Board Meeting Minutes

Tuesday, September 30, 2025
Time 11 am
Location of Meeting: Zoom

Board Members: Chairman, Kim Puzey, Port of Umatilla, Vice Chair, John Shafer, Umatilla County, JD Tovey, CTUIR, Jeff Wenholz, Morrow County, Joel Peterson, Port of Morrow

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

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

1. CALL TO ORDER AND INTRODUCTIONS
Kim Puzey, John Shafer, JD Tovey, Jeff Wenholz, Joel Peterson, Ryan Degrofft, Aaron Palmquist, Dan Strebin, Fred Ziari, John Murray, Josh Burns, Kelly Doherty, Nic Kotz, Nicolas Strebin, Byron Smith

2. PUBLIC COMMENT PERIOD (3 Minutes Per Speaker)
Statement Submitted by Kelly Doherty

3. CONSENT AGENDA

A. June 24, 2025, Board Meeting Minutes
B. August 29, 2025, Board Meeting Minutes

Mr. Wenholz moved to approve the consent agenda. Seconded by Mr. Peterson.
Chair Puzey – Yes, Vice Chair Shafer – Yes, Mr. Wenholz – Yes, Mr. Peterson – Yes, Mr. Tovey – Yes. Motion carries.

4. INFORMATIONAL REPORTS

A. Director's Update
1. CDA Bookkeeper
2. Road Project Update
3. Fire Annexation
4. Umatilla County Litigation

Mr. Smith said, "The CDA has retained a very talented bookkeeper by the name of Talisha Goodwin. She owns and operates Golden Hour Bookkeeping. Talisha lives in Hermiston, and in the very, very, very near future, she's already started, but she will be taking over our financial

accounting. She'll be responsible for accounts payable and accounts receivable, bank reconciliation, issuing checks, picking up our mail, and then just general bookkeeping. And so, I want to let you know we brought her on board, and we're very excited to have her. She came recommended from Rebecca Ramos, our auditor."

Mr. Peterson asked, "How does this fit with the IGA requiring the member of the public entities be the financial agent?"

Chair Puzey said, "Oh, this is a different matter. This is a bookkeeper we're talking about."

Mr. Smith said, "That is correct."

Mr. Peterson asked, "So that is different than a fiscal agent, I guess?"

Mr. Smith said, "So there's been a there's been a reciprocal relationship since I've been here, between the Port of Morrow and the CDA. CDA has maintained its books, and in addition, we've collaborated with the Port of Morrow, who also has maintained a set of books. And so, as we proceed forward, I'm preparing for us, not knowing what the future will look like, to make sure we continue to have general accounting principles in place."

Chair Puzey said, "And we'll be talking more about the fiscal agent on item number five. Greg, road project? We had the groundbreaking, which was certainly ceremonial."

Mr. Smith said, "We appreciate those who were able to join. For those who did not join, there's some photos there. If you want to take a look and see what occurred. I want to let you know that during the months of August and September, a team of your recommended volunteers asked each of the board members to recommend a volunteer to work with IRZ, Anderson Perry and myself, to go through a very professional and thorough process to select our general contractor for construction of the road. Some of those volunteers, I think I'm missing one, but they included Fred Ziari, Dan Dorran, Gibb Evans, Andy Lindsay, Ty Lord, Jason Middleton, Jacob Kane and myself. At the end of the day, the selection committee chose a company called Tapani. Tapani's bid amount for the complete project was $8,426,248. I'd let the board know we did have nine proposals that qualified and were considered. The range was from that $8,426,248, all the way up to $13,940,215, and so at the end of the day, Tapani not only qualified, but came with strong recommendations and provided the lowest bid. Right now, contract negotiations are underway with Tapani. I anticipate, based upon what I'm hearing from Anderson Perry, they will

have equipment on site by November 15th, and construction will continue for approximately 18 months."

Chair Puzey asked, "Greg can you help me understand? When you say contract negotiations, are you talking about subcontractors?"

