



Board Meeting Agenda

Tuesday, May 20, 2025

Time 2pm

Location of Meeting: Port of Morrow, 2 E Marine Drive, Boardman, Oregon 97818

Board Members: Chairman, Kim Puzey, Port of Umatilla, Vice Chair, JD Tovey, CTUIR, Jeff Wenholz, Morrow County, Joe Taylor, Port of Morrow

Board Member Alternates: Robert Blanc, Port of Umatilla, Dan Dorran, Umatilla County, Gary Burke, CTUIR, David Sykes, Morrow County, Joel Peterson, Port of Morrow

Staff: Greg Smith, CDA Director, and Emily Collins, Project Coordinator

1. CALL TO ORDER AND INTRODUCTIONS

Berit Thorson, Jerry Simpson, Raymond Huesties, Mike Huges, Paul Rabb, Aaron Palmquist, Lisa Mittelsdorf, Jim Doherty, Doug Olsen, City of Boardman, ChristopherA, Karen Vickers, Kelly Doherty

2. PUBLIC COMMENT PERIOD (3 Minutes Per Speaker)

A public comment was provided by Aaron Palmquist.

Mr. Taylor moved to add fiscal agent discussion and Executive Director contract position discussion to the agenda. Second by Mr. Wenholz. Motion carried unanimously.

3. CONSENT AGENDA

- A. [April 22, 2025, Board Meeting Minutes](#)
- B. [May 1, 2025, Special Board Meeting Minutes](#)
- C. [May 7, 2025, Special Board Meeting Minutes](#)
- D. BEO April 2025 Statement
- E. CDA QuickBooks April 2025

Mr. Wenholz moved to approve the consent agenda with corrections to the meeting minutes. Seconded by Mr. Taylor. Motion carried unanimously.

4. INFORMATIONAL REPORTS

- A. Director's Update
- B. Administrative Update

Mr. Smith said, "Interestingly, we received an inquiry from a film crew who is putting together a series and is interested in our igloos. They want to come on out, take a look,



and see if they may be a good fit for what they're trying to put together. So, we've reached out to the Oregon Film folks to figure out what a reasonable lease rate may look like. I've never dealt with real estate leases as it relates to film crew opportunities. I spoke to Lisa here at the Port of Morrow. She did not have that experience either. So, we'll see how that plays out. But they'll be out visiting with us here shortly. And who knows? CDA property may be in a movie. I do want to let you know, and I can share more in the executive session, if you'd like, we are starting to receive local business inquiries about opportunities to do economic development out on CDA properties. The message I'm sharing with them is we're in a hold pattern right now as Umatilla County and CDA and the rest of our partners are working through what ownership of real estate may look like. I want to give notice that we are ready and have been ready to pull the trigger on our ODOT road project. I have been tapping the brakes on this because I wanted to make sure that our budget was approved and that the board fully gave me direction in terms of how to proceed, knowing we have limited resources. And as it stands right now, we do not have a line of credit in place, should there be any type of overages, you folks have already authorized me to press forward. You've already given me that authorization. I've been tapping the brakes. My intent is to proceed forward funding 80% development, holding 20% back as contingency. This would include \$7 million plus the five. Then once that 80% is complete, then figure out what remaining project needs to be completed. Where are we in that budget? And then proceeding forward. Is there any opposition to this? I'm very nervous that we're going to uncover something that we didn't anticipate, and the expense is going to be greater than \$12 million. And I'm going to have to come to you folks and navigate that situation. You have given me authorization to proceed; I'm just looking for final counsel before I say go."

Mr. Dorran said, "So, the 20% contingency is on top of the contingency built into the contract that IRZ signed? So, it's 35% contingency?"

Mr. Smith said, "I'm being ultra conservative. Let me share with you again where I'm going with this. I've worked on projects in the past where our engineers have said this is what we anticipate it's going to cost, but you really don't know until you get under the ground. And so that contingency may be freed up sooner, but I want to hold back as much capital as possible, and I don't want to come to you folks saying I have a potential overage."

Mr. Taylor asked, "How would that work with in regards to our budget that we're going to talk about later on here?"

Mr. Smith said, "It would be right in line with that."

Mr. Taylor asked, "So we're talking next month to possibly give you the full green?"



