

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT  
FULL BOARD OF DIRECTORS  
THURSDAY, JUNE 14, 2018**

**White Salmon Library Community Room  
77 NE Wauna Ave, White Salmon, WA 98672**

**4:00 P.M.**

**AGENDA**

<u><b>Topic</b></u>	<u><b>Estimated Time</b></u>	<u><b>Item</b></u>
Call to Order/Introductions	5 minutes	Information
Loan Client Highlight- <i>Bend in the Road</i>	5 minutes	Presentation
Private Sector Board Appointment	5 minutes	Appointment
Consent Agenda March 2018 Minutes Revised Personnel Policy	5 minutes	Approval
Financial Report	10 minutes	Information
Hood River Energy Position- <i>Marla Harvey</i>	10 minutes	Presentation
Presentation of FY 2019 Budget; Public Hearing	20 minutes	Discussion
Approval of FY 2019 MCEDD Budget <i>Resolution 2018-4, Adopting the FY July 1, 2018 – June 30, 2019 Budget</i>	5 minutes	Decision
Indirect Cost Policy	10 minutes	Decision
Executive Director Report	10 minutes	Discussion
Committee Reports Executive Committee Loan Administration Board	10 minutes	Information
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <i>Regular Session Reconvened</i>		
Deputy Director/Transportation Board Report	5 minutes	Information
Staff Reports	10 minutes	Information
Regional Updates- <i>MCEDD Board members</i>	15 minutes	Information
New Business	5 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 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.*

*Consent Agenda: Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the Board to spend its time and energy on the important items and issues. Any Board member may request an item be “pulled” from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda following the end of the action items.*



**Bend in the Road, LLC** obtained a \$125,000 MCEDD loan in December 2017 to start up an antiques and collectibles cooperative. This unique collaboration of local collectors, up-cyclers and refinishers are located in a newly remodel building located at 1120 Tucker Road in Hood River Oregon. These vendors offer antiques, furniture, jewelry, home décor, collectibles, vintage clothing, artwork and lots of other unique vintage and homemade items.

With the help of this MCEDD loan, Keely Stawicki (owner) purchased and completely remodeled this former gas station and convenience store 1940's building and paved the parking lot. Recently the building facade was completed for a whole new look. Keely manages the day to day operations of this retail cooperative, is one of the retail vendors and offers do-it-yourself classes on furniture refinishing and other useful topics.

Bend in the Road, LLC is open from 11 am to 5 pm daily. You can learn more about Bend in the Road, LLC at its Facebook page or at [www.bendintheroadhr.com](http://www.bendintheroadhr.com).

## Memorandum

**Date:** June 6, 2018  
**To:** MCEDD Board of Directors  
**From:** Amanda Hoey, Executive Director  
**Re:** MCEDD Private Sector Board Position

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### **Overview**

The MCEDD Board appoints seven private sector representatives as voting members to the MCEDD Board of Directors. Individuals from regional business sectors on the Board are generally appointed to one year terms that can be renewed at the annual meeting in September.

**Eligible persons:** “Private Sector Representative” is defined as an individual in a responsible decision making position in a for-profit organization, or that individual’s representative.

**Current Vacancy:** We have one available position on the board as Humberto Calderon has requested to step off the board. Generally, this position is for an individual representing Latino or tribal businesses.

**Solicitation:** The deadline for submission of interest forms was set for May 30, 2018. The notification of the board opening was posted per our usual protocol with notice going to the media and the opening being listed on the MCEDD site.

**Filling the Vacancy:** Scott Clements submitted a statement of interest to fill the position. He currently serves as chair of the MCEDD Loan Administration Board. He also serves on the Columbia Cascade Housing Corporation Board. He has previously served on the Affiliated Tribes of the Northwest Indians Financial Services Corporation. His primary business is Clements Partners, LLC.

### **Request:**

The MCEDD Executive Committee recommends appointment of Scott Clements to the MCEDD Board of Directors. The Board is asked to appoint Scott to fulfill the remainder of the open term, which lasts through September 2018, and be considered for reappointment in September.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT  
BOARD OF DIRECTORS MEETING  
THURSDAY, MARCH 22, 2018  
HOOD RIVER FIRE STATION

*BOARD MEMBERS:* Bill Schmitt, Bob Benton, Bob Hamlin, Eric Proffitt, Jan Brending, Ken Bailey, Mark Zanmiller, Perry Thurston, Rod Runyon, Stephanie Hoppe, Sue Knapp, Tom Furey, Tonya Brumley

*ABSENT:* Cassie Courtney, Dana Peck, Gary Thompson, Humberto Calderon Ayala, Joeinne Caldwell, Paul Hendricks, Rex Johnston, Robert Kimmes

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

**CALL TO ORDER/INTRODUCTIONS**

Ken Bailey called the meeting to order at 4:00 p.m. A quorum was present. A round table of introductions took place.

**CONSENT AGENDA**

Approval of the January 2018 MCEDD minutes. Appointment of Budget Committee and officer. Approval of the budget process. Approval of the Title IV and LEP Policy.

**Jan Brending motioned to approve** the Consent Agenda. Perry Thurston seconded the motion. Motion passed unanimously.

**FINANCIAL REPORT:**

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

Rod Runyon joined the meeting.

The Balance Sheet for January reflects an increase of position of above \$27,000 as compared to this time last year. Accrued Loan Interest decreased over \$11,000 in January due to loan payoffs. Total Loans Receivable increased just over \$643,000, as compared to last year. It is expected the Allowance for Doubtful Accounts will also increase, at it is required to have a balance of 6% of the Loans Receivable. Current balances are based on reconciled Loans Receivable as of June 30, 2017. These accounts will be adjusted at the end of the Fiscal Year to encumber the required 6% amount. Accrued Loan Payment and Accrued Interest Payable reflect adjustments made to correct the posting of payments made in prior months. Payroll Liabilities are higher in January due to the timing of payroll payable processing.

MCEDD is currently 58% through the budget year. Although total Revenue is under what was anticipated to be received as of January 31, 2018, the first payment was received

from ODOT for Mobility Management, which was for Quarter 2 of FY 18. Local Match is higher than planned, largely due to the Economic Symposium. Contract Reimbursement is lagging due to the status of some projects and being able to bill for them. This may result in these projects extending into FY 19. Overall, Expenses reflect reduced spending activities and are 17% less than budgeted.

Siri presented the Trial Balance Report. As of January 31, 2018, the total Loan Balance is \$5,120,565.63 with total Accrued Interest of \$32,227.38 (Accrued Interest of \$24,257.53 and Structured Accrued Interest of \$7,969.85). The Portfol Trial Balance reflects loan restructures/modifications and payment deferrals. Restructures that include capitalizing interest to principal balances will appear as an increase in the Actual Loan Amount and Loan Balance.

Tom Furey joined the meeting.

**Jan Brending motioned to approve** the financials as presented. Perry Thurston seconded the motion. Motion passed unanimously.

### **REGIONAL PROJECT PRIORITIES/CEDS**

Amanda Hoey explained the regional strategy is reviewed each year for minor updates and every five years for major updates. Project prioritization is part of the Comprehensive Economic Development Strategy. Each member county selects their top projects, which then filter up to MCEDD. MCEDD reviews each project in terms of how it ties into the regional economic development strategy. This is an opportunity to generate regional vision and to use the ranking to advocate for funding or policy modification to help move projects forward. Amanda presented the draft regional priority ranking and explained the board can make any adjustments necessary.

*Discussion: Ken Bailey explained that in the past, the board as a whole organized the draft ranking, which was difficult. For the last several years, MCEDD staff has collected project information and rankings from partnering counties and cities. The board asked staff to take into consideration the rankings and then compile them into a preliminary prioritized regional recommendation. The board then has the authority to modify these recommendations. This strategy has been more effective.*

Jacque Schei presented the Washington draft regional priority rankings.

1. The Slow Sand Filter Water System for the City of White Salmon ranked higher given the project will serve to increase housing and employment for the city.
2. The Stevenson Wastewater System for Skamania County is needed, as there is more waste being produced than permitted. Additional capacity is needed for development.

*Discussion: Bob Hamlin stated the last time the system was updated was when Skamania Lodge came to the county. The county has land for development that would include small hotels. This could add to the waste problem. Industries at the waterfront have a high discharge of waste, and the system is not able to handle the additional flow. Amanda stated the city divided their project into public and private components, but they are both combined on the draft ranking. New*

*disaster funds through EDA are anticipated, and this project may be one to qualify for these funds.*

3. Dallesport Industrial Park Improvement Project for Port of Klickitat ranks highly because it is in an economically distressed area and a new flex space will help spur development.

*Discussion: Jacque noted the ranking of project 3, 4, and 5 are interchangeable. Bill Schmitt stated the Port owns several hundred acres in the Industrial Park, and a new building could help start attracting businesses.*

4. Cascade Business Park for Port of Skamania has applied for a permit from the Army Corps of Engineers to secure an easement to complete the road connecting Coyote Ridge Road to Fort Cascades Drive, but there is no indication of when this issue will be solved. An access road has been opened by the city. This is an opportunity for regional advocacy to move the project forward.
5. Bingen Point Projects for Port of Klickitat is a combination of three projects: Bingen Point Flex building, BPBP property acquisition/improvement, and the Maple Street project. This area has seen much development, and these projects would support additional industry development in that area.
6. The Goldendale Energy Storage Project (formerly John Day Pool Pumped Storage) received a federal permit to explore feasibility. This project will support regional initiatives in Klickitat and Sherman counties.
7. Stevenson Shoreline for Port of Skamania has obtained the necessary permits. In-water work is underway, and work on landscaping and pathways above is underway.
8. Airport Projects for Columbia Gorge Regional Airport reflect what the airport communicated to the county is essential for airport operations.
9. Goldendale Municipal Airport for City of Goldendale will create infrastructure in an economically distressed community.
10. Stabler Feeder Upgrade for Skamania PUD is combined with North Bonneville Substation project and additional PUD activities including undergrounding lines.. This project has the potential to seek funds from the disaster funds coming through EDA.

*Discussion: This project could be moved around as long as it is in the top ten.*

**Jan Brending motioned to approve** the project ranking for Washington and incorporate County projects with description updates and to update the Stabler Feeder Upgrade project. Bob Benton seconded the motion. Motion passed unanimously.

Carrie Pipinich presented the Oregon draft regional priority rankings.

1. Workforce Housing for Sherman and Hood River Counties was an issue that is county-wide. This project would encompass a program in Sherman County to support workforce housing, developing critically needed affordable and workforce housing in Hood River County, and support the community college as it explores options to address student housing needs and development in Wasco County.

2. Biggs Water System for Biggs Service District in Sherman County is on the list because ranking will lead to the opportunity for this project to move forward quickly.
3. Deschutes Rim Medical Clinic Expansion for Deschutes Rim Medical Clinic received \$1 million from legislature last year to kick off a funding campaign. The expansion will bring additional service to South Wasco County.
4. Mosier Well Repair for Wasco County SWCD has been on the list for several years. It is related to co-mingling wells and impacts the community as well as agricultural producers in the area.

*Discussion: Ken Bailey explained one part of the project is replacing the domestic wells. The legislature allocated funding to do some of this, but more funds may be needed. The second part of the project is deep-well projects. Legislature allocated \$1 million to address two wells. The first well cost between \$800,000-900,000. The project is looking for additional funding to continue and complete the necessary work. Rod Runyon added fifteen wells are fully cooperating, and approximately five are ready to go as soon as funds are allocated. The project has experienced resistance with some landowners.*

5. Bridge of the Gods Maintenance for Port of Cascade Locks is a core transportation mechanism and supports an economically distressed community. It includes a pedestrian and bike crossing, which is seeking FLAP funding.
6. Confluence Business Park Infrastructure for Port of Hood River addresses infrastructure for the largest remaining area of light industrial zoning in the City of Hood River. This is an opportunity to support key industry partners and industry in Hood River.
7. Dog River Pipeline Upgrade for City of The Dalles addresses deteriorating infrastructure serving the region's largest city. The pipeline transports over 50% of the city's annual water supply. The project replaces the wooden pipeline with ductile iron pipeline to solve the significant leak issue.
8. Parkdale & Odell Treatment of Biosolids/Sludge for Hood River County creates additional storage to digest sludge composition. Additional upcoming issues related to wastewater treatment make this project a priority.
9. Mosier Fire Hall/City Hall for the City of Mosier/Mosier Fire District received \$1 million from legislature for initial funding. The project is moving forward.
10. New Fire Hall for South Sherman Fire & Rescue is on the list because the current facilities are unable to address regular needs of the fire district.

*District: Mark Zanmiller asked if priority numbers on a project change, is the project impacted overall. Amanda explained the projects do not generally receive more attention based on the numbering. Tonya Brumley asked if Workforce Housing should include Wasco County as a sponsor, as CGCC is listed as part of the project. CGCC will be added as a sponsor. Eric Proffitt stated lack of housing is impacting businesses coming to the area. They turn away because there is no infrastructure in place to house them. This needs to be quickly addressed for economic development to continue. Tom Furey stated the single biggest challenge the technology industry faces is housing. The second is attracting enough talent, which is difficult due to housing shortages. He noted there were no housing projects on the Washington priority list aside from some infrastructure support. He asked what ability MCEDD has to impact*

*the counties to help them understand how housing affects economic development in their areas. Jan Brending stated work is going on in Washington regarding housing, but Washington faces obstacles Oregon does not. She stated White Salmon has several new housing starts and is in the process of discussing housing developments. At this point, the city is not seeking EDA money, as the discussion is in its initial stages. The projects are in progress but are not ready to be included on the regional priority list. Ken Bailey stated it is important for industry and community to work together to support these kinds of projects. Jan noted apartment-type housing in Washington is in high demand. Tom stated MCEDD's role is to make sure counties share a sense of urgency and priority around workforce housing. Amanda explained in the regional strategy, housing is the #1 strategy. Housing has been discussed across the board in Oregon and Washington. MCEDD staff has conversed with Klickitat about the need for housing, and housing rose as a county priority in their economic strategic plan.*

**Bob Hamlin motioned to approve** the project ranking for Oregon and incorporate County projects and to approve CGCC as sponsor to the number one project of Workforce Housing. Rod Runyon seconded the motion. Motion passed unanimously.

Amanda Hoey explained MCEDD staff recommends additional modifications to the full strategy document. Modifications include updating the board of directors to reflect the current board roster, updating the introduction to reflect the correct adoption date, and including updated information about data/demographics and the Entrepreneurial Environment Action Plan. The board reviewed a data fact sheet about the region, and Amanda explained the data shows low unemployment, though the region has pockets of economic distress. Overall, the region's population is aging. Disparities between individuals, groups, communities, and counties remain a significant concern. Amanda thanked Jacque Schei for populating the data on the fact sheet.