Mr. Smith said, "This is our agreement with Tapani. So, this will be the CDA agreement with Tapani, and then Tapani will be responsible for the subcontracts under them. One of several things we will be requiring is end of the week memos in which I will be out on site and asking them to provide me either a verbal or written update. Also, in addition to that, there will be limitations on change orders without you, the board's, notification and approval. The $8,426, 248, is the project amount we're proceeding with. Should that dollar amount need to increase? That will come before you for approval. Just as a reminder for folks who may not remember, construction on the industrial access road will begin at the junction of interstate 82, the off ramp, and it'll extend to the west side of the Columbia Development Authority in Morrow County. Each of the travel lanes will be approximately 14 feet wide. The weight capacity has been designed based upon ODOT traffic counts and their specifications encompassing a range of vehicles, from standard interstate trucks and trailers to passenger vehicles. And at the end of the day, we anticipate the lifetime expectancy of the road will be 20 years. One of the items that the CDA will need to navigate in the future is maintenance and responsibility for those roads. And I imagine that there will be a conversation, once the land distribution conversation is finalized, that will come to fruition. For folks who have not had an opportunity to see the adopted road design, there should be a link within your agenda that you can check out. And then, in addition, for those who are interested in the preliminary price proposal summary, there's a link for that as well."

Chair Puzey said, "Alright, fire annexation."

Mr. Smith said, "So as folks will recall, there's litigation between the Irrigon Rural Fire Protection District and the Boardman Fire Rescue District, including Morrow County and the Port of Morrow along with the CDA, the Boardman Fire Rescue District has moved for a summary judgment on the Irrigon Rural Fire Protection District for both their first and second claims for relief, as well as its own counter claim. I'm waiting for instructions from our legal counsel, Mario Delgado, at Schwabe, for our next steps. For the time being, until I know what those next steps are, I will be requesting a meeting between chair Lisa Pratt and the Fire Chief and chair Bob Vandecar and Chief Hughes to see if we and Chief Roberts, excuse me, to see if we can sit down

and have a conversation and work through an acceptable solution for all parties prior to having a judge make that decision. In addition to that, I think it'd be very prudent for me to also invite a representative from the Oregon Military Department, as they also provide emergency services."

Mr. Puzey said, "Thanks, Greg. Umatilla county litigation?"

Mr. Smith said, "So I've been advised to limit my comments. What I can share with you is this litigation is ongoing. I would ask each of you to contact your individual legal counselors for more information. Mario Delgado, from Schwabe, is representing the Columbia Development Authority and is reporting to me very, very regularly. One of the outstanding issues I can share with folks is what is the cost of settlement in terms of legal fees, payment of legal fees. Thus far, the Columbia Development Authority has spent $168,860 on the litigation, of which $25,000 has been covered by our insurance, leaving a total outstanding balance as of 9/11/25, I want to be clear on that, of $143,860."

5. INFORMATIONAL REPORTS WITH POSSIBLE WORK SESSION

A. Fiscal Agent

Mr. Smith said, "So this is one where your staff needs to step back. But I do want to share with you the Port of Morrow will end its time as the Columbia Development Authority's fiscal agent at the end of October, October 30, 2025. I cannot express the urgency of how important it is for the board to decide which of the five partners will assume the responsibility, as per the Intergovernmental Agreement, to serve as fiscal agent. I would share with you your staff stands ready to aid in this transition, but this is a board conversation, and I will step back from there."

Chair Puzey said, **"**Okay, I'll weigh into this a little bit as I understand it, the fiscal agent component on this is relates to having you, Emily and the new bookkeeper as employees. And that's something that the Port of Morrow has said that they are not going to do as of 25th of October. Is that correct?"

Mr. Smith said, "I believe it's the 31st of October."

Chair Puzey said, "I don't know if any of the other members have gone back to their boards and commissions, except those of you who are members of my commission, to see if there's an interest on any of the other parties. I spoke with our internal bookkeeper, and we do not want to be the agent. If that's possible. So, anybody else on this?"

Columbia Development Authority

Mr. Tovey said, “On the CTUIR side, there's some legality issues. I mean, sovereign immunity, a bunch of other stuff, that kind of makes it more difficult. I think, I think we can still probably set something up, but it's definitely going to be more difficult for the CTUIR to serve as fiscal agent.”

Vice Chair Shafer said, “We've talked about it at the county level, and if we could look at the books, we may be interested, but we'd have to look at the books before we can do that.”

Chair Puzey asked, “Is that a look at the books that the Port of Morrow has? Is that what you're asking?”

Vice Chair Shafer said, “Correct.”

