy. Jan Brending asked about the dollar amount of the match. Dana Peck noted the transportation challenges in Klickitat County and noted that a long term strategy is important. Dana also noted the agriculture impact aspects. Joeinne Caldwell noted the necessity of a region involvement. Stephanie Kalez noted an average commute time of 90 minutes. Bob Benton asked about the success of the program. Amanda explained the success and the different biennium focuses. Jan Brending asked about the Gorge TransLink website. Amanda noted the Human Resources transportation access. Bob Benton asked if the cost to MCEDD was \$3000. Ken Bailey noted that without MCEDD the incremental increase is important. Amanda noted that the program has given MCEDD increase conversation with both ODOT and WSDOT. Mark Zanmiller asked about marketing of the website. Amanda explained the on-going marketing.

Motion to authorize staff to submit the application to the Mobility Management 2017-2019 Consolidated Grants Program made by Mike Smith. Seconded by Joeinne Caldwell. The motion carried unanimously.

Amanda reported that the 2017 Comprehensive Economic Development Strategy (CEDS) process is underway. She explained why the process is happening, the requirements set in place by the federal government and noted that the MCEDD Board's role was to represent each of their communities and to vote on the final regional strategy. Amanda reported that the CEDS Steering Committee had been appointed, will be meeting twice per month to plan monthly sessions and prepare and review materials. She also discussed who the invited participants were.

Amanda reported that in July MCEDD hosted the Economic Symposium where data and Demographics from regional economists Dallas Fridley and Scott Bailey were presented. Amanda noted the following highlights:

- Regional unemployment is at 5.2%

- The region has seen job growth over the past year
- Manufacturing is the fastest growing at 10.9%
- Leisure/hospitality has the largest addition of employees
- Average regional wage is \$37,504

Amanda also noted the following early themes:

- Housing Affordability and Accessibility
- Business Finance and Support
- Workforce Skills
- Infrastructure – Broadband, Water/Waste
- Transportation

Amanda requested the board mark their calendars with the session dates and make plans to attend.

Amanda reported that legislative staff continues to work on identifying routes for the final allocation of funds to the Oregon and Washington Investment Boards (approximately \$1.9 million) that were authorized but never appropriated. Conversations have involved staff from USFS and USDA Rural Development.

She also reported that the State approved modifications to the North Central Oregon Attainable Housing RLF policies and that MCEDD has seen an increase in recent inquiries.

Discussion: Bob Benton asked what the modifications were and stated that no funds had been awarded to date. Amanda explained the changes and noted that the funds were available for nine years.

Amanda reported that the largest personnel issue is the upcoming transition of our Project/Mobility Manager. Michele Spatz has accepted a position with Pacific University and her last day will be September 9, 2016. The job announcement has been posted and we are accepting resumes/cover letters for first round consideration by September 21, 2016.

EXECUTIVE COMMITTEE REPORT

Jan Brending presented the Executive Committee report highlighting the following activities and decisions:

- Accepted the modifications to the North Central Oregon Attainable Housing Fund policy.
- Discussed the plans for the August 18-19, 2016 Gorge Night Sky Symposium
- Recommended adoption of the revised DMV policy.
- Reviewed survey results from the 2016 Columbia Gorge Economic Symposium.
- Provided authorization for MCEDD to host the 2017 Oregon Connections telecommunications conference.
- Provided input on appointments and candidates for MCEDD committees and the Oregon Investment Board.

- Discussed the Travel Ambassador program and provided input on potential partners.
- Received an update on the status of the Agora Investment Platform.
- Approved MCEDD hosting an Encore Fellow.
- Reviewed the MCEDD FY2016 annual report.
- Discussed the elements of the RFP for the MCEDD website redesign.
- Received information about, and discussed the potential impact of, Oregon Initiative Petition 28/Measure 97. Discussed the action taken by other economic development entities.

Discussion: Jan requested an explanation about the Encore Fellow program. Amanda explained what it was, who it involved and the process.

Mike Smith asked the Board to discuss MCEDD's position on Oregon Initiative Petition 28/Measure 97. Amanda explained the process should the Board wish to take a position. Ken Bailey noted the bi-state issues if the MCEDD Board were to take a position. Mark Zanmiller stated he needed more information. Jan Brending requested Board member to call Mike Smith for more information. Tonya Brumley invited Board member to contact the chamber as well.

REGIONAL UPDATES

Board members shared updates on items of regional interest.

Jan Brending – Jan reported that the cities of Bingen and White Salmon are working on economic development plans and dealing with housing and transportation issues. She also invited everyone to attend the Huckleberry Festival this weekend.

Dana Peck – Dana reported that the Skamania County Chamber had a great summer season. He noted that the Goldendale Chamber reported that the Gorge Night Sky was a success. Dana also reported that starting October 1, 2016 there would be a Maryhill Art Event, annual car show, hill climb and Harvest Festival dinner

Ken Bailey – Ken reported that Heritage Heights was being dedicated and noted that they had been only open one month and already have a waiting list. Ken reported that housing is needed at all economic levels and that Orchard View Farms is building more seasonal housing. He also reported that The Dalles mayor, Steve Lawrence, reported that the city is working on a housing study. Ken reported that he is working with Gorge Food Security and noted that they are working on getting more healthy food out into the community.

Mark Zanmiller – Mark reported that the City of Hood River is mostly working on housing issues.

Paul Hendricks – Paul reported that the City of Stevenson is working on basic infrastructure and site selection for the new EMS. He reported that there was a sudden need for more commercial space and that they are working on traffic issues.

Mike Smith – Mike reported that the first phase of the fiber project is completed. He noted that it is going from Grass Valley to Rufus and back. He reported that the race track is doing well and had a great season. Mike reported that the county is working on rental housing and that Rufus is working hard on their industrial site.

Bob Benton – Bob reported that the pear harvest was short but good quality. He reported that Hood River County had hired a new administrator and that marijuana and short term rentals continue to be hot issues. He noted that the county is discussing a construction excise tax to help fund affordable housing.

Bob Hamlin – Bob reported that the USFS transferred land and that the Wind River Nursery is now named the Wind River Business Park. He reported that the USFS did not transfer the water service and that they are in discussions. Bob reported that the Wind River Nursery needs more electricity and that the port has a new executive director – Pat Albaugh.

Robert Kimmes – Robb reported that North Shore Medical Group continues to work on their new building. He reported that MCMC CEO, Duane Francis, is retiring at the end of September and that MCMC is building a clinic in Hood River.

Sue Knapp – Sue reported that the Ride Row Run event was happening. She reported that Wasco County is dealing with marijuana issues and that the city of The Dalles has deferred the issue to the voters. Sue reported that Maupin city council had voted to build a new city hall in conjunction with the library project. She also noted that the broadband project was moving along. Sue reported that rental housing continues to be an issue. She also reported that South Wasco County has a new parks and recreation district and are in the process of assembling a board of directors.

Rex Johnston – Rex reported that the county is in the process of updating the shore line management plan and hired Curt Dyer to help. He reported that they continue to experience some problems with the Track B process and it is costing money. Rex reported that they are beginning another challenging budget process and that housing on the west end of the county need to begin moving forward.

Tonya Brumley – Tonya reported that the Hood River Fly in at WAMM and HOPS Fest is scheduled for September 24, 2016. She reported that Harvest Fest is scheduled for mid-October. Tonya reported that the hood River Chamber had acquired a van in order to develop a chamber on wheels. She also reported that The Dalles box derby is now considered a qualifier race.

Joinnie Caldwell – Joinnie reported that Cascade Locks is experience transportation and parking issues and that they continue to work with ODOT and WDOT. She also noted that unemployment in Cascade Locks is 12.3 percent.

LOAN COMMITTEE REPORT

Eric thanked the MCEDD Loan Administration board for their on-going participation and noted that they had also approved a loan to Cloud Cap Cycle and Board Shop for \$20,000 and an additional \$38,000 loan to Oregon Brineworks, LLC that allowed them to refinance in order to obtain a lower interest rate and better terms on mortgage loan. Eric reported that MCEDD

continues to receive early payoffs of its loans. In July, H & H Enterprises I, LLC (\$17,731) and Artistic Excavations, LLC (\$49,939) paid off their loans early. He also reported that Columbia Phyto, TGE and Oregon Growers and Shippers had paid off their loans. Eric reported that he had finalized authorization approval for Cascade Locks - Hood River Enterprise Zone for The Renewal Workshop, LLC, Hood River Distillers, Inc. and Know Your Fruit, LLC and continues to work with additional enterprise zone applicants and an additional prospective applicant. Eric reported that he worked with Fresh Starts Culinary Arts, an approved OIB grant applicant, to finalize and disburse \$10,000 grant.

PROJECT MANAGER REPORTS

Michele Spatz highlighted the following:

- The Mobility Manager continues to provide technical support for the Upper Hood River Valley transit project. The project is a public/private transit pilot. Hood River County Transportation District has received ODOT funding for Columbia Area Transit (CAT) to provide limited deviated fixed-route service between Odell/Parkdale and the City of Hood River. The public/private partnership extends the reach of the service, with the private provider covering early morning and evening service and CAT covering the mid-section of the day. It is expected the service will begin sometime this fall. Additional funding is dependent upon uptake or ridership. MCEDD also provided initial technical support for the Hood River County Transportation District's Transit Master Plan as it was getting underway in August and is serving on the Stakeholders' Advisory Committee for the plan. The Mobility Manager will also serve on the Project Advisory Committee for the Westside Area Concept Plan (Transportation Demand Management grant).

Jacque Schei highlighted the following:

- MCEDD, the Friends of the Goldendale Observatory and the Goldendale Chamber of Commerce are partnering together on a Gorge-wide campaign to promote energy efficiency, appropriate use of LED lighting technology for outdoor illumination, and astronomy education. Initial work focused on planning a two-day educational symposium that was hosted August 18-19, 2016, at the Goldendale Observatory and the Columbia Gorge Discovery Center to discuss issues surrounding lighting efficiency and Dark-Sky Initiatives. Planners secured eight additional sponsors and vendors to support the event. In addition, 15 speakers were lined out for the two-day agenda to present on light pollution issues or lighting solutions. The session concluded with two discussion sessions about lighting ordinances and setting up rebate programs in local stores to encourage use of appropriate lighting products. The work for the project will continue with further education in area schools.

Jessica Metta highlighted the following

- She continues to work with the four cities on their complete downtown improvement plans and initiatives to move the activities forward. She has assisted Moro and Wasco in façade improvement fund application work, researched issues and been involved with Oregon's Main Street program for support. Jessica also held a regular collaboration meeting for the four cities of Sherman County in August.
- She continued to explore how the GTA could support the tech businesses in their challenges around finding and recruiting employees. She hosted a roundtable of tech CEOs and Human Resource Managers in July to work collaboratively on solutions. The

top issues identified were related to housing and marketing of the region. The GTA was requested to be a voice for developing housing in the region, bringing housing developers and companies together, developing a regional marketing plan for employee recruitment and other tasks to strengthen the connections of the tech businesses regionally. Jessica is working to implement these strategies, including an update of the data around the tech industry's regional economic impact as a first step.

- She is also planning a gathering of CEOs of the GTA's sponsor organizations and a legislative briefing with our Oregon and Washington state legislators and a handful of our tech company leaders.
- Jessica supported a STEM Fair in Hood River in June/ July on behalf of the GTA. She promoted a matching opportunity for the GTA's college scholarship in June which brought in around \$9,000 for the fund. She continues to manage the loaner robotics kits and laptops for the GTA and is beginning preparations for hosting the annual FIRST LEGO League tournaments in early December.

Carrie Pipinich highlighted the following

- She continues to work with Q-Life, City of Maupin, SWA, and the Wasco County EDC to finalize details on the Maupin Fiber Project. Along with Wasco County partners, staff also brought together stakeholders in Wasco County with CenturyLink engineering and public affairs staff to discuss opportunities to bring additional service to areas in Wasco County with both federal investments through CAF II funding as well as the State of Oregon resources invested in the Maupin fiber project. Staff is continuing to work with Klickitat and Skamania counties around similar opportunities to leverage fiber investment into end-user service throughout the two counties. CenturyLink has begun the process of upgrading their services along Snowden Road as part of their CAF II investment in Washington State, and attended the Snowden Community Council to provide an update on their projects.
- Carrie reported that the Dufur Community received word that Oregon State Parks Local Government Grant Program recommended funding for Dufur Park's West End Restroom Project. Staff played a critical role in developing the application for this funding. In addition, the Committee worked with City of Dufur staff to bring in resources for their infrastructure planning, and the community has received \$70,000 in grant funds from three sources to support developing a water system master plan and a waste water system improvement plan that will enable them to better understand their infrastructure's capacity and make needed investments to ensure its longevity and ability to meet projected growth. Lastly, the Committee is working with the Dufur Area Chamber of Commerce to support a community visioning process this fall.
- She is working with the Cider Adventure Planning Committee to support development of a one-day, in-depth event that is planned for October 8, 2016. The event will allow attendees to experience the full cider making process from apples to the final product before ending at the Skamania Lodge Celebration of Beer to explore additional craft cider styles produced in the region. For more information on the event, visit gorgecidersociety.com/cider-adventure/. Additionally, staff is coordinating with two cideries to support a cider booth at Hops Fest on September 24, 2016 as well as promoting individual cidery events through the Cider Society's coordinated online presence. Q-Life, the City of Maupin, SWA, and the Wasco County EDC to support finalizing details on the Maupin Fiber Project. She attended the Maupin City Council to

discuss the project and met with Q-Life staff. Carrie is also working with partners around continued engagement with CenturyLink related to Connect America Funds to be invested in the region. She reported that she is working with both Wasco and Klickitat counties to further dialogue with CenturyLink around community needs. Additionally, she convened two meetings of the Klickitat County Broadband Workgroup to discuss next steps with the CAF II investment, and additional opportunities to leverage current County investment and middle mile private infrastructure that has transitioned ownership to Wave Broadband to efficiently improve access.

- Staff submitted a full application to the SCBG program for an additional two years of funding to support the Cider Society and growth in the industry this spring. This proposal focused on education of cider consumers, continued industry association development, and further marketing efforts. MCEDD was awarded \$63,455 in funding for this project.

ADJOURNMENT: Meeting adjourned at 5:55p.m.

*Respectfully submitted,
Sherry Bohn, Office Administrator*

MEMORANDUM

Date: November 3, 2016
To: MCEDD Board of Directors
From: Amanda Hoey, Executive Director
Re: Whistleblower Policy

Overview

Due to recent legislation passed in Oregon, our Special District Association has informed us of a new requirement for a whistleblower policy. They state that: “Beginning January 1, 2017, all public and nonprofit employers must establish and implement a whistleblower policy. The policy must delineate all rights and remedies provided to employees and employers will need to deliver a written or electronic copy of the policy to each employee.” Staff used the sample Special Districts Association policy and incorporated to our personnel policies as section “1.10: Whistleblower Protections.”

Request

The MCEDD Executive recommends revising the personnel policies, as attached, with the addition of section “1.10: Whistleblower Protections.”

Action (Consent Agenda)

Adopt the recommended revision to the MCEDD personnel policies, as highlighted above.

Mid-Columbia Economic Development District Personnel Policies and Procedures Manual

Effective Date: December 8, 2016

1. Administrative Procedures

- 1.1 Purpose:** These policies are adopted in the interest of establishing uniform and equitable procedures for dealing with personnel matters.
- 1.2 Scope:** These policies shall provide procedures for recruiting, selecting, classifying, compensating and discharging all employees of the District. These policies are intended to provide guidelines and procedures, not substantive contractual or property rights.
- 1.3 Adoption and Amendment:** These personnel policies are adopted by the Mid-Columbia Economic Development District Board of Directors (Board). The Board expressly reserves the right to change, add to, or delete policies at any time. The effective date of these policies is the date noted of the effective date shown on page 1. These policies replace and supersede all pre-existing policies, procedures, or orders relating to personnel matters of the District and its employees, enacted prior to this date.
- 1.4 Administration of Personnel Policies:** Except as otherwise stated in these policies or otherwise altered by the Board, the Mid-Columbia Economic Development District Board delegates to the Executive Director the authority to recruit, select, appoint, hire, terminate and direct staff, and the day-to-day administration of these personnel policies.
- 1.5 Personnel Records:**
- 1.5.1 A personnel file for each employee is kept in the District offices. The files shall be kept in a secure file cabinet and be accessible only on a need to know criteria. An employee's personnel file contains the employee's name, title and/or position held, job application, job description, salary, W-4 form, changes in employment status, training received, performance evaluations, personnel actions affecting the employee, including discipline, and other pertinent information. The employee's I-9 form will be maintained in a separate file.
- 1.5.2 An employee has the right to review his/her file. An employee may request removal of irrelevant or erroneous information in his/her personnel file. If the District denies the employee's request to remove the information, the employee may file a written rebuttal statement to be placed in his/her file.
- 1.5.3 Personnel files are kept confidential to the maximum extent permitted by law. Except for routine verifications of employment, no information from an employee's personnel file will be released to the public, including the press, without a written request for specific information and approval by the Executive Director.

1.6 Equal Employment Opportunity:

- 1.6.1 The District is an equal employment opportunity employer. The District employs, retains, promotes, terminates and otherwise treats all employees and job applicants on the basis of merit, qualifications, and competence. This policy shall be applied without regard to any individual's age, color, gender, marital status, medical condition, military status, national origin, pregnancy, physical handicap or disability, race, religion, sexual orientation or any characteristic protected by law.
- 1.6.2 Each employee is expected to promote a work environment that reflects care, concern, and respect for every person.