Amanda presented proposed changes to the Financial Capital/Entrepreneurial Environment Action Plan. One modification includes the addition of 2.5.6 "Support efforts in the growing forest and wood products sector." The addition of this strategy will explore opportunities to advance innovation and development/adoption of new technologies and will allow advocacy for policy changes to accommodate industry innovation. Addition of 2.5.6 will encourage identification and facilitation of solutions to primary barriers including ensuring adequate workforce, supply, and market access as well as continued support for regional forest collaborative. Another modification includes the addition of 2.5.7, "Support efforts to connect and advance the healthcare sector, including those identified in the community health assessment." This specifically identifies the healthcare sector and notes MCEDD supports efforts to connect and advance this sector.

**Jan Brending motioned to adopt** Resolution 2018-3, Comprehensive Economic Development Strategy. Bill Schmitt seconded the motion. Motion passed unanimously.

## **EXECUTIVE COMMITTEE REPORT**

Ken Bailey presented the Executive Committee report highlighting the committee:

- Approved submission of a community application and matching grant funds application for an AmeriCorps RARE.
- Confirmed the five year strategy for local assessments put into place last year.
- Ken Bailey, Amanda Hoey, and Jessica Metta met with the Gorge Commission to discuss the upcoming Management Plan review and the importance of having MCEDD representation directly involved. Ken represents the board on the review economic development strategy committee the Commission created.
- Provided direction for the annual economic symposium focus areas. The symposium is scheduled for November 2, 2018.
- Received a report from Oregon Consulting Group through the University of Oregon about the long term impact of MCEDD's loan programs. The report was positive and showcased how the loan program helps create jobs and support businesses in the area.  
*Discussion: Amanda Hoey noted MCEDD leveraged a solicitation for proposals through the University of Oregon. UO paid the Oregon Consulting Group to conduct the study, and MCEDD benefitted. No MCEDD dollars were used to fund the study.*

## **EXECUTIVE DIRECTOR REPORT**

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

- The Oregon Consulting Group's study of MCEDD's loan programs shows MCEDD is hitting all of the metrics of the loan program put into place when it was created. Total wage growth was \$40 million. 50% of that was attributed to jobs that pay higher than the average. MCEDD's program has significant impact on businesses hiring employees post loan. OCG may profile the Renewal Workshop and use this profile in conjunction with MCEDD's data to create a more personal loan program story from the region.
- The FY18 Omnibus proposal was released. It looks favorable for the programs MCEDD operates. EDA is looking at an increase over last Fiscal Year of \$300 million. MCEDD has confirmed the annual \$80,000 partnership planning grant. The proposal from the president's FY19 budget is similar to last year, including the proposed elimination of EDA and USDA Rural Development programs that utilize Community Block Development Grant programs. Last year, the MCEDD board passed a resolution stating support for USDA Rural Development, EDA, and CDBG programs. MCEDD staff created and distributed two fact sheets for EDA and USDA that highlight how these programs impact our region.
- The US Economic Development Administration is expected to release a notice of funding announcement for emergency supplemental funds for \$600 million at the end of this month. Approximately \$1 million of this will flow to Seattle. Hood River and Skamania counties are potentially eligible for these funds. Skamania County is drafting proposals for the waste water system and PUD projects. Hood River may draft a proposal for the upper valley. The City of Cascade Locks has an opportunity for getting assistance with its electrical substation and undergrounding powerlines.
- Opportunity Zones were intended to be put into place as part of the Tax Cuts and Jobs Act of 2017. In Washington, counties are ranking and prioritizing eligible census tracts. In Oregon, there has been initial review of tracts based on criteria.

The Executive Committee authorized MCEDD sending support letters and comments for census tracts in the region.

- The Annual Columbia Gorge Economic Symposium is November 2, 2018. The focus will be the region's expanding high-tech sector.
- One board position is coming open, as Humberto Calderon will be resigning his position. The position has been advertised, and one individual has expressed interest in it.
- MCEDD staff continues work on the LINK and partnering entities, including City of Rufus, CREA, and Four Rivers Community Corporation 501c3.

### **LOAN ADMINISTRATION BOARD REPORT**

Eric Nerdin presented the Loan committee report, highlighting increased lending activity. He noted the delinquent loan report is included in the packet for those who are interested. MCEDD staff has been reaching out to prospective loan clients and continues to be involved with the Enterprise Zone application by Orbital.

### **STAFF REPORTS**

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

- Amanda Hoey and Siri Olson continue to offer support with the LINK transition. MCEDD is hoping to expand bus service to the aquatic center in the summer and the farmer's market from June to October using PacificSource funds.
- Charlotte Dupree has been hired as Transportation Operations Director. A dispatch position will be open until April 6.
- The GTA continues to host monthly events for education and networking opportunities to support companies. Committees have been formed to implement the Strategic Plan.
- Eighteen scholarship applications were received for the GTA's college scholarship. Only one scholarship is awarded. In the future, more funds can possibly be raised to increase the number of scholarships awarded.
- Five regional robotics teams are headed to national competitions. GTA is giving \$1,500 to each team.
- Jacque Schei took the lead on planning the Wind Challenge. This is a great opportunity Google provides to the GTA.

Kathy Fitzpatrick, Mobility Manager, highlighted the following:

- There has been a massive increase of public transportation services in the Gorge. Kathy is working to coordinate all of these services between the counties.
- LINK will soon join the list of Fixed Route Services in the Columbia River Gorge. MCEDD submitted a grant application for fixed route services and is waiting to hear the final approval from the Oregon Transportation Commission.
- MCEDD submitted an ODOT grant application for bus shelter facilities.
- MCEDD received a \$3,500 award from the Columbia Gorge Health Council to support the Everybody Rides campaign. MCEDD received a \$10,000 Transportation Innovation grant for this campaign, making the total budget for the campaign \$15,500.
- MCEDD is working with Gorge TransLink Alliance to explore technology tools that will enhance and support regional transportation coordination. An E-fare app has no start up or equipment costs and would support cross-system transfers and

reduce the need for a cash-collection system. The Gorge TransLink website will be redeveloped to allow for real time information and access to directions to bus lines. An RFP will be published soon.

- The Oregon Transportation Package (HB 2017) has given stable funding for public transportation in Oregon. Coordination of projects and priorities could expand and strengthen the larger regional transportation system.
- The NADO Eastern Klickitat County Transportation Study is moving forward with initial research into successful rural transportation models. Kathy is working with Klickitat County Economic Development and Dana Peck (Goldendale Chamber of Commerce) to prepare for the NADO Associate Director's site visit in May.

Carrie Pipinich, Project Manager, highlighted the following:

- Maupin was awarded \$500,000 from Oregon Legislature in the 2018 short session to complete the fiber project.
- Sherman County and cities issued an RFP to look at developing networks that will provide service based on the backbone of infrastructure that has already been installed.
- WCEDC worked with organizations throughout Wasco County to gather information on priority projects. The EDC looked at reorganizing its committee structures to better work with incorporated and unincorporated areas.
- The Wasco County Fair Board is working on strategic planning to support sustainability and enhance utilization of the facility and grounds year round.
- Sherman County adopted updates to its Rental Housing Grant Program and added a Housing Rehabilitation Grant Program.
- MCEEDD staff worked with Rural Community Assistance Corporation to host a training in Rufus focused on financial management.

*Discussion: Amanda Hoey noted there has been a shift in where project managers are oriented. Carrie has taken on Sherman County as Jessica has moved towards transportation.*

Jacque Schei, Project Manager, highlighted the following:

- There has been some movement on the Center for Living Community Mental Health facility. MCCFL went out for re-bid after initial bids were rejected. Wasco County and MCCFL will review and discuss whether the lowest bid will fit within their budget and proceed from there.
- Due to cultural resources found at the reservoir project site in the City of Antelope, additional archaeologist monitoring is eating up the budget. The project sent a Letter of Intent to the Drinking Water State Revolving Fund, and the City received notification that the project is eligible for those funds. The City is working with the state to move forward.
- The Columbia Gorge Regional Airport flex space project is finished, and the project is working through closeout procedures.
- Crystal Springs Water District is moving forward with Mid-Valley Reservoir pipeline replacements. Two grant applications have been submitted for

consolidation and update of water systems. MCEDD is working on securing funding.

### **REGIONAL UPDATES**

Perry Thurston – Perry drives for Sherman County Community Transit. He stated the transportation system MCEDD is working on is a great situation.

Mark Zanmiller – Cascade Locks is experiencing rapid population growth. Since 2017, the population has increased 4.8%. Unemployment has dropped from 20% to 13%. In the last 30 months, the City has approved 89 residential building permits. In Hood River, the City Manager is retiring. A placement firm has been hired to organize the process of filling the position. Formal hearings were held on cleaning up housing codes and the website planning process. The Planning Commission estimates it will take a year to get through the public hearings before the process can move forward. Significant effort has been shown to implement smart infill within the city so housing growth requirements can be managed in an intelligent way. The Lot 700 project will include 65 units, and 2 acres of the lot will remain an open park space.

Tonya Brumley – Foodie February was successful in Hood River. March is music month. The Dalles Chamber is preparing for the 39<sup>th</sup> annual Cherry Festival. Oregon Tourism is coming to the area to have a listening session, which is an interactive opportunity for the Mt. Hood/Gorge region. The United Way Allocation Committee gives funds to nonprofits in the region, and those funds are put right back into the community. The committee is donation driven, and Tonya is happy to meet with anyone interested in participating or donating.

Bob Benton – Hood River is experiencing significant funding issues. The County discussed implementing a sales tax, but this was not put on the ballot. A significant portion of the budget - \$1.8 million - still needs to be covered, or Hood River is looking at a substantial cut in services. The County is trying to work with partners in the area to explore how to provide services at a lower cost.

Stephanie Hoppe – Columbia Gorge Community College conducted a workforce housing survey and received 350 responses from students, prospective students, and community members. 10% reported living in cars, shelters, or on the streets. Affordability, security, and Wi-Fi ranked as highly important to respondents. The rental price respondents could afford was \$675/month. The housing study looked at a housing and skills center at the college. The project would include 2 buildings. A \$7.3 million match is needed by January 2019.

Sue Knapp – The City of Maupin held a successful legislative tour in February with Senator Bentz and Representative Bonham. Maupin received \$1 million from the legislature in the short session, which will be a huge help in moving forward with the project and seeking additional grant funding. Sue presented the civic center and clinic expansion to Shaniko and Antelope, as these facilities service these areas. Shaniko is working on water system upgrades, and Antelope is upgrading the old school building.

Tom Furey – Sagetech is moving into the old elementary school building in Dallesport. Sagetech remains in Washington and in the Gorge but is consolidating a five-building operation into one single building. The technology industry is experiencing massive growth, and as talent is sought to fill these positions, housing is also needed. Drone flight rules are under review, and changes to the rules could be impactful to the area whether they restrict use or allow for more growth.

Jan Brending – Bingen and White Salmon have many projects this summer. The Society Hotel should break ground on upgrades. Bingen will begin roadwork. The Bingen Point underpass is in progress. White salmon is parking stressed. The City will conduct a comprehensive planning process on what citizens want the city to look like. Housing remains an issue, as some want to see more workforce housing and some want to see large lot houses, which do not address affordable, attainable housing. Bingen is undertaking the process of the Comprehensive Plan.

Rod Runyon – Rod stated he is proud of South Wasco County’s work with broadband and the Civic Center. Google’s 3<sup>rd</sup> Enterprise Zone ribbon cutting was well attended. There is still one more building to go for this project. Without Google, many opportunities would not exist in the community. There will be much change in Wasco County as Enterprise Zones become eligible for taxes. Pine Hollow is on the verge of securing funds through the Oregon Marine Board to repair the boat ramps at the lake. This will be a big economic boost for the county. The Veteran’s Committee will be doing a tour of the Mid-Columbia region on June 15<sup>th</sup>.

Bob Hamlin – Skamania County has gone through some budgetary issues, but the omnibus bill provides much needed funding. The shoreline project has started, and in-water work is finished. Willows were planted for erosion control. Topsoil was donated by the lumber yard in Carson. A technology company is looking into leasing the empty Wind River Middle School building, which could boost jobs and families in the area. To address housing, the county went through planning regulations and changed accessory dwelling rules, making these dwellings legal.

Eric Proffitt – Unemployment is between 3.2% and 4%. Hood River and The Dalles have 430 jobs ready to go right now. Recruitment is underway for a used solar energy facility going up on Klondike outside of Wasco. The project needs 50 general laborers for a four month build. AutoZone in The Dalles is holding a job fair, as it needs to fill 10-15 jobs.

Bill Schmitt – Now is a good time to be on the port. Businesses want more or new space, and it has been a challenge to find funds to provide that.

Ken Bailey – The orchard is getting ready for another harvest. An internet site has been created to receive applications. Although the site officially opens April 1<sup>st</sup>, 97 applicants have signed up in less than a week. The farm employs approximately 1,000 seasonal employees beginning in June. For out-of-state workers, no housing is available in the area other than what the orchard provides. The orchard put up a housing facility that will hold 150 this summer, and a few other facilities are being revamped. New OSHA regulations kick in this summer that affect housing. The orchard is prepared for an unusually large

crop like last year, but ideally, this will not happen. Last year, the market could not handle the large influx of product.

**NEW BUSINESS**

There was no new business.

**ADJOURNMENT**

Meeting adjourned at 6:07 p.m.

*Respectfully submitted by Lauren Hernandez, Office Administrator*

## Memorandum

**Date:** June 7, 2018  
**To:** MCEDD Board of Directors  
**From:** Amanda Hoey, Executive Director  
**Re:** Personnel Policy Modifications (Consent Agenda)

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### Overview

MCEDD management proposed modification to our pay schedule to move away from a pay schedule that paid employees on a monthly basis on the last business day of the month with the option for a mid-month draw. Management proposed moving to a pay schedule that provides for two formal pay periods each month with payroll on the 10<sup>th</sup> and 25<sup>th</sup> of each month. This change was needed to accommodate an increase in hourly employees and reduce the need for employees to estimate hours worked for the end of the month. With that modification, the committee also reviewed the policy to allow for a process that would streamline Paid Time Off (PTO) calculations and make it easier to administer and easier for employees to understand. These changes were adopted and need to be ratified by the Board.