Chair Puzey said, “Okay, thank you for being willing to at least do that. One of the other things I've thought about, you know, some of you will remember that there was a time when Greg and his company were contractors, and that is certainly a lot less onerous than we have discovered having he and the other members be employees. So, I'd be more than happy to talk to Lisa when she's back and see if the Port of Morrow would be willing to be the fiscal agent if that status was changed.”

Vice Chair Shafer asked, “If what status was changed?”

Chair Puzey said, “If we were to have a contractor rather than a bunch of employees.”

Mr. Peterson asked, “How does a fiscal agent differ from the bookkeeper? I guess, is it mostly wages, salary?”

Mr. Smith said, “So at the end of the day, the fiscal agent is responsible for making sure that payments are made on time and as agreed and as it's been operated in the past, the fiscal agent was responsible for maintaining the employment of CDA staff.”

Chair Puzey said, “And the challenge with the employment is that in order to do that, somebody has to step forward with their social security number?”

Mr. Smith said, “I'll just, I'll read a note I created based upon a conversation with Elizabeth from Schwabe. It says the CDA has a catch 22 before itself. As structured, the CDA will be required to

assume responsibility for managing payroll and employee benefits. However, Elizabeth Howard at Schwabe has been evaluating whether CDA as an intergovernmental agreement, can register with the State of Oregon to pay payroll taxes. According to Elizabeth, even if the answer is yes, she contends someone will need to provide. When she says someone she's referring to, one of the five board members will need to provide their personal social security number to secure an employment ID number. That person will in providing their social security number, have punitive liability for paying payroll taxes if they are not paid. Neither Elizabeth nor I, Greg Smith, see that pathway as workable. That was the question I asked, if the CDA was to provide its own payroll, not one of the five partners, but the CDA itself."

Vice Chair Shafer said, "So I want to go back to what Kim was saying about what determining on what Lisa would say about who's the staff versus? And I miss what you said there, Kim, could you repeat that?"

Chair Puzey said, "Well, we used to have a relationship with Greg and his company. He was a contractor and as long as he was a contractor, he took care of all of the employment issues which were inherited by the Port of Morrow. When we transitioned from him being a contractor to being an employee, I think that one path forward would be to return, return to what we had previously had, where he was a contractor, or his company contracted with CDA. I have contractors as well as most of you do, I have a contractor that operates my dock. So, the relationship I have with them is that we're part of a team, but they are not my employees. They are contractors."

Mr. Smith said, "So I can be completely clear, it was the position prior to me that was on a contract."

Mr. Peterson said, "So as the Port of Morrow representative, this is Joel. I guess we might consider that, but we definitely would rather not."

Chair Puzey said, "So nobody wants to do it, especially in light of what Elizabeth has informed us about, having to put a social security number out there, and somebody being liable for payroll taxes and so forth. So, Joel, do you know when Lisa is going to be back?"

Mr. Peterson said, "I do not, no."

Mr. Smith said, “So recognizing the urgency of this issue, Elizabeth from Schwabe and I have been having communications. Might I suggest that you and Lisa, or you and another board member, join me in a conversation with Elizabeth, and lay out in writing what options are available. So, we can bring those options, present them to the full board, and then determine based upon what's in writing what might make the most sense to proceed forward with.”

Chair Puzey said, “Well, we have less than a month, and so, yeah, I think we need to get on it. And I'm, I'm happy to be part of that. Well, I'm not happy, but I'm willing.”

Mr. Smith said, “I just, I think it'd be prudent for us to lay out this is Option A and how it can play through. This is Option B, how it can play through. Option C, how it could play through.”

Chair Puzey said, “My understanding is that Lisa is out of town. I will reach out to her and check her availability. And Joel, if we can put together something with Greg and Elizabeth and Lisa and I, and one of your board members, one of your commissioners, that'd be great.”

Mr. Peterson said, “Okay, I hope to include Umatilla County may be involved in this, if they're interested too.”

Chair Puzey said, “Let’s let John do his checking of the books. I don't want us to have a quorum. So, let's figure out a way without a quorum. Okay, John, are you okay with that?”

Vice Chair Shafer said, “Yeah, so maybe our Chief Financial Officer or something like that could sit down but let me just back up. So would that require somebody from this board to give their social security number. Is that what I'm hearing?”