1.7 Americans with Disabilities Act (ADA):

For the purposes of the District's policies, a disability is defined as:

- A physical or mental impairment that substantially limits one or more major life activities.
 - A record of such impairment.
 - Being regarded as having such impairment.
- 1.7.1 The District will make reasonable accommodations so that employees with disabilities can perform the essential functions of his or her job. The essential functions of each position are its most fundamental job duties – the duties which the position exists to perform—which are outlined in the applicable position description.
- 1.7.2 Reasonable accommodations may include actions to make existing facilities accessible to, and usable by, the disabled employees and applicants in question, modify work schedules, and acquire or modify equipment.
- 1.7.3 The District will only refuse to make accommodations that would constitute an undue hardship or if it places the person with a disability and/or other persons at imminent physical risk.
- 1.7.4 It is the intent of the District to apply these policies to all employment practices, including, but not limited to: job applications and testing; hiring; termination; advancement; promotion; tenure; compensation; training; recruitment; advertising of job openings; layoff and recall; leaves of absence; fringe benefits; and all other employment related activities.
- 1.7.5 The District will ensure that meetings, events, sponsored training, information exchanges, and social activities will be accessible to employees and all members of the public who are expected, invited, or allowed to attend.

1.8 Retaliation: The District will not tolerate unlawful retaliation against employees for engaging in a protected activity. Federal Laws such as Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and The American with Disabilities Act, all prohibit an employer from retaliating against an employee engaged in a protected activity. Any act of retaliation by an employee may result in serious adverse disciplinary action, up to and including termination.

1.9 Harassment:

- 1.9.1 Harassment is a form of offensive treatment or behavior that to a reasonable person creates an intimidating, hostile, or offensive work environment. It is the policy of the District to provide a work environment for its employees that is free from

discrimination and intimidation. The District will not tolerate any form of harassment, including bullying, sexual harassment or other forms of harassment. Prompt disciplinary action will be taken against an employee who commits or participates in any form of harassment.

- 1.9.2 Bullying may be intentional or unintentional; therefore, when responding to bullying complaints, the District may take into consideration the intention of the alleged bully and the effect of the behavior upon the individual objecting to the behavior. All employees have an obligation to report any incidents that pose a risk of harm to employees or others associated with the District or that threaten the safety, security or financial interests of our organization. Employees should make such reports directly to the Executive Director.
- 1.9.3 Sexual harassment is defined as unwanted, unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct including but not limited to unwelcome touching of a personal nature; sexual innuendoes, gestures, teasing, other sexual talk such as jokes, personal inquiries, persistent unwanted courting, and sexual putdowns which has the effect of creating an offensive, intimidating, degrading or hostile work environment, or adversely interferes or affects an employee's work performance.
- 1.9.4 Other forms of harassment may include, but are not limited to, display of explicit or offensive materials (calendars, posters, pictures, drawings, or cartoons); slurs and jokes about a class of persons, and derogatory remarks.
- 1.9.5 An employee who believes he/she is being harassed by supervisors or co-workers should immediately notify the Executive Director. In the event that the harassment involves the Executive Director, the employee should notify the Board Chair. The District will not retaliate against an employee who complains of harassment. When a complaint or report of harassment is received, the accused and the apparent victim shall be informed of this prohibition against retaliation. Employees who feel they have been subjected to retaliation are encouraged to report any such retaliation to the Board. Should an issue of harassment be raised, all related matters will be kept confidential to the extent possible throughout the investigation, counseling and disciplinary stages. Whenever employees become aware of allegations of harassment, they will make a written record of the allegations and will forward the record to the Executive Director or to the Board Chair if the allegation involves the Executive Director.
- 1.9.6 Any employee who has been found to have violated this anti-harassment policy will be subject to appropriate disciplinary action, up to and including termination. However, if an investigation of a complaint shows that the complaint or information was known by the person making the complaint to be false, the employee who provided the false information may be subject to disciplinary action, up to and including termination. This section is not intended to discourage employees from making complaints regarding job-based harassment. However, false complaints adversely impact the workplace and the career of the accused, even when disproved, and will not be tolerated.

1.10 Whistleblower Protections

- 1.10.1 The District encourages any employee with knowledge of or concern of an illegal or dishonest fraudulent District activity to report it to the Human Resources Director or designee. The employee may also provide the information to another District manager, a state or federal regulatory agency, a law enforcement agency or an attorney licensed to practice law in Oregon if a confidential communication is made in connection with the alleged violation. Attorneys employed by the District may report violations of law to the Attorney General, subject to rules of professional

conduct. All such issues will be investigated in a timely manner to determine fault and institute any appropriate corrective measures. Examples of illegal or dishonest activities are violations of federal, state, or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting. For any employee wishing more information, further details can be obtained from the Human Resources Director.

1.10.2 The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing may be subject to corrective action up to and including termination.

1.10.3 Whistleblower protections are provided to maintain confidentiality and to prevent retaliation. While identity may have to be disclosed to conduct a thorough investigation, to comply with the law, and to provide accused individuals their due course, the privacy of the individual making the report will be protected as much as possible. The District will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Director or designee immediately. The right of a whistle blower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

1.10.4 All reports of illegal and dishonest activities will be promptly submitted to the Human Resources Director or designee who is responsible for investigating and coordinating corrective action.

1.11 Workplace Violence: The District recognizes the importance of a safe workplace for employees, customers, vendors, contractors, and the public. The District will deal with threats and acts of violence made by an employee or member of the public against another person's life, health, well-being, family, or property in a zero tolerance manner.

1.12 Non Smoking: Oregon law prohibits smoking in all District workplace buildings and in public meetings. No person shall smoke or carry any lighted smoking instrument in a room where a public meeting is being held or is to continue after a recess. For purposes of this subsection, a public meeting is being held from the time the agenda or meeting notice indicates the meeting is to commence regardless of the time it actually commences. As used in this section:

(a) "Public meeting" means any regular or special public meeting or hearing of a public body to exercise or advise in the exercise of any power of government in buildings or rooms rented, leased or owned by the State of Oregon or by any county, city or other political subdivision in the state regardless of whether a quorum is present or is required.

(b) "Public body" means the state or any department, agency, board or commission of the state or any county, city or other political subdivision in the state.

(c) "Smoking instrument" means any cigar, cigarette, pipe or other smoking equipment

1.13 Drug Free Workplace: The Drug Free Workplace Act of 1988 requires the District to preserve a work environment free from the effects of drugs, alcohol, or other performance-impairing substances.

1.13.1 The manufacture, distribution, dispensation, possession or use of unlawful drugs or alcohol on District premises or during work hours by District employees is strictly prohibited. The District may discipline or terminate an employee possessing,

consuming, controlling, selling or using alcohol, drugs or other controlled substances during work hours.

1.13.2 The District may also discipline or terminate an employee who reports to work under the influence of alcohol, drugs, or any controlled substance. The District may also discipline or terminate an employee who exhibits an on-going dependence on alcohol, drugs or other controlled substances which, in the District's opinion, impairs the employee's work performance, poses a threat to the public confidence, or is a safety risk to the District or others.

1.13.3 The District is committed to supporting employees who undergo treatment and rehabilitation for alcohol or other chemical dependency.

1.14 Seat Belts: Anyone operating a vehicle on District business must wear seat belts at all times.

1.15 Safety: The District is committed to providing a safe work environment that complies with all applicable federal, state, and local laws.

1.15.1 Every employee is responsible for maintaining a safe work environment and following the District's safety rules. Each employee should be familiar with safety and health procedures relevant to their duties. In addition, each employee is responsible for maintaining a safe work area. Each employee shall promptly report all unsafe or potentially hazardous conditions to the Executive Director. The District will make every effort to remedy problems as quickly as possible.

1.15.2 In case of an accident involving a personal injury, regardless of how serious, employees shall immediately notify the Executive Director.

1.15.3 If an employee is injured on the job, in most cases the injured worker will be entitled to benefits under the state workers' compensation law. The District carries workers' compensation coverage and will assist employees in obtaining all benefits to which they are legally entitled.

- 1.16 Driving While on MCEDD Business:** Employees using a vehicle to conduct MCEDD's business must possess a valid driver's license. MCEDD may verify the validity of your driver's license. Employees using a private vehicle to conduct MCEDD's business must also carry auto liability insurance and must make any necessary arrangements with their insurance carriers. All employees who may be required to drive on MCEDD business may, at any time, have their driving record checked by MCEDD or its insurance company and MCEDD may receive automated reports from the Department of Motor Vehicles that notify MCEDD when there are transactions on your driving record such as speeding tickets and citations.

While on MCEDD business, drivers are expected to make every reasonable effort to operate their vehicle safely, with due regard for potential hazards, weather, and road conditions. Drivers are to obey all traffic laws, posted signs and signals, and requirements applicable to the vehicle being operated. Seatbelts are to be used in all vehicles while on business. Drivers are to ensure that the use of prescribed or over the counter drugs does not interfere with their ability to drive while on business; operating a vehicle under the influence of alcohol or controlled substances is prohibited. Employees are responsible for notifying their manager of any subsequent restrictions, limitations, or other change in their driving status within 72 hours of the change or new restrictions/limitations. See also, "Cell Phone Use While Driving" policy (Section 12.2).

- 1.17 At-will Employer.** Employees and the District reserve the right to end [at-will] the employment relationship, with or without cause, at any time. No District employee has the authority to enter into any agreement contrary to this at-will relationship and it cannot be altered except when in writing and signed by the Chairman of the Board. The District is not bound by any oral promises concerning the length or terms of employment. Although the employment relationship is at-will, it is the intent of the District to follow the employment practices outlined in this manual, unless application of a policy or practice is impractical or would result in hardship.

The District strives for fair treatment of all employees, however, misunderstandings and problems may occur in any organization. Such matters should be resolved as early and fairly as possible. Disagreements relating to work assignment, pay, promotion opportunity or aspect of the work relationship should be openly discussed with the Executive Director. Every effort should be made in honest attempt to understand each others perspectives and make every effort to resolve differences. If the employee believes she/he is not being treated fairly the dispute resolution process may be used.

2. General Provisions

2.1 Types of Employees: Each employee's type and status is listed in their job description. Employees may generally be categorized as follows:

- **Full Time:** An employee who works a minimum of 32.5 hours per week. A full time employee may be exempt or non-exempt.
- **Part Time:** An employee who works less than 32.5 hours in a workweek. A part time employee may be exempt or non-exempt.
- **Temporary:** An employee who is hired either part time or full time for a limited period of time. A temporary employee may be exempt or non-exempt. [Temporary employees are ineligible for employer-paid benefits.] Temporary employment does not count towards anniversary dates.
- **Non-Exempt:** An employee subject to the minimum wage and overtime provisions of federal and/or state law. A non-exempt employee may be paid either on an hourly or a salary basis.
- **Exempt:** An employee exempt from the provisions of federal and state law. Exempt employees are paid on a salary basis and include administrative, executive, professional and certain computer-skilled employees.

2.2 Hours of Work:

- 2.2.1 The normal workweek shall consist of thirty seven and one-half (37.5) hours. For the purpose of calculating an employee's hours, the workweek is Sunday through Saturday, beginning and ending at midnight on Saturday.
- 2.2.2 Non-exempt employees are required to take at least a ½ hour unpaid lunch and may take up to a 1 hour unpaid lunch if they work more than 6 hours in a workday. Non-exempt employees are required to take a 10 minute paid rest or coffee break for every four hour segment worked. The rest break should be given in the middle of each segment, whenever possible.
- 2.2.3 Non-exempt employees will be paid overtime compensation, either in pay or in compensatory time off at the rate of one and one-half times their normal hourly rate for work in excess forty (40) hours in their normal workweek. Accruals of compensatory time for non-exempt employees shall be limited to a maximum of 60 hours at any point in time. Compensatory time accrued in excess of 60 hours will be paid at one and one-half times the normal hourly rate. Employees may request the use of compensatory time off in the same manner as they request annual leave.
- 2.2.4 Non-exempt employees are not permitted to work overtime without the prior approval of their supervisor.
- 2.2.5 Exempt Employees are not required to fill out hourly time records for the purposes of pay. Time sheets for exempt employees are used to track program expenses and overall attendance.
- 2.2.6 Exempt employees will be allowed time off with pay as approved by the Executive Director. At least one day of advance notice should be provided to the Executive Director of any time intended to be taken.

2.3 Attendance: Employees shall be in attendance in accordance with policies regarding hours of work, holidays and leaves of absence.

- 2.3.1 Records of attendance shall be kept and reported monthly.
- 2.3.2 Non-exempt employees unable to work due to illness or injury or unable to report to work on time should notify their supervisor as soon as possible, preferably by no later than one hour after the employee's scheduled start time. The employee is responsible for keeping the Executive Director advised of the expected duration of the absence. The Executive Director may request that an employee provide verification from a health care provider of sick leave absences of more than three days.
- 2.3.3 An employee who is absent without authorization or notification is subject to disciplinary action, including termination. (See Sec. 10.2)

2.4 Conflict of Employment:

- 2.4.1 Employees shall not, directly or indirectly, engage in any outside employment or financial interest which may conflict, in the District's opinion, with the best interests of the District or interfere with the employee's ability to perform his/her assigned District job. Examples include, but are not limited to, outside employment which:
 - 1) prevents the employee from being available for work during normal working hours, or creates attendance or performance problems for the employee;
 - 2) is conducted during the employee's work hours;
 - 3) uses District telephones, computers, supplies, or any other resources, facilities or equipment;
 - 4) is employment with a firm which has contracts with or does business with the District; or
 - 5) may reasonably be perceived by members of the public as a conflict of interest or otherwise discredits public service.
- 2.4.2 Outside employment shall be reviewed in advance by the Executive Director. The District shall determine what constitutes conflict of employment.

2.5 Political Activity:

- 2.5.1 Except as noted in these policies, employees are otherwise free to fully exercise their constitutional First Amendment Rights.
- 2.5.2 When situations arise that the employees views/actions are being seen as the District's, it is responsibility of the employee to make known through a statement that his or her beliefs are independent of the District.
- 2.5.3 No person shall solicit for any contribution to be used for partisan, political purposes in the District's offices. Employees may not campaign on District time or while representing the District in any way. Employees may not allow others to use District facilities or funds for political activities.

2.6 Travel Expenses: Employees required to travel shall be entitled to reimbursement for all expenses associated with their duties.

- 2.6.1 **Transportation:** The actual cost of transportation, taxi fares, telephone costs and similar items that are incidental and are necessary to the performance of official business while in travel status.
- 2.6.2 **Mileage:** Travelers may use their private vehicle for business purposes if it is less expensive than renting a car or using alternative transportation. Reimbursement for personal vehicle use may be claimed at the standard IRS mileage rate. All travel must be by the most direct or expeditious route possible and any employee who

travels by an indirect route must bear any extra expense occasioned thereby. Employees using their own vehicles for travel incurred for the District business will be required to carry an automobile insurance policy with coverage as specified by their state of residence and a valid driver's license.

Any traffic citations, including parking tickets, are the responsibility of the employee and will not be reimbursed by the District.

2.6.3 **Lodging:** Hotel and motel accommodations should be appropriate to the purpose of the trip. Expenses for lodging must be supported by actual receipts.

2.6.4 **Meals:** Employees will be allowed meal expenses directly related to business. To claim a travel meal, a person must be on travel status or attending an in District meeting where a meal is served and provide actual receipts.

2.6.4.a For breakfast, personnel must be on travel status for two hours or more before the beginning of their regularly scheduled work time and for dinner, personnel must be in travel status for two or more hours beyond the end of their regularly scheduled work time. For other than local travel, lunch is an allowable expense.

2.6.4.b Meals included in the registration fee for a conference, seminar or other event are not to be claimed separately for reimbursement.

2.6.4.c Expenses for non-employees who accompany the employee on a trip are not reimbursable.

2.6.4.d Any expenditure for alcoholic beverages is not reimbursable.

2.6.4.e Any expenditure for entertainment is not reimbursable.

2.6.5 **Meals at Local Meetings:** Meals at local meetings, where attendance by the employee is required, will be provided at no charge to the employee.

2.7 Telework: The District may permit employees to work at their home. Employees eligible for telecommuting must have job functions that are of a nature where face-to-face communications, with the public, the District, or with other staff, are minimal or may be scheduled. Additionally, the need for specialized equipment or material for these employees must either be minimal or capable of being scheduled so as not to disrupt District operations during regular business hours or the work of other employees.

2.7.1 Have the same working hours while telecommuting that they would have at the office. In other words, if the employee would normally work an eight to five day in the office, the employee should work an eight to five day at home.

2.7.2 Have the equipment needed for a successful telecommuting arrangement. The employee may agree to use her/his own phone, computer, modem, data line, printer and fax. No office furniture will be provided.

2.7.3 Have provisions related to data and information security to ensure adequate protection of District data and equipment.

2.7.4 For non-exempt employees, provision for breaks and lunch time will be the same as if the employee was working in the office. Overtime will not be permitted unless prior authorization is acquired.

- 2.7.5 The District will be responsible for repair and maintenance of any equipment provided by the District. The Employee will be responsible for repair and maintenance of equipment owned by the employee. Surge protectors must be used with any District owned equipment.
- 2.7.6 The employee will be covered by worker's compensation insurance for all job related injuries occurring in the home during the telecommuter's defined work period. Worker's compensation will NOT apply to non-job related injuries that may occur in the home.
- 2.7.7 The Executive Director can modify, suspend, or terminate the telecommuting agreement if needed to address business needs of the District, as a result of a change in the employee's job performance, or for other reasons related to District operations.

2.8 Cell Phone Allowance: Certain employees may be entitled to receive an allowance toward the cost of their personal cell phones. The allowance will be granted upon the Executive Director's approval, primarily for those whose jobs require consistent travel.