The Executive Committee also reviewed the language used for determining fringe benefit eligibility. Currently, benefits include employer contributions to a 457b retirement account as well as medical, dental, vision, long term disability, and life insurance. Eligibility for these benefits is established in the personnel policy which read “Employees who work 20 hours per week or more shall be eligible for fringe benefits as described in this policy.” This definition of eligibility was easy to administer with an employee group which had regular, defined hours. With the acquisition of the LINK, MCEDD now has a number of part time drivers whose schedules and work hours may vary each week dependent on rider requests. The Committee recommended revisions to the definitions of eligibility to provide more surety and consistency on benefits eligibility, rather than seeing potential changes for employees between each pay period.

Please see the April, May and June Executive Committee memos on this topic for a more detailed discussion of the changes.

### Request (Consent agenda)

Ratify the Executive Committee’s changes to the personnel policy sections “5.3 Pay Schedule” and 7.1 “Personal Time Off (PTO)” to read as follows:

- 5.3 Pay Schedule:** Employees shall be paid on a bi-monthly basis on the 10<sup>th</sup> and 25<sup>th</sup> days of the month. The pay period from the 1<sup>st</sup> through the 15<sup>th</sup> of the month will be paid on the 25<sup>th</sup> day of the same month. The pay period from the 16<sup>th</sup> through the last day of the month will be paid on the 10<sup>th</sup> day of the following month.
- 7.1 Personal Time Off (PTO):** All full time employees shall accrue PTO per the following schedules:
- |                    |  |
|--------------------|--|
| 0 through 3 years  | - 8.5 hours per pay period, credited at the end of the pay period (total 17 hours per month) |
| 4 through 15 years | - 11 hours per pay period, credited at the end of the pay period (total 22 hours per month)  |
| 16 plus years      | - 13 hours per pay period, credited at the end of the pay period (total 26 hours per month)  |

Part time employees shall accrue PTO at a prorated percentage based on the number of regular hours worked.

- 0 through 3 years - 0.10 hour PTO per regular hour worked, credited at the end of the pay period
- 4 through 15 years - 0.13 hour PTO per regular hour worked, credited at the end of the pay period
- 16 plus years - 0.16 hour PTO per regular hour worked, credited at the end of the pay period

*(Note: section 7.1 continues with clarification as to PTO usage. The remainder of the section is not proposed for revision so is not replicated in this memo. See the full attached policy if interested.)*

Approve recommended changes to the personnel policy section “6.1 Eligibility” to clarify eligibility and read as follows:

**6.1 Eligibility:** Employees shall be eligible for fringe benefits as described in this policy. Eligibility for benefits is defined as outlined in the chart below.

Full Time	Part Time	Temporary
Eligible for benefits on the 1 <sup>st</sup> day of the month following hire.	<p>Employees averaging 20 or more hours worked on a weekly basis shall be eligible for a pro-rated portion of benefits. The average will be based on the average of hours worked over the quarter shall be calculated at the end of each quarter (3/31, 6/30, 9/30, 12/31) to define eligibility for the upcoming quarter. Hours used for the calculation include hours taken as PTO or sick leave, actual hours worked and paid holiday time.</p> <p>For new hires, eligibility shall be determined based on the average of anticipated regularly scheduled hours for the first three months. If averaging 20 hours or more per week, a part-time employee shall be eligible for pro-rated benefits beginning on the 1<sup>st</sup> day of the month following hire</p>	Ineligible for employer-paid benefits.



## FINANCIAL SUMMARY

FOR: April 2018

### **Balance Sheet**

Accounts Receivable (1202) of \$94,689.62 reflects receivables largely due to quarterly reports, which includes EDA \$20,000; ODOT \$36,960.00; GTA \$24,254.01, GOBHI \$10,910.00, and others. Structured Accounts Accrued Interest (1229) is now at a zero balance; a total of \$4,300.65 of accrued interest was written off to Bad Debt Expense, as a result of an OIB loan client bankruptcy being finalized. Accounts Payable (2010) has a zero balance.

### **MCEDD's Operations Budget vs Actual**

Total Revenue is 81.3% of what we budgeted. Although, this seems below target at this point in time, we are seeing an increase in Contract Reimbursements (4500), due to increased rides for NEMT Contracts and Transportation Operations Director Contract with GOBHI, and Farebox Revenue.

Personnel Expenses are in line with what is budgeted. Travel and Conference expenditures (6110) is well below the budgeted amount, and anticipate this we will be well below budget for the FY, even with planned out of state travel for NADO Board meeting. Bonds & Insurance (6800) is at \$10,135.00. Our insurance policy is on a calendar year basis and will be adjusted to reflect the costs for January – June, and charges for July – December are considered prepaid for FY19. Professional Services is at \$36,017.99, which is also well below budget and anticipate it will remain below budget even with the anticipated CGBREZ Government Affairs and Agora expenditures.

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

Respectfully Submitted:  
Siri Olson  
Finance & Operations Manager

**Mid-Columbia Economic Development District**  
**Balance Sheet**  
 As of April 30, 2018

	<u>Apr 30, 18</u>	<u>Apr 30, 17</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
<b>1000 · Bank Demand Deposits</b>		
1010 · MCEDD Checking	41,948.58	38,797.10
1015 · MCEDD MM	256,629.43	241,981.49
<b>1020 · IRP</b>		
1021 · IRP - Sherman	112,462.15	75,683.65
1022 · IRP - WA	90,331.75	78,811.31
1020 · IRP - Other	55,414.17	101,747.60
<b>Total 1020 · IRP</b>	<u>258,208.07</u>	<u>256,242.56</u>
<b>1030 · Loan Funds</b>		
1036 · EDA RLFs	201,311.58	222,294.90
1045 · Reg Strat	135,152.73	128,021.90
1050 · RBEG-OR	99,293.79	58,781.89
1055 · RBEG-WA	95,415.48	95,435.59
1057 · RBEG-KL	124,018.63	126,628.51
1067 · CDBG Microenterprises	84,057.97	66,166.98
<b>Total 1030 · Loan Funds</b>	<u>739,250.18</u>	<u>697,329.77</u>
1031 · Housing RLF	1,752,971.04	2,000,082.20
1070 · National Scenic Fund	1,401,065.12	1,377,732.12
<b>Total 1000 · Bank Demand Deposits</b>	<u>4,450,072.42</u>	<u>4,612,165.24</u>
<b>1100 · CDS</b>		
1121 · IRP Reserve	96,063.96	96,031.33
<b>Total 1100 · CDS</b>	<u>96,063.96</u>	<u>96,031.33</u>
1122 · IRP - DDM Product	427,025.81	581,808.85
1125 · LINK Petty Cash	50.00	0.00
1196 · OR Telecom Conference	14,183.87	19,254.17
<b>Total Checking/Savings</b>	<u>4,987,396.06</u>	<u>5,309,259.59</u>
<b>Accounts Receivable</b>		
1202 · Accounts Receivable	94,689.62	83,921.98
<b>Total Accounts Receivable</b>	<u>94,689.62</u>	<u>83,921.98</u>
<b>Other Current Assets</b>		
<b>1200 · Receivables &amp; Accruals</b>		
1205 · Accrued Revenue	7,500.01	4,408.33
1227 · Accrued Loan Interest	19,595.80	31,067.59
<b>1229 · Structured Accts Accr'd Int</b>		
1231 · Unrecorded Structured Accrd Int	0.00	-2,419.68
1229 · Structured Accts Accr'd Int - Other	0.00	5,735.72
<b>Total 1229 · Structured Accts Accr'd Int</b>	<u>0.00</u>	<u>3,316.04</u>
<b>Total 1200 · Receivables &amp; Accruals</b>	<u>27,095.81</u>	<u>38,791.96</u>
<b>1300 · Loans Receivable</b>		
1330 · MCEDD Loans Receivable		
1320 · IRP	2,020,706.39	1,806,413.60

**Mid-Columbia Economic Development District**  
**Balance Sheet**  
 As of April 30, 2018

	<u>Apr 30, 18</u>	<u>Apr 30, 17</u>
1321 · IRP - Sherman	139,481.44	177,386.17
1322 · IRP - WA	230,886.77	246,282.31
1331 · Housing RLF	250,000.00	0.00
1336 · EDA RLFs	521,323.61	477,014.47
1345 · Reg Strat	35,901.70	42,843.57
1350 · RBEG-OR	209,160.25	243,063.53
1357 · RBEG-KL/SK	2,674.94	0.00
1367 · CDBG Microenterprises	22,334.72	40,619.18
<b>Total 1330 · MCEDD Loans Receivable</b>	<b>3,432,469.82</b>	<b>3,033,622.83</b>
1370 · OIB Loans Receivable	1,497,730.03	1,497,101.15
<b>Total 1300 · Loans Receivable</b>	<b>4,930,199.85</b>	<b>4,530,723.98</b>
<b>1500 · Allowance for Doubtful Loans</b>		
1520 · IRP Allowance	-105,614.33	-118,027.66
1521 · IRP - SH Co	-9,520.35	-10,797.99
1522 · IRP - WA	-14,651.74	-14,476.77
1536 · EDA RLFs Allowance	-29,255.26	-35,290.15
1545 · Reg Strat Allowance	-2,223.05	-2,776.54
1555 · RBEG Allowance	-14,464.70	-18,584.67
1567 · CDBG Microenterprises	-1,827.70	-2,987.33
1575 · OIB Allowance	-47,404.77	-45,000.00
<b>Total 1500 · Allowance for Doubtful Loans</b>	<b>-224,961.90</b>	<b>-247,941.11</b>
<b>Total Other Current Assets</b>	<b>4,732,333.76</b>	<b>4,321,574.83</b>
<b>Total Current Assets</b>	<b>9,814,419.44</b>	<b>9,714,756.40</b>
<b>TOTAL ASSETS</b>	<b>9,814,419.44</b>	<b>9,714,756.40</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2010 · A/P General	0.00	314.22
<b>Total Accounts Payable</b>	<b>0.00</b>	<b>314.22</b>
<b>Other Current Liabilities</b>		
2030 · Accrued Loan Payment	96,587.21	97,939.92
2035 · Accrued Interest Payable	178.43	190.24
2050 · PTO - Accrued	23,825.45	23,098.99
2070 · Health Insurance Payable	-10,372.16	-7,863.07
2080 · Life & Disability Payable	-533.09	-357.88
2090 · WC SAIF Ins	-2,025.23	-158.90
2100 · Payroll Liabilities		
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	28.90	29.60
2115 · OR- SUTA Payroll Liabilities - Other	68.52	43.22
<b>Total 2115 · OR- SUTA Payroll Liabilities</b>	<b>97.42</b>	<b>72.82</b>
<b>Total 2120 · State Payroll Liabilities</b>	<b>97.42</b>	<b>72.82</b>

**Mid-Columbia Economic Development District**  
**Balance Sheet**  
 As of April 30, 2018

	<u>Apr 30, 18</u>	<u>Apr 30, 17</u>
2100 · Payroll Liabilities - Other	-73.54	0.00
<b>Total 2100 · Payroll Liabilities</b>	<b>23.88</b>	<b>72.82</b>
2800 · Deferred Revenue	13,333.33	13,333.33
<b>Total Other Current Liabilities</b>	<b>121,017.82</b>	<b>126,255.45</b>
<b>Total Current Liabilities</b>	<b>121,017.82</b>	<b>126,569.67</b>
<b>Long Term Liabilities</b>		
2820 · IRP Loan Payable \$1million	477,503.25	514,805.20
2821 · IRP Loan Payable \$600,000	396,225.44	417,520.24
2822 · IRP Loan Payable \$750,000	574,390.98	600,226.72
2823 · IRP Loan Payable - Washington	284,721.70	299,967.25
2824 · IRP Loan Payable - Sherman	180,049.04	186,672.31
<b>Total Long Term Liabilities</b>	<b>1,912,890.41</b>	<b>2,019,191.72</b>
<b>Total Liabilities</b>	<b>2,033,908.23</b>	<b>2,145,761.39</b>
<b>Equity</b>		
3100 · Fund Balances	7,573,994.03	7,572,025.03
3110 · Carryforward Balance	11,347.09	-105,004.58
3900 · Retained Earnings	116,073.61	0.00
<b>Net Income</b>	<b>79,096.48</b>	<b>101,974.56</b>
<b>Total Equity</b>	<b>7,780,511.21</b>	<b>7,568,995.01</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>9,814,419.44</u></b>	<b><u>9,714,756.40</u></b>

Mid-Columbia Economic Development District  
**Operations Budget vs. Actual**  
July 2017 through April 2018

	<u>Jul '17 - Apr 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4000 · Carryover Revenue	352,024.30	467,158.00	-115,133.70	75.35%
4015 · Link Income from MCCOG	105,728.23			
4100 · Federal	105,291.69	326,803.41	-221,511.72	32.22%
4200 · State	37,744.79	49,315.50	-11,570.71	76.54%
4300 · Local Match	11,577.73	7,000.00	4,577.73	165.4%
4400 · Local Assessment	50,034.00	53,034.00	-3,000.00	94.34%
4500 · Contract Reimbursement	360,753.29	374,680.16	-13,926.87	96.28%
4600 · Loan Interest	207,091.66	220,876.66	-13,785.00	93.76%
4700 · Loan Processing Fees	16,224.73	25,341.66	-9,116.93	64.02%
4705 · Loan Filing Fees	2,648.83	6,506.32	-3,857.49	40.71%
4710 · Loan Late Fee	5,053.62	1,749.98	3,303.64	288.78%
4750 · Investment Interest	1,542.18	791.66	750.52	194.8%
4800 · Other Revenue	2,137.43	2,036.66	100.77	104.95%
4803 · Sponsor Donations	500.00			
4805 · Farebox Revenue	8,412.08	4,999.80	3,412.28	168.25%
4934 · In-Kind Revenue	229.33	18,355.00	-18,125.67	1.25%
4935 · In Kind - MM	0.00	0.00	0.00	0.0%
<b>Total Income</b>	<u>1,266,993.89</u>	<u>1,558,648.81</u>	<u>-291,654.92</u>	<u>81.29%</u>
<b>Gross Profit</b>	1,266,993.89	1,558,648.81	-291,654.92	81.29%
<b>Expense</b>				
5000 · Wages	431,999.50	467,407.46	-35,407.96	92.43%
5500 · Fringe Benefits	110,294.23	115,481.02	-5,186.79	95.51%
5700 · Payroll Taxes	38,481.16	42,100.34	-3,619.18	91.4%
6110 · Travel & Conference	12,252.22	22,995.34	-10,743.12	53.28%
6190 · Event Services	1,401.25	2,416.66	-1,015.41	57.98%
6200 · Equipment	3,247.13	4,950.00	-1,702.87	65.6%
6300 · Supplies	20,193.59	34,781.94	-14,588.35	58.06%
6400 · Professional Services	34,183.67	112,544.70	-78,361.03	30.37%
6500 · Vehicle Costs	8,122.62	18,369.00	-10,246.38	44.22%
6600 · Communications	11,424.11	16,886.98	-5,462.87	67.65%
6700 · Building Costs	18,913.51	27,836.62	-8,923.11	67.95%
6800 · Bonds & Insurance	10,135.00	5,392.40	4,742.60	187.95%
6900 · Other Materials & Supplies	7,514.15	8,020.86	-506.71	93.68%
9000 · Indirect Spread	0.00	-85.70	85.70	0.0%
9100 · Capital Purchase	0.00	112,999.20	-112,999.20	0.0%
9600 · Transfer to/from Source	7,323.61			
<b>Total Expense</b>	<u>715,485.75</u>	<u>992,096.82</u>	<u>-276,611.07</u>	<u>72.12%</u>
<b>Net Ordinary Income</b>	551,508.14	566,551.99	-15,043.85	97.35%
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
7400 · Loan Payment	101,150.00	101,150.02	-0.02	100.0%
7500 · Carryover to Next Year	365,340.39	520,607.00	-155,266.61	70.18%
7600 · In-Kind Contractual	229.33	18,355.00	-18,125.67	1.25%
<b>Total Other Expense</b>	<u>466,719.72</u>	<u>640,112.02</u>	<u>-173,392.30</u>	<u>72.91%</u>
<b>Net Other Income</b>	<u>-466,719.72</u>	<u>-640,112.02</u>	<u>173,392.30</u>	<u>72.91%</u>
<b>Net Income</b>	<u><b>84,788.42</b></u>	<u><b>-73,560.03</b></u>	<u><b>158,348.45</b></u>	<u><b>-115.26%</b></u>