Mr. Smith said, “No sir, let me be clear. If the Columbia Development Authority was to do its own payroll, to internally do its own payroll, we would need to have an employer ID number. And in order to obtain an employer ID number, the signer must provide their social security number.”

Vice Chair Shafer said, “And that would be the Chair, wouldn't it?”

Mr. Smith said, “Why don't if it'd be all right, John, if you could have your Chief Fiscal Officer, I can coordinate a visit with Eileen Hendricks from the Port of Morrow. Let those folks sit down,

go through the books, understand what's before everyone and then simultaneously ask Elizabeth to lay out option A, B and C."

Chair Puzey said, "All right, and in in the interim I'll reach out to Lisa, if that's acceptable."

Mr. Tovey said, "And John, Mr. Chairman, if I could, I know organizations and nonprofits sign up as fiscal agents all the time. I know I've been on other nonprofit boards of service fiscal agents. And the liability on that is, it's the liability of the organization, which then the board of that organization. I recall there's not really a need for a Social Security Number. It's about liability and who holds the buck at the end of the day, to ensure the proper accounting is done. But I can't imagine, I mean, I'm sure the counties probably serve as fiscal agent for nonprofits, for the county setup or something else like that before too."

Mr. Smith said, "I would share it to. JD, I was surprised as well."

Mr. Tovey said, "I think a requirement for this requirement of Social Security is if CDA itself is doing it and we're kind of self-authorizing, but that's seems like an odd request."

6. POTENTIAL PROJECT PRESENTAION

A. Strebin Farms

Chair Puzey said, "Let's move beyond that, unless somebody else has anything else, and we'll, we'll do what we've each said we'll do. Number six. Looks like we got a project presentation by Strebin Farms, so Greg, I'll turn that over to you to facilitate that conversation."

Mr. Smith said, "I've been in contact with Strebin Farms for a good six months, and we've developed a pretty positive relationship. They have a request they want to present to the board. I've shared with them our situation with the distribution of property in the litigation before us, but I felt compelled to allow them 20 minutes to come forward and to introduce themselves to those who may not know them, and then to allow them to share their request with you, and then again, as staff, I stand ready to follow through with any direction you provide me."

Chair Puzey said, "All right. Thanks, Greg. Whoever from Strebin would like to go ahead, go ahead."

Columbia Development Authority

Mr. Strebin said, “Good afternoon. First, I'd like to thank Greg and as well as the rest of the CDA board for allowing us this time to present our proposal. For those of you that don't know me, my name is Nicholas Strebin, and my father, Dan, is attending this meeting as well. Our family owns and operates Strebin Farms, a multi-generational farming operation located just north of the CDA parcel. We border parcel number 05n 27e 32 and we've owned and operated that farm for more than 40 years. I’m here today to introduce our formal proposal for the board to review. We would like to respectfully request the board review our plan project proposal for the adjacent EFU zoned Land Parcel.”

Chair Puzey said, “I don't have the map, is that the 640 that's on the north side of the depot?”

Mr. Strebin said, “Yes Sir. We intend to bring this parcel into productive agricultural use through privately funded and zoning compliant development. Parcel 05n 27e 32 has remained idle and unapproved for decades, and our proposal would seek to restore its purpose consistent with the current zoning designation by integrating it into an established operating and production use. Our proposal is guided by three central values, the first being responsible stewardship. The second being a strategic fit and an infrastructure utilized efficiently. And third, we're confident that this project and proposed project would provide community and regional benefit, creating both seasonal and permanent jobs, stimulating small business in the agricultural industry and strengthening the regional food production. Importantly, bringing this parcel into production places it back on the on the county's tax role, generating new and ongoing property tax revenue that would support the local public services the county would not only benefit from this, from land activation, but also from an increased fiscal contribution. In closing, this proposal would provide no public funding, no rezoning and no infrastructure burden. It represents proposed project that would activate and utilize local land, local labor and a long-term sustainability for our regional economy. We respectfully ask that the board review this proposal in full and consider how it aligns with the CDA’s mission and long-term land use goals.”

Chair Puzey said, “Well, great. One of the questions I have Nick, are we talking about a sale or a lease?”

Mr. Strebin said, “We've proposed to purchase the land.”