Allowances will be paid monthly as part of the employee's paycheck. This monthly allowance is taxable income; therefore, the individual will be taxed in accordance with IRS tax regulations. Since these phones will be the property of the employee, they may be used for personal calls and can be combined or enhanced with other personal plans.

This allowance does not constitute an increase to base pay, and will not be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, or benefits based on a percentage of salary etc.

3. Recruitment and Selection

3.1 Recruitment: Openings for staff positions with the District shall be advertised in the Mid-Columbia Gorge region and other areas selected by the District to produce a pool of qualified candidates. The Employment departments of the States of Oregon and Washington shall also be notified of position openings.

3.1.1 Recruitment announcements shall include job requirements, minimum qualifications from the job description, salary range, selection methods, and how, when, and where to apply and the District's policy to recruit, hire, classify and promote employees per the policy outlined in Section 1.6.1.

3.1.2 The Executive Director, or Board if hiring an Executive Director, will establish selection criteria designed to determine each applicant's knowledge, skills, and ability to perform the duties and responsibilities of the open position. Selection procedures may include written, oral and/or performance examinations, which measure the applicant's, or employee's job-related ability, knowledge and skills. No question in any test or in any application form shall be so framed as to attempt to elicit information concerning sex, gender, race, color, age, marital status, sexual orientation, military status, ancestry, national origin, mental or physical disability or political or religious affiliation.

3.1.3 At the time of application all applicants must meet the minimum qualifications for the position or demonstrate a reasonable assurance of meeting the minimum qualifications by the time of appointment.

3.1.4 Any information submitted in application materials or related documents shall be verified prior to hiring to determine the applicant's qualifications for employment. Any false or misleading information supplied as part of an application for employment will be grounds for rejecting the applicant or dismissing an employee.

3.2 Promotions: Notwithstanding Section 3.1, the Executive Director may fill a vacancy by promoting a qualified employee or intern.

3.3 Appointment: The District delegates responsibility for selection and appointment of all staff, except the Executive Director, to the Executive Director.

3.3.1 Appointment to positions is through a competitive process based on merit, following an evaluation of the applicant's training, education, experience and knowledge, and ability to perform the job for which application is made. This evaluation shall include a thorough background and reference check, which at a minimum will include verification of educational background and dates of previous employment. The background check may also include checking the applicant's driving record.

3.3.2 Appointment shall be made in accordance with these personnel rules.

3.4 Employment of Relatives: Employees' relatives will not be employed by the District under any of the following circumstances:

- Where one of the parties would have authority (or practical power) to supervise, appoint, remove, or discipline the other;
- Where one party would be responsible for auditing the work of the other; or
- Where other circumstances might lead to potential conflict of the interests.

3.5 Physical Exams: Employment may be contingent upon an applicant's successful completion of a medical examination. The District may require the finalist or leading applicant to take a pre-employment physical examination. This examination will be provided by the District at District expense.

4. Position Classification

- 4.1 **Position Classification:** The District shall classify and compensate employees based on job descriptions developed by the District. The District delegates responsibility for developing and revising job descriptions for all employees except the Executive Director, to the Executive Director.
- 4.2 **Reclassification:** Positions may be reclassified using the procedures for classifying the original position.

5. Employee Compensation

- 5.1 Employee Compensation:** The District maintains a pay plan covering all positions in the District showing the minimum and maximum rates of pay. In arriving at such salary ranges consideration is given to prevailing rates of pay for comparable work in other public and in private employment. The District shall endeavor, within budgetary constraints, to use the following compensation procedure:
- 5.1.1 New employees shall generally start at the bottom of the applicable range. The Board or the Executive Director may start an employee at a higher step if the qualifications of the employee warrant.
 - 5.1.2 After completion of a successful six-month employment period the employee may be eligible to advance one salary increment or step.
 - 5.1.3 After eighteen months of successful continuous employment, the employee may be eligible to advance one salary increment or step. Each anniversary thereafter, the employee may be eligible to advance one step increase until the top of the applicable range is reached. A step increase or pay advance is not guaranteed.
 - 5.1.4 The Executive Director may elect to recognize extraordinary job performance by exceeding the regular step increases.
 - 5.1.5 In no case shall the maximum compensation for a range be exceeded unless additional compensation has been approved by the Board.
- 5.2 Pay Adjustments:** The District may, as financial condition allows, give additional pay adjustments.
- 5.3 Pay Schedule:** Employees shall be paid on a monthly basis on the last business day of the month. A mid-month payroll draw up to 50% of net pay is available to all employees.
- 5.4 Part-time Employment:** Part-time employment shall be compensated on the basis of hours worked in relation to full-time employment. That is, an employee who works half-time will receive one-half of the full time pay.
- 5.5 Volunteers:** The District may use unpaid volunteers at its discretion. Volunteers shall receive no compensation, but travel and other out-of-pocket expenses may be reimbursed. The service of a volunteer may be discontinued at any time for any reason. Volunteers must abide by all applicable rules, policies, and practices of the District, and are held to the same standard of performance as applies to regular employees. Volunteers must be approved by and work under the direction of the Executive Director.
- 5.6 Interns:** The District may use interns at its discretion. The terms of the internship shall be set by the Executive Director on a case-by-case basis.
- 5.7 Payroll Deductions:**
- 5.7.1 Required Deductions: All mandated federal and state required deductions will be made from the employee's paycheck.
 - 5.7.2 Optional Deductions: Other deductions may be made from the employee's paycheck with the employee's written request, including, but not limited to:
 - United Way contributions
 - Insurance contributions
 - Monies due the District

- Retirement and deferred compensation
- Credit Union
- Any other deduction of general interest to District employees affecting 2 or more employees may be authorized by the employee with the approval of the Finance Director

6. Fringe Benefits

- 6.1 Eligibility:** Employees who work 20 hours per week or more shall be eligible for fringe benefits as described in this policy.
- 6.2 Retirement:** Employees will receive an amount approved by the Board in a 457-retirement program administered by the District. Information pertaining to the specific coverage is available from the Finance & Operations Manager.
- 6.3 Insurance:** The District shall provide group medical, dental, vision and long-term disability and life insurance for eligible employees. Part-time employees will receive a prorated benefit, which is based on hours worked. In addition coverage may be offered to the employee's spouse or same sex domestic partner, and/or family at an additional cost. Information regarding current costs and benefits is available from the Finance and Operations Manager.

Health insurance coverage is a condition of employment for the employee, unless health care coverage is provided through a spouse or same sex domestic partner. Employees will be notified of any changes in contribution prior to a new enrollment year. Coverage begins the first of the next month following the employment date, unless the employee begins work on the first working day of the month whereby coverage starts on the first of the month of the employment date.

If an employee's health insurance is provided through coverage from a spouse or same sex domestic partner, and insurance criteria is met, employees may have the option to waive District provided health coverage and receive a predetermined amount of cash back, if approved by the District.

- 6.4 Workers Comp:** The District pays the full cost of coverage under the State of Oregon Workers Benefit Fund.
- 6.5 Unemployment:** The District is a participant under the State of Oregon unemployment compensation plan.
- 6.6 Holidays:** Full-time employees shall be entitled to paid holidays on each of the recognized holidays. Part-time employees receive a prorated percentage of holiday benefits.
- New Year's Day
 - Martin Luther King Jr.'s Day
 - Presidents' Day
 - Memorial Day
 - Fourth of July
 - Labor Day
 - Veteran's Day
 - Thanksgiving Day
 - Day after Thanksgiving
 - Christmas Day
- 6.7** When a scheduled holiday falls on Sunday, it will be observed on the following Monday. When a scheduled holiday falls on a Saturday, it will be observed on the preceding Friday.
- 6.8** If a non-exempt employee is required to work on a holiday observed by the district, the employee shall either be paid or given compensatory time for all hours worked at the rate of one and one-half times the regular rate.

- 6.9** Employees who are off work on an unpaid leave of absence shall not receive holiday pay. Employees who are off work due to sickness or vacation shall be paid for the holiday in lieu of using vacation or sick leave.
- 6.10 Employee Assistance Program:** The District recognizes that employees and their family members may, from time to time, face personal issues that affect their careers and personal lives, or both. Solutions to some of these problems may not be readily apparent. To this end, we offer the services of outside professional counseling for the employee and the employee's family to help deal with personal problems such as working relationships, family relationships, substance abuse, finance management, etc. Employee or a member of the family may consult with these professionals on a confidential basis at no cost for up to three visits.
- 6.11 Inclement Weather:** During adverse weather conditions the Executive Director will make a determination to close the office or to remain open. If the office is open, employees unable to report for work may elect to not be paid or to utilize PTO leave.

7. Leaves and Absences

7.1 Personal Time Off (PTO): All full time employees shall accrue PTO per the following schedules:

- | | |
|--------------------|--|
| 0 through 3 years | - 17 hours per month, credited at the end of the month |
| 4 through 15 years | - 22 hours per month, credited at the end of the month |
| 16 plus years | - 26 hours per month, credited at the end of the month |

Part time employees shall accrue PTO at a prorated percentage based on the number of hours worked. For example, a part time employee working at a .50 fte would earn 8.5 hours per month the first year of employment.

Personal Time Off is available for vacation, sick leave, and all other needed time off. Whenever possible employees shall give the Executive Director at least two weeks notice of intent to use scheduled PTO. For unscheduled use of PTO, employees should give the Executive Director as much notice as possible (See work week/attendance).

Personal Time Off will not accrue during any leave without pay or while covered under workers compensation for time loss for on the job injury, disease, or illness.

Personal Time Off shall accrue after the first full month worked. When initially appointed as a new hire, if the effective date of the initial appointment is the first (1st) working day of the month, PTO shall accrue at the end of that month. PTO may be used any time after accrual.

For purposes of payout at termination or separation, the maximum accrual is 195 hours with a 75% payout on accrued hours (up to the accrual of 195 hours) at termination or separation.

Personal Time Off leave is capped at the end of the calendar year, allowing only up to a maximum number of 225 hours to roll over into the next calendar year.

Employees who have accumulated sick leave at the time this change in policy is put into effect will retain that sick leave accrued. The accumulated sick leave may be used instead of PTO for medical leave. Any unused sick leave will be forfeited on termination of employment. Vacation/annual time, floating holiday and personal leave accrued at the time of this policy change shall be converted to PTO.

7.2 Shared Leave: An employee can donate a portion of his or her PTO leave to another employee who is suffering from, or a member of whose household is suffering from, an extraordinary or severe illness or injury, provided:

- 7.2.1.a The leave sharing is approved by the Executive Director.
- 7.2.1.b The receiving employee has exhausted or will exhaust, his or her PTO, and must go on leave without pay or terminate employment. The receiving employee must be absent for at least one week beyond the date when the employee's leave will be exhausted.
- 7.2.1.c The donating employee may donate a minimum of 7.5 hours. There is no maximum donation provided the donation does not cause the employee's annual leave balance to fall below eighty hours.
- 7.2.1.d All donated leave must be given voluntarily.

- 7.3 Leave Without Pay:** Employees may request a personal leave of absence without pay for a reasonable period of time up to sixty (60) days. Requests for leaves of absence will be considered on the basis of the employee's length of service, performance, responsibility level, the reason for the request, whether other individuals are already out on leave, and the expected impact of the leave on the District.
- 7.3.1 **Requests.** Requests must be approved by the Executive Director before the leave begins. It is the employee's responsibility to report to work at the end of the approved leave. Any employee who fails to report to work on the day after the leave expires will be considered to have voluntarily resigned.
- 7.3.2 **Status of Employee Benefits During Unpaid Leave of Absence.** The District will not pay for group health or dental insurance premiums during any portion of an unpaid leave of absence. Accordingly, the premiums for such coverage are the complete responsibility of the employee. In order to keep the insurance in force, premiums for the entire period of the leave must be paid before the employee begins the leave. Annual leave time, sick leave, and bereavement leave will not accrue during unpaid leave of absence.
- 7.4 Workers Compensation Leave:** An employee who suffers a work related injury or illness may file an application for worker's compensation. The employee shall become eligible to receive compensation from the Workers' Compensation insurance carrier in accordance with Oregon law. Accrued sick leave may be used until claim is processed.
- 7.5 Jury Duty:** Employees will be allowed necessary leave during their normal scheduled work period to serve on the jury of a federal, state, or municipal court or if they are subpoenaed as a witness in a case pending in a federal, state, or municipal court. Employees should notify their supervisor or the Executive Director immediately after receiving notification to report to serve on jury duty or when subpoenaed.
- 7.5.1 Non-exempt employees will be paid their regular base rate for authorized absences to serve as a juror or subpoenaed witness. Exempt employees will be paid their regular salary.
- 7.5.2 Payment received from the courts during paid jury duty must be paid to the District. Expense reimbursements, such as mileage, do not need to be paid to the District.
- 7.6 Military Leave** is granted to all employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and state law. Generally, advanced notice is required before taking military service or training leave.
- 7.7 Domestic Violence Leave (Crime Victims Leave):** Employees who are victims of domestic violence, sexual assault, harassment, or stalking, or are parents or guardians of victims (minor children), may be eligible for this leave. The District may grant an eligible employee a reasonable leave of absence if the employee or the employee's minor child or dependent needs time off to deal with issues of domestic violence, sexual assault, or stalking. The District may provide reasonable safety accommodations for an employee who is a victim of domestic violence, sexual assault, or stalking, if the employee requests it, and if it does not impose an undue hardship on the District.

7.8 Absenteeism: The District expects that employees will be present, ready for work when and where they are assigned.

7.8.1 Employee will be subject to disciplinary action for unexcused absenteeism, habitual tardiness and habitual absenteeism.

7.8.2 Abuse of any or all leave privileges, including sick leave or other personal leave time shall be considered a violation of the absenteeism rule.

8. Disciplinary Action: The District may demote, suspend, reduce in salary or dismiss an employee for:

- 1) Neglect of duty
- 2) Inefficiency
- 3) Incompetence
- 4) Inadequate performance of duty
- 5) Insubordination
- 6) Indolence
- 7) Conviction of a crime involving moral turpitude
- 8) Malfeasance
- 9) Gross misconduct
- 10) Absence from work without permission and habitual absence or tardiness.
- 11) Violation of duties or adopted District policies, including those imposed by this manual.
- 12) Failure to perform an essential duty or to be able to operate essential equipment as defined by the Employee's job description.

This list is not all-inclusive, but only serves as a general guide. The District may discipline or terminate employees for other reasons not stated above.

8.1 Discipline is Progressive: Under normal circumstances, the District endorses a policy of progressive discipline in which it attempts to provide notice to employees of deficiencies and an opportunity to improve. The District recognizes that some performance problems are more severe, and so steps in the progression may be skipped, depending on the severity of the deficiency. In the event that discipline is necessary, the normal application of progressive discipline should be:

1. *Oral Warning.* An oral warning is a counseling session between the employee's supervisor and the employee on the subject of the employee's conduct and performance, or his/her failure to observe a rule, regulation, or administrative instruction. It is intended to change the employee's conduct, attitude, habits, or work methods. Following the counseling session the supervisor shall document the oral warning. Documentation of the oral warning shall be kept with the Executive Director's files, and the Executive Director will provide a copy to the employee.
2. *Written Reprimand.* A reprimand is a formal written disciplinary action for misconduct, inadequate performance, or repeated lesser infractions. Written reprimands are placed in the employee's personnel file.
3. *Suspension.* A suspension is a temporary, unpaid absence from duty that may be imposed as a penalty for significant misconduct or repeated lesser infractions. A suspension is a severe disciplinary action that is made part of the employee's permanent record. The Executive Director may suspend an employee for up to 15 days for each occurrence (up to 30 days in any calendar year), for cause. Written notice of the suspension, including specific charges and duration, shall be provided to the employee.
4. *Demotion:* The Executive Director may demote or reduce the salary of an employee. Written notice of the demotion or salary reduction, including specific charges, shall be provided to the employee at least 15 days in advance of the effective date.
5. *Dismissal:* The Executive Director may dismiss an employee.

8.2 Plans of Assistance: The Executive Director may place employees on a Plan of Assistance to improve the performance of an employee. Plans of Assistance should clearly identify the performance deficiencies and the expected performance.

- 8.3 Suspension for Investigation:** Suspensions with pay, where the employee is placed on administrative leave, may be used by the Executive Director pending the results of an investigation or disciplinary action where the Executive Director determines those factors such as public confidence, the safety of the employee or the efficient functioning of the District call for such a suspension.
- 8.4 Degree of Discipline:** The degree of disciplinary action administered depends on the severity of the infraction, and will be carried out in accordance with this policy. In cases involving serious misconduct or in the case of a major breach of policy or violation of law, the Executive Director may suspend the employee immediately and determine what further action, if any, should be taken.
- 8.5 Appeal of Disciplinary Action:** Temporary employees and employees who have been employed less than six months do not have a right to appeal disciplinary actions. All appeals shall be in writing and addressed to the Board within fourteen days and with a copy to the Executive Director.
- 8.6 Investigations:** In connection with an appeal, complaint, protest, the Board may conduct such investigation it deems necessary.
- 8.7 Hearings:** If the Board decides a hearing is warranted, it shall set a date and time for the hearing. The employee and Executive Director shall be given written notification of the time and place of the hearing. The hearing is intended solely for the purpose of receiving evidence either to refute or substantiate specific charges brought to the Board. In appealing a disciplinary action to the Board, an employee may, but is not required to have counsel or other representation. The employee or his/her spokesperson may examine, cross examine, make statements and summarize testimony.
- 8.8 Findings:** If the Board finds that the action of the Executive Director was reasonable and consistent with policy, the Board may affirm the action or modify the action as it deems appropriate. If the Board finds that the action was not reasonable and consistent with policy, the action shall be reversed and the employee shall not suffer any loss in pay or status and the personnel file shall be purged of such record. The decision of the Board shall include a finding of fact and shall be final and binding.
- 8.9 Reduction in Force:** The Executive Director may layoff an employee because of a reduction in force due to lack of funds, lack of work, agency reorganization or an employee's inability to continue in a reclassified position. Temporary employees will be laid off before regular employees. In determining who is to be laid off, consideration will be given to individual performance and the qualifications required for remaining jobs. Seniority will be considered when performance and qualifications are equal. Employees who are laid off may be eligible to be re-employed, if a vacancy occurs in a position for which they are qualified up to one year of the date of the loss of employment.