## Memorandum

**Date:** June 6, 2018  
**To:** MCEDD Board of Directors  
**From:** Amanda Hoey, Executive Director  
**Re:** Hood River Energy Plan

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### Overview

The MCEDD Executive Committee met with members of the Hood River County Energy Plan Steering Committee and Hood River County to discuss the transition of the project to be administratively housed under MCEDD. Marla Harvey, an AmeriCorps RARE with Hood River County the past two years, has been supporting this project since inception. She has facilitated a process that created a dedicated steering committee and resulted in a plan with multiple opportunities for implementation. As the project moves into its next phase for implementation and regional expansion, the County approached MCEDD about becoming the fiscal agent and bringing on an Energy Coordinator staff member (conditional upon full revenue being generated to cover the position).

The intent is to transition the Hood River County Energy Plan Steering Committee into an Energy Planning Council, whose purpose is to coordinate and advocate for projects that advance the Energy Plan's vision, goals, and strategies, and ensuring benefits are shared throughout county communities and region. A Coordinator will be hired to lead the transition and oversee coordination of the council, leverage regional partners, and ensure successful implementation of the Energy Plan's vision and goals. The energy plan can be accessed [here](#).

In discussion, the MCEDD Executive Committee felt that the project aligned with MCEDD's mission and with our current practice of providing administrative support and fiscal agent roles. The Committee saw opportunities in the following:

- Supporting regionalism and expanding this work to other areas of the MCEDD geographic reach.
- Growth in funding mechanisms to support planning and implementation of the energy plan's goals.
- Potential to offset workload if the coordinator can also work with CGBREZ and related regional renewable energy groups.
- Support for our member, Hood River County.

### Timeline *(Note: updated since the Executive Committee meeting)*

- Project Fundraising: April through August 2018
- Anticipated start: September 2018
- Anticipated duration: Position fully funded in three-years

### Logistics

Marla and the Hood River Energy Steering Committee are actively engaged in fundraising to support the position, with commitments received from local jurisdictions and an invitation to apply to the Ford Family Foundation. Additional funding is in development. Hood River County will continue to provide office space for the coordinator. MCEDD's obligations will be as fiscal administrator and staff management/guidance. It is included in the draft budget.

### Request: Informational

Marla Harvey will present an overview and introduction to the board.



**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT**

**RESOLUTION 2018-4**

**ADOPTING THE FY JULY 1, 2018 – JUNE 30, 2019 BUDGET**

**BE IT RESOLVED** that the FY 2019 Mid-Columbia Economic Development District Budget is hereby adopted.

**PASSED AND APPROVED** this 14<sup>th</sup> day of June, 2018.

**ATTEST:**

**MID-COLUMBIA ECONOMIC  
DEVELOPMENT DISTRICT**

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Lauren Hernandez, Office Administrator

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Ken Bailey, Chair

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT  
FY2019 BUDGET**

<b>BUDGET APPROPRIATION BY CATEGORY</b>		
<b>REVENUES:</b>		
LOAN FUNDS (AVAILABLE TO LOAN)	3,781,742	
CARRYOVER FY18 - RESTRICTED FUNDS	51,747	
CARRYOVER FY18 - UNRESTRICTED FUNDS	443,130	
CARRYOVER FY 18 - TOTAL	4,276,619	
FEDERAL	686,599	
STATE	360,338	
LOCAL MATCH	56,450	
LOCAL ASSESSMENT	69,202	
CONTRACT REIMBURSEMENT	738,184	
PRINCIPAL REPAYMENTS	1,259,025	
LOAN INTEREST	452,018	
LOAN FEES	40,983	
OTHER REVENUE	74,408	
IN-KIND	15,237	
INVESTED FUNDS INTEREST	2,113	
<b>TOTAL REVENUES</b>	<b>8,031,175</b>	
<b>EXPENDITURES:</b>		
PERSONNEL COSTS	1,304,898	
MATERIALS AND SERVICES	759,208	
GRANTS DISBURSED	25,000	
REVOLVING LOAN FUND	4,224,125	
CAPITAL PURCHASE	252,412	
CARRYOVER		
CARRYOVER - RESTRICTED	990,282	
CARRYOVER - UNRESTRICTED	475,250	
CARRYOVER TOTAL	1,465,532	
<b>TOTAL EXPENDITURES</b>	<b>8,031,175</b>	

**FISCAL YEAR 2019 (July 1, 2018-June 30, 2019)**  
**BUDGET NARRATIVE**

**SUMMARY**

The budget has been prepared to facilitate the wide-range of services that MCEDD provides. The budget preparation included careful analysis of prior year's budgets, actual expenditures (prior year and current year), and forecasted revenues and expenditures for new programs. In comparison to prior budgets, a major overall change reflected throughout the budget is the inclusion of the transportation system. The LINK public transportation system transferred to MCEDD on February 1, 2018.

The following provides a brief description of significant factors which are relevant to understanding MCEDD's budget.

**BEGINNING BALANCES**

The anticipated carryovers from FY18 include Intermediary Relending Program (IRP), Regional Strategies, Attainable Housing Development Revolving Loan Fund (AHDRLF), Special Projects (project specific), Transportation and the General Fund.

The IRP, Regional Strategies and AHDRLF carryover funds include amounts in unrestricted carryover as these amounts were accumulated from prior years of loan fund income not spent on administrative costs.

Special Projects restricted carryover is the estimated balance available for specific special projects that cross over multiple fiscal years.

**PROJECTED REVENUE**

**FEDERAL**

**PLANNING GRANT** – The EDA partnership planning grant is approved for a three year planning cycle and is expected to provide at least \$80,000 annually in federal funds, with a required cash match of \$80,000 annually. Local Assessments will be utilized to provide a portion of this match and the remainder of the match will be from Fee-for-Service projects.

**SPECIAL PROJECTS** – The primary source of federal revenue for special projects is for the Gorge TransLink Alliance Mobility Management project. It includes pass-through contracts from Washington State Department of Transportation and Oregon Department of Transportation to MCEDD. Also included in federal revenue is reimbursement from the USDA Rural Community Development Initiatives grant for expanding the Agora Investment Platform in additional regions of Oregon. The final payment of those funds is expected in August.

**TRANSPORTATION (LINK)**- See the additional transportation overview to assist in understanding the revenue for the transportation department. Federal funds includes the remaining resources through a STIP Enhance grant for the transit center facility construction and enhancement (completion of a bus barn). It also includes revenue from a grant for purchase of a new vehicle and 5339 federal dollars for bus shelters and enhancements. The majority of federal funds are based on biennium agreements with ODOT, with FY19 being the final year of that agreement. Revenue is predicted based on the remaining contract balances as of 3/31/18 and predicted even expenditure throughout

the remainder of the contract. The final estimated four quarters of the federal funds through 5310 are therefore included for dial-a-ride operations. Finally, MCEDD secured 5310 discretionary funds from ODOT for a new deviated fixed route pilot service anticipated to begin in April 2019. Revenue for the first quarter of service is included.

## **STATE-**

**SPECIAL PROJECTS:** The Oregon Department of Agriculture's Specialty Crop Block Grant forms the primary source of state revenue for special projects and is included in Special Projects. These funds support the Gorge Cider Society. This fiscal year is the anticipated final year of funding. State revenue also includes the Hood River Drive Less contract at a small amount less than the prior year (roughly \$1,000 reduction). That contract is a multi-year grant cycle based on a population distribution formula. Finally, state revenue also includes a Transportation Innovations grant which has been secured to support the "Everybody Rides" campaign.

**TRANSPORTATION:** Includes revenue for state Special Transportation Funds through a contract with Wasco County (MCEDD as subrecipient for funds). Also includes the new State Transportation Improvement Fund (STIF) dollars which were passed by the legislature as part of the transportation package and derive from a payroll tax. The revenue assumption is based on a conservative estimate provided by ODOT. As it is a new tax, the assumptions remain conservative until the extent of compliance and collection of funds is known.

**LOCAL ASSESSMENTS** – The local assessments are included based upon the recommendation of the MCEDD Board of Directors. It includes a \$0.55 per capita assessment to counties and cities and an overall total assessment to member Port Districts. This revenue category also includes the assessment to the City of The Dalles to support transportation services in The Dalles.

## **CONTRACT REIMBURSEMENTS –**

**SPECIAL PROJECTS:** A substantial source for contract reimbursements is through the special projects, which includes contracts with counties for economic development services, technical assistance and grant administration for infrastructure developments, staffing for industry alliances, and related projects. Special Projects includes anticipated contract revenue for the new Energy Coordination role. Full funding would need to be secured in order to proceed and it is included in the budget to begin in August. Special projects revenue also includes an anticipated foundation grant contract to support a portion of the required MCEDD contribution for a new AmeriCorps RARE position.

**TRANSPORTATION:** Includes anticipated revenues through agreements with Greyhound and Wasco County. Includes projected revenue for contracted services by the LINK to provide non-emergency transportation rides through the brokerage. Includes the facility lease with Greater Oregon Behavioral Health, Inc (GOBHI) (rental income at \$4,165/month). Contracted revenue also reflects an agreement with GOBHI to support the Transportation Operations Director position through April 2019. Finally, contracted revenue includes an anticipated PUD grant and payments through a healthcare incentive fund to provide transportation to the Farmers Market for the 2018 season.

**OIB:** Includes the contracted amount with the Oregon Investment Board for MCEDD services.

**LOAN FUND REVENUE-** Loan fund revenue is based upon current loan revenue projections for loans already in MCEDD and OIB’s portfolios, excluding any in current litigation. The revenue for existing loans is based upon the approved loan terms for those clients. The budget is presented using a three year average of lending to project loan fund revenue.

<b>Loan Fund Revenue Projections Using a Three Year Average</b>		
<b>Fiscal Year</b>	<b>MCEDD</b>	<b>OIB</b>
FY16	\$792,017	\$383,000
FY17	\$276,400	\$24,500
FY18 (projected)	\$1,018,200	\$517,500
<b>FY19 new loan projections</b> <i>Average (rounded)</i>	<b>\$695,500</b>	<b>\$308,300</b>

For the Attainable Housing Revolving Loan Fund, the anticipation is full utilization of available funds. Revenue is calculated accordingly.

**LOAN FUND PRINCIPAL REPAYMENTS-** Loan fund principal repayments revenue was based on projected payments from existing loan clients and includes scheduled loan payoffs, as well as payments from new loans projected to be made in FY 2019. Adjustments were made to principal repayments for loans with a current severely delinquent status to reflect actual anticipation for repayment. Principal repayments for projected new loans anticipates a three month interest only period at the start of all new loans and a 70 month term. It anticipates that loans are booked throughout the fiscal year.

**LOAN FUND INTEREST -** Loan fund interest calculations are based on the following criteria:

1. Loan fund interest from current loans is included in the FY 2019 projections. However, adjustments were made to interest calculations for loans with a current severely delinquent status to reflect actual anticipation for repayment. In addition, interest payments were removed for loans which we anticipate to payoff and for loans currently in litigation or pending litigation.
2. Interest from the estimated new loans booked during the remainder of FY 2018 (from May and June 2018) is included in the FY 2019 projections.
3. Projected loan interest for loans that have scheduled balloon payments in FY 2019 are assumed to be paid in full, unless they are already in the process of restructure. If anticipated to be refinanced, the loan interest is part of the projected loan income.
4. An estimated interest rate of 7.25% was used for budgeting purposes. It is a conservative figure as the average for the past few years has been higher on most of MCEDD’s loans. Actual individual loan interest rates vary depending on the associated risk of each loan.

The Attainable Housing Revolving Loan Fund (AHDRLF), which was originally seeded with \$2 million from the State of Oregon, has a lower base interest rate. Projections are based on the current RLF plan, with an estimated 4.75% interest rate. In order to provide the opportunity to revolve the fund this year, we have projected full utilization of the principal. This maximizes our ability to make loans, if appropriate, but revenue also then reflects higher in both interest and fees. To offset this higher revenue which may not be realized in the fiscal year, we have allocated only a portion of revenue to expenses. The exception is with filing fees, which are fully allocated as they would be direct costs associated with any new loans.

**LOAN FEE REVENUE-** The following are the two primary sources of loan fee revenue:

1. Loan fees are projected to be 1.5% of the loan amount, with the exception of the Attainable Housing RLF program which charges a 1% fee. The loan fee revenue is based on the total amount of anticipated funds loaned during FY19.
2. Other fees earned include restructuring fees, loan filing fees, and late payment fees.

The loan fee revenue, in comparison to the prior year's budget, is lower based on actual experiences. Significantly, though, the attainable housing fund has a much lower available to loan balance predicted at the start of the FY, which results in fewer new loans through that account predicted in this FY. The late payment fees are unchanged from the year prior, which is a conservative revenue estimate as actuals have been trending higher than budget recently.