Chair Puzey said, “Okay. Thank you. Any other questions for Mr. Strebin here?”

Vice Chair Shafer said, “Yeah, Mr. Chair, I've got a question. I just want to make sure. Hi, Nick. My name is John Shaffer, one of the Umatilla County Commissioners. I just want to make sure you're aware that there currently is litigation and a lis pendens on that property.”

Mr. Strebin said, “We have been, yeah, we've been aware of the current situation and the litigation, and I think Greg mentioned, we've been in contact with both Greg as well as a few others involved in the CDA. Our interest in this property, I should have, apologies, I should have mentioned we've owned and operated it for more than 40 years. We've, over the years, had had interest in that parcel, done and tried to reach out to numerous people, and we think we can provide beneficial use as far as what can and cannot be done with current site.”

Chair Puzey asked, “You said owned and operated, but you meant you've, you've occupied and operated on it, correct?”

Mr. Strebin said, “We own and operate the adjacent parcels.”

Chair Puzey asked, “And is the 640 located in Morrow County?”

Mr. Strebin said, “Yes, sir.”

Chair Puzey said, “Okay, so the conversation, John, notwithstanding, the lis pendens, which I appreciate you reminding us of. This is a little bit more germane to the conversation with the representatives from the Port of Morrow and Morrow County.”

Vice Chair Shafer said, “And I understand that. But until this lawsuit is settled, the lis pendens does cover all of it.”

Chair Puzey said, “Yep, not going to happen till that's done.”

Vice Chair Shafer said, “Yeah, okay, you know, just as a reminder, we did try and split it so we wouldn't have to worry about the Morrow County side and vice versa. So, but that's why I make sure that they were aware that still hanging out there.”

Chair Puzey asked, “Any other questions or comments for Mr. Strebin? Well, we certainly appreciate what you've done in the past to the adjacent properties, and I don't think there's anybody on this board that doesn't fully support regional agriculture, and especially during

these very, very difficult times with how unknown that industry is. So, we wish you the very best, and we'll work with you the best we can, especially after this Umatilla County litigation is settled."

Mr. Tovey said, "Sorry, I was on mute. I didn't have a quick question, not so for Mr. Strebin, but more of the question to the staff and to the board about any kind of disbursement of property, even after the lis pendens and everything's completed, any sale of property. Are we under any kind of obligation under the IGA or state law as a semi-public entity on distribution of lands or, I mean, does that be posted for so many days? Does it have to go to auction? I mean, is there any kind of rules on selling land as a CDA, or can we just negotiate as people to come in the door and do that, especially, especially if we're selling property. Maybe more of a question for Elizabeth Howard, I just want to know if we have any kind of obligations underneath state law as a public entity."

Mr. Smith said, "I can take just a very, very brief shot at that, JD. You are correct. There is a process we would need to follow, and we would need to make sure that there is a public procurement process in which all folks would have a fair shot at the property."

Mr. Tovey said, "Okay, I just want to make sure today's meeting or conversation is not construed as something that would derail that process.

Chair Puzey said, "Thank you. My support is not indicative of a commitment."

7. WORK SESSION

A. BEO Bank Account Signers
B. BEO Visa Card

Mr. Smith said, "So we have two issues we need to work through, but before we start with that, and it deals with the Bank of Eastern Oregon. I need to declare a potential conflict of interest. As I have a banking relationship, a lending relationship, an ownership relationship and a professional relationship with the Bank of Eastern Oregon. My wife, Sherri Smith, also keeps the same relationships. If any other board member has any relationship with the Bank of Eastern Oregon, now would be the time to declare those relationships."

Mr. Peterson said, “This is Joel Peterson, and I have a relationship. I'm on the board. I don't see any conflict, though. I don't see what the conflict of interest is, but I have loans with the bank and I'm on the board. But this isn't choosing the bank, this is just simply signing the checks.”

Chair Puzey said, “I think what we're asking for Joel and Greg clarify for me, but we're asking for potential. And what you've said, Joel, is sufficient.”

Vice Chair Shafer said, “Okay, so I don't know if this is a conflict or not, but I am a customer of Bank of Eastern Oregon. I'm not on the board. I don't make any decisions for them whatsoever, but I do bank with them. I have multiple accounts with them.”