- 9. Employee Performance:** The performance of each employee shall be evaluated and reviewed with the employee annually. The Executive Director shall evaluate staff; the Board shall review and evaluate the performance of the Executive Director.
- 9.1 Purpose:** Employee performance reviews are an essential communication process between the employee and the District. The performance appraisal is an opportunity for the supervisor and employee to review whether previously discussed performance expectations and goals have been met, to discuss professional development opportunities, and to identify options for acquisition of additional skills and knowledge to foster performance improvement and career growth. It also serves as a basis of personnel decisions – merit increases, promotion and termination.
- 9.2 New Employees and Employees in a New Position:** Newly hired employees and employees in a new position will participate in goal-setting interview/reviews as often as appropriate and will have one performance evaluation before the completion of six months employment and a second before the completion of twelve months employment.
- 9.3 Unsatisfactory Performance:** An employee whose work is judged unsatisfactory shall be notified in writing of the areas where work is considered deficient. Unless the deficiency is extreme, the employee shall be placed on a Plan of Assistance.
- 9.4 Evaluation Considerations:** In evaluating employees, the Executive Director will consider the experience and training of the employee as well as the employee's attainment of previously set goals. Other factors that will be considered include knowledge of the job, quantity and quality of work, citizen service, initiative, reliability, judgment, conduct, and acceptance of responsibility.
- 9.5 Employee Participation:** Employees shall be invited to provide comments to the Executive Director about their own performance during the review period. Employees may also comment on the review conducted by the Executive Director in the form of written comments on or attached to the written evaluation.
- 9.6 Written Evaluation:** The Executive Director will prepare a written appraisal of each employee's performance. The appraisal will include an action plan for the employee and Director and a set of performance goals for the next evaluation period. The Executive Director will meet with the employee to discuss the evaluation. The employee and Director will sign and date the evaluation. An employee may attach a written response to the evaluation if desired.
- 9.7 Supplemental Evaluation:** A supplemental performance evaluation may be submitted on any occasion deemed appropriate by Executive Director to clarify performance deficiencies and goals or plans for improvement.

- 10. Termination of Employment:** Termination may occur because of an employee's resignation, dismissal, retirement; or permanent reduction in workforce. In the absence of a specific written agreement, employees are free to resign at any time and for any reason.
- 10.1 Notice:** Employees are requested to give at least two weeks notice of their intent to resign.
- 10.2 Absence Without Notice:** Employees who are absent from work for three consecutive days without an approved leave or without having given notice to the Executive Director will be considered as having abandoned their position and may be declared as having voluntarily quit.
- 10.3 Health Insurance:** The District will notify terminating employees of their right and the cost to continue coverage under the group health plan. The District will assist employees who wish to continue coverage under COBRA or through retirement.
- 10.3.1 Retirement Employee:** For purpose of a retiree's option of continuing in the District's health insurance program, the definition of retiree is as follows:
- a. Has retired at 55 or older or has been placed on disability retirement.
 - b. Was insured under the District's group health insurance program at the time of retirement.
 - c. Begins receiving MCEDD's retirement benefits or social security benefits immediately after termination of employment.
- 10.4 References:** In general, the District will not release reference information (beyond dates of employment) without the authorization of the employee. Employees (or former employees) may authorize the Executive Director to provide additional reference information on the employee's (or former employee's) performance and work assignments. Employees (or former employees) who are making this authorization shall do this in writing.
- 10.5 District Materials:** Employees will return all District equipment and District keys upon termination. The District may change security codes, passwords, and/or keys for District facilities and equipment after any employee's termination.
- 10.5.1** Any employee terminating employment with the District is prohibited from taking (in any form) or copying any computer discs, hard copies, or other information stored on the District's electronic equipment.
- 10.6 Exit Interviews:** The Executive Director will conduct exit interviews with all employees who terminate their employment by resignation or retirement.
- 10.7 Personal Property:** The District will give terminating employees sufficient time to remove personal property from District offices.
- 10.8 Pay Upon Separation:** An employee terminating employment with the District will be paid any earned and unpaid wages then due for work hours, any remaining PTO at 75 percent, and compensatory time for non-exempt (as per 2.24), which shall be paid at one and one-half the employee's hourly rate. An employee who is involuntarily terminated will be paid no later than the end of the first business day after a discharge or termination. If an employee resigns and fails to give at least forty-eight (48) hours advance notice prior to quitting District employment shall be paid within five (5) days of termination.

11. Personal and Professional Development: The District places a high value on personal and professional development of employees.

11.1 Employees may request compensation for the costs of college-level, technical or other academic course work, seminars, and conferences relevant to their current or future roles in the organization. Reimbursement for college-level course work will only be made if the employee receives a passing grade. All training activities involving a cost to the District must be approved in advance by the Executive Director, in writing.

12. Electronic Equipment and Telecommunications Policy: The following policies apply to the use of all District telecommunications equipment and services, including, but not limited to computers, electronic mail, the Internet, telephones, voice mail, faxes, cellular telephones, support equipment (projectors, printers, etc.), and electronic data. Improper use or violations of this policy can result in disciplinary action, up to and including termination.

12.1 District Business: The District's telecommunications systems are to be used only for conducting the business of the District. The District's telecommunications systems shall not be used for any of the following purposes:

- any use related to the conduct of an outside business;
- a use that supports, promotes, or solicits for an outside organization or group unless provided for by law or authorized by the Executive Director;
- any campaign or political use;
- any commercial use;
- any violation of the District's anti-harassment policy;
- any illegal activity; or
- transmitting offensive, discriminatory, prejudicial, or otherwise inappropriate material.

12.2 Cell Phone Usage: This policy regarding cellular phone usage applies to any devices that makes or receives phone calls, leaves messages, sends text messages, surfs the Internet, or downloads and allows for the reading of and responding to email.

Employees must adhere to all federal, state or local rules and regulations regarding the use of cell phones. Accordingly, employees are prohibited from using hand held cell phones for business purposes related in any way to the District while driving.

Employees who violate this policy will be subject to disciplinary actions.

12.3 De Minimis Use: Other de minimis uses of the telecommunications systems are permitted if the use:

- does not result in a cost to the District;
- does not interfere with the performance of official duties;
- is brief in duration and frequency and occurs during breaks and lunch hours;
- does not distract from the conduct of District business; and
- does not compromise the security or integrity of agency information, equipment, or software.

Abuse may be grounds for discipline.

12.4 Costs: Any costs created by employee for personal use of the telecommunications system shall be reimbursed to the District by the employee.

12.5 Security: Users of all telecommunications systems should be aware that these systems are not secure.

12.5.1 Electronic communications cannot be protected from unauthorized access caused by recipients who fail to maintain the confidentiality of the pass code or leave their assigned communications device(s) unattended when logged on.

12.5.2 Electronic mail messages and voice mail messages may be received, modified, and forwarded to others by the recipient. They may be directed to the wrong recipient or lost in route to an intended recipient.

12.5.3 Users shall not provide unauthorized access to the District's telecommunications system.

12.5.4 Users may not use another individual's network identification, voice mailbox, or name to send electronic mail messages, voice mail, faxes, or other electronic communication without prior approval.

12.6 Public Records: Telecommunications records related to the business of the District are public documents, which may be obtained by request pursuant to the District's public records rules.

12.6.1 Users shall retain copies of electronic mail messages, which they generate and send, or receive, in either electronic or hard copy form, consistent with Oregon and Washington's document retention schedules. Copies of the retention schedules are maintained in the District's Office.

- a. Informational or ephemeral correspondence, which does not contain significant information about the District's program, such as meeting notices, reminders, drafts and worksheets, desk notes, memoranda and other materials or an informational nature need not be retained.
- b. Users must consult with the Executive Director to determine if documents should be retained and for what length of time.

12.6.2 The Executive Director must approve requests for access to or copies of electronically stored or archived electronic mail messages from persons outside of the agency.

12.7 Privacy: Users of the District's telecommunications systems have no reasonable expectation of privacy.

12.7.1 Users should not use telecommunications systems to transmit, receive, or store sensitive personal information.

12.7.2 The Executive Director or a designee reserves the right to access stored messages on the District's electronic mail, voice mail, and other data systems or otherwise monitor its use at any time, without prior notice, and without the consent of the sender or recipient when it is necessary to carry out normal business functions, or if the Executive Director has reason to believe that use of the District's telecommunications systems has been in violation of this policy.

12.7.3 The District reserves the right to monitor employee use of our systems at any time. Employees should not consider their usage to be private. Within the bounds of current and future laws, the District reserves and intends to exercise the right to review, audit, intercept, access, and search any of these systems at will, monitor data and messages within them at any time for any reason, and disclose selected contents without notice or other restrictions.

13. Safety: It is the policy of the District to provide and maintain safe and healthful working conditions, follow operating practices that will safeguard all employees, and result in safe working conditions and efficient operation. Safety rules and regulations have been established and are in effect for all employees.

13.1 Bloodborne Pathogens or Other Potentially Infectious Materials: Exposure to bloodborne pathogens may lead to sickness such as hepatitis, AIDS, or malaria. The District wants to assure its employees of a safe and healthy work environment. It is the policy of the District to comply with all legal and regulatory obligations for the prevention of exposures to bloodborne pathogens. To this end, the District will comply with all sections of the Oregon Administrative Rules, Chapter 437 and all other statutory requirements regarding the prevention of occupational exposures to bloodborne pathogens.

13.2 Universal Health Precautions and Work Practices: As recommended by public health authorities, the District will adhere to a program of universal precautions for protection against diseases spread by blood or bodily fluids. ("Bodily fluids" refers to fluids that may contain blood or feces, not urine, sweat, saliva, or tears.) This means that, for safety purposes, employees will operate on the assumption that all blood and bodily fluids are potential carriers of bloodborne disease, and will adhere to universal precautions that protect against AIDS and other diseases.

14. Code of Ethics: The District expects teamwork and excellence. Neatness of work performed is also important. All employees are engaged in public relations. Some deal directly with the public; others, while not in direct personal contact, do perform work under the public eye. Favorable impressions created by employee's public behavior help develop good will and support for District services. Employees who violate the Ethics Policy or who create an equally detrimental impact on the organization may be subject to disciplinary action, up to and including discharge.

14.1 Personal Interests Avoided: District employees may not use District time, equipment or services for personal interest. In matters of personal interest, employees should conduct themselves so as not to impair their working relationship with other employees, officials, or the public.

14.2 Personal Telephone Calls: District phones are to be used for District purposes only. Telephone calls of a personal nature (incoming or outgoing) should be kept to a minimum and made during breaks or lunch periods whenever possible. Under no circumstances should an employee charge a long distance call to the District unless it is work-related. Friends and relatives should be discouraged from calling during working hours except in emergencies.

14.2.1 Personal Cellular Phone Usage: Excessive use of a personal cellular phone for personal business during work hours is not allowed. Additionally, if personal cell phones are brought to meetings, the devices must be put on vibrate mode as to not disrupt the meeting.

14.3 Confidentiality: Employees must not discuss confidential matters or release confidential information to anyone except as is required in the execution of their duties. An employee shall not use or disclose, either directly or indirectly, for his benefit or the benefit of another, any confidential or proprietary information, whether or not the information is acquired, attained, or developed by the employee or in connection with others. All confidential information shall be sufficiently guarded to protect it from misuse.

14.4 Gifts and Gratuities: Employees shall not accept any special favors, gifts, or gratuities resulting from or related to employment with the District. In this regard, the appearance of impropriety can be as damaging as actual impropriety and shall be avoided.

Employees may not accept prizes and awards offered to attendees of conferences, seminars, or professional gatherings as a result of attendance or for winning a contest or game. Such prizes become the property of the District. Promotional items, such as pens, pencils, notebooks, notepads, cloth or canvas bags, snack foods, etc., that are offered to all attendees, or that are meant to be used during the course of the event are excluded from this rule. Employees may keep these items for their personal use.

Airline miles or other benefits, whether paid for with District or personal resources, accrued from District travel, shall become the property of the District.

14.5 Special Gifts: The Executive Director may allow acceptance of nonmonetary gifts of nominal value (e.g. under \$50) at holidays or special occasions which are available to be shared by all employees.

14.6 Personal Appearance: Each employee is responsible to present a proper, businesslike appearance whether in the office, a District vehicle, or other site. Good taste and good judgment in personal attire is expected.

14.7 Appearance of Work Areas: The District's objective is to provide and maintain clean, safe and healthy work conditions. It is the responsibility of each employee to maintain a safe, neat work area and insure that all working documents, desks, cabinets and equipment are secure at the close of the work shift.

14.8 Pets in the Workplace: For the purposes of this policy pets are considered a domestic animal that resides with and is cared for by an employee of the District. Decisions about the appropriateness of bringing a pet to work will be made by the Executive Director based on any potential risk to the pet and to the people in the community, and to the perceived disruptions caused by the pet. The following are guidelines for permitted pets in the workplace.

14.8.1 Pets must be tethered and under the control of the employee at all times. At no time will they be allowed to interfere with the performance of duties of any employee.

14.8.2 **Restricted Areas.** Any area or situation in which another person has raised a legitimate concern for health or other reasons about the presence of a pet, except for designated guide or working animals assisting employees with documented disabilities.



2017 MCEDD Board Meeting Schedule

* all meetings are held from 4:00 to 6:00 p.m. unless otherwise noted

Date	Location
Thursday, February 23, 2017 <i>Note: Budget Process Approval, CEDS Project Prioritization</i>	Hood River County
Thursday, March 23, 2017 <i>Note: CEDS Adoption</i>	Klickitat County
Thursday, June 15, 2017 <i>Note: FY 2018 Budget Adoption</i>	Hood River County
Thursday, September 21, 2017 <i>Note: Annual Meeting, Elections</i>	Klickitat County
Thursday, December 14, 2017 <i>Note: Audit Report</i>	Hood River County



2017 MCEDD Executive Committee Schedule

Meets the first Wednesday of each month at 4:00 p.m. unless otherwise noted
MCEDD office or Teleconference number: 1-866-755-7677. Passcode: 799986.

Wednesday, January 4, 2017	Wednesday, July 5, 2017
Wednesday, February 1, 2017	Wednesday, August 2, 2016
Wednesday, March 1, 2017	Wednesday September 6, 2017
Wednesday, April 5, 2017	Wednesday, October 4, 2017
(no meeting in May 2017)	Wednesday, November 1, 2017
Wednesday, June 7, 2017	Wednesday, December 6, 2017



MCEDD Loan Administration Board Schedule

Meets the first and third Tuesday of each month at 8:00 a.m.
MCEDD office or Teleconference number: 1-866-755-7677. Passcode: 799986.



FINANCIAL SUMMARY

FOR: October 2016

October's Balance Sheet reflects differences in assets and liabilities. Loan fund cash is higher in the current year, due to principal repayments, fewer new loans made in this fiscal year, and EDA RLF's revenue that is now encumbered for relending purposes. For liabilities, Payroll Liabilities (2100) reflects month-end expenses that were paid in November. Additionally the Fund Balance (3100) was updated with audit figures.

MCEDD's Operations Budget vs. Actual report includes differences between revenue and expense categories. The variances for revenue include the Carryover Revenue (4000) which was updated to reflect the audit figures. Loan Fund Revenue, excluding the Housing RLF funds, is below projections by \$1,807. State (4200) revenue and Contract Reimbursement (4500) are under projections due to the timing of costs associated with special projects. In-Kind (4934) revenue is under budget due to this year's anticipated amount that was recorded in the prior year. Most expenses continue to be under budget because of the timing of the expenses.