**LOAN FUND INVESTED INTEREST** - The loan fund investment income is budgeted to accrue at approximately 0.05% and is based on funds from the following categories: fund balances waiting to be loaned, loan loss reserves balance, and IRP payment funds waiting to be disbursed.

**OTHER REVENUE-** Other revenue includes various Special District Association longevity and SAIF credits/rebates which are included in the general fund. It also includes revenue anticipated from events including the Oregon Connections Conference. It also includes anticipated farebox (rider tickets) and vending revenue.

### **PROJECTED EXPENSES**

**WAGES** – Annual salaries are included for all staff based on the salary schedule approved by the Board. There is a 2% COLA increase included this year. Step raises for eligible employees are included. Compared to last year the following changes are reflected:

- Increase in support staff (Office Administrator) to assist with the growth of the organization. (Incorporated to the FY18 supplemental budget)
- Increases the Deputy Director to 1 FTE (Incorporated to the FY18 supplemental budget)
- Inclusion of the LINK staff (Incorporated to the FY18 supplemental budget)
- Increase of driver and dispatch positions related to new deviated fixed route, farmer's market Saturday service and STIF resources for new services.

The allocation of wages reflects the duties of staff. The Executive Director is allocated across all programs based upon direct engagement with these programs in providing services, as well as providing overall leadership and direction. Project Managers are assigned to specific special projects and the planning grant. The Loan Fund Manager is assigned to loan funds and special projects that directly relate to the loan program. Administrative staff wages are allocated based upon anticipated support functions required by all functions of the organization and allocations are based upon historical and anticipated usage of time from these staff by area.

**OTHER PAYROLL EXPENSES (OPE)** – Payroll expenses are based on 8.75%. Fringe Benefits are calculated for budget purposes, with an overall rate of 27%. This rate includes an anticipated 9.1% health insurance rate increase in January 2018 and 4% dental insurance increase. The budget therefore includes six months at the higher rate. Employer contributions for insurance is generally included for eligible employees. Other Fringe Benefits include a 457(b) contribution at 8.75% and disability/life insurance.

**PERSONAL TIME OFF (PTO)** – PTO is calculated using the predicted PTO balances as of June 30, 2018 and earned PTO for FY 2019, up to the maximum per MCEDD personnel policies. The maximum is 146.25 hours per employee (accrual up to 195 hours, with 75% liability payout

= 146.25 hours). This expense is included as a General Fund expense. Due to uncertainty of PTO usage, no reduction of leave taken was incorporated into the estimated liability.

**TRAVEL** – The overall cost for travel for FY19 is increased based on anticipated expenses for travel for delivery of programs. Travel costs for this fiscal year includes the following out-of-state trips: National Association of Development Organizations (NADO) annual conference and NADO board meetings, energy coordinator trip to a conference in California and scholarship-funded out-of-state travel.

**EVENT SERVICES** – This category is primarily used for agency funds, which includes the 2019 Oregon Connections Telecommunications Conference, but also includes some event services for special projects such as the Wind Challenge and Annual Economic Symposium.

**EQUIPMENT AND SUPPLIES** – Costs for supplies, overall, are higher to reflect an increase in the services delivered through MCEDD in FY19. The budget includes new computer equipment for staff on the scheduled replacement rotation. Also includes a new design station.

## **PROFESSIONAL SERVICES**

**LEGAL SERVICES** – Costs associated with legal services are estimated higher than the prior budget, due to the actual costs that were associated with legal services for FY19 and to incorporate an updated legal review of all our loan closing template documents.

**AUDIT** – The FY19 budget reflects the anticipated cost for auditing services which are under contract.

**CONTRACTUAL** – Special projects include a number of anticipated large contractual service expenses, but are less than the year prior, in part due to:

- The completion of the Agora Platform project in the first quarter of FY19.
- FY18 included contractual for cross-over of a new Finance Manager to allow for some additional training due to the retirement of the prior Finance and Operations Manager. That is not in this budget as that position has been hired and trained.
- Discontinuation of the Government Affairs and Communications Specialist contract.

Notable changes for contractual that increase certain accounts include:

- MCEDD applied to host an AmeriCorps RARE in FY19. The match for this position is included as a contractual expense to the University of Oregon.
- Contractual expenses in building and janitorial are increased to account for resource needed to support building repair and maintenance. Janitorial is increased at the MCEDD main office as our current janitorial service ends and the new entity is predicted as a higher rate.
- Computer licenses/fees for Ecolane (scheduling software used by LINK) for the year are included at the contracted rate (\$6,400/year).
- Oregon Connection's account includes a higher contractual amount as MCEDD will closeout this account and the conference hosting responsibilities will transfer to a new entity as the conference moves to southern Oregon in FY20.

**DRUG AND ALCOHOL TESTING/DRIVING RECORDS:** Professional services includes drug/alcohol testing expenses and driving records necessary for the operations of the LINK public transportation.

**VEHICLES:**

Generally, vehicle maintenance is included per schedule. The budget assumes purchase of a new vehicle and removal from the fleet of the most maintenance-intensive vehicle. Fuel is purchased under an agreement with Wasco County.

**COMMUNICATIONS:**

- Costs are slightly increased to allow for inflation and support for special projects.
- Advertising is increased to account for the new Everybody Rides Campaign, LINK bus wraps and general advertising for new public transportation services.
- Telephone and networking costs now include expenses associated with both the MCEDD Main Office and the MCEDD Transit Center.

**BUILDING COSTS-**

**MCEDD MAIN OFFICE:** The contracted building rent is included at the contracted rate. Last FY the rent amount was included at a higher rate than shows in the current FY. An additional amount had been included in case a temporary move was necessary. We were having severe facilities issues due to winter weather damage and were uncertain if we would be able to remain in our existing location for the full term. Those issues have since been resolved. Included in the building cost is the allocated expense for the remodeling of the office space at 515 E 2<sup>nd</sup> Street, The Dalles, Oregon. The remodeling expense was paid in FY14 through the General Fund. It is being repaid by allocating the expense to all programs (except transportation which is located at a separate facility) over a 10 year period (the life of the improvements and the anticipated lease), which started in FY14.

**LINK TRANSIT CENTER:** The building repairs and maintenance are increased to cover standard repairs and maintenance issues which may be encountered at the Transit Center, including necessary modifications for an operational gate.

**BOND AND INSURANCE** - The anticipated expenses for bonds and insurance have been increased slightly over the prior year due to the anticipated costs, which were based on a review of actual historical costs and anticipation for the current fiscal year.

**GRANTS** – The Oregon Investment Board (OIB) is the only fund in MCEDD’s budget which provides grants to other entities. The fund’s anticipated expenditures includes a maximum grant budget of \$25,000 which includes a \$5,000 committed grant to Columbia Gorge Community College to conduct a feasibility study for the Food and Beverage Collaborative.

**REVOLVING LOAN FUND**

**IRP LOAN PAYMENTS** – MCEDD has five IRP loans (\$750,000, \$1 million, \$600,000, \$310,000, and \$200,000) through the USDA that require annual payments. Included in the FY19 budget are payments of both principal and interest for all five loans.

**EDA RLFS-** Built into the Operational Budget for the EDA Revolving Loan Funds is a 50%+ allocation of the projected revenue that will be restricted for relending purposes only. This satisfies the requirement from EDA to ensure administrative expenses remain 50% or less of loan fund revenue.

## LINK Public Transportation Overview

The LINK public transportation system currently offers dial-a-ride services in The Dalles and Wasco County. The system had been operated by Mid-Columbia Council of Governments, but was transferred to MCEDD on February 1, 2018. Direct employees include a Transportation Operations Director, Dispatchers and full and part-time Drivers. Primary assets include:

- Eight vehicles. There is no debt on any of these vehicles, but most are restricted by ODOT requirements as the funding source accessed for purchasing the assets.
- Transit Center at 802 Chenoweth Loop in The Dalles. The facility has no remaining debt and is fully paid for.

<b>Class Code</b>	<b>Purpose</b>	<b>Notes/Major Changes</b>
601 Transportation General Fund	General fund for transportation	Includes a contract with GOBHI that supports funding of the Transportation Operations Director (three quarters) Includes an agreement with Greyhound for using the bus stop at The Dalles Transit Center.
602 STIP Enhance	Original funding for construction of the Transit Center in The Dalles. Remaining funds are available for constructing a bus barn.	
603 ODOT operations	A federal pass-through contract to MCEDD for dial-a-ride services. Biennium agreement is through FY19.	Includes a small annual contribution from City of The Dalles to support rides. "Other" revenue is based on fare of \$1.50/ride.
604 Brokerage	Medicaid rides. LINK contracts with GOBHI to provide rides for individual clients.	
605 Intercity	Originally funded to provide service between The Dalles and Hood River to connect with Columbia Area Transit's (CAT) service to Portland twice/week.	CAT changed their service schedules and routes, making this a redundant service. As it is a biennium fund source, ODOT is allowing it to be spent-out on website, marketing and related activities to promote inter-city routes.
606 Wasco Co STF	Flexible federal funds passed through to MCEDD. Used to match other funding	Requires MCEDD/Wasco County to maintain an STF committee.
607 Wasco Co 5310 Support	Federal funds passed through to MCEDD (a biennium agreement).	Includes preventative maintenance funds and funds to support dial-a-ride service.
608 Facility	Costs and revenue related to the Transit Center. A portion of the facility is leased to GOBHI.	MCCOG had allocated a facilities employee to the building. MCEDD is instead contracting for janitorial and maintenance- a significant cost savings.

609 ODOT grant-vehicle	Dedicated to new vehicle purchase.	MCEDD will cycle out one of the oldest vehicles in stock with the highest average maintenance costs. That vehicle may be leased to another public transportation provider.
Health Incentive Funds	To provide service to The Dalles Farmer's Market	New service! Scheduled through the 2 <sup>nd</sup> week of October.
Bus/Bus Shelters	Funded as a federal pass-through competitive grant to MCEDD (secured). Funds will support construction of bus shelters in The Dalles and Hood River and bus signage in Hood River.	Match is provided in-kind through Port of Hood River for construction. Cash match is provided from transportation providers and agencies. Also includes a PUD grant (applied).
STIF Transportation Package; 5310 Discretionary and PUD	<p>STIF: New state funding based on an allocation of funds collected through a payroll tax (one-tenth of 1 percent) approved in the recent state transportation package. The funds are first anticipated to be available for reimbursement in April with two quarters of revenue (January-June). Conservative estimate is 150,000 available to the LINK.</p> <p>TGM: Transportation Growth Management planning grant. MCEDD anticipates an application to support the development a transit master plan.</p> <p>5310 Competitive (secured): These funds will allow MCEDD/LINK to begin providing a deviated fixed route service in The Dalles in April.</p>	<p>New service! Deviated fixed route to begin in April 2019.</p> <p>Transit Master Plan included (contractual), assuming funding received through TGM grant.</p> <p>Includes options to use funds for additional drivers/dispatch, flexibility (to consider extended service hours), for reviewing competitiveness of wages and to support the Transportation Operations Director position.</p> <p>A small portion of the Mobility Manager position is included in working through regional conversations on STIF planning.</p>
690 Transportation Admin	To allocate administrative costs specific only to the transportation division	

5310= a federal fund source providing resources for transportation for individuals who are disabled, individuals who are elderly and individuals with low incomes.

**HISTORICAL COMPARISON**

				PROPOSED	APPROVED	ADOPTED	REVISED	1
2015-16	2016-17	2017-18		2018-19	2018-19	2018-19		2
SUPPL		SUPPL	DESCRIPTION	BUDGET COMMITTEE	BUDGET COMMITTEE	MCEDD BOARD	MCEDD BOARD	3
			<b>REVENUES</b>					4
4,560,484	4,283,096	4,869,156	LOAN FUNDS (AVAILABLE TO LOAN)	3,781,742	3,781,742			5
81,196	113,566	242,803	CARRYOVER - RESTRICTED FUNDS	51,747	51,747			6
270,529	288,703	341,158	CARRYOVER - UNRESTRICTED FUNDS	443,130	443,130			7
<b>4,912,209</b>	<b>4,685,365</b>	<b>5,453,117</b>	<b>TOTAL CARRYOVER</b>	<b>4,276,619</b>	<b>4,276,619</b>			8
218,736	193,769	481,968	FEDERAL	686,599	686,599			9
34,300	60,068	72,454	STATE	360,338	360,338			10
37,990	23,000	19,000	LOCAL MATCH	56,450	56,450			11
45,530	45,530	55,034	LOCAL ASSESSMENTS	69,202	69,202			12
499,123	388,870	501,381	CONTRACT REIMBURSEMENTS	738,184	738,184			13
1,366,589	787,125	1,038,895	PRINCIPAL REPAYMENTS	1,259,025	1,259,025			14
419,521	405,012	362,595	LOAN INTEREST	452,018	452,018			15
64,969	57,824	49,691	LOAN FEES	40,983	40,983			16
49,562	31,800	44,638	OTHER REVENUE	74,408	74,408			17
66,448	63,923	24,473	IN-KIND	15,237	15,237			18
4,070	2,260	1,646	INVESTED FUNDS INTEREST	2,113	2,113			19
<b>7,719,047</b>	<b>6,744,546</b>	<b>8,104,892</b>	<b>TOTAL REVENUE</b>	<b>8,031,175</b>	<b>8,031,175</b>	<b>0</b>		20
			<b>EXPENDITURES</b>					21
			<b>PERSONNEL COSTS:</b>					22
457,877	472,383	616,520	<b>WAGES</b>	940,433	940,433			23
123,965	135,577	147,409	<b>FRINGE BENEFITS</b>	266,356	266,356			24
39,543	41,248	57,097	<b>PAYROLL TAXES</b>	98,108	98,108			25
<b>621,385</b>	<b>649,208</b>	<b>821,026</b>	<b>TOTAL PERSONNEL COSTS</b>	<b>1,304,898</b>	<b>1,304,898</b>	<b>0</b>	<b>-</b>	26
			<b>MATERIALS AND SERVICES:</b>					27
36,293	30,859	27,596	<b>TRAVEL</b>	43,202	43,202			28
26,000	22,891	22,790	<b>EVENT SERVICES</b>	24,344	24,344			29
4,039	4,500	6,500	<b>EQUIPMENT</b>	4,750	4,750			30
44,575	32,116	42,176	<b>SUPPLIES</b>	42,302	42,302			31
			<b>PROFESSIONAL SERVICES:</b>					32
5,700	6,950	10,788	Legal	11,850	11,850			33
15,755	13,150	13,413	Audit	13,614	13,614			34
16,400	14,874	8,451	Filing Fees	5,450	5,450			35
305,498	254,481	235,262	Contractual	388,276	388,276			36
		1,000	Drug/Alcohol Testing/DMV	<b>1,000</b>	1,000			37
			<b>VEHICLE COSTS</b>					38
-	-	20,200	Repairs/Maintenance	40,000	40,000			39
-	-	10,415	Fuel	45,790	45,790			40
			<b>COMMUNICATIONS:</b>					41
8,865	8,000	8,785	Advertising	<b>21,230</b>	21,230			42
2,680	2,500	2,280	Postage & Freight	4,008	4,008			43
6,300	8,200	13,125	Printing	10,161	10,161			44
1,150	280	335	Pubs & Subs	348	348			45
8,950	8,950	11,903	Telephone & Networking Expenses	14,025	14,025			46
			<b>BUILDING COSTS:</b>					47
13,049	13,440	17,714	Rent	14,687	14,687			48
5,100	5,000	10,775	Utilities and Janitorial	27,194	27,194			49
		-	Building Remodel - Allocation of Expenses					50