Mr. Smith said, "Correct. I'm very good with that. The board has already given me authorization to proceed forward. I just want to share with you my approach on this. If I had a line of credit backing up the Columbia Development Authority like we've had in the past, then I would not be as guarded. But with the situation we're in today, I cannot afford for us to assume any liability without knowing I have the ability to pay that. My intent is, as Dan just pointed out, really to hold back almost 30% to see where we are, make sure that there's no significant issues under the sand, and then once we feel we have a higher level of confidence, then finish the project."

Chair Puzey asked, "Greg, does this appropriation work on reimbursement? So, we don't get the money?"

Mr. Smith said, "So there's two pieces of this. We have \$7 million, which is from HB 2017, which is a reimbursement-based grant. Then, Umatilla Electric has received \$5 million. But Umatilla Electric Cooperative wants assurance that they're not going to be asked to provide any overage coverage. And so that \$5 million is a set amount that we'll be seeking from Umatilla Electric."

Chair Puzey asked, "And is that available?"

Mr. Smith said, "If it's not available today, it will be in very short order. I'd have to check with Josh Burns, who's overseeing that. My understanding is, they have the contractual language from the State of Oregon. And so, the State of Oregon is ready to proceed in dispersing the money to UEC if they haven't already. And what we would do is submit invoices to UEC for payment."

Mr. Tovey asked, "Is the \$5 million being used as working capital for carrying costs from one month to another if we need? So, if it's reimbursable, there's a time delay between issuing and making payments and receiving payments back and reimbursements from the state. So, what are we using for working capital to cover that, to bridge that?"

Mr. Smith said, "Let me be clear. My intent is to take that \$7 million and spend it down to zero. Then from there, take the \$5 million and use that to complete the remaining portion of the project and do it based upon submittal of invoices and pay those vendors as we receive payment, either from the State or from Umatilla Electric. So, there will be a lag time there between the time we receive an invoice and the time the contractor gets paid."

Mr. Dorran asked, "Greg, at one point, didn't you say that BEO had offered you a line of credit on that?"



Mr. Smith said, "We have the opportunity to obtain a line of credit. What that would require would be each of the five partners signing off."

Mr. Taylor asked, "And you haven't brought that forward yet to make that ask?"

Mr. Smith said, "With the current environment, no."

Mr. Taylor asked, "Do you have any plans to or because you're talking about not having any capital to start this project. And are your vendors going to be okay with doing some work and get paid 30 days late?"

Mr. Smith said, "I mean, is that a position I want to see us in? No. Is that the situation I have before me? Yes."

Mr. Tovey asked, "And all those are contracted directly with us or through IRZ?"

Mr. Smith said, "They will be with us. Fred is our engineer of record who is serving really as the project manager oversight over Anderson Perry."

Mr. Rabb asked, "So Anderson is a general?"

Mr. Smith said, "No, they are the engineer, project engineer. But we will be paying them through our grant."

Mr. Taylor asked, "What timeline do you anticipate?"

Mr. Smith said, "I'm ready to begin immediately. I just wanted to make sure I was very clear that this is how this process is going to work. My intent is to begin to connect the utilization of HB 2017 resources and spend those down. Close out that grant. As that grant is closing down, then begin to utilize the \$5 million that's been allocated to UEC. Not using the \$5 million as working capital on \$7 million but using the reimbursement. That's not the term... We will submit the invoices to ODOT for payment, ODOT will pay. We're just going to ask for a check directly."

Mr. Dorran said, "My question is, is IRZ or Anderson and Perry going to be the ones to solicit the RFP?"

Mr. Smith said, "Anderson Perry will be responsible for working with the general contractor in selecting the subs. IRZ will be responsible for making sure that there is a review over my approval of the invoices and the work being completed by Anderson



Perry. As part of that, one of the things we're finalizing is having our legal counsel work with Umatilla Electric's Legal Counsel to make sure that we have a hold harmless and not exceed agreement in place. Umatilla Electric is concerned about that and rightfully so. I want to let you know that the fiscal year 2025 audit will be beginning here at the end of June. We anticipate that that audit will be completed by the middle of September. And then, Kim, as you know, our intention is to make a presentation to the BRAC, after a presentation to the board, around October 1st."

Chair Puzey said, "And for your information, we had a conversation this morning that addresses that subject. And we were told our 2023 audit was acceptable to them."