Respectfully Submitted,

Sherry Wickert
Finance & Operations Manager

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

	Oct 31, 16	Oct 31, 15
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1010 · MCEDD Checking	15,328.50	14,311.13
1015 · MCEDD MM	310,477.27	351,981.75
1020 · IRP		
1021 · IRP - Sherman	76,882.00	152,089.86
1022 · IRP - WA	65,574.68	72,504.33
1020 · IRP - Other	109,814.00	29,100.75
Total 1020 · IRP	252,270.68	253,694.94
1030 · Loan Funds		
1036 · EDA RLFs	184,566.79	159,209.15
1045 · Reg Strat	127,487.87	165,739.18
1050 · RBEG-OR	49,036.13	16,754.10
1055 · RBEG-WA	51,060.63	30,604.70
1057 · RBEG-KL	126,633.74	89,611.40
1067 · CDBG Microenterprises	61,258.87	54,985.20
Total 1030 · Loan Funds	600,044.03	516,903.73
1031 · Housing RLF	2,000,757.93	2,000,491.37
1070 · National Scenic Fund	1,235,753.39	1,244,870.34
Total 1000 · Bank Demand Deposits	4,414,631.80	4,382,253.26
1100 · CDS		
1121 · IRP Reserve	96,031.33	96,031.33
Total 1100 · CDS	96,031.33	96,031.33
1122 · IRP - DDM Product	629,971.53	509,699.11
1196 · OR Telecom Conference	34,361.69	37,504.80
Total Checking/Savings	5,174,996.35	5,025,488.50
Accounts Receivable		
1202 · Accounts Receivable	48,721.54	47,876.52
Total Accounts Receivable	48,721.54	47,876.52
Other Current Assets		
1200 · Receivables & Accruals		
1205 · Accrued Revenue	18,333.33	14,854.16
1227 · Accrued Loan Interest	14,018.14	17,039.14
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accrd Int	-1,418.75	-403.45
1229 · Structured Accts Accr'd Int - Other	7,665.29	5,986.99
Total 1229 · Structured Accts Accr'd Int	6,246.54	5,583.54
Total 1200 · Receivables & Accruals	38,598.01	37,476.84
1300 · Loans Receivable		
1330 · MCEDD Loans Receivable		
1320 · IRP	1,759,929.37	1,954,713.06
1321 · IRP - Sherman	173,284.62	98,699.21

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

	<u>Oct 31, 16</u>	<u>Oct 31, 15</u>
1322 · IRP - WA	253,310.76	249,172.15
1336 · EDA RLFs	506,836.79	507,397.65
1345 · Reg Strat	44,045.17	8,266.91
1350 · RBEG-OR	253,960.02	277,787.90
1355 · RBEG-WA	45,368.68	64,991.85
1357 · RBEG-KL/SK	0.00	37,130.74
1367 · CDBG Microenterprises	46,323.23	50,477.98
Total 1330 · MCEDD Loans Receivable	3,083,058.64	3,248,637.45
1370 · OIB Loans Receivable	1,629,983.03	1,613,622.45
Total 1300 · Loans Receivable	4,713,041.67	4,862,259.90
1500 · Allowance for Doubtful Loans		
1520 · IRP Allowance	-118,027.66	-127,089.85
1521 · IRP - SH Co	-10,797.99	-15,000.00
1522 · IRP - WA	-14,476.77	-15,178.13
1536 · EDA RLFs Allowance	-35,290.15	-37,163.51
1545 · Reg Strat Allowance	-2,776.54	-644.83
1555 · RBEG Allowance	-18,584.67	-23,405.81
1567 · CDBG Microenterprises	-2,987.33	-3,171.24
1575 · OIB Allowance	-45,000.00	-45,000.00
Total 1500 · Allowance for Doubtful Loans	-247,941.11	-266,653.37
Total Other Current Assets	4,503,698.57	4,833,083.37
Total Current Assets	9,727,416.46	9,706,448.39
TOTAL ASSETS	9,727,416.46	9,706,448.39
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2030 · Accrued Loan Payment	39,500.09	36,266.29
2035 · Accrued Interest Payable	4,185.11	4,857.46
2050 · PTO - Accrued	23,098.99	24,497.84
2070 · Health Insurance Payable	-6,898.89	-7,881.49
2080 · Life & Disability Payable	-337.16	-346.96
2090 · WC SAIF Ins	-150.40	-237.51
2100 · Payroll Liabilities		
2110 · Federal Payroll Liability	35.24	0.00
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	29.62	39.01
2115 · OR- SUTA Payroll Liabilities - Other	37.60	39.70
Total 2115 · OR- SUTA Payroll Liabilities	67.22	78.71
2120 · State Payroll Liabilities - Other	19.00	0.00
Total 2120 · State Payroll Liabilities	86.22	78.71
2100 · Payroll Liabilities - Other	4.00	0.00
Total 2100 · Payroll Liabilities	125.46	78.71

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

	<u>Oct 31, 16</u>	<u>Oct 31, 15</u>
2800 · Deferred Revenue	13,333.33	13,333.33
Total Other Current Liabilities	72,856.53	70,567.67
Total Current Liabilities	72,856.53	70,567.67
Long Term Liabilities		
2820 · IRP Loan Payable \$1million	514,805.20	551,573.23
2821 · IRP Loan Payable \$600,000	417,520.24	438,485.25
2822 · IRP Loan Payable \$750,000	625,806.66	650,921.44
2823 · IRP Loan Payable - Washington	299,967.25	309,906.38
2824 · IRP Loan Payable - Sherman	186,672.31	193,188.09
Total Long Term Liabilities	2,044,771.66	2,144,074.39
Total Liabilities	2,117,628.19	2,214,642.06
Equity		
3100 · Fund Balances	7,572,025.03	7,320,555.07
3110 · Carryforward Balance	-89,619.18	22,692.87
Net Income	127,382.42	148,558.39
Total Equity	7,609,788.27	7,491,806.33
TOTAL LIABILITIES & EQUITY	9,727,416.46	9,706,448.39

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

	Jul - Oct 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4000 · Carryover Revenue	426,597.18	302,193.00	124,404.18
4100 · Federal	54,657.11	46,523.39	8,133.72
4200 · State	8,137.81	14,918.00	-6,780.19
4300 · Local Match	7,000.00	7,000.00	0.00
4400 · Local Dues	45,529.00	45,530.00	-1.00
4500 · Contract Reimbursement	92,193.12	100,103.64	-7,910.52
4600 · Loan Interest	83,607.29	92,672.44	-9,065.15
4700 · Loan Processing Fees	2,425.27	11,166.64	-8,741.37
4705 · Loan Filing Fees	318.16	4,499.84	-4,181.68
4710 · Loan Late Fee	4,087.13	699.92	3,387.21
4750 · Investment Interest	626.74	516.48	110.26
4800 · Receipts - Other	1,619.73	3,666.64	-2,046.91
4801 · Paypal Registrations	1,435.00	0.00	1,435.00
4803 · Sponsor Donations	3,150.00	0.00	3,150.00
4934 · In-Kind Revenue	20.00	19,199.00	-19,179.00
4935 · In Kind - MM	0.00	350.00	-350.00
Total Income	731,403.54	649,038.99	82,364.55
Gross Profit	731,403.54	649,038.99	82,364.55
Expense			
5000 · Wages	149,698.26	156,198.36	-6,500.10
5500 · Fringe Benefits	38,620.04	45,191.56	-6,571.52
5700 · Payroll Taxes	13,065.62	13,639.08	-573.46
6110 · Travel & Conference	3,929.48	10,018.92	-6,089.44
6190 · Event Services	1,230.40	633.64	596.76
6200 · Equipment	1,063.73	1,500.00	-436.27
6300 · Supplies	2,446.82	8,972.08	-6,525.26
6400 · Professional Services	20,903.38	20,475.64	427.74
6600 · Communications	3,592.64	6,363.28	-2,770.64
6700 · Building Costs	5,661.13	6,313.20	-652.07
6800 · Bonds & Insurance	1,331.50	3,350.00	-2,018.50
6900 · Other Materials & Supplies	3,333.74	5,490.00	-2,156.26
9000 · Indirect Spread	0.00	-2,119.92	2,119.92
9600 · Transfer to/from Source	6,698.31	0.00	6,698.31
Total Expense	251,575.05	276,025.84	-24,450.79
Net Ordinary Income	479,828.49	373,013.15	106,815.34
Other Income/Expense			
Other Expense			
7400 · Loan Payment	40,468.68	40,468.64	0.04
7500 · Carryover to Next Year	336,978.00	336,978.00	0.00
7600 · In-Kind Contractual	20.00	19,549.00	-19,529.00
Total Other Expense	377,466.68	396,995.64	-19,528.96
Net Other Income	-377,466.68	-396,995.64	19,528.96

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11/28/16
Accrual Basis

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

	Jul - Oct 16	Budget	\$ Over Budget
Net Income	102,361.81	-23,982.49	126,344.30

**Mid-Columbia Economic Development District
 Operations Budget vs. Actual
 July through October 2016**

	<u>% of Budget</u>
Ordinary Income/Expense	
Income	
4000 · Carryover Revenue	141.17%
4100 · Federal	117.48%
4200 · State	54.55%
4300 · Local Match	100.0%
4400 · Local Dues	100.0%
4500 · Contract Reimbursement	92.1%
4600 · Loan Interest	90.22%
4700 · Loan Processing Fees	21.72%
4705 · Loan Filing Fees	7.07%
4710 · Loan Late Fee	583.94%
4750 · Investment Interest	121.35%
4800 · Receipts - Other	44.18%
4801 · Paypal Registrations	100.0%
4803 · Sponsor Donations	100.0%
4934 · In-Kind Revenue	0.1%
4935 · In Kind - MM	0.0%
Total Income	<u>112.69%</u>
Gross Profit	112.69%
Expense	
5000 · Wages	95.84%
5500 · Fringe Benefits	85.46%
5700 · Payroll Taxes	95.8%
6110 · Travel & Conference	39.22%
6190 · Event Services	194.18%
6200 · Equipment	70.92%
6300 · Supplies	27.27%
6400 · Professional Services	102.09%
6600 · Communications	56.46%
6700 · Building Costs	89.67%
6800 · Bonds & Insurance	39.75%
6900 · Other Materials & Supplies	60.72%
9000 · Indirect Spread	0.0%
9600 · Transfer to/from Source	100.0%
Total Expense	<u>91.14%</u>
Net Ordinary Income	128.64%
Other Income/Expense	
Other Expense	
7400 · Loan Payment	100.0%
7500 · Carryover to Next Year	100.0%
7600 · In-Kind Contractual	0.1%
Total Other Expense	<u>95.08%</u>
Net Other Income	95.08%

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11/28/16
Accrual Basis

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

Net Income

% of Budget
-426.82%

Memorandum

Date: December 1, 2016
To: MCEDD Board of Director
From: Amanda Hoey, Executive Director and Eric Nerdin, Loan Fund Manager
Re: Loan Program Policy: Interest Rates

In October the MCEDD Executive Committee discussed the status of the loan programs' revenue and expenses. An increase in early loan payoffs, as well as a decrease in deals in the pipeline, has created a potential challenge for program sustainability. MCEDD currently has approximately \$1.25 million available to loan (excluding Oregon Investment Board and housing funds). The Executive Committee asked the Loan Administration Board to analyze our position in the market and to review interest rates, terms, collateral and other factors that may increase the accessibility for borrowers to our programs.

Client Review and Market Review

Eric Nerdin conducted a limited survey of MCEDD loan clients who recently paid off their loans early by obtaining bank financing to refinance these debts. These loan clients mostly were incentivized to obtain funds to pay off their MCEDD loans by lower interest rates on loans that consolidated debt, which produced favorable repayment terms to increase either short term or long term cash flow. Interest rates ranging from 3.5% to 5% were obtained on their refinance loans. One loan clients was able to have liens on his personal assets released and not be required by the refinancing lender. These loans clients were appreciative of the MCEDD Loan Program and did not have any suggestions for modifications. However, prior feedback indicates that some loan prospects and applicants do not obtain MCEDD loans because they are unable to provide 100% collateralization or obtain a third party personal guarantor needed to offset application weaknesses or did not want liens on their personal assets.

Staff also spoke with bank commercial lending personnel. Local and regional bank lending personnel stated that they are seeing very few new loan opportunities recently. Large national banks are leveraging the low interest rate environment to refinance a higher percentage of these other banks portfolios than usual. It was also noted that there appears to be a lot of money being held by businesses and individuals, so there is a lower than usual need for loans. In particular pears and cherries produced a higher profit recently, which leads to a lower level of loans in the agriculture sector. A significant portion of their loan clients are still recovering from the recent recession and do not have the strength to incur new debt.

Potential Policy Changes

The MCEDD Loan Administration Board reviewed potential policy modifications. This review and discussion was to determine if there were any MCEDD loan program policy changes that could be made to increase revenue and utilization of the MCEDD loan program. The Loan Board focused discussion on two points:

- Lowering or changing the interest rate structure.
- Revising conditions on approval requirements, such as collateralization or assignments of life insurance.

As of the full board mailing, the Loan Board had discussed the interest rate proposal and provided a recommendation for the full board's consideration. Attached to this memo is a synopsis from their analysis and review that may help in understanding the final recommendation.

The Loan Board's discussion regarding potentially revising conditions of approval will occur on December 6, 2016. Should the Loan Board provide a recommended modification, information will be provided to the board for consideration at the full board meeting.

Recommendation

The Loan Administration Board recommends that the MCEDD Board of Directors modify the interest rate assignment and structure on MCEDD loans. They recommend increasing the initial interest rate and allow for an automatically lowering of the interest rate of an amount between 0.5% to 2.0% following two to four years of full performance on the loan. Timing and amount of rate reduction will be dependent on loan risk profile, performance and staff recommendations at the time of loan approval.

Alternative Option 1: Same as above, but do not initially raise the rate.

Alternative Option 2: Make no changes to the interest rate structure.

Current Interest Rate Structure

MCEDD has taken a slightly more sophisticated approach to interest rates in the past decade with the implementation of a risk-based sliding scale of rates, default interest rates and interest rate adjustments. These changes help to protect MCEDD's loan funds, provide offset to risk and have increased per loan revenues. For new loans, MCEDD staff typically recommends interest rates based on four risk levels of a loan application; Excellent, Good, Fair and Poor, with rates ranging from 7.5% to 10.75%.

Analysis

Historically, MCEDD has charged a minimum of 7.5% on its business loans to provide the revenue needed to cover its operating costs and loan repayments to USDA. MCEDD staff typically recommends the lowest rate a loan applicant qualifies for, which is 7.5% or higher.

Increasing the Initial Interest Rate and Lowering Mid-Way Through a Loan Term: If a loan is approved at the minimum rate and that rate is subsequently reduced two to three years later as part of an effort to keep the loan in MCEDD's portfolio, MCEDD risks not having sufficient revenue to properly operate its loan program. Since beginning interest rates are not usually a deterring factor, an option may be to charge a higher beginning interest rate, such as 7.75% to 8.5%. This would allow MCEDD to earn more revenue prior to lowering interest rates in subsequent years. A higher initial interest rate, however, may negatively impact our pipeline of deals. Lower interest rates in the marketing and outreach materials may increase interest and follow through in obtaining a MCEDD loan. Higher interest rates, while actually a viable condition of a loan approval, may initially discourage potential applicants from applying or discourage a referring partner from suggesting MCEDD's Loan Program to potential applicants.

No Change to the Initial Interest Rate and Lowering Mid-Way Through a Loan Term:

When MCEDD loans are paid off early, it is seldom due solely to the refinancing loan having a lower interest rate than the MCEDD loan. Usually it is a lower interest rate and a combination of other factors, such as obtaining additional funding, lower monthly payments and the convenience of debt consolidation that attracts a MCEDD loan client to refinancing and paying their MCEDD loan off early. However, implementing an automatic reduction of the interest rate at a specific time in the loan repayment period, such as two to four years, may reduce an incentive for a MCEDD loan client to payoff their MCEDD loan through refinancing. As secondary benefit to MCEDD is that it may encourage MCEDD loan clients to perform as they agreed in all aspects of their loan(s), including making payments on time and providing relevant financial information. It may reduce loan servicing costs by reducing the number of problem loans. A planned and scheduled reduction in MCEDD program revenue resulting from a lower interest rate is easier to budget for than unexpected early payoffs that have become more frequent in recent years.



Executive Director's Report Prepared for the December 2016 Full Board Meeting

This Executive Director's Report provides an overview of the activities of MCEDD staff in September, October and November 2016.

Business Assistance Division

MCEDD operates loan funds to help grow local businesses.

- Available to loan as of October 31, 2016 was approximately \$1.15 million. With an anticipated additional \$100,000 in loan payoffs, the balance will shift up to nearly \$1.25 million. It is a larger balance than we prefer to see. The increase in early payoffs is advantageous to our clients and a good sign of economic health, but conversely it increases the resources MCEDD needs to revolve back into new loans. As such, the Loan Administration Board has begun reviewing trends and our position in the market to understand the current position of our programs. They are also recommending policy revisions that will be presented to the Board.
- MCEDD submitted comments in response to proposed rulemaking for Economic Development Administration funded RLF programs. The rulemaking will directly impact our ability to manage our regional RLF programs to support business development. We focused comments on the following areas:
 - Opposition to implementation of the risk analysis system and request, if it is instituted, to develop the framework in consultation with a group of RLF practitioners.
 - Request for clarification on the allowable cash percentage and alignment with the fiscal year.
 - Appreciation for proposed reporting to align with our fiscal year.
 - Request for clarification on the RLF capital base calculation.
 - Appreciation for the modification to allow utilization of RLF income for administrative costs in the same fiscal year.
- I participated in an interview for the Oregon Community Foundation "Oregon Capital Scan." I highlighted, in particular, the Agora Investment Platform and our business finance programs. A gathering for all participants is anticipated to occur in January 2017.
- Oregon and Washington Investment Board: Senators Merkley, Murray, Cantwell and Wyden and Representatives Walden, Herrera-Beutler, and Blumenauer have all signed a letter to Secretary Vilsack requesting "As you continue to work on your Fiscal Year 2018 Budget Request, we encourage you to include these economic development grants. In addition, we encourage USDA to use economic development programs and accounts under USDA Rural Development purview to allocate these funds to the Oregon and Washington Investment Board." The letter discusses the need for the final allocation of funds (approximately \$1.9 million) that were authorized but never appropriated

**For additional information on our Business Assistance activities, please see the Loan Committee Report (blue enclosure).*

Regional Coordination/Economic Development Administration

MCEDD provides regional coordination activities as part of our EDA Planning grant.