Mr. Wenholz said, “I too, have multiple accounts with Bank of EO. I do own stock in the Bank of EO.”

Mr. Smith said, “The addition of Joel Peterson and Lisa Mittelsdorf as the new representatives for the Port of Morrow, we need to add them as official account signers for checks, and so I would need a motion acknowledging my conflict and the other conflicts noted that we remove Joe Taylor and we add Joel Peterson and Lisa Mittelsdorf as authorized account signers with the Bank of Eastern Oregon on behalf of the Columbia Development Authority.”

Mr. Puzey said, “So we're looking for a motion, and all of you have heard that and all we're looking for is to add signatures.”

Vice Chair Shafer said, “So really quick before you, I'm just kind of curious, have we floated this past Elizabeth? I'm just a little nervous. Nothing against Joel, but I thought he said he's on the board of directors. Is that good sense to have him as one of our signers too?”

Mr. Peterson said, “I don't see what the conflict is.”

Vice Chair Shafer said, “I don't, I don't know. I'm just asking the attorney to make sure there isn't one. I guess that's my main concern.”

Mr. Smith said, “No, I have not floated this past Elizabeth.”

Chair Puzey said, “I think if you declare the direct conflicts or the potential conflicts in the motion, and I'm not an attorney but I've been doing this long enough, it's the declaration of

direct conflicts and potential conflicts that needs to be in the motion that addresses all of this. So, I think we're covered. We go back and check with Elizabeth, but I think we're covered if, if these declarations have been made. So, each of you have declared potential and or direct conflict. There are no direct conflicts here. All that we have in each of the statements that I've heard are potential conflicts of interest, and if that declaration is made, you know, my experience over decades is that we can go ahead with the motion."

Ms. Collins said, "And we are only authorizing to sign checks to be an account signer. No new loans or anything. So just removing Joe, adding Joel and Lisa."

Mr. Tovey said, "Can you read the motion again? I just want to make sure it's narrow."

Mr. Smith said, "Let me read it, acknowledging director Smith's noted conflict of interest and those of other board members, I move to remove Joe Taylor and add Joel Peterson and Lisa Mittelsdorf as authorized account signers with the Bank of Eastern Oregon on behalf of the Columbia Development Authority. Guys, I would encourage you not to let an overabundance of caution get in the way of us doing our jobs. We've made it clear to the public of the potential conflicts each of you have stated them publicly. We need to continue to work and move forward."

Chair Puzey asked, "Anybody willing to say so moved?"

Mr. Tovey said, "I just want, I just want to make sure it's incredibly limited to just the work with the CDA. I have questions. I wanted to look at the language. I don't know. There's something about it that makes me, I don't know, I hate to be critical or kind of overthink something, but there's something about it that just makes me want to double check on this as well."

Mr. Smith said, "I would share with you, this is not new language. This is language you folks have voted on in the past, minus the acknowledging director Smith's noted conflict of interest."

Vice Chair Shafer said, "Have we had one of the board of directors on our board, though, before, who's been a signer? I'm just if Elizabeth was saying, there's no legal issues, I wouldn't have the hesitation to have. Now that's my hesitation."

Mr. Smith said, "If you feel that way about Joel, could we leave Joel off and just have Lisa?"

Mr. Peterson said, “I'm fine with that. I don't agree with it, but I'm fine with that.”

Chair Puzey said, “Yes, let's do that now, check with Elizabeth, and add Joel later if we need to.

Mr. Smith asked, “So can we have a motion for Lisa?”

Mr. Peterson moved to acknowledge director Smith's and the other board member’s noted potential conflict of interests, remove Joe Taylor and add Lisa Mittelsdorf as an authorized account signer with the Bank of Eastern Oregon on behalf of the Columbia Development Authority. The noted potential conflicts of interests are:

Mr. Smith, as he has a banking relationship, a lending relationship, an ownership relationship and a professional relationship with the Bank of Eastern Oregon. His wife, Sherri Smith, also keeps the same relationships.

Mr. Peterson, as he has loans with the Bank of Eastern Oregon and is currently a member of their board.

Mr. Wenholz, as he has multiple accounts with Bank of Eastern Oregon and owns stock in the Bank of Eastern Oregon.

Mr. Shafer, as he is a customer of Bank of Eastern Oregon and holds multiple accounts with them.