Mr. Smith said, "2024 was acceptable, and we're still working on 2023. And 2023 is still outstanding. The holdback on that is our ability to pay the auditor to do the work. I want to let you know that we're proceeding with getting the final additional monument markers in place for the property line adjustment for the transfer of the CTUIR property. Working with Kenny Delano, who's a surveyor, that's going to be an additional \$18,000 to get those additional monuments put in place. Once those are completed, my understanding of talking with our legal counsel, from talking with the folks at Umatilla County, that will be the final requirement. We did not anticipate needing to place those in. Umatilla County requested that we did. And so, we wanted to make sure we fulfilled that requirement."

Mr. Taylor asked, "Was money for that in our budget?"

Mr. Smith said, "No, sir."

Mr. Taylor asked, "So without the money right there to pay it, were you going to use the money you had from contributions to move forward with that?"

Mr. Smith said, "Yes."

Mr. Tovey said, "Mr. Chair, I don't know if we're going to an executive session, but I did have some comments on that. So, our accounting team has been working with Eileen as well. So, Jody in our office went through all this, I just want to clarify something regarding the expense allocation. My total, from what I understand, the total net expenses from July 1, 2024, to February 21, 2025, are \$514,358.46. Of that, about 22% is charged to the partner CDA members. Originally, our cost share was 90% covered by the federal grant and 10% by partner CDA match. I know the percentage increased at one point because of the federal grant cap on the executive director's compensation, but it was discovered, discussed in a previous meeting, the compensation issue was corrected and brought back on the cap and the excess compensation was returned to



CDA. Given the correction, I'm wondering why the CDA members are still being allocated more than 10% match. I'm trying to get some clarification on that. When we clarified that with Eileen, that was what Eileen told us, this was because the salary discussions was the difference in the match requirements from last year. And so, we showed that the discrepancy and what the invoice amount was versus our calculation of about \$60,000 and then per partner, about \$12,000. This is what Jody just sent me this morning. That's the only reason why we haven't finalized that last invoice is because there was some discrepancy between what we calculated and what was sent."

Mr. Rabb said, "And I just want to reiterate a little bit what JD's saying. To be clear, the issue was that the grant was a 90-10 match, right? But because at one time the salary was being paid more than they allowed, then there was more match. But the board had kind of reversed that, and that salary was supposed to be paid back. So, if that salary is paid back, then it should still only be a 90-10 match."

Mr. Smith said, "Correct."

Mr. Rabb said, "Okay, so we'll follow it back with an email on that and see."

Mr. Smith said, "We do have the army coming out to do a supplemental site investigation. We don't have a date yet on this. This really is not a significant issue, it's simply the army coming out, taking a look at what we agreed to do versus what we have done. And then in addition to that they're going to be looking at the second parcel of real estate that they're in the process of still trying to work during cleanup. Here's typically what they do they come on out they say, we want to make sure that these physical structures that we have on our list match up with what's physically out here. And so really what they're doing is an inventory verifying what they have on record is what is out there. It's as simple as is igloo 206 where igloo 206 said it was supposed to be. And part of that is they're just trying to keep their records updated, and you'd be shocked how outdated their records are."

Mr. Dorran said, "So, is that an annual event."

Mr. Smith said, "No."

Mr. Dorran asked, "So, the next part of the question is, is that the time and the place to bring back up the contaminated soil that wasn't listed as contaminated until our discoveries?"

Mr. Smith said, "These aren't the people for that."



Mr. Dorran said, "But shouldn't it be noted at that point if it's an inventory issue?"

Mr. Smith said, "We will, but let me be clear on that, what they're doing they're coming out there and literally looking at physical structures. It doesn't hurt to raise the issue. So, all of you are welcome once we have the date. You're more than welcome, we'll make sure you're invited. I would just share with you just literally as them coming out and saying okay, let us identify the Oregon Trail, that's still here. And so on, but it is important. It is an important event because we want to make sure their records are accurate, along with our records being accurate."

C. Fire Services Update

Mr. Smith said, "We've had a conversation with Morrow County. We've notified them of our intent to have the Boardman Fire folks provide service on the Morrow County side of the line, minus the 640 acres. I submitted that request here about a month ago, they came back, asked me to place that on letterhead, rather than be an email, which we have done. They then came back and asked us if we would update our request, which we're in the process of doing. And that's where we are today."

Mr. Hughes said, "Yeah, it's been submitted to the county for review and then they should have a public hearing. And then I believe it's on the June 4th calendar, I believe that's the process."

Mr. Smith said, "With that, then we'll be working with the folks in Irrigon on the 640 acres. That should get us temporarily back on track. And we'll report back to you on that."