- The regional economic development strategy process is well underway. See the attached CEDS Strategy Committee report for detail.
- I was invited to participate in a roundtable at the Seattle Regional Office for EDA with Jay Williams, Assistant Secretary of Commerce and individuals on EDA's transition team. This opportunity allowed for discussion of transition protocol with the administration and highlighting our experiences with EDA's programs and services.
- The Oregon Economic Development District Association presented a proposal to the Ford Family Foundation for comprehensive investment into Economic Development Districts and our regional strategies. MCEDD staff participated in a follow-up call with our OEDD president, USDA-Rural Development Community Development Specialist and Ford Family Foundation's Economic Development Director and CED program officer. Our overall purpose is to provide our region with a competitive advantage in seeking USDA SECD funds. This program provides additional priority points to regions with CEDS that have investment from foundation partners in the planning process.
- I participated in a meeting convened by Meyer Memorial Trust to discuss the connections between capital providers in Oregon. I was encouraged to see the Economic Development Districts with a prominent role in the process and subsequent materials. A few themes have emerged that MCEDD should consider in our future planning:
 - The need for capital coaches throughout the state who help entrepreneurs through the capital system.
 - The idea of a platform that allows any entrepreneur to navigate available capital resources and demystify the various kinds of capital.
 - Regional conferences and connecting events around the state.
- The Agora Investment Platform continues to grow and expand. As of September 25, 2016 Agora had: 522 users, 86 capital pools and 196 projects listed on the system. We have not yet had a match for an Encore Fellow. USDA is moving forward with a likely expansion of the Platform into Kentucky. We have updated the Toolkit to support further growth and expansion.

Project Management

- MCEDD staff has been involved in a couple of workforce discussions. First, Fermentation Science program exploration with CGCC staff. Second, support for the East Cascades Workforce Investment Board RFQ for ASO/ISO training in response to company demand (listed in our IMCP plan). Finally, MCEDD engaged in initial discussions with CRITFC regarding their fish marketing and education programs and opportunities for transferring some of those program skills related to Food Safety Modernization Act requirements.
- USDA Rural Development Washington released notice for solicitation of Rural Business Development Grant applications. Applications are due January 31, 2017 and the State office has a few priority focus areas: High Poverty census tracts and communities, Local and Regional Foods, Advancing Bio economy, and Smart Communities Broadband and Connectivity. MCEDD staff has been in conversation with staff from our two Washington counties regarding potential applications. USDA-RD Oregon's solicitation is on a separate timeline.

- The Columbia Gorge Bi-State Renewable Energy Zone met in October with an update on the Pumped Storage project and recent visit by Washington Department of Commerce staff. In addition, the group received a report from Government Affairs specialist David Van't Hof, with a focus on PGE's Integrated Resource Planning draft. David has drafted a comment letter for distribution to affected counties for their consideration.
- Dallesport Water District's water project continues to move forward. Sherry Wickert, MCEDD Finance and Operations Manager is providing grant administration assistance and coordination for the project. Summit Excavation is expected to begin work the first week of December.

**For additional information on our Project Management activities, please see the Project Manager's Reports (salmon enclosures) and pipeline (yellow).*

Operations Highlights

- **Local dues:** All assessments have been sent to all applicable entities and the City of Antelope is the only pending payment. All other entities have paid.
- **Indirect:** MCEDD's Indirect Rate was submitted to EDA for annual approval.
- **Training:** Jessica Metta was approved to use professional development funds to take a Leadership series through Columbia Gorge Community College. Unfortunately, the course was cancelled. She is seeking an alternate training. Jacque Schei attended the NW Economic Development Course, funded through scholarship. Jacque Schei and Sherry Wickert participated in a Davis-Bacon and HUD Determined prevailing wage rate compliance training. The training covered how to appropriately administer Federal labor standards in HUD programs. Dan Hoyt attended an ODOT grant training.
- **Loan Administration Board:** Staff conducted an orientation for AJ Tarnasky.
- **Board:** A new member orientation was conducted for Paul Hendricks in October.
- **Letters of Support:** A letter of support was submitted for Klickitat County Senior Services/Mount Adams Transportation Service as they seek funding for expanded transportation services for a fixed route service for the west end of Klickitat County providing transit service between White Salmon/Bingen and Hood River and fixed route service for the east end of the County providing transit service between Goldendale and The Dalles.
- **Publicity:** Most of the publicity since the last board meeting has related to our regional strategy. We had good coverage through our press release and also from Phillip Watness with the Skamania County Pioneer. MCEDD will be featured in the Gorge Giving Guide. Our appreciation to Community Bank for sponsoring our ad (\$500 value).
- **Personnel:** Welcome to Dan Hoyt! Dan joined us on October 31st as the new Mobility and Project Manager.
- **NADO:** Our national association released 2017 legislative priorities (attached).
- **Website RFP:** A solicitation for proposals to update MCEDD's website was posted at the end of October. Staff anticipates making selection of a firm/individual in December. We received four responses: Web Rock Design Company, Olson Marketing Communications, Two Mountain Marketing and Gorge Web Design.



Executive Committee Report **(December 2016)**

The MCEDD Executive Committee generally meets monthly to address business of the District. During the months of October and November, the activities of the committee included the following:

- Completed the Special Districts Insurance Services Best Practices Checklist. Discussed the single item on which a “no” response was marked: “provide annual ethics training to all board members and staff.”
- Authorized MCEDD staff to submit comments in response to EDA’s Proposed Revolving Loan Fund Rulemaking.
- Reviewed revenue trends for the organization from 2007 through 2016.
- Discussed loan revenue/expense and recent loan payoffs. Referred a request to the MCEDD Loan Administration Board to analyze MCEDD’s position in the market and discuss potential modifications to ensure the MCEDD loan program continues to serve its intended purpose.
- Recommended adoption of the whistleblower policy.
- Received an update on the status of the comprehensive economic development strategy process. Reviewed the proposed SWOT analysis and draft vision and goals. Reviewed survey responses.
- Provided input on the tech representative position vacancy on the MCEDD Board.
- Discussed the Marshall Memorial Fellowship and preliminary dates the Executive Director will be out of the office for the transatlantic exchange. Agreed to advance the timelines for budget development and the Executive Director evaluation. Discussed the concept of a Deputy Director with consensus to proceed, with details to be fleshed out at the January 2017 Executive Committee meeting.
- Discussed opportunities for the USDA Rural Business Development Grant applications in the region.



CEDS Steering Committee Report

A very hardworking CEDS strategy committee meets twice per month to plan sessions, review materials and prepare for development of the regional strategy. Participating members include:

- Brian Tuck, OSU
- Buck Jones, CRITFC
- Caitlin Blagg, Sherman County Medical Clinic
- David Roth, Edward Jones
- Jessica Metta, GTA/MCEDD
- Pat Albaugh/Kari Fagerness, Port of Skamania, Skamania County EDC
- Dave McClure/Richard Foster, Klickitat County EDA

We are halfway through our public session, with anticipation to conclude with a final strategy in March 2017. Session have included the following:

- September: The September session, held in Cascade Locks, focused on an analysis of our regional strengths, weaknesses, opportunities and threats (SWOT. Welcoming remarks were provided by Robert Lothrop with the Columbia River Intertribal Fish Commission to about 50-60 attendees. Holly Howell with the Port of Cascade Locks provided an overview of local issues to consider in the regional strategy. The session concluded with a tour of Port of Cascade Locks industrial park and Columbia River Intertribal Fish Commission.
 - The anticipated final SWOT analysis is included.
- October: The October session, held in Stevenson, focused on regional vision and goals. Welcoming remarks were delivered by Commissioner Bob Hamlin to about 50 participants from across the five county region and Kari Fagerness provided an overview of Skamania County issues for consideration in the strategy. The session concluded with a tour of Backwoods Brewing and LDB Beverage Company (a current MCEDD loan client).
 - The anticipated final Vision and Goals statements are included as an attachment.
- November: The November meeting took place in Moro with Commissioner Tom McCoy providing both welcoming remarks and a review of issues in Sherman County. The session highlighted industry focus areas, began developing action plans and concluded with a tour of Azure Standard. With 60-75 employees at their 64,000 sf distribution facility and approximately 160 employees throughout the region, they are a significant employer.
 - Draft industry focus areas are currently out for public input and are included as an attachment.
- Next sessions: December 8th in The Dalles, January 19th in Bingen/White Salmon and February 16th in Hood River.
- Outcomes from the 2012-2015 strategy are available and help demonstrate the impact of these regional efforts!



Tour of Azure Standard in Moro, Oregon



CEDS September tour

S trengths	W eaknesses	O pportunities	T hreats
Scenic Beauty, Recreation, Brand and Tourism Industry <ul style="list-style-type: none"> • Designated Scenic Area • Strong Tourism Industry • Four Season Recreation • Natural Diversity 	Insufficient Housing Stock <ul style="list-style-type: none"> • Insufficient Housing for Local Employees • Housing Stock Quality, Availability Concerns • Affordability Gap 	Growth of Value-Added Ag and Ag Tech Businesses <ul style="list-style-type: none"> • Value-Add Sector Coord. • New Food Processing • New Specialty Crops • Ag Tech and Research 	Housing Shortage Impacts <ul style="list-style-type: none"> • Availability/ affordability reduces ability to attract and retain workers • Impacts businesses’ decisions about expanding
Central Location: <ul style="list-style-type: none"> • “Center of the Hub”: Geographic advantage in being centrally located in the Pacific Northwest • Access to Urban Areas 	Education, Skilled Workforce: <ul style="list-style-type: none"> • Advanced Education • Quality/Funds for Pre K-12 and Higher Ed • Limited Skilled Labor • Workforce Training 	Expanding Tourism <ul style="list-style-type: none"> • Year Round, Into Less Traveled Areas • Preserves Rural Character • Brand: Market as World Class Destination 	Education Quality/ Opportunity and Workforce <ul style="list-style-type: none"> • Educational System Challenges • Skilling Up and Meeting Employer’s Needs
Regional Collaboration <ul style="list-style-type: none"> • Bi-State Cooperation • Spirit of Collaboration • Strong Sense of Community • Strong Local Leadership and Regional Entities • Active Industry Alliances 	Transportation <ul style="list-style-type: none"> • Mobility: Gaps in Public Transportation Options • Gaps in Bike/Ped Infrastructure • Capacity of roads, bridges, airports, rail, etc. Maintenance, Expansion. 	Synergy Across State Lines <ul style="list-style-type: none"> • Coordination Between Business Sectors • Enhance Industry Associations • Support Effective Regional Teams 	Regulations <ul style="list-style-type: none"> • Restrictions Imposed by NSA Constraints • Length of Time for Permitting Decisions • Federal Agency Impact and Natural Resource Management
Availability of Transportation Systems/Modes <ul style="list-style-type: none"> • Interstates, Highways E/W, N/S • Airports • Rail Service • Columbia River Access • Bicycle/Pedestrian/Transit 	Regulatory Environment: <ul style="list-style-type: none"> • National Scenic Area Regulations • Slow Land Use Decisions • Impacts on Development. 	High Tech; Unmanned Systems <ul style="list-style-type: none"> • Continued Increase in High Tech Businesses • Support for Unmanned systems Applications • Supply Chain Development 	Impacts of Continued Population Growth <ul style="list-style-type: none"> • Limited Infrastructure Capacity to Accommodate • Need for Further Planning • Overuse of Resources • Degradation of Popular Destination Areas
Natural Resources and Climate: <ul style="list-style-type: none"> • Natural Resource Base • Climate • Air Quality 	Infrastructure <ul style="list-style-type: none"> • Utility Limitations • Broadband Capacity Regionally 	Leverage Natural Assets <ul style="list-style-type: none"> • Wood and Forestry Products Innovation • Renewable Energy • Fishing Industry 	Natural Disasters/Hazards <ul style="list-style-type: none"> • Wildfire, ice storms and other natural disasters • Aging emergency Response systems

S trengths	W eaknesses	O pportunities	T hreats
Culture: <ul style="list-style-type: none"> • 10,000+ years of Indigenous Culture • Evolving Demographics 	Disparities Between States <ul style="list-style-type: none"> • Differences in regulations • Differences in funding 	Connectivity <ul style="list-style-type: none"> • Market and use the increased high speed fiber optics in region • Further investment in broadband accessibility 	Water Access, Regulations <ul style="list-style-type: none"> • Drought Impacts • Impacts of Water Regulation • Access Issues • Aquifer Concerns
Diverse Industry Sectors and Growing Business Sectors <ul style="list-style-type: none"> • Diverse Industries • Growing Industry Sectors (Unmanned systems, value added agriculture, mfctr, fermentation, wearables, healthcare) • Strong Agricultural Base 	Aging Population: <ul style="list-style-type: none"> • Meeting the needs of an Aging population 	Focus on Local <ul style="list-style-type: none"> • Further development of the locally based economy • Buy local education and programs 	Infrastructure Limitations <ul style="list-style-type: none"> • Bridges, highways, roads • Transit Capacity/Gaps • Overused infrastructure • Water/Wastewater • Limited existing buildings and industrial land
Human Capital and Entrepreneurial Spirit: <ul style="list-style-type: none"> • Available Talent with Diverse Skill Sets • Educational Attainment • Unique Educational Programs Supported by Businesses • Access to Education 	Lack of Business Expansion Space <ul style="list-style-type: none"> • Available and attractive commercial and industrial spaces. • Lack of Shovel Ready Land availability 	Address Public Transportation <ul style="list-style-type: none"> • Utilization of new technologies • Expanding Fixed routes • Expanding Regional Transit Connections • Biking/trail systems 	Industry Diversification <ul style="list-style-type: none"> • Loss of Any Major Employer • Concentration Risk
Infrastructure: <ul style="list-style-type: none"> • Telecommunication and Broadband Capacity • Infrastructure to support industrial and commercial development • Abundant, Clean Power • Water 	High Poverty Rate/Economic Disparity <ul style="list-style-type: none"> • High poverty rate • Disparities between communities • Inequities 	Business/Talent Attraction <ul style="list-style-type: none"> • Leverage Gorge brand to attract aligned businesses • Potential to attract business talent • In-migration 	Funding <ul style="list-style-type: none"> • Declining state and federal funding • Connection to Regional Priorities • Shrinking local government budgets

S trengths	W eaknesses	O pportunities	T hreats
<p>Additional Strengths:</p> <ul style="list-style-type: none"> • Business Climate • Access to Capital • Business Incentives • Access to healthcare • Access to local foods • Low crime rates 	<p>Additional Weaknesses:</p> <ul style="list-style-type: none"> • Recreational facilities at/exceed capacity • Coordination and Capacity • Scale of Economy • Emergency Preparedness • Lack of Population diversity 	<p>Additional Opportunities:</p> <ul style="list-style-type: none"> • Housing innovation: Leaders in attainable housing • Streamline Processes • Healthcare • Enhance infrastructure • Expand Education partnerships • Short sea shipping • Community land trusts or land banking • Leverage presence of a nearby National Laboratory to further R/D • National environmental leaders 	<p>Additional Threats:</p> <ul style="list-style-type: none"> • Poverty; wage stagnation • Commodity prices • Retaining local property ownership: outside ownership and increase in non-local property owners • Aging population • Drugs/legalized marijuana • Railroad safety • Pollution • Overuse of natural resources and “loving the Gorge to death” • Transition of economy to rich, vacation play zones • Need for more incentives/packages to entice business development • Youth out-migration

SWOT Detail (Attachment)

Strengths	Weaknesses
<i>Our Region's relative Comparative Advantages</i>	<i>Our region's relative competitive disadvantages</i>
<p>Scenic Beauty, Recreation, Brand and Tourism Industry</p> <ul style="list-style-type: none"> • Designated National Scenic Area: Parts of the region encompass the federally recognized Columbia River Gorge National Scenic Area. • Tourism Industry: In 2009, National Geographic Traveler ranked the region 6th internationally on its destination scorecard to the world's most iconic destinations. We have a strong existing tourism industry and are maturing as a destination. • Four Season Recreation: Abundant recreational opportunities for all four seasons including cycling, fishing, hiking, horseback riding, camping, rafting, kayaking, canoeing, windsurfing, rock climbing, and a variety of snow sports. • Natural Diversity: The scenic beauty of the region traverses mountains, rivers and plains. 	<p>Housing</p> <ul style="list-style-type: none"> • Availability: Insufficient housing for local employees constrains the ability of businesses to recruit and retain a workforce. It hampers economic growth and the economic vitality of the region. • Quality of housing • Affordability Gap: the cost of housing is very high, especially in comparison to average regional wages • Lack of affordable land for housing development • Lack of variety in housing options
<p>Central Location:</p> <ul style="list-style-type: none"> • Center of the Hub: The region has a distinct geographic advantage in being centrally located in the Pacific Northwest. We are described as the "Center of the Hub." • "World Clock": Our region is uniquely positioned to do business with approximately a 6,000 mile area from the West Coast to the East Coast to Asia, all within one regular business day. • Access to Urban Areas: We have direct access to metro areas: Portland/Vancouver, Tri-Cities, Yakima, Bend, Boise, and Boardman/Hermiston. This proximity offers distribution options for products, increases cultural opportunities, and enhances workforce and business opportunities. There is bi-directional access: rural to urban and urban to rural. 	<p>Education, Skilled Workforce:</p> <ul style="list-style-type: none"> • The region is lagging in college and graduate degree completion. • Pre K-12 quality: Uneven quality of public education across the region. • Pre K-12 funding: Schools are consistently underfunded. • Limited skilled labor pool. It is further difficult to attract and recruit employees due to the relatively high cost of living • Lack of trained workforce and limited workforce training opportunities • Lack of vocational learning options • Impacts of drug use on labor pool • Seasonal nature of farm/recreational labor
<p>Regional Collaboration</p> <ul style="list-style-type: none"> • Bi-State Cooperation: The region is historically connected through the Columbia River and is unique in working across state boundaries, forging partnerships between Oregon and 	<p>Transportation</p> <ul style="list-style-type: none"> • Mobility: Data describing commuting habits in the Mid-Columbia by place of work show that workers in the Mid-Columbia region travel outside their state of residence to