**HISTORICAL COMPARISON**

500	500	8,800	Building Repairs and Maintenance	8,800	8,800		55
3,450	3,350	6,714	<b>BOND AND INSURANCE</b>	<b>9,554</b>	9,554		56
			<b>OTHER MATERIALS &amp; SERVICES:</b>				57
10,938	7,050	5,699	Dues and Fees	8,130	8,130		58
300	890	4,440	Other	5,256	5,256		59
66,448	63,923	24,473	In-Kind	15,237	15,237		60
<b>581,990</b>	<b>501,904</b>	<b>513,634</b>	<b>TOTAL MATERIALS AND SERVICES</b>	<b>759,208</b>	<b>759,208</b>	<b>0</b>	61
							62
<b>45,000</b>	<b>25,000</b>	<b>15,000</b>	<b>GRANTS DISBURSED</b>	<b>25,000</b>	<b>25,000</b>		63
							64
			<b>REVOLVING LOAN FUND:</b>				65
3,660,000	3,350,000	2,959,000	New Loans Made	2,153,500	2,153,500		66
89,835	100,795	101,775	IRP Payment-Principal Portion	102,861	102,861		67
21,513	20,611	19,605	IRP Payment-Interest Portion	18,519	18,519		68
2,311,658	1,759,829	2,969,006	Ending Available to be Loaned	1,949,245	1,949,245		69
<b>6,083,006</b>	<b>5,231,235</b>	<b>6,049,386</b>	<b>TOTAL REVOLVING LOAN FUND</b>	<b>4,224,125</b>	<b>4,224,125</b>	<b>0</b>	70
							71
		<b>188,332</b>	<b>CAPITAL OUTLAY</b>	<b>252,412</b>	<b>252,412</b>		72
							73
96,995	25,094	35,194	CARRYOVER - RESTRICTED	990,282	990,282		74
290,671	312,105	482,320	CARRYOVER - UNRESTRICTED	475,250	475,250		75
<b>387,666</b>	<b>337,199</b>	<b>517,514</b>	<b>TOTAL CARRYOVER</b>	<b>1,465,532</b>	<b>1,465,532</b>		76
<b>7,719,047</b>	<b>6,744,546</b>	<b>8,104,892</b>	<b>TOTAL EXPENDITURES</b>	<b>8,031,175</b>	<b>8,031,175</b>	<b>0</b>	77

## Memorandum

**Date:** June 7, 2018  
**To:** MCEDD Board of Directors  
**From:** Amanda Hoey, Executive Director  
**Re:** Indirect Policy Review

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### Overview

MCEDD has an established indirect policy to allocate administrative costs which are not attributable to a single program. These include items such as rent, utilities, staff time spent on overall administrative duties, and other similar costs. The indirect policy was last reviewed and revised in 2011, in response to a change in our staffing structure and an increased diversity of program offerings which were causing an imbalance in the indirect cost allocation.

It is good practice to review the indirect policy, which MCEDD management looks at annually. This year it is also coming before the board for additional review, as it has been a number of years since the last board analysis and a few conditions have changed. Notably, there has been a change at the federal level to use the OMB SuperCircular (which provides “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”) and a change at MCEDD with the expansion of transportation services.

Siri Olson, MCEDD’s Finance and Operations Manager, prepared a number of scenarios for potential revisions to our indirect policy looking at:

- Our current policy. Currently, MCEDD uses a variation of indirect allocation by direct wages. We direct cost to primary programs (eg planning grant and loan funds) a portion of attributable expenses for audit, building expenses and insurance. The remainder of those expenses are allocated as indirect, based on percentage of direct wages. Administration indirect payroll costs are tracked via a specific class code (801) to be properly allocated across programs. We also have a loan fund class code (390) to account for expenses that are only used for the loan fund program and a transportation class code (690) for expenses only used for transportation. The expenses associated with those class codes is then spread only to the programs using those services.
- Allocation based on direct wages
- Allocation based on total costs
- Allocation based on total hours
- Allocation based on total revenue
- Allocation based on a flat 10% indirect rate.

### Analysis

We are focusing on options that will best allow indirect costs to be equitably distributed among the programs utilizing the resources and to ensure ease of accountability. Based on those two factors, there are two scenarios that appear to be our best options:

- Allocation based on a percentage of direct wages. Our auditor noted this as a common mechanism utilized by other agencies. We could implement it with our current indirect policy with a simple change to remove the direct cost allocation for certain expenses (audit, insurance, building) so those are fully included in the indirect.
- Allocation based on a flat 10% indirect rate. This is increasingly being used by similar agencies to MCEDD as it is an easy one to use in working with federal funding.

Attached is a spreadsheet reflecting the distribution under these two scenarios based only upon the past three months (to align with the timeline of the LINK incorporation to MCEDD).

**Process**

In updating our indirect policy we take into account the process for the MCEDD Board and our funders. The following is the process for revising the policy:

- 1) MCEDD staff prepares options for indirect policy changes
- 2) MCEDD governing body reviews, recommends revisions and adopts changes to the indirect policy
- 3) Policy changes are submitted to MCEDD's cognizant agency and granting agencies/funders for approval
- 4) Changes in indirect allocations are instituted when accepted by the relevant agencies.

**Request**

Direction on the preferred methodology for approaching indirect cost allocation.

**MID-COLUMBIA DEVELOPMENT DISTRICT  
INDIRECT ALLOCATION ANALYSIS  
(DATA 02/01/18 - 04/30/18)**

CURRENT ALLOCATION				
CLASS CODES	CURRENT ALLOC (02/01/18 - 04/30/18)		All Proj % of Direct Wages	All Proj 10% of TL Revenue
101	4,186.96		2,648.28	2,000.00
320	971.26		792.66	4,384.36
321	104.69		91.90	269.26
322	118.00		96.85	586.24
336	378.12		258.52	1,218.11
345	56.22		62.69	78.56
350	109.03		78.37	435.52
355	33.59		43.35	1.15
357	47.96		59.10	10.23
370	76.60		91.12	48.41
371	281.45		196.81	310.89
390	1,177.41		961.83	-
5011	169.77		220.69	150.00
5012	288.02		374.42	200.00
5013	25.10		32.63	-
519	91.48		118.92	1,618.00
525	341.02		443.31	1,314.37
526	117.30		152.48	-
527	33.63		43.72	-
528	10.08		13.11	-
529	6.77		8.80	-
530	76.42		99.34	500.00
532	452.24		587.89	965.67
533	105.41		137.03	-
534	57.97		75.36	-
536	29.71		38.63	-
549	113.05		146.97	223.13
552	2,604.24		1,549.24	2,305.13
554	862.24		1,120.89	2,000.00
557	960.63		1,248.79	2,245.30
559	967.53		1,257.75	2,089.53
5591	35.79		46.53	60.00
560	22.29		28.98	875.00
566	-			
570	17.78		23.11	-
571	1,568.87		2,039.48	2,094.60
575	28.09		36.52	748.88
582	188.87		245.53	150.00
585	250.59		325.76	200.00
587	407.53		529.77	334.68
591	15.05		19.56	-
599	242.48		315.22	64.41
602	-			-
603	6,639.74		7,270.70	841.21
604	2,704.63		2,932.75	2,684.10
605	-		-	-

**MID-COLUMBIA DEVELOPMENT DISTRICT  
INDIRECT ALLOCATION ANALYSIS  
(DATA 02/01/18 - 04/30/18)**

101	4,186.96		2,648.28	2,000.00
606	-		-	1,675.00
607	-		-	-
608	-		-	1,666.10
609	-		-	-
610	-		-	-
690	367.53		477.78	-
<b>TOTAL</b>	<b>27,343.14</b>		<b>27,343.14</b>	<b>34,347.82</b>
<b>TL BY CAT</b>				
LOAN FUNDS	3,354.33		2,733.20	7,342.74
GRANTS	6,405.84		5,532.76	4,493.69
SPEC PROJ	7,871.07		8,395.95	15,645.00
TRANS	9,711.90		10,681.23	6,866.41
<b>TOTAL</b>	<b>27,343.14</b>		<b>27,343.14</b>	<b>34,347.82</b>

**Executive Director’s Report  
Prepared for June 2018 Full Board Meeting**

**Economic Development Administration, Regional Economic Development**

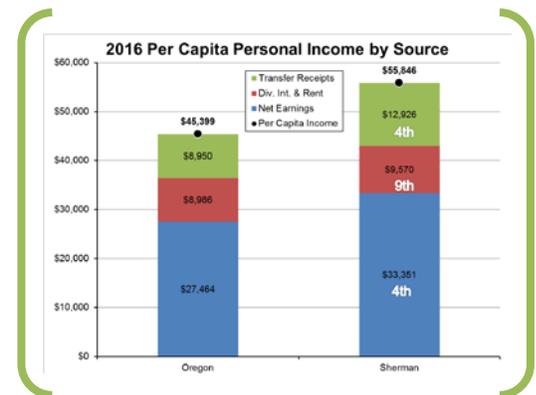
- **Legislative Update/Federal budget:** Federal funding for the next budget year is still in development. Based on the indication of items coming out of the House, our National Association has flagged a few items that would be beneficial for us to watch and consider how we prepare for potential future opportunities:
  - ❖ USDA Strategic Economic and Community Development (SECD) potential expansion, with the incorporation of planning funding.
  - ❖ Economic Development Administration directive on regional innovation, including a focus on advanced wood products.
  - ❖ USDA focus on “very small communities” water/wastewater system predevelopment planning.
  
- **NADO.** I was re-elected to the National Association of Development Organizations (NADO) Board for a term through 2020, representing the West region. I was also recruited for the NADO Research Foundation Advisory Council. It is a nice compliment to MCEDD’s work. Highlights from the recent NADO summer board meeting include:
  - ❖ **National Keystone partnership established for the US Census.**
  - ❖ **Emerging leaders program potential.**
  
- **EDA:** Activities with the US Economic Development Administration (EDA) continue to proceed. Highlights include:
  - ❖ I anticipate a proposal to EDA in July to expand our partnership planning grant, should the agency have additional resources available to expend before end of the fiscal year. We broadly scoped two approaches: 1) Convene partners to identify pathways to resolve a specific infrastructure issue listed in our strategy and 2) Hosting industry tours with regional stakeholders. We had also discussed a trade leakages study but the quote came back too high for consideration with this funding.
  - ❖ Columbia Gorge Community College executed the grant agreement with EDA for the funding to complete a feasibility study for the food/beverage collaborative. Matching funds provided through the Oregon Investment Board were extended for a year to match the EDA timeline.
  - ❖ Port of Cascade Locks received technical assistance funds and has been working with EcoNW on a feasibility study for the state-owned airport in the City. The final advisory meeting was held in May. The report focuses on six development options for the airport property but provides no recommendation.
  - ❖ We are still working towards options for a regional economic resiliency application. We received a letter from the Oregon Governor committing support.
  - ❖ We continue to support communities in their applications for EDA Disaster funds. Active applications include Skamania PUD for the North Bonneville substation, City of Cascade Locks for utilities upgrades that will better serve the industrial area and City of Stevenson: for segments of their wastewater treatment plant.



*NADO Board meeting*

- CEEDS:** The updated Comprehensive Economic Development Strategy and associated project rankings as adopted by the MCEDD Board have been published to our website and the Agora Platform. We have notified county economic development leads and all project owners of the status of ranking. We also distributed a press release next week and talked with key funders. The status of our regional strategy priority projects is updated on our website. A few of those include:

  - ❖ Goldendale Energy Storage Project: <http://www.mcedd.org/2b-pumped-storage-project-takes-another-step-forward/>
  - ❖ Representative Herrera-Beutler attended an open house for the new flex space at the Columbia Gorge Regional Airport. My appreciation to Board member **Dana Peck** for highlighting MCEDD's work and the investments from EDA!
  - ❖ I have been working with Nate Stice from North Central Oregon Regional Solutions to clarify issues in the upper Hood River valley related to wastewater treatment. We convened a meeting with DEQ and a sanitary district while our EDA representative was visiting the area. Since then, we have met with representatives for Hood River County and will be further coordinating with affected entities.
  - ❖ Bridge of the Gods delegation support for ped/bike improvements. More at: <http://www.mcedd.org/bridge-of-the-gods-pedestrian-bike-crossing-receives-support/>
  - ❖ Funding for the Pine Hollow South Boat Ramp. The project was a priority identified through the Wasco County Economic Development Commission and expressed as a past priority in the regional economic development strategy. More at: <http://www.mcedd.org/pine-hollow-boat-ramp-receives-funding/>
  - ❖ MCEDD submitted letters of support for two applications to the Oregon Water Resource Department funding: Dog River Pipeline in The Dalles and the Mosier Deep Wells. Both are regional priorities.
- Opportunity Zones:** The U.S. Department of the Treasury and the Internal Revenue Service recently designated Opportunity Zones, including 10 zones in the MCEDD region. The Tax Cuts and Jobs Act created Opportunity Zones to spur investment in distressed communities throughout the country. New investments in Opportunity Zones can receive preferential tax treatment. For Opportunity Zone resources and a map of zones [click here](#).
- Agora Platform:** We extended contracts with a few of the subrecipients for the Agora Investment Platform project. Notably, for Colpac to further explore relationships with state funding agencies and opportunities for a universal application. We have also discussed applicability of the Platform for developing the pipeline for Opportunity Funds. It may be ideally situated to provide visibility to regional priorities in Opportunity Zones.
- Metrics:** All three Oregon counties in the MCEDD region ranked in the top ten for the state in terms of 2016 per capita personal income. Washington counties in the MCEDD region experienced increases in their 2016 per capita personal incomes over prior years. Details: <http://www.mcedd.org/per-capita-personal-income-rates-climb/>
- AmeriCorps RARE application:** The AmeriCorps RARE community application and associated matching funds request was submitted from MCEDD. I am also excited to



share that I nominated Maggie Hanna, a past MCEDD RARE, for the highly competitive Marshall Memorial Fellowship and she was selected!