D. Umatilla County Litigation Update

Mr. Smith said, "This is provided to me today. And I forwarded this over to JD just a few moments ago, an executed settlement agreement is forthcoming. However, as of May 16, 2025, it says, Dear Mr. Cade, we're writing response to your letter on behalf of your client, the Port of Umatilla and its settlement offer March 20, 2025. While it does not accept the settlement offer Umatilla County continues to appreciate the port of Umatilla's good faith settlement efforts. Umatilla County also believes that the parties are near an agreement in principle. And so that's the update I have. That was May 16, 2025."

Mr. Blanc said, "Well, we signed off on the letter of agreement for a settlement today. So, I guess we could say that Umatilla County and the Port of Umatilla have reached an agreement to be presented to the rest of the members."



Chair Puzey said, "What we signed off on includes input from the other members of the CDA. But, we don't have their response yet because this was literally this morning that was that transaction was taking place."

Mr. Smith asked, "So how would you like to proceed on that, should we schedule a special board meeting?"

Chair Puzey said, "I think that this is, this is all transpiring through the attorneys."

Mr. Blanc said, "So, I think the next step is that Umatilla County and the Port of Umatilla will put out a joint statement. And then, I think, after that, this information will go to the respective attorneys of the three other entities, the Confederated Tribes, the Port of Morrow, Morrow County, and then after they signed off on it, then the CDA will have to approve the final agreement."

Chair Puzey said, "But each of the parties are being contacted through their legal counsel to see if we can't get to enough of a consensus to bring that back to a public hearing."

Mr. Taylor said, "So fiscal agent. So, for our IGA, one of us is required to be a fiscal agent. And Port of Morrow resigned, so we have none. So, I'm asking this table if anybody else wants to sign up for that."

Mr. Dorran asked, "Are we asking the board or are we asking for a bridge to a permanent outside fiscal agent? Or what are we really looking for I guess my question."

Mr. Smith said, "Within the agreement that was signed by the five partners, there's language that states that one of the five will serve as the fiscal agent. Prior to that, I was looking for outside accounting bookkeeping payroll services. And we still have the ability to have that service. But at the end of the day, one of the five needs to sign off as the fiscal agent. Unless you change the IGA."

Chair Puzey said, "If nobody wants to do this, we can change the IGA. And we could have the CDA work with a contractor."

Mr. Taylor said, "Our board, the Port of Morrow has agreed to serve as fiscal agent up until August 1. We've agreed that, yeah, we can carry this ball. A little bit more down the road. Maybe something will change, you know, shake loose, what have you. Whatever term you want to use. I don't know. But that was the extent that we were willing to do for the time being. You know, with employees. I don't know all the rules. I know it gets,



it gets sticky. With employees and how things work out. We'd like to work our way out, but we are willing to do it up until August 1st."

Mr. Rabb said, "So Joe, currently Greg and Emily are Port of Morrow employees? Is that the way it's worked?"

Mr. Taylor said, "Yes, yeah. I wouldn't call it that myself, but yes, in the legal world."

Mr. Rabb said, "I really think you have to figure out what you want out of your fiscal agent, right? Is it, you know, you're going to maybe get some grants down the road? You know, is it, you know, the payroll is a big deal. I mean, when it comes to IRS, state reporting and all that, as these guys basically become employees of whichever entity. I think you're going to need to lay all that information out there so these guys can go back and talk to their finance people and figure that out. I can say from the Tribe's perspective, I don't think it's a fit at all. I mean, I just think it's too, there's not too much state stuff mixed in with that, even though I've heard many times, like you don't have to follow the state rules, but I think you're going to want to mirror them. And that's not us at all."

Chair Puzey said, "And then the Port of Umatilla has a bookkeeper. We don't have an HR department or something like that. So, this is reinventing the wheel."

Mr. Dorran said, "I'm not saying yes or no, but I think it's worth a conversation with Joe's team. Unless Jeff wants to run with the ball?"

Mr. Wenholz said, "Our finances, our capitals, it has tapped out our finance director."

Chair Puzey said, "Or we address the IGA and have a contractor to the CDA. I mean, there are a number of ways, but I don't want to talk anybody out of this."

Mr. Dorran said, "I don't disagree. I can't, again, I'm not going to make any commitment here. But first of all, I want to say thank you to the Port of Morrow. I think that eventually the CDA should have its own fiscal responsible point at person. There's no doubt about that. But in the meantime, I think it's worth a conversation. I mean, you're buying us four months of not having to look at an independent contractor. And given us the ability to skip over the top of that. And there's probably no reason that Umatilla County and Port of Morrow can't have a discussion. Where it goes, I don't know. But it's worth a discussion."