<p>Washington</p> <ul style="list-style-type: none"> • Human Networks/Spirit of Collaboration: Collaborative human networks exist within the region and agencies exhibit a willingness to partner across sectors. The tendency of our rural communities is for residents to be active in multiple organizations, wearing “many hats.” The region offers ample opportunities for leadership and civic engagement. • Strong sense of community: A strong sense of community exists throughout the region. Community pride is evident and lends itself to having residents working hard to maintain economic viability. Towns are small enough to “know your neighbors.” Strong rural values and characteristics are present that the region seeks to maintain and protect. • Strong local leadership and regional governmental bodies • Active Industry Alliances: Active industry alliances support industry sectors including the Columbia Gorge Bi-State Renewable Energy Zone, Gorge Technology Alliance, Gorge Grown Food Network, Columbia Gorge Winegrowers Association, Breweries in the Gorge and Gorge Cider Society. 	<p>work to a greater extent than the average worker in Oregon, Washington, or the nation. Public transportation is necessary both from a human and social services standpoint but also from an economic standpoint to support the mobile workforce. We market the region as one workforce area and need to provide the transportation options to facilitate that to a greater extent.</p> <ul style="list-style-type: none"> • Lack of transportation options • Transportation accessibility • Infrastructure <ul style="list-style-type: none"> - Need for expanded Columbia Gorge regional Airport runways and facilities - Aging bridges - County/City Road Maintenance and funding - Limitations to Interstates and Highways- needs for ongoing maintenance, funding and increased capacities - Aging Dams - Access to federal lands- road maintenance
<p>Availability of Transportation Systems/Modes: The region is a significant transportation corridor and offers market access through:</p> <ul style="list-style-type: none"> • Interstates and Highways both East/West and North/South with connecting bridges. • Airports: Close proximity to Portland International Airport. Presence of regional and local airports. Life Flight services are also available from the regional airport. • Rail Service: Burlington Northern and Union Pacific offer rail services for the movement of goods in Oregon and Washington. Currently, passenger rail service is only available on the Washington side. • River access: The Columbia River facilitates barge traffic. This is particularly important for transporting waste and ag products. • Bicycle/Pedestrian/ Transit: Collaboration between transit providers through the Gorge TransLink Alliance. An extensive trail system and reconnection project through the Historic Columbia River Highway. 	<p>Regulatory Environment:</p> <ul style="list-style-type: none"> • National Scenic Area Regulations • Slow Land Use decisions • Overlay of multiple levels of regulations (federal, state, regional and local): With two states, a National Scenic Area overlay and high percentages of federal land ownership, the level of regulations affecting development activities in the region is a significant concern. All five counties in the Mid-Columbia region have zoning ordinances and land use comprehensive plans. Additional state and federal regulatory agencies also affect development activities in the region.

<p>Natural Resources and Climate:</p> <ul style="list-style-type: none"> - Natural Resource Base: The area is rich in natural resources, supporting timber, agriculture, recreation and tourism as well as lifestyle entrepreneurs attracted to the natural amenities. - Climate: Diverse climates exist within the region’s borders from the warm, arid eastern parts to the cool, damp western parts of the region. Generally, we enjoy a temperate climate with welcome seasonal changes and varying degrees of precipitation. The variation in both topography and climate leads to a diversity in economies, variations in crops and living opportunities. - Air Quality 	<p>Infrastructure</p> <ul style="list-style-type: none"> • Utilities: Continued affordability of power. Availability of other utilities • Broadband: Improving but still inconsistent wireless and broadband service to businesses and to residents. Need for consistent, redundant service throughout the Gorge.
<p>Culture:</p> <ul style="list-style-type: none"> • 10,000+ years of indigenous culture: The region has strong culture and history and has been a trading center for millennia. Four tribes are called out in the NSA Act: Confederated Tribes of the Umatilla Indian Reservation, Nez Perce Tribe, Confederated Tribes of the Warm Springs Indian Reservation of Oregon, and Confederated Tribes and Bands of the Yakama Nation. • Evolving Demographics: The region also has evolving cultures as the demographics of the region continue to change. 	<p>Disparities Between States. One region; two states</p> <ul style="list-style-type: none"> • Bi-State economy but can be challenging to cooperate across state lines due to variations in rules, regulations and restrictions between the two states • Funding differences between the states can hinder regional programs (eg the State of Oregon has dedicated funding for the State tourism office while the State of Washington does not have the same level of funding)
<p>Diverse Industry Sectors and Growing Business Sectors</p> <ul style="list-style-type: none"> • Diverse Industries: Diverse foundational businesses alleviate peaks and troughs of economic cycles. These include historical strong businesses in the ag and forestry sectors as well as new industry clusters. • Growing Sectors: Unmanned systems, fermentation industries, manufacturing, tech, outdoor gear/wearables, healthcare and value added agriculture are all growing industry sectors in which our region has a competitive advantage. • Strong Agricultural Base: Agriculture forms a base for our economy and is a stabilizing force to moderate economic swings. The diversity of our agricultural products is a strength: cherries, wheat, grapes, apples, pears, cattle, sheep, and a variety of other products are grown or produced in the region. There is both commercial-scale agriculture and small farms. 	<p>Ageing Population:</p> <ul style="list-style-type: none"> • Meeting the needs of an Aging population which may require more services to support • Increase in number of retirees

<p>Human Capital and Entrepreneurial Spirit:</p> <ul style="list-style-type: none"> • Human capital: skilled, hardworking and motivated people with a strong Entrepreneurial spirit. • Available Talent with Diverse Skill Sets: From entrepreneurs to retirees; from light manufacturing skills to high tech. • Educational Attainment: The region has a strong showing in high school and AA degrees in comparison with the states of Oregon and Washington • Unique Educational Programs supported by Regional Businesses: Educational programs are responsive to industry needs, beginning at the K-12 level and businesses financially support these programs including robotics programs, STEM training, vocational programs and others. • Access to Education: Higher education opportunities are currently available in the region through Columbia Gorge Community College and OSU and WSU Extension. 	<p>Lack of Business Expansion Space</p> <ul style="list-style-type: none"> • Expanding and new businesses need support with the development of more available and attractive commercial and industrial spaces. • Lack of shovel ready land availability in some parts of the region
<p>Infrastructure:</p> <ul style="list-style-type: none"> • Communication: Telecommunication and broadband capacity in parts of the region that supports a high level of high tech and self-employed workers. • Infrastructure: Infrastructure has been developed throughout the region to support industrial and commercial development. It is also a challenge, though, in maintaining and expanding our region's infrastructure. Shovel-Ready Commercial Property is available in parts of the region. • Power: Abundant clean energy sources are available near the Columbia River. Affordable electricity is a benefit to business development. The hydro system and dams along the Columbia River are located within the region, with recent upgrades to transmission facilities. • Water: Both a strength and a threat. Fresh water sources support healthy populations, business development and agriculture throughout the region. 	<p>High Poverty Rate and Economic Disparities</p> <ul style="list-style-type: none"> • High poverty rate • Disparities between communities • Inequities- limited engagement with Native Americans; inequity in serving the Latino population
<p>Additional Strengths:</p> <ul style="list-style-type: none"> • Access to healthcare • Access to local foods 	<p>Additional Weaknesses:</p> <ul style="list-style-type: none"> • Many recreation facilities reaching or exceeding capacity in high visibility locations, especially along the Columbia River

- Low crime rates
- Business Climate
 - Available capital
 - Enterprise Zones (Oregon)
 - HUBZones (varied sections of the region)
 - No income tax (WA)
 - Business friendly

corridor

- Lack of coordination between some agencies and jurisdictions. Lack of unified leadership and constrained leadership capacity
- Scale of Economy
- Emergency Preparedness
- Scattered marketing from many sources dilutes messages
- Lack of population diversity

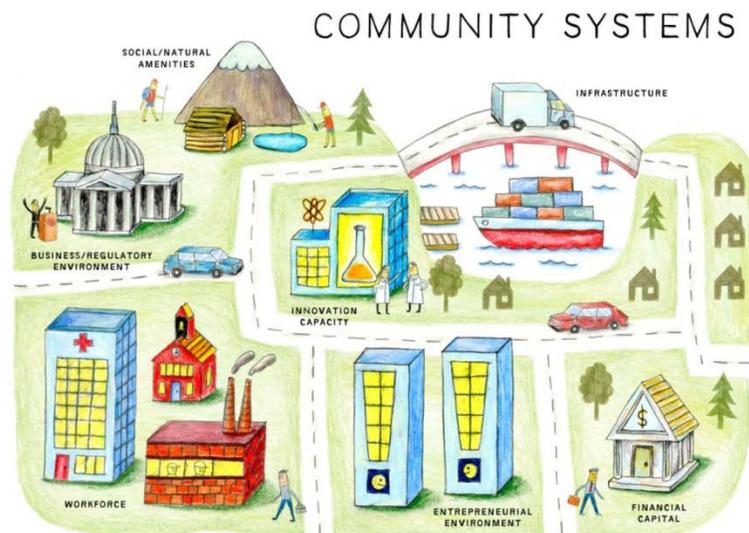
Opportunities <i>Chances or occasions for regional improvement or progress</i>	Threats <i>Chances/opportunities for negative impacts on our region/regional decline</i>
Value-Added Ag/Food/Beverage/Ag tech <ul style="list-style-type: none"> ● Sector coordination ● New food processing and beverage manufacturers ● New specialty crops ● Ag tech and natural resources research. New program at local community college matching industry needs 	Housing Affordability/Availability Impacts Employers Access to housing, particularly workforce housing, is an issue for the entire Mid-Columbia region. Without affordable options, individuals must commute or find work elsewhere and businesses may elect not to move into or expand in our communities.
Expanding Tourism <ul style="list-style-type: none"> ● Enhance less traveled areas ● Culinary/Ag tourism ● Recreation tourism year-round ● Authentic experience ● Brand: Market as world class destination 	Education Quality/ Opportunity and Workforce <ul style="list-style-type: none"> ● Educational System Challenges: funding, quality and access. ● Skilling Up and Meeting Employer's Needs ● Lack of excellent educational consistently throughout the region
Synergy Across State Lines <ul style="list-style-type: none"> ● Coordination between business sectors and integrated with public organizations ● Enhance and Support Existing Industry Associations ● Support Effective Regional teams working together 	Regulations <ul style="list-style-type: none"> ● National Scenic Area. Restrictions imposed can impact economic development. Need for urban growth area determination ● Length of time for permitting decisions may stall/prevent business development ● Federal Agency impact and natural resource management (particularly in relation to the lack for forest management)
High Tech; Unmanned Systems Applications <ul style="list-style-type: none"> ● Continued increase in high tech businesses in the region ● Support for Unmanned systems R/D and applications in ag, natural resource, scientific and other areas ● Further development of the supply chain ● Unmanned systems commercialization ● Connecting education and training programs 	Impacts of Population Growth <ul style="list-style-type: none"> ● Limited infrastructure capacity to accommodate growth ● Need for Further Planning: Many of our comprehensive plans and regional strategies need to be updated to reflect increased population growth ● Overuse of Resources ● Degradation of Popular Destination Areas
Leverage Natural Assets for further Business Growth Further Expansion of Key Industry Clusters <ul style="list-style-type: none"> ● Increasing emphasis on natural resource based economy and opportunities associated with the Columbia River, including 	Natural Disasters/Hazards <ul style="list-style-type: none"> ● Wildfire, ice storms and other natural disasters ● Aging emergency response systems in some communities

<p>fisheries</p> <ul style="list-style-type: none"> • Renewable energy assets include utilization of solar, wind, geothermal and biomass opportunities throughout the region. Pumped Storage. Opportunities for branding, strategies and business development. • Expanding partnerships in healthcare • Wood products and forestry products innovation 	
<p>Connectivity</p> <ul style="list-style-type: none"> • Market and use the increased high speed fiber optics in region. Klickitat County 911 towers, new broadband in Wasco/Sherman counties, middle mile infrastructure regionally. • Use Gorge Broadband Consortium to advocate for further investment in broadband • Growth in telecommuting 	<p>Water Access, Regulations</p> <ul style="list-style-type: none"> • Drought and need for water conservation strategy focus • Limited Water Access • Groundwater and Aquifer concerns • Threat of increased regulations that would limit opportunities for continued vitality of communities
<p>Focus on Local</p> <ul style="list-style-type: none"> • Further development of the locally based economy • Farmers markets, Gorge Grown programs, Grown in the Gorge • Buy local education and programs 	<p>Infrastructure Limitations</p> <ul style="list-style-type: none"> • Transportation Infrastructure for Business Development: While market access and the mix of transportation modes available for the movement of goods and people are a distinct asset to the region, maintaining that infrastructure, and expanding it to meet growing industry and population needs, is a challenge. • Design: Design of certain infrastructure does not meet regional needs (eg narrow bridges and low tunnels). • Funding/Environment: Constrained financial resources and the rural/dispersed nature of the region contribute to a challenging environment to fund expanded services. • Overuse of infrastructure limits its productivity and livability • Water, Wastewater • Limited existing buildings and industrial land can contribute to the loss of business opportunities
<p>Address Public Transportation Needs</p> <ul style="list-style-type: none"> • Utilization of new technologies • Expanding Fixed routes • Expanding Regional Transit Connections • Multi-faceted transportation options include Biking/trail systems. 	<p>Industry Diversification</p> <ul style="list-style-type: none"> • Loss of any major employer • Concentration risk. Particularly in manufacturing, the region has a high concentration with a single manufacturer. Any changes with the manufacturer would have a disproportionate impact on the regional economy.

<p>Business/Talent Attraction</p> <ul style="list-style-type: none"> ● Leverage Gorge brand to attract aligned businesses such as outdoor/sports apparel, etc ● Potential to attract business talent due to lifestyle and access to natural resources ● In-migration of retirees and young businesses/employees 	<p>Funding</p> <ul style="list-style-type: none"> ● Declining state and federal funding reduces the resources available to maintain existing infrastructure/projects and expand them to meet the needs of our growing region. ● Impacts of PERS (Oregon) and court decisions (Washington) on funding ● Dissemination of state/federal funds without adequate conversation regarding regional/local priorities ● Shrinking local government budgets reduces the ability to invest in local economic development priorities
<p>Additional Opportunities:</p> <ul style="list-style-type: none"> ● Streamlining processes ● Housing innovation. We have the opportunity to become leaders in attainable housing through our innovations in funding programs as well as the fact that we are at the forefront of policy development. ● Healthcare ● Leverage presence of a nearby National Laboratory for R/D ● Enhance infrastructure ● Education partnerships ● Short sea shipping ● Community land trusts or land banking ● National environmental leaders 	<p>Additional Threats:</p> <ul style="list-style-type: none"> ● Poverty; wage stagnation ● Commodity prices ● Retaining local property ownership: outside ownership and increase in non-local property owners ● Aging population ● Drugs/legalized marijuana ● Railroad safety ● Pollution ● Overuse of natural resources and “loving the Gorge to death” ● Transition of economy to rich, vacation play zones ● Need for more incentives/packages to entice business development ● Youth out-migration

Columbia Gorge Economic Development Strategy Vision

The region envisions a thriving economy supporting diverse business opportunities that act in harmony with the area's rural qualities, values and natural resources.



Goal: Financial Capital & Entrepreneurial Environment

"Enhance the retention and expansion of business in the region, coordinating resources to diversify the economy and create sustainable quality jobs."

Goal: Infrastructure

"Plan for, maintain and re-invest in public infrastructure, including attainable housing, to provide for current population demands and support future economic development opportunities."

Goal: Workforce

"Nurture, educate, attract and maintain a regional workforce that is career trained and work ready."

Goal: Regulatory Environment

"Collaborate as a region to simplify and decentralize regulatory processes."

Goal: Innovation Capacity

"Identify, utilize and expand innovation capacity to benefit the region"

Goal: Social/Natural Amenities

"Build upon existing alliances and efforts to encourage stewardship, healthy communities and a quality of life that recognizes our sense of place and unique environment."

Industry Sector Focus

Capitalize on opportunities in six strong regional industry sectors. These are industries where we already enjoy high concentrations of employment, potential growth in jobs and/or wages and we possess some kind of unique asset or advantage.

High Tech: *Unmanned Systems*

MCEDD has focused on growing the diverse and innovative high tech industry since our formation of the Gorge Tech Alliance. The sector includes a focus on unmanned systems as the Mid-Columbia region is a national leading Unmanned Systems hub driven by a local industry heavy-weight and deep breadth in the local supply chain. The industry is a major job producer with a high average wage.

Manufacturing: *Fermentation Sciences, Value added ag food processing, Agribusiness*

Manufacturing cuts across a multiple related sectors (eg high tech) and beyond the subset listed here. The sector focus subset ties directly to opportunities with our ag base and with growth in fermentation sciences (wine, beer, cider, and cheese, to name a few). In addition, there is potential for growth in outdoor gear/active wear manufacturing.

Healthcare

The region has invested heavily in health care from our major hospitals to a number of independent practitioners. The region received a Robert Wood Johnson award for collaboration for healthy communities.

Renewable Energy

The region is already an important center of renewable energy production by virtue of the hydropower facilities along the Columbia River and extensive investment into wind development. Our natural potential to participate in a development of a broader range of renewables -- solar, wind, biomass, fuel, and geo-thermal – make our region a center for renewable energy.

Forest/Wood Products

This sector has traditionally been an important one for four of the five counties in the region. While the sector has been in decline, innovation in the wood and forest products processing, new products and utilization of byproducts industry will drive growth of this sector. The strategy focuses on collaboration, stewardship and innovation within this sector.