- **Columbia River Gorge Commission Gorge 2020 plan:** Chair Ken Bailey, Jessica Metta and I are participating with the group discussing the economic vitality chapter of the Columbia River Gorge National Scenic Area Management Plan. MCEDD staff worked with our members to develop a draft revision to the Management Plan chapter.
- **Annual Columbia Gorge Economic Symposium:** We have secured a location at the Civic Auditorium in The Dalles for Friday November 2, 2018. We have our first two sponsors: *NW Natural and Columbia Gorge Community College*. Esina Alic, Insitu CEO will keynote. Regional economists Dallas Fridley and Scott Bailey will present. We are just beginning to discuss the tech panel. Tickets are now on sale through eventbrite. \$25 in advance. Spread the word!

### **Business Assistance Division, Project Management Division**

*See Loan and Project Management Reports for further information and updates.*

- **Business Loan Impact Report Highlights:** MCEDD has received a great deal of good press from the loan program study, including an article published by USDA (attached).
- **Hood River Economic Development Group:**
  - ❖ The group elected a new chair: Gordon Zimmerman from the City of Cascade Locks. Lauren Hernandez has taken on the responsibilities for meeting minutes.
  - ❖ I have been working with Nate Stice from North Central Oregon Regional Solutions to clarify issues in the upper Hood River valley related to wastewater treatment. With state partners, we have been convening conversations with stakeholders and held a joint outreach meeting in Parkdale.
  - ❖ An update to the major employers list is underway, with thanks to the Hood River Chamber of Commerce for assistance in making survey calls to businesses.
- **Renewable Energy** sector activities:
  - ❖ The Columbia Gorge Bi-State Renewable Energy Zone met in April and discussed new projects, including the solar development in Sherman County and wind/solar developments in Gilliam County. Participants discussed the Goldendale Energy Storage project tour which brought in a number of high-profile individuals.
  - ❖ Funding partners receive updates from the Government Affairs Specialist and have focused efforts for the remainder of the contract on repowering opportunities. The contract concludes in June and is not anticipated to renew.
  - ❖ I met with representatives for Hood River County/ Hood River Energy Group to work through a number of basic logistics. The primary conditions are for the group to fully secure funding for the position and to support any grant management necessary. The item is on the full board agenda for discussion.
  - ❖ The Renewable Energy and Economic Development Seminar (REEDS) event in Olympia, Washington is anticipated to be rescheduled in November.

### **Operations**

- Audit is scheduled for the first week in October. Generally, MCEDD Board members are provided an opportunity to meet with the auditors upon their arrival. ***Tentatively pencil in Monday, October 1, 2018!*** It is a great opportunity to talk with the auditors.
- **Employees:** I conducted the six-month evaluations for Siri Olson. My annual evaluation was conducted in May by the Executive Committee. We have hired Charlotte Dupree for

the Transportation Operations Director position and promoted Deann DePaepe to full time dispatch. MCEDD still has an open position for a part-time dispatcher.

- **Training:** Lauren Hernandez received her notary certificate. We now have two notaries in the office: Lauren and Jacque Schei. I attended the Rural-Urban Regional Dialogue meeting in Warm Springs. The event was part of a series hosted by the American Leadership Forum. Eric Nerdin and I participated in an EDA webinar to review their CAMELS system for loan funds.
- **Workplan:** I completed development of the annual MCEDD workplan, which was reviewed with the MCEDD Executive Committee. A few highlights of new items include (note: the full plan is available on request):
  - ❖ Conducting a salary survey (precipitated largely by new programs)
  - ❖ Securing an AmeriCorps RARE to expand staff capacity
  - ❖ Exploring avenues to better utilize the 501c3 designation
  - ❖ Facilitating employer discussions on housing solution sets
  - ❖ Seeking to secure EDA disaster dollars for the region
  - ❖ Convening the region through the annual Economic Symposium
  - ❖ Hosting a dig once broadband gathering
  - ❖ Transitioning or assessing future pathways for certain projects concluding funding
  - ❖ Conducting an updated legal review of all template loan closing documents
- The MCEDD Oregon Center members formalized dissolution of the 501c4.
- I am working on a request through our Oregon state association to The Ford Family Foundation to support Executive Director attendance at the NADO annual conference.
- Congratulations to Kathy Fitzpatrick on her recent award and recognition from Commute Options!
- Semi-annual reporting is now complete for all projects, transportation and loan functions. We did extend the RLF USDA reporting which was submitted late as we worked on ensuring the accuracy of figures.
- Salary Survey: The Oregon Economic Development District Association approved covering the cost of the 2017 nonprofit salary survey data purchase. At our last meeting, the MCEDD Executive Committee had agreed to support this cost, but I am pleased to be able to have it covered through another source. Data has been received and is being compiled in a comparison sheet to the other information currently available.



*Rural-Urban Dialogue*

Rural Business and Cooperative Service • Intermediary Relending Program

## Fueling Wage Growth, Business Expansion in the Columbia Gorge

Rural businesses on both sides of the Columbia River—from a brewery to an assisted living facility, from a Thai restaurant to a tribal fish market—are improving the local economy by hiring more employees and providing higher wages. These myriad small businesses have one thing in common: they were unable to obtain conventional loans. Instead, they financed the start-up or expansion of their business with assistance from the Mid-Columbia Economic Development District (MCEDD).

USDA Rural Development helped to capitalize MCEDD's revolving loan fund through \$2.86 million in Intermediary Relending Program loans. Those funds are still being revolved by MCEDD today, with the nonprofit providing new funding as existing loans are paid off. So far, the portion of MCEDD's revolving loan fund capitalized by USDA has assisted more than 80 small businesses. "We appreciate the primary role that USDA played in providing the capital for this program," said Amanda Hoey, Executive Director of MCEDD.



*Intermediary lending by MCEDD is helping rural communities in the Columbia Gorge improve jobs, wages, and the economy overall.*

Many of the businesses assisted are investing in higher wages and training for their employees. The highest growth businesses are exporting products or bringing in business from outside the local area. An independent analysis of the impact of this lending program over the past 15 years found that 85 percent of the businesses assisted were able to increase hiring as a direct result of their loan from MCEDD, and that 88 percent were stable or growing after concluding their financial relationship with the nonprofit. Still more impressive, the study found that MCEDD's assistance resulted in a total wage growth of \$40 million in the region, with more than 50 percent attributable to jobs paying higher than average wages for the area.

"The study consultants reflected that they were astounded by how much our clients were giving back to their communities," said Hoey. Overall, the increased access to capital is significantly contributing to the creation, growth, and success of local business ventures, which is improving the economy and more opportunities for local residents.

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<b>Obligation Amount:</b>	\$2.86 million loans
<b>Date of Obligation:</b>	June 1999, June 2004, November 2007, October 2011, August 2012, and June 2014
<b>Congressional District:</b>	Representative Walden, District 2; Senators Wyden and Merkley
<b>Partners:</b>	Mid-Columbia Economic Development District, Economic Development Administration, State of Oregon, and Orgon Consulting Group
<b>Demographics:</b>	Hood River, Sherman, and Wasco counties in Oregon; Klickitat and Skamania counties in Washington State
<b>Impact:</b>	Long-term lending through a revolving fund has improved the economy in the Columbia Gorge, creating new jobs, expanding businesses, and generating \$40 million in wage growth since 2002.

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# Columbia Gorge Economic Symposium

Visit [www.mcedd.org/symposium](http://www.mcedd.org/symposium)

Focusing on economic and employment trends in the regional economy.

## Highlights:

- Business Leader Keynote: Esina Alic, Insitu CEO
- Local Data, Regional Trends, Economic Forecasts: Dallas Fridley and Scott Bailey
- Tech industry panel.

**Date:** November 2, 2018

**Time:** 9 a.m. to 1 p.m.  
(doors open at 8:30 am)

## Location:

Civic Auditorium  
323 East 4th Street  
The Dalles, Oregon

**Purchase tickets (\$25) at [mcedd.org/symposium](http://mcedd.org/symposium)**

*Hosted by Mid-Columbia Economic Development District.*



# Columbia Gorge Economic Symposium

November 2, 2018 | Civic Auditorium, The Dalles

## Sponsorship Form

Company/Organization: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Website: \_\_\_\_\_

### SPONSORSHIP

**Business Sponsor: \$500. Sponsor name included in event materials. Please attach a logo.**

**Education/Nonprofit Sponsor.**

**Other sponsor**

### EVENT INFORMATION

Doors open at 8:30 a.m. Event begins at 9 a.m.

Location: Civic Auditorium, The Dalles, OR

Email: [mcedd@mcedd.org](mailto:mcedd@mcedd.org)



## Executive Committee Report (June 2018)

The MCEDD Executive Committee met in April, May and June to address business of the District. The activities of the committee included the following:

- Conducted the Executive Director's annual evaluation.
- Reviewed the initial salary survey information sources. Authorized staff to purchase the updated nonprofit salary survey data (not to exceed \$750) to provide additional data for review. *Note: MCEDD's Executive Director was since able to work with the Oregon Economic Development District Association to purchase the information. The ultimate cost to MCEDD for the data was \$0.*
- Provided feedback on the Annual Economic Symposium scheduled for November 2, 2018 in The Dalles.
- Approved submission of a Transportation Growth Management application. Staff is applying to support a Transit Development Master Plan for Wasco County.
- Reviewed highlights of the MCEDD annual staff workplan.
- Approved revisions to the personnel policy to accommodate changes in the payroll process, PTO accruals and fringe benefits. Revisions are on the meeting agenda to be ratified by the Board.
- Authorized MCEDD's Executive Director to travel to the NADO Board meeting in California in June.
- Considered a request from members of the Hood River Energy advisory committee for a partnership with MCEDD. Provided direction for staff.
- Discussed the status of Opportunity Zone designations, with ten confirmed in the MCEDD region. Discussed potential roles for MCEDD.
- Recommended Scott Clements to fill the open private sector position on the MCEDD Board of Directors.
- Provided feedback for staff to complete the EDA performance questionnaire.
- Received updates on the status of the Columbia River Gorge Commission Management Plan economic development working group.
- Approved a letter of support for Skyline Hospital's Expanding on Excellence campaign as they look at expansion and renovation of the emergency department.



**To: MCEDD Board of Directors**  
**From: Jessica Metta**  
**Date: May 30, 2018**  
**Re: Deputy Director's Report**

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**Deputy Director Duties**

Jessica supports the Executive Director in strategic planning, budgeting, organizational support and in representing MCEDD in the community.

**Transportation**

- Developed a grant application for Northern Wasco County PUD for funds that would support a bus shelter at The Dalles Transportation Center, rebranding of the LINK vehicles and building. We expect their decision the first week of June.
- Continued development of an ODOT Transportation and Growth Management grant application to support development of a Wasco County Transit Development Plan. Presented to the Wasco County Board of Commissioners for approval for the County to serve as the applicant on MCEDD's behalf. This grant is due June 8.
- Prepared for the roll-out of the new LINK service providing free transportation to The Dalles Farmers' Market through a PacificSource grant. This has included press releases, marketing materials, bus stop equipment and outreach to appropriate partners.
- Created a LINK page on the MCEDD website ([mcedd.org/linktransit](http://mcedd.org/linktransit)) and acquired ownership over the LINK's Facebook page.
- Finalized titles of LINK vehicles, sale of the vehicle leased to Tygh School Community Center and focused on ensuring all LINK vehicle maintenance is up-to-date.
- Supported an emergency preparedness training in The Dalles for a number of regional partners with free LINK transportation.
- Proceeded with hiring a Full Time Dispatcher/ Scheduler for the LINK Transportation Network. Continued to process applications for hiring a part-time dispatch position for the LINK.
- Ridership: The LINK's revenue-producing rides in non-emergency medical transportation were low in February, possibly due to the change-over of the medical brokerage from MCCOG to GOBHI and system changes. We worked proactively with the medical brokerage to get those numbers back up and have seen much higher figures for March, April and May.
- Training: Worked to update required driver training for passenger assistance, defensive driving and CPR/ First Aid. Charlotte Dupree and Jessica Metta both attended three free ODOT trainings in May in Bend, including a Procurement workshop, Drug and Alcohol Program Manager workshop and Reasonable Suspicion workshop.

## Gorge Technology Alliance

- Hosted the 5th annual STEM Career Day on April 27 with around 700 students from around the region visiting CGCC's campus in The Dalles to visit with 16 business presenters in a range of STEM careers.
- Worked with the GTA Scholarship Committee and Board to review 18 applications and select one for the annual college scholarship. Leticia Martinez from Hood River Valley High School was selected. She will be attending Oregon State to pursue a biochemistry degree on the way to a M.D./Ph.D. degree.
- Held the annual GTA Board of Directors vote, welcoming new members Christy Christopher with the Gorge STEM Hub and Erica Bogard with manufacturer SIGMADESIGN to the GTA Board. Also held the annual GTA Board of Directors officer election. New President and Treasurer are Mike Graham of Real Carbon and Dave Fenwick of vLetter, respectively. Steve Olson of Sightline Applications and Suzanne Burd of CGCC are continuing as Vice President and Secretary, respectively.
- Hosted a round table with a few of our unmanned businesses to learn about the FAA's research efforts to prove the safety of UAS in the national airspace through the ASSURE program and partner universities such as Oregon State University.
- Assisted the GTA in considering options for a large fundraiser for the college scholarship. A quick email blast request brought in about \$300 but a larger effort is needed.
- Supported a meeting of Gorge Women in STEM Steering Committee and networking event. Began planning for a film screening on October 23 of a Portland-based effort focused on the experiences of women in the tech industry.
- Began planning for a large event in January 2019 focused on innovators in the region, with support of Nate DeVol of Dog River Coffee.
- Issued a survey to the tech company members to update our data on the economic impact of the industry.
- Promoted and will participate in the June 1 STEM Fair in downtown Hood River, 5-7pm. See right. Over 40 booths will be in a blocked-off portion of Oak Street.
- Began planning a GTA round-table focused on the housing needs of the Gorge and what our local governmental entities are doing in the short and long-term. An early July meeting is likely.
- Participated in a meeting of the Economic Vitality Work Group for the Gorge Commission and in a Washington youth workforce training conference in Lyle.
- Hosted regular events for CEOs, Human Resource staff, Geek Lunch on historic patents and on Go Programming, and a Featured Event with a tour of SDS Lumber.