Mr. Blanc asked, "If an independent accounting firm of some kind was contracted to do this, what would the requirements be different for them to take on that responsibility than they would be, for example, the county or government?"

Mr. Smith said, "No, it's a relatively nominal assignment. It really is."

Mr. Rabb said, "But it's still the fiscal agent then. You go and hire an accounting firm. That's easy. But then, what EIN number are these guys getting paid under as employees? If you get a grant, where is that grant going to? Who's responsible for the grant?"

Mr. Taylor said, "Yeah, it's that liability."

Mr. Dorran said, "Yeah, we carry it to a scope. I mean, we carry a lot of contracts that we don't manage. We just handle it."

Chair Puzey said, "Okay, so we've got till the 1st of August to internally have these conversations and see what we're willing and able to do, continue the conversation among ourselves. And I heard Paul say loud and clear, it doesn't fit with respect to the Tribe compared to the state and so forth."

Mr. Taylor said, "I would like, just for the security of my board, I'd like to see this as a motion. If somebody makes it. So the motion is for the Port of Morrow as fiscal agent, until August 1st."

Mr. Smith said, "I do want to point out, gang, and this is, again, part of the challenge that we're navigating. And this may be something more for executive session. But we do have an employee who is expecting a child on the 7th of July. The one other thing I'd point out is based upon the agreement reached between Umatilla County and the Port and the agreement of the CDA, the role of the fiscal agent can be significantly different than what is being asked of today. If that agreement spells out the disbursement of real estate to different parties, then the role of the CDA is going to be extraordinarily different than what you see today."

Mr. Taylor asked, "So Jeff, do you want to make that motion next?"

Mr. Wenholz moved to accept the Port of Morrow's offer to continue to be the fiscal agent until August 1st of 2025. Second by Mr. Tovey. Motion carried unanimously.

Chair Puzey said, "We've had this conversation before about rolling stock and auction, that kind of thing to generate some income. If we could move that as an action item to



just direct you to see what we can do to get that going, that could help us significantly with the cash flow, depending on what's the way you're going to operate."

Mr. Smith said, "Most definitely. So, you've given us authorization to proceed forward with that as we speak. And again, I've been tapping the brakes on that. If the board would like to say, Greg, quit tapping the brakes, just get it done, then I will do it and I will proceed immediately. The question will be, is how you would like to see those proceeds dispersed? And you just need to give me direction."

Chair Puzey asked, "Does anybody have any? I mean, when you said the word dispersed, that's the first time I've heard about that."

Mr. Smith said, "Well, let me step back, you are kind of hitting me cold on this. The question is, is what gets auctioned, what doesn't? And so, I did not want to proceed forward and liquidate certain assets only to have members of the board with their constituencies come back and say, wait a minute, we didn't know that it was going to be liquidated. And so, once the water is a little calmer, we'll prepare to proceed with that."

Mr. Blanc asked, "Are we talking primarily the D-Mill site?"

Mr. Smith said, "No, what we're talking about is all this miscellaneous equipment. Let me just, again, the past is the past. But one of the concepts originally considered was asking if any of the local governments would like to come out and have access to any of the desks, furniture, that type of stuff. And then the special districts have first shot at it. That was number one. Then number two was to see if any non-religious-based nonprofits had any interest in this stuff. Let them come out and go through it and take it. Then after that, liquidate the rest. Now, with that said, the rolling stock that we have out there, we have a complete inventory of everything. Everything. The rolling stock that's out there, for the most part, is worthless now. It has sat out in the sun for 10-plus years, it hasn't been maintained. But there may be somebody out there who wants it for something. There are two generators out there, of which the Port of Morrow has expressed interest in one of those generators. And then on top of that, the Hermiston School District has expressed interest in much of the mechanical repair equipment. They want to put together a regional CTE program out there. Some of the equipment out there would be ideal for the Hermiston School District, in collaboration with these other school districts, to put together one heck of a program where juniors and seniors could build small homes on site and bring the youth there to learn that skillset. Hence why I've been tapping the brakes, because these are conversations that are out there. And I wanted to make sure we had additional clarification. If the direction is don't worry about the local municipalities, don't worry about the special districts, just proceed, I



have no problem doing that. I just don't want us to regret that decision again once the water settles."