Art/Culture/Tourism/Recreation

Tourism is a primary industry sector by virtue of the number of jobs it provides, but it does not yet meet wage goals. The strategy encompasses initiatives to invest in the quality of tourism venues and the visitor infrastructure and to ensure that trained workers are available in the field.



To: MCEDD Board of Directors
Date: November 29, 2016
From: Carrie Pipinich, Project Manager
Re: Project Management Report

Broadband

- **Community Broadband Access:** Significant investments in broadband are occurring in the counties that MCEDD serves in the coming months. With changes in e-Rate funding structures, investments from Regional Solutions, and the Connect America Fund II dollars all being invested currently or in the near future, there are many projects happening. Staff is working with partners to host county focused meetings with engineering staff from project proponents to further coordination to support improving service to communities in the region. Staff is looking to host meetings for Wasco and Sherman counties in mid-December. Staff continues to engage with Klickitat and Skamania county staff to support conversations around both CAF II and private projects occurring in the area.

Wasco County Economic Development Commission (EDC):

MCEDD provides project management support for the Wasco County Economic Development Commission supported by Wasco County.

- **EDC Quarterly Meetings:** The EDC will meet in The Dalles in December for its quarterly meeting. The EDC will discuss the upcoming Community Enhancement Project Process and an update of the Wasco County Economic Development Action Plan's SWOT, Mission, Vision, and Goals as the beginning of an overarching update process.



Imperial Stock Ranch

- **Imperial Stock Ranch Tour:** The EDC also took time for a tour of the Imperial Stock Ranch with Jeanne and Dan Carver. Commissioners and staff learned about the stewardship efforts these Century Farm owners engage in to assure that the land is both healthy and productive, and that the ranch itself can prosper. In the past few years, their message of stewardship has captured the imagination of a number of national and international brands, including Ralph Lauren, which used the Imperial Ranch story as the center of their Made in America clothing for the 2014

Winter Olympics. Other brands, including Patagonia, J. Crew, Norm Thompson and Ethan Allen have since followed suit with others on the horizon.

- **Dufur Community Projects:** The EDC Committee began the Dufur Community Visioning process in partnership with the Dufur Chamber of Commerce. Approximately 20 attendees attended both community visioning and community strategy sessions. Draft mission, vision, and goals have been compiled for additional feedback via a survey instrument. The feedback will then be incorporated and further refining will occur working



Dufur Community Visioning

with the Chamber of Commerce in Dufur prior to presenting the draft to the City Council in early 2017.

- MCEDD staff worked with the City of The Dalles to draft a grant application for \$4,000 to provide wayfinding signage for The Dalles Bike Hub. This is part of the regional Gorge Hubs project that is planned to include bike hubs in communities along the Historic Columbia River Highway in the Gorge.
- EDC Committees focused on Open for Business, Mosier, Wamic, Broadband, and Agriculture in Wasco County continued to work with their respective areas throughout the quarter.

Fermentation Cluster:

- **Cider Events:** The Gorge Cider Society hosted the Gorge Cider Adventure on October 8, 2016. Participants visited Rivercider at Riverside Farms, Crush Cider Café, Slopeswell Cider Co and Jester and Judge.



Cider Adventure 2016

- **Cider Marketing Development:** In addition to ongoing work to build a strong social media presence, staff and the Cider Society are working with two consultants to develop a more robust website and a short promotional video for use in publicizing the industry. They will be completed shortly.

- **Columbia Gorge Wine Growers:** Staff worked with CGWA to submit both USDA, RD RBDG and Travel Oregon grants that were funded in 2015. The Travel

Oregon grant supported development of three country adventure itineraries. Postcards will be available at Oregon Visitors Welcome Centers through 2017 thanks to support from Travel Oregon. Itineraries can also be found at: columbiagorgewine.com/gorgewineadventures. In addition, CGWA staff hosted several writers on two a familiarization tours during the grant period. The RBDG grant will support three additional marketing trainings in addition to funding a strategic planning process that was completed during June.

Other Projects

- MCEDD hosted the Oregon Connections Telecommunications conference, which draws attendees from all regions of the state to share ideas, experiences and knowledge about telecommunications. The 2016 conference presenters and attendees explored aspects of Generation Mobility. Approximately 225 attended the conference. To view presentations or the keynote address visit the website at oregonconnections.info



Telecommunications Conference

- **Hood River Economic Development Group:** The EDG came together in September to discuss further coordination efforts, and begin the update process for the Major Employers List for Hood River County. An update has been compiled with additional support from the Hood River Chamber of Commerce staff.



To: MCEDD Board of Directors

Date: November 29, 2016

From: Dan Hoyt, Project and Mobility Manager and Amanda Hoey, Executive Director

Re: Project and Mobility Manager Report

Gorge Translink Alliance

MCEDD's Mobility Manager coordinates the Alliance which seeks to enhance regional connectivity and develop a seamless network of transportation services in the five-county region.

- Dan Hoyt joined MCEDD as the new Mobility Manager. He began on October 31, 2016.
- The next biennium (2017-2019) funding applications for Gorge TransLink Alliance Mobility Management, as approved for submission by the MCEDD Board, are in process.
 - MCEDD's application to WSDOT was submitted in October.
 - The application to ODOT will be through discretionary funds and will not be available for application until 2017. We are working with ODOT staff regarding timing of those funds.
 - Staff developed a revised scope of work. The scope maintains core components such as facilitation of the TransLink Alliance, coordinating regional transportation connections and providing technical assistance to our members. The scope also incorporates some new components such as redesigning www.gorgetranslink.com to raise awareness of regional transportation services and implementing regional marketing efforts, including an "Everybody Rides" campaign.

Transportation Service Expansion and Plans

Facilitating transportation connections is a core element of the Mobility Management position. A number of providers made significant progress in supporting expanded transportation services:

- Upper Hood River Valley service is anticipated to begin in December. MCEDD is providing technical support for this public/private pilot project to provide limited deviated fixed-route service between Odell/Parkdale and the City of Hood River. The partnership extends the reach of the service, with the private provider covering early morning and evening service and Columbia Area Transit covering the mid-section of the day.
- Columbia Gorge Express, providing round-trip bus service between Portland's Gateway Transit Center and Multnomah Falls, completed its first summer season (54 days), carrying about 30,000 trips surpassing expectations. ODOT is planning to expand service by 2018 to seven days a week reaching Hood River.
- Mount Hood Express is developing plans to extend service from Government Camp to Hood River. Their existing service provided over 50,000 rides around the mountain.
- West End Transit (WET) Seasonal Bus is reviewing their schedule after a successful summer
- Klickitat County is exploring an extension of cross river services and has submitted funding applications to WSDOT for consideration of service between Bingen/White Salmon and Hood River and between Goldendale and The Dalles.

Transportation Infrastructure

- MCEDD developed and submitted a nomination for a Complete Streets award for the City of North Bonneville.
- Oregon Federal Lands Access Program released the short list for funding, including the following directly impacting the MCEDD region:

- Historic Columbia River Highway and State Trail to build the Mitchell Point tunnel, a challenging connection between Wyeth and the City of Hood River;
- Starvation Lane Improvements in Sherman County;
- Ramsey Creek Overlay- Dufur Market Road in Wasco County;
- Enhancing the Timberline Recreation Area Parking Area/Welcome Plaza;
- Transit projects for Columbia Gorge Express and Mt Hood Gorge Loop; and
- Planning for Historic Highway congestion and Multnomah Falls.

Drive Less Connect

- In November MCEDD and Commute Options staff distributed information on transportation options at the Mid-Columbia Medical Center benefits fair.
- The Oregon Drive Less Connect Challenge was a success. Statewide, total participants are up nearly 25% from last year and total trips logged (91,628) was also up by 25%.
- MCEDD anticipate the 2017-19 Hood River Drive Less Connect contract to total \$42,700. Scope of work development will occur around the first of the year.

Pilot Project Implementation

- In collaboration with Next Door Inc. MCEDD has begun work to create materials and a training program for service providers and travel ambassadors to better serve individuals with Limited English Proficiency. ODOT approved a four month contract extension for the project.

Transportation Plans

- Hood River Westside Area Concept Plan: MCEDD is participating in the Project Advisory Committee. The goal of the Plan is to develop an integrated land-use and transportation plan for the 450-acre project area located within the City of Hood River and Hood River County. MCEDD is advocating for an integrated plan that supports an array of realistic, safe transportation choices.
- The City of The Dalles is nearly complete with an update to their Transportation System Plan (TSP). Prior to adopting the TSP in early 2017, the City of The Dalles and ODOT are partnering to assess the potential for enhancing transit service within both the local community and the region. MCEDD is participating in the Transit Plan Advisory Committee, which includes exploring the feasibility of fixed route service.
- MCEDD is engaging with the Columbia Area Transit Master Plan project to explore the feasibility of fixed route service.
- The elected boards of Wasco and Sherman counties and the Hood River County Transportation District formally approved their Coordinated Human Services Transportation Plans as developed by MCEDD. These documents will guide the Special Transportation Fund (STF) Committees over the coming months as they prioritize strategies to address service needs. The three Oregon agencies are now preparing ODOT funding applications and meeting with their STF advisory committees.

Training, Appointments and Outreach

- Dan Hoyt was appointed as a voting member of the Lower John Day ACT.
- MCEDD presented to the Columbia Gorge Community Health Council in October. The presentation furthers conversations and connections with healthcare providers and their stakeholders regarding transportation options.
- Dan Hoyt attended ODOT grant training in preparation of submitting the annual funding applications and supporting our counties with their STF processes.



To: MCEDD Board of Directors
From: Jacque Schei, Project Manager
Date: November 28, 2016

Re: Project Manager's Report

Community Development Block Grant (CDBG) Support

Wasco County/MCCFL: MCEDD has an agreement with Wasco County to serve as the Grant Administrator for a CDBG grant (\$2,000,000) to support MCCFL in building a Community Mental Health to serve the citizens of Wasco County and surrounding counties as needed. Jacque serves as a main contact to coordinate grant activities, ensures the County meets the conditions of the grant contract, monitors progress of the project, and ensures that contractors fulfill contractual obligations. The project architect continues with design plans. The County has re-advertised for an Owner's Rep, as they did not get proposals during the original advertisement.

City of Antelope: MCEDD has an agreement with the City of Antelope to serve as the Grant Administrator for a CDBG grant (\$1,025,515.79) to support construction of its transmission mains, adding a water storage reservoir, and upsizing the water mains in the distribution network. Jacque serves as a main contact to coordinate grant activities, ensures the City meets the conditions of the grant contract, monitors progress of the project, and ensures that contractors fulfill contractual obligations. The project had a delay due to a property easement negotiation on the waterline, but expects to go to bid in the next month.

Dallesport Water District (DWD): MCEDD has an agreement with DWD to serve as the Grant Administrator for a CDBG grant (\$24,000 – awarded to Klickitat County) to support development of a wastewater facilities plan for the community of Murdock, WA. Jacque serves as a contact to coordinate grant activities, ensures the City meets the conditions of the grant contract, monitors progress of the project, and ensures that contractors fulfill contractual obligations. The project contracted with an engineer in September and he has started work on the facilities plan.

Economic Development Administration (EDA) Grant Support: MCEDD has an agreement with the City of The Dalles to support grant administration for an EDA grant (\$625,000 - awarded to the City and Klickitat County) to support construction of a 12,600 square foot building at the Columbia Gorge Regional Airport. The building will be used as hangar and office space for regional businesses, such as the Life Flight Network, who is operating fixed wing and helicopter medical transport services out of the airport and is in need of additional facilities. Jacque serves as a contact to coordinate grant activities, ensures conditions of the grant are met, monitors progress, and ensures that contractors fulfill contractual obligations. The project is currently out to bid for construction services.

Gorge Night Sky Project: MCEDD, the Friends of the Goldendale Observatory and the Goldendale Chamber of Commerce are partners on a Gorge-wide campaign to promote energy efficiency, appropriate use of LED lighting technology for outdoor illumination, and astronomy education. Initial work focused on planning a two-day educational symposium hosted in August 2016. The group has now developed an educational booklet, geared toward grades 4-8, focused on light pollution issues and technology innovation in LED lighting. The group has also been working with teachers at The Dalles Virtual Academy to develop the booklet and plan a field trip for students to the Goldendale Observatory on December 2, 2016.



To: MCEDD Board of Directors

From: Jessica Metta

Date: November 29, 2016

Re: Project Manager's Report

Sherman County Economic Development

The following activities are the result of the Sherman County contract with MCEDD for economic development services.

- **Housing:** Jessica has been focusing on assisting the County in exploring options to encourage the development of rental housing. She researched different funding mechanisms and the role that MCEDD could play in servicing this program. With input from Sherman County Court, she has developed a funding support program for the County to offer incentives to housing developers.
- **Grant Writing:** Jessica continues to research federal, state and private grant opportunities open to Sherman County and focused on potential sources for the County's CEDS projects.
 - Jessica successfully applied to the Federal Lands Access Program on behalf of Sherman County and the Bureau of Land Management for capital improvements to Starvation Lane. This narrow, winding gravel road is increasingly being used by recreationalists to access the John Day River but was not built for such traffic. Funds totaling \$1.5 Million were awarded to allow the County to widen and improve the road surface.
 - Jessica has been working to support South Sherman Fire and Rescue District in seeking a Community Development Block Grant for construction of a new Fire Hall. She worked with Oregon Infrastructure Finance Authority to review the project, received their approval to conduct an income survey and sought quotes for the work. Upon Sherman County Court selection of Portland State University (PSU) as the contractor, Jessica began working with PSU to get started on the project. Households within the District will be surveyed to show they meet the low- to moderate income requirements for a Community Development Block Grant. Jessica is helping the Fire District and PSU complete the survey.
- **Biggs Water Project:** Jessica continued to work with Anderson Perry, Biggs Service District and Sherman County to make progress on the project to develop a water system in Biggs Junction. In early September, Jessica heard from USDA that Biggs Service District needed to formally add water services to its purposes in order to be considered eligible for a water loan but could begin on a loan application concurrently with updating its purpose. Jessica communicated with Sherman County legal counsel on the ORS process to update the District's purpose and requested a quote from Anderson Perry to complete the loan application. She also connected USDA and Anderson Perry to make sure they have what they need to get the application started.
- **John Day River Territory:** Jessica continues to participate on the Steering Committee for the JDRT. Jessica is leading a sub-committee to implement a \$5,000 Travel Oregon grant to install tourist welcome kiosks at each of the gateways into the John Day River Territory. Jessica is currently working with Rage Graphics to design and construct the kiosks.

Gorge Technology Alliance

The following activities are the result of the GTA contract with MCEDD for project management services.

- **Employee Hiring Support:** Jessica continued to explore how the GTA could support the tech businesses in their challenges around finding and recruiting employees, focusing on the top challenges identified of housing availability and regional marketing. The GTA was requested to be a voice for developing housing in the region, bringing housing developers and companies together, developing a regional marketing plan for employee recruitment and other tasks to strengthen the connections of the tech businesses regionally. Jessica hosted a meeting of tech companies and several housing developers to see how they can work together. The GTA and MCEDD are considering hosting an educational event for businesses on options for Employer Assisted Housing as a result of this work. She also developed a GTA statement in support of developing housing of all styles and at all price levels. She sought a marketing proposal and is exploring options to fund the work. Jessica also completed an economic impact survey as part of this project. The resulting data shows that currently the GTA tech company members combined represent 2400 employees, an annual payroll of about \$170 Million and bring about \$800 Million in annual revenue to the Gorge.
- **Meetings and Events:** Jessica continues to host several monthly events for education and networking opportunities. As a new offering, she has begun hosting a quarterly meeting of human resources staff, in addition to a regular meeting of CEOs. Jessica also worked with the Tech Association of Oregon to host a legislative briefing with Oregon and Washington state legislators and a handful of the Gorge tech company leaders in late September.
- **Annual Tech Awards:** Jessica held the annual awards process for tech leader and organization of the year. The finalists will be honored at the Winter Party where the winners will be announced. MCEDD Board members are welcome; please RSVP to Jessica. The event is December 13, 5:30pm at Solstice Pizza, Hood River and dinner is provided.
- **Membership and Sponsorship Drive:** Jessica launched the annual membership and sponsorship renewal drive in late September. Sponsorship renewals have been strong, with several increasing support in acknowledgement of the work the GTA has been doing to grow the tech industry.
- **STEM Education Support:** Jessica has been busy organizing the FIRST LEGO League (FLL) youth robotics tournaments that the GTA hosts for 9 to 14 year old students in the Gorge. In our 7th year of hosting, this is the first time there has been enough teams to require four days of tournaments rather than three. MCEDD Board members are invited as VIP guests to the events on Dec 3 and 4 at The Dalles Middle School and Dec 10 and 11 at Wy'east Middle School, approximately 9am to 3pm each day. Jessica is also beginning planning for the Wind Challenge event on March 11, 2017 in The Dalles, held with partners Google and CGCC. Team registration for middle and high school students will begin soon at windchallenge.org. Jessica has also been participating on the Task Force for the STEM Hub funded by Oregon to improve STEM education in the MCEDD region.
- **Workforce Support:** Jessica worked with MCEDD and East Cascades Workforce Investment Board to find funding to support businesses in need of AS 9100 training, a quality assurance certification for aerospace manufacturing. Jessica helped identify three companies to go through the consortium training model and sought feedback on an RFP. Two or three more companies are being sought to participate. The state will contribute \$5,000 per company towards the training, set to begin in December and conclude by June 30, 2017.



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