GTA Members suiting up for the SDS Lumber tour.



To: MCEDD Board of Directors

Date: June 4, 2018

From: Carrie Pipinich, Project Manager

**Re: Project Management Report**

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### **Broadband**

- **Wasco County:** Carrie has continued to work with Q-Life and the City of Maupin to move the fiber project forward. With the legislative funding \$500,000 in funding from the Oregon Legislature in the 2018 short session, the project went out for bid and has been awarded. They anticipate residents and businesses will be connected later this summer if all goes smoothly.
- **Sherman County:** Staff worked closely with the four cities and county to form a review committee to rank proposals and get answers to questions that arose after review. The Committee has recommended moving forward with a proposal from GorgeNet to provide a fiber to the premises network to serve residents and businesses in each of the Cities and Biggs Junction. Each City and the County will need to approve moving forward.
- Staff brought together local partners with representatives from CenturyLink to get an update on Connect America Fund II investments in the region. The two meetings focused on Klickitat and Skamania Counties as well as Wasco County. The region continues to receive some investment with these funds to support improved services in rural areas on CenturyLink's network.
- **Oregon Connections: Digital Inclusion.** Carrie is lead staff support for the Oregon Connections Conference which will be held October 18 and 19 this fall. The theme for this year's conference will be Digital Inclusion. Mary Beth Henry has been selected as the keynote speaker.
- **Regards to Rural:** Carrie was asked to sit on a panel at Rural Development Initiative's Regards to Rural Conference. The panel, titled "Bring on the Broadband: Infrastructure in Rural," featured industry leaders, legislators, and community representatives working on broadband. Conversation focused on effective community efforts and strategies for improving broadband access as well as policies impacting rural broadband deployment.

### **Wasco County Economic Development Commission (EDC):**

- **Wasco County Joint Enterprise Zone:** The current iteration of Dalles/Wasco County Enterprise Zone sunsets on June 30, 2018. It has been managed by The City of The Dalles and has focused on developments in that community. With interest expressed by local partners, over the last six months staff from the Wasco County Economic Development Commission and the City of The Dalles has been working closely with representatives from the Cities of Dufur, Maupin, and Mosier as well as Wasco County to expand the zone during the re-designation process. Within the new zone, MCEDD in its role as EDC staff will provide Zone Management for areas outside of the City of The Dalles. The application for designation will be submitted to Business Oregon in June.



- **Grant Writing Training:** The Open for Business Committee hosted a grant writing workshop geared toward smaller communities, special districts, and local non-profits to bolster their abilities to bring outside resources into the community to complete priority projects. Nine attendees participated from water districts, rural fire districts, non-profits, and cities.

- **EDC Committees:** The EDC Committees shifted their focus to developing Small Cities and Unincorporated Communities committees to better reflect the type of support needed to increase their local capacity and be successful, healthy communities with vibrant economies. These committees, in addition to a Broadband Committee, Open for Business, and Agriculture Committee, will continue to support the EDC's work in the coming year.
- **Dufur Branding:** MCEDD in partnership with the Dufur Chamber of Commerce received a grant from Travel Oregon to develop a new community brand for utilization by the Chamber and other partners in the community. The branding process has been completed. The Port and Chamber with some EDC staff support are in the process of developing a tear-off map and incorporating new branding into the Chamber's website.



**Sherman County Economic Development:**

- **Housing Assistance:** Since Sherman County adopted updates to its Rental Housing Grant Program and the Housing Rehabilitation Grant Program in January, staff has been supporting inquiries, working with the Housing Grant Review Committee to clarify questions on implementation of the program, and marketing the incentives.
- **City Assistance:** Staff hosted the quarterly Sherman Cities Collaboration Meeting in February with representatives of all four Cities in attendance. Topics of discussion included project funding strategies and the façade improvement grant programs the Cities are exploring implementing with support from the County. Additionally, staff met with each of the four cities to discuss their challenges as well as opportunities for support.
- Staff worked with Rural Community Assistance Corporation (RCAC) to host a training focused on financial management in Rufus on March 19. 11 cities and water districts from Sherman and Wasco counties attended. It provided them an opportunity both to learn about managing their utility's finances but also network with other small water providers in the area.
- **Biggs Water System:** Staff has been working closely with the County, the service district administrator, their engineering consultants, and USDA, RD to support completing a funding application for development of a water system to be owned and managed by the Biggs Service District. Staff coordinated a meeting with all project partners in April to ensure all were on the same page to move forward. Since this is a new service for the District, this has included ensuring that they have the appropriate structures in place to support provision of water to the businesses in Biggs Junction moving forward. Additionally, when construction moves forward the District is planning to coordinate with Windwave and GorgeNet to install conduit and fiber to support enhanced telecommunications services for Biggs Junction as well.



- **John Day River Territory:** Staff continues to participate on behalf of Sherman County on the Steering Committee for the JDRT, the regional destination marketing organization covering Sherman, Gilliam, Wheeler and Grant Counties. The John Day River Territory kiosks have been constructed and installation was completed in Wasco, Arlington, Prairie City, and Mitchell. The kiosks will highlight activities to do in the region and encourage visitors to stay longer and spend more in local communities. Additionally, staff supported JDRT in their efforts to apply for a RARE participant for the coming year that will focus

on developing plans for the JDRT moving forward and implementation of already identified projects.



To: MCEDD Board of Directors

Date: June 1, 2018

From: Kathy Fitzpatrick, Mobility Manager

**Re: Mobility Management/Transportation Report**

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**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.*

- June 11 is the official launch date of the Columbia Gorge Express Monday daily services (Monday through Sunday) from Portland to Hood River. Kathy is helping to coordinate this schedule with Mt. Adams Transportation Services (MATS) and Columbia Area Transit (CAT) so riders can transfer easily to reach key destinations like Bingen, White Salmon, The Dalles, Odell, and Parkdale. On weekends, the Columbia Area Transit's Pink Open Air Trolley will meet with the Columbia Gorge Express to take riders on to downtown Hood River and The Heights. The Columbia Gorge Express will also coordinate its schedule to meet with the Mt Hood Meadows shuttle during the 2018/19 ski season. The Mt Hood Meadows shuttle enjoyed a very successful trial season last winter, attracting both Gorge residents and skiers coming from the Portland area.
- On May 17<sup>th</sup> 2018, the Oregon Transportation Commission officially awarded \$61,226 to MCEDD for the bus shelter facilities project that will serve the new regional public transit service expansions and connections in The Dalles and Hood River. Bus shelters and signage will be installed at both Community College campuses, The Dalles Transit Center, and the Port of Hood River Bus Transfer site. The Port of Hood River Bus Shelter will serve the transferring riders of these transportation providers: Columbia Area Transit, Mt. Adams Transportation Services, Columbia Gorge Express, Mt Hood Meadows Shuttle, and the Pink Trolley (Gray Line of Portland). Project partners contributing match resources to this project include the Columbia Gorge Community College, the Port of Hood River, The Link, Columbia Area Transit, Mt. Hood Meadows, and ODOT.
- Kathy is managing the Public Transportation Celebration scheduled for June 16 from 9-10:30 am. This event is designed to engage residents and inform the public about the new regional fixed route service expansions and the new Gorge TransLink Bus Stop located south of the Event Site and north of the Valero Gas Station.
- As the Gorge TransLink Alliance coordinator, Kathy convened two STIF Regional Coordination meetings with partners that included both Gilliam and Wheeler County Transportation Providers. The purpose was to facilitate a regional strategic assessment of public transportation capacities and to identify potential projects and priorities that could be coordinated to expand and strengthen the larger regional transportation system with the new resources available through the Oregon Transportation Package (HB 2017). Theresa Conley, Region 4 Transit Coordinator, and Kathy presented an overview of the coordination efforts at both the Tri-County (Sherman, Gilliam, Wheeler) County Court and Lower John Day Area Commission on Transportation meetings in April and May.
- The Gorge TransLink Alliance meeting held in April included a new E-fare app with no start up or equipment costs that would support cross-system transfers. CAT is moving

forward with adoption of this new technology, which could serve as the platform for transit passes that can include easy transfers to or bus pass integration of all of the regional transportation providers.

- Kathy is working with MATS, CAT, Gray Line of Portland, and the Columbia Gorge Express to develop a Universal Pass system as part of employee benefit program that could be adopted by regional employers seeking to encourage their employees to use public transit. This project includes development of a menu of multiple-provider pass systems that could be offered to other types of organizations and to individuals.
- The Everybody Rides/¡Todos Arriba! Campaign project received a \$10,000 grant award from ODOT's Transportation Options Innovation grant program, building on the Columbia Gorge Health Council's grant award of \$3,500. This project will provide enhanced awareness of available public transportation resources throughout the five county region, engaging the Gorge communities by using creative and innovative public outreach techniques. Starting July 1<sup>st</sup>, Kathy will work with Alta Planning & Design, ODOT's subcontractor, to design and implement the Everybody Rides Campaign.
- Significant progress was made on the **NADO Eastern Klickitat County Transportation Study** when Kathy and NADO's Associate Director, Carrie Kissel, conducted interviews with owners and managers of the agricultural businesses over a period of three days in May. This focused research will provide valuable information to help NADO develop options and recommendations for transportation solutions in this rural area. MCEDD is partnered with Klickitat County Economic Development on this work. Dana Peck, Executive Director of the Goldendale Chamber of Commerce, helped to facilitate many of the industry leaders' introductions.

### **Drive Less Connect and Transportation Options**

*MCEDD contracts with Commute Options to conduct transportation demand management outreach to employers in Wasco and Sherman counties. MCEDD also receives grant funding from ODOT to support the State's Transportation Options Plan and to promote the use of the Drive Less Connect platform to Hood River County employers. The Mobility Manager uses these tools to promote Transportation Options in Skamania and Klickitat Counties.*

- The Portland-Gorge commuter bus project is in its final stage of development. Kathy is working with several committed employers in the Gorge to confirm Portland stop locations and to develop a menu of pass options.
- The [Hood River County Energy Plan's](#) new Active Transportation and Transit Committee is moving forward with a list of projects, including the June 16<sup>th</sup> Public Transportation Celebration, the Hood River Walk Shops project in The Heights, and Safe Routes to School and Transit. The Active Transportation Committee was awarded a \$5,000 Transportation Options grant to organize an Open Streets event that is scheduled for September 2018. Kathy provides technical assistance and support for initiatives that promote transportation options in the region.
- Kathy continues to work with Commute Options to coordinate a Safe Routes to School programs for North Wasco County District 21, the Mosier Community School, and the Hood River County School District with the goal of preparing these communities to position themselves with strong applications for the new ODOT Safe Routes to School Infrastructure Funding Program which opens July 23, 2018.



To: MCEDD Board of Directors  
From: Jacque Schei, Project Manager  
Date: May 23, 2018

**Re: Project Manager's Report**

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For the following projects, Jacque serves as a main contact to coordinate grant activities, ensures grant recipients meet the conditions of the grant contract, monitors progress of the project, and ensures that contractors fulfill contractual obligations.

**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 facility to serve the citizens of Wasco County and surrounding counties as needed. The County received four bids on the project, which were opened March 7<sup>th</sup>. The project was awarded to Griffin Construction. Work started at the project site the first week of May and a groundbreaking ceremony was held on May 22<sup>nd</sup>. Construction is expected to take about 11 months to complete.



**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. The project is waiting on a final report and recommendation by the archaeologist, but their initial finding is that the site is not eligible for the National Register of Historic Places. The project will need concurrence from the State Historic Preservation Officer and the environmental review can be finalized. The project is also submitting an application to the Drinking Water State Revolving Fund (DWSRF) for the additional costs associated with the surveys, archaeological monitoring needed during construction, additional design work, and to account for an increase in construction costs since the time of the original application.

**Dallesport Water District (DWD):** MCEDD has an agreement with DWD to serve as the Grant Administrator for a CDBG grant to support grant administration for a CDBG/USDA funded project for water improvements for the community of Murdock, WA. All phases of construction were completed in December 2017. The project is currently waiting on retainage releases from Washington State before it can complete all closeout procedures.

**Economic Development Administration (EDA) Grant Support:- Columbia Gorge Regional**

**Airport:** 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. Construction on the project was completed in December 2017 and leases for LifeFlight and Tac Aero (the new fixed base operator at the airport) have been drafted. The project has submitted final documentation and is awaiting feedback from EDA on any additional closeout procedures.

### **State Revolving Loan Fund Project Support**

**Crystal Springs Water District (CSWD):** CSWD has secured a Safe Drinking Water Revolving Loan Fund (\$3,743,000 loan and \$500,000 forgivable loan) for the Mid-Valley Reservoir and 13,000 ft of pipe replacement. MCEDD has signed an agreement with the CSWD to support grant administration tasks and labor standards management for their project (total agreement amount \$35,000). The design for the project is close to complete, at which point it will go through agency review. An environmental review document was submitted to OHA and the project needs to address their feedback before finalizing. CSWD has two additional applications in to the state to support construction of a new reservoir and consolidation efforts with the Odell Water Company. MCEDD will provide grant administration services if funding is received.

**City of The Dalles Wastewater Plant Upgrade Project:** The City of The Dalles applied for a \$2M Clean Water State Revolving Fund loan from DEQ in support of an \$11M project to upgrade their wastewater treatment plant. MCEDD has an agreement with the City (\$23,000) to support labor standards management on the project. The funds require compliance for all components with federal standards. Construction on the project started in 2017 and some additional work has been added to the project, so the estimated completion date has been extended to July 2018. Jacque continues regular checks and interviews per labor standards guidelines.

### **Fermentation Cluster**

**Cider Marketing and Events:** The Gorge Cider Society has published the 2018 version of the Gorge Cider Route. Staff has drafted some additional communications for tasting room staff to enhance use of the Route. The group hosted a Gorge Cider Society booth at the Hard Pressed Cider Fest in April and hosted five short, educational talks throughout the day. Staff manned the booth in between talks to share information on cider with consumers as well as highlight the Cider Society and the Route. The group also hosted a Bottle Shop at the event to raise funds for the Society.

**Gorge Cider Society Organizational Development:** The Cider Society successfully implemented its new membership structure for 2018. This new structure will support further sustainability for the group.