Mr. Dorran said, "I think involving the local everything is a pretty positive PR move, moving forward."

Mr. Taylor said, "I don't have any problem with doing it the way you've described to do it. It's just more time and effort."

Mr. Dorran said, "And that's what I see. If you send out an email that says to each one of us, whoever's on that group list of yours, and say, I need two weeks to respond. After that, we'll amalgamate the answers, and we'll move forward."

Chair Puzey said, "So it's a regional yard sale."

Mr. Smith said, "What I would recommend is something similar, saying on this date to this date, we will be out here if you would like to come out with your truck and make an offer."

Mr. Dorran said, "As long as it's public and goes out to a lot of people, you'd cover a lot of bases."

5. INFORMATIONAL REPORTS WITH POSSIBLE WORK SESSION

A. Budget Committee Update

Mr. Rabb said, "At one o'clock today we had a budget committee meeting. At the committee meeting, there was some ads and minuses on there. But at the end, there was a motion to approve the 2025-26 budget. And it has total resources of \$5,019,521, with expenses equaling \$5,019,521. And so the motion was made, and the budget was approved by the budget committee to move forward and provide this budget to the CDA board."

Mr. Smith said, "I would just share, as each of you know, a tremendous amount of dialogue has gone into the creation of this budget. This is the first time this committee has taken this type of action, which I think is greatly, greatly appreciated. And I think it brings a heightened level of transparency to the CDA's process."

Mr. Taylor said, "And I think the discussion was that we should take this budget and take it back to our respective boards for review. And then have that conversation next month."



Chair Puzey said, "And J.D., I mean, I got an elbow from Joe because I overlooked that we didn't have the contractor conversation. And so, can we circle back to that item and what Joe proposed, having a contractor conversation?"

Mr. Taylor said, "Well, I would like it to be an option for us for this board to look into that. So that we don't have this employee. You know, what would it take to get there? Is that us telling Greg go looking at this or is that us making a committee to see how that might work?"

Mr. Dorran asked, "Would you have to go out for a solicitation at that point?"

Mr. Smith said, "Yes. Anything over \$100,000."

Mr. Taylor said, "That's what my board question was. Would it be better for this board to have the CEO as a contract position rather than an employee?"

Mr. Smith said, "Just as a little bit of background, at the time, we were considering my employment, it was under an independent contract. The U.S. Army said no, we wanted to be an employee. And part of that, and this is going back, so hang with me, I'm trying to do it from memory. Part of that was because of Pentagon and Military clearance reasons. And so I remember Gary giving me a call saying, we want to hire you, but we need to do it under an employee. And at the time, I was like, okay, what does that mean? And then that's when he walked me through what that would look like. And then it took, if I recall, probably 60 to 90 days for Military clearance. And then I was told, okay, you're ready to go. So, but the original intent was to be a contractor."

Mr. Blanc asked, "What's the advantage and disadvantage? I mean, why are you bringing this up to have it be a contract versus an employee? And another thing would be, what about the administrative executive and the project coordinator? Is your intent to have them remain employees? And what's the reason for that?"

Mr. Taylor said, "No, I wouldn't have them remain employees. That would be a function of the contractor."

Mr. Blanc said, "So, you're proposing or you're suggesting to look into all employees becoming contractor workers. And the reason is?"

Mr. Taylor said, "You don't have this employee, you know, one gets laid off or fired or whatever. And then you got all this liability at the Port. But, you know, we have all



these benefits that the Port is paying to these two employees. And just this situation, you know, things are changing and it's just an easier, cleaner way of looking at it. If Greg's an independent contractor, he goes by his own insurance and he provides everything he needs. And we pay him to take care of that stuff. If he needs somebody extra, that's on him to take care of."

Chair Puzey said, "We would decide to go out for an RFP and someone would say, you know, this will be one person, two person, three person shop. This is how much money. This is what I'd be willing to do, et cetera, et cetera, et cetera. And then we agreed to do it through a contract basis. And all of that would just be, are you abiding by the contract?"

Mr. Dorran said, "I definitely think it's worth a discussion. I think we're going to have to find that position long before we get into that. We're transitioning into a whole different mode. So, the definition of that contract person is going to be much, much different."

Mr. Taylor said, "So, yes, my board wanted to just bring it up for discussion. Let's try to continue it on the next meetings and look into it. It needs to be more extensive and get her done."

Mr. Rabb said, "Yeah, I think you just have to develop the scope of what you want your contract to be. And once you get the settlement all done, then you're going to know what the scope of what the CDA has to accomplish. And what the scope of the CDA has to accomplish is what the scope of your contractor will be. Then you can put that in an RFP and go out to bid."

Mr. Dorran said, "You're going to need scope, critical path. You're going to need all of that. And a timeline. Yeah. And is this contractor going to finish these goals when it goes back out? Or is it finishing the contract?"

Mr. Smith said, "Yeah. I agree with you. One of the things that would be helpful is to have legal counsel come in and spell out the roles and responsibilities of an independent contractor. Because when you have an independent contractor, you can control what the goals and objectives are. But you do not necessarily control the means in which it gets completed. And so that would be an area where you folks will have to really determine."

Mr. Dorran said, "That's a fine line because this is still a policy board."

B. CDA Policies and Procedures



1. [Employee Handbook](#)
2. Public Records Request Policy
 - A. [Current Policy](#)
 - B. [Proposed Policy](#)

Mr. Smith said, "So one of the things that Elizabeth wanted us to do, and this may be a mute conversation. But one of the first things that you folks need to consider is the construction and or perhaps the adoption of an employee handbook. Now, should you go out for, if you choose to go a different approach, this would be a mute point. But this is at the advice of Elizabeth. So, what I've done is provided you with a copy of an employee handbook that was provided by Special Districts Association of Oregon. I have taken about the last 10 days and spent a tremendous amount of time trying to go through this to determine what's applicable and what is not. What you folks need to be thinking about and what not. And so, Mr. Chair, the only action item is for you folks to take this and for you to review, if you would, and or have your human resource folks review it. And or you can table it for now, but what I would share with you is our legal counsel is strongly encouraged you folks to begin proceeding in this manner."

Mr. Tovey said, "So I did do a review on it, I got through about two and a half pages of notes on it. I guess, how do you want those? Because I can put them right onto the PDF on the drive. I don't know how public that is, or if that's more of an internal discussion, or whether or not we just provide comments among ourselves during board meetings or how do we want to kind of take them."

Mr. Dorran said, "Because I think this is, I agree with J.D., we need to point a contact on this because we still have employees. And the sooner we get this adopted, the better position we're going to be in, even in a transition."

Chair Puzey said, "I think working with Greg and Elizabeth is probably the best because she went out to a firm to put this together for us and we can give her input and she can respond and so forth."

Mr. Smith said, "Well, why don't you send it to Elizabeth and myself. If you would do that, and then her and I will work through this together."

Mr. Puzey said, "In a way that we don't create a serial meeting or anything like that, but that she's able to receive input, you know, deliberate on it, respond back to you directly. So that, you know, each of us are able to have some sense of what is going to be the best direction. For those of you that have more



expertise in this, yeah, I mean, and two and a half pages of notes. I think going directly to Elizabeth would be awesome.”

Mr. Smith said, “So folks will recall from the previous Budget Committee Meeting, we needed to have a conversation. During the last year we spent approximately \$97,241 on legal services for public records requests. And the process was complicated. It was burdensome. I could see if I was a citizen of the media in a public record, where there'd be frustration. And so, during our last conversation, I shared, why don't I go to the state ethics commission website, look at their public records process and see if there is a much simpler way to proceed forward. The process we currently have before us is one that was created by Schwabe. And it's four pages long. You can see what's entailed there. If you go to the state ethics commission, they have a very simple process. And if you look at the sample that I've provided you with, really what we need to know is who is the person making the inquiry? Who are they representing? What is their contact information? What is their timeline? What is the record they need? And then share with us any additional information as it relates to that record. That's really what we need to know. And so, in addition to that, then comes the fee associated with it. The one thing that I'm recommending is that any public record would be of a single topic. So, you may email a single topic public record request. You can't send us a list of 14 different topics with 21 different questions.”

Mr. Taylor said, “I'd like to add on to that. We get these requests, and it's just question after question after question. And it's crazy how many questions are in there.”

Mr. Smith said, “So what I'm suggesting is we have a very simple form for an initial inquiry. There's no charge. Someone wants a record, there's no charge. We give it to you. Second inquiry, there's no charge. The third inquiry would be \$25 per inquiry. Then, should your inquiry require legal review, meaning you're asking of a nature that we want our legal counsel to review the request, then it would be that \$25 or that \$50 plus, at this point, the hourly rate of Schwabe, Williamson & Wyatt, plus some nominal administrative time, which effectively is \$750 per hour. Now, is \$750 per hour high? Yes. That is the rate at our legal counsel. So that allows us to reimburse ourselves for the \$97,000, close to that. If all of that \$97,000 was a third request issue, we're getting reimbursed quite a bit for the expense that we have incurred. And so the question you have to ask yourself is, do we want to continue to subsidize our legal review of these, or do we not? I'm indifferent. At the end of the day, I want an open, transparent process. I want a simple process to where if someone wants to make a request,



we can get them the record, get them what they want, and we can get back to work.”

Mr. Tovey said, “A couple questions on this. So, this is written first person and signed by you as a memo. But this is more like a governmental form rather than a memo. So that's a stylistic thing. But the other thing, too, is there's a timeline. So, an initial inquiry per year, or initial inquiry for five years, initial inquiry, like is it an initial inquiry for all life? Second question is then the people would be really, I mean, this is what my job was in planning, is figure out how people would screws over rules. So the one person makes an initial inquiry, and then we get another citizen to make a second inquiry, a third person to do a third inquiry. But each of those are initial inquiries by one person. So then you never get a charge. So I think it's just better, like a nickel a page. Or I don't know. I don't know if there's some other way to kind of do that that is a way to kind of capture all the costs. And it's based on page counts or something. I don't know.”

Mr. Smith said, “So what I was trying to get away from was that issue directly, because what we'd end up getting is a list of multiple questions. And one question would be very elementary. Another could be 300 pages. And so what I was trying to do was create just the simplest process possible, recognizing that the board's policy a year ago was don't charge anything. And so I'm trying to figure out, okay, if the board didn't want to charge anything, but at the same time, we're incurring \$97,000, what's that balance to where we don't charge anything, but we at least recover our legal fees. That's where I was going with this.”

Mr. Dorran said, “Under organizational name. My question is, we only have pricing for media inquiry and citizen inquiry. What about a special district or nonprofits? Where do they fall?”

Mr. Taylor said, “I think ours has the ability to weigh.”

Mr. Dorran said, “That's the next one, is there an exception? This doesn't have an exception in it.”

Mr. Smith said, “Let me give history. We have a policy. And the policy spelled out all these different conditions. And we had an individual who made inquiry and we addressed it and then they made another inquiry and we addressed it. And then the third. And then they just kept coming and coming. And it started to backlog on us. So, we came to the board. And we came to the board and said, we're trying to navigate this. And at the time, the board said, we don't want you



charging. So we didn't charge and we accrued this fee. I'm now trying to figure out how went from a policy where we took into consideration copying, costs, time. We had staff time versus managerial time versus mailing all of that spelled out, to take us now. If we want to go back to the original policy, I can bring that policy to you."

Mr. Tovey said, "I think this is a good start, I like it. A couple of things on there that I would do is the organizational name. One, there's no signature on this. There's also needs like, who are you representing? I'm sorry, an organization name, but who are we actually representing? And then the signature. Attests that it is all true and accurate, and then, I would say another thing too, is this really should be a governmental form or some kind of form. Right now, it's written as a memo in the back end of it. And written first person and really, it should just be a governmental form. There's just, there's some procedural stuff and otherwise I think it's fine. I do think that there's ways that people could gain on the initial second, third inquiry and stuff like that, but eventually you just run into a wall."

Mr. Smith said, "And JD, where this form came from, I spent a bunch of time looking at different state agencies. Some of them had the director doing it. You know, writing a letter. Others didn't. I did this simply to take that burden off of you folks."

6. FOR THE GOOD OF THE ORDER

7. EXECUTIVE SESSION

A. Potential Litigation

The Board moved into Executive Session after Ms. Collins read the following statement.

The CDA may hold an executive session meeting for the permissible reason(s) stated below under ORS 192.660(2). Representatives of the news media and designated staff and other persons shall be allowed to attend the executive session. All other members of the audience will be asked to leave the room or the CDA board may adjourn to another meeting room. The public virtual Zoom Meeting link will be closed during the executive session as permissible executive session meetings are not subject to HB2560.

Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No decision will be made in this executive session. At the end of the



executive session, we will return to open session and welcome the audience back into the room in-person and open the public virtual Zoom Meeting link again.

- A. For the Purpose of Consultation with Counsel Concerning the Legal Rights and Duties of a Public Body with Regard to Current Litigation or Litigation Likely to be Filed – ORS 192.660 (2)(h).

The Board moved back into an Open Session and no action was taken.

8. ADJOURN