Motion was seconded by Mr. Wenholz.

Chair Puzey – yes, Vice Chair Shafer – Nay, Mr. Tovey – No, Mr. Peterson – Yes, Mr. Wenholz – Yes. Motion carries.

Mr. Smith said, “Again, I need to declare a potential conflict of interest, as I have a banking relationship, a lending relationship, an ownership relationship, and a professional relationship with the Bank of Eastern Oregon. My wife, Sherri Smith, also keeps the same relationship. With that said, the Columbia Development Authority, as it loses its fiduciary will no longer hold credit cards. As a matter of fact, we've already turned them in. However, we do need credit for many different operating reasons. And so, I would hope you folks would acknowledge, in order for staff to function, they do need to have access to credit cards. And so, I would need a motion

acknowledging my noted conflict of interest that Director Smith obtain two $10,000 credit cards from the Bank of Eastern Oregon for the Columbia Development Authority."

Chair Puzey asked, "Those are $10,000 limit, correct?"

Mr. Tovey asked, "Is the requested do so or request or acknowledgement that you've already done it?"

Mr. Smith said, "No, sir, I've not done it."

Mr. Tovey said, "Yeah, okay, it just it sounded like it was already done."

Chair Puzey said, "In order to do business, we're, we're, we have a motion here. We're looking for a motion to allow Greg to use some credit cards from Bank of Eastern Oregon."

Mr. Peterson said, "I have a potential conflict of interest, I guess. But I still don't see any financial gain for me. But I will recuse myself, I guess, if that's what is needed."

Chair Puzey said, "Anybody want to make a motion so that Greg can get some credit cards so we can function."

Mr. Wenholz said, "So as the same as the last time, I'll make the same declaration, I guess, of the abundance of caution, I'll declare potential and that I do business with the Bank of Eastern Oregon and own stock in the Bank of Eastern Oregon, but I don't see how in any way this affects me personally, financially, by Greg applying for credit cards."

Chair Puzey asked, "So is that a motion?"

Mr. Wenholz made a motion to acknowledge director Smith's and the other board member's noted potential conflict of interests and allow director Smith to apply for two credit cards from the Bank of Eastern Oregon with a credit limit of $10,000. The noted potential conflicts of interest are:

Vice Chair Shafer said, "I'm not seconding Mr. Chair, but I do want to make sure that again, I want to declare that I do have two accounts with them. It's a perceived conflict."

Columbia Development Authority

Chair Puzey said, “Okay, is there a second to Jeff's motion so that Greg can get a couple of credit cards and we can function as a business?”

Mr. Tovey said, “Chairman, this is also not a second. And I do not have a conflict. I have no relationship with the Bank of Eastern Oregon. My question is more about financial safeguards and gardening and financial controls and credit cards; I just sat through a training on it and about it as a caution. I don't think we have any financial controls over the use of credit cards.”

Chair Puzey said, “My understanding is, and having signed lots of these checks, that we pay the credit card bills. That's what we've done previously.”

Mr. Tovey asked, “But is that written down or said anywhere?”

Chair Puzey said, “Those are on the invoices that are signed, that are attached to each of the checks that are signed. So yes, there is a written record of those kinds of transactions, yes.”

Mr. Tovey said, “My point, Mr. Chairman, is, do we have a fiscal management policy the states that those are, that those things are to occur as a financial matter of, we have a fiscal management policy here at the CTUIR, the states that these, that these will be reconciled a certain period of time. The manager on record is responsible for it, and everyone has a role, and double and triple checking that, to my knowledge, we don't have fiscal management policy for the CDA on anything, including the management of credit cards or use of credit cards. Do we have anything that says it can't be used for unauthorized actions? And this is not any kind of an accusation. It's not any kind of like assumption. Do we have fiscal management policies that govern the expenditures of funds of the CDA, including the use of credit cards? And if the answer is no, then I'm not inclined to second or vote in favor of.”

Mr. Smith said, “So what I would share JD, the answer is no, we do not have a fiscal policy. We now have a bookkeeper, and our process is to typically have multiple eyes on all invoices and to require dual check signing and to require an annual audit, of which I was going to bring it forward, but I haven't had a chance to thoroughly review our 2023 audit, which had zero findings. So, do we have a policy written in place? No, but we also have to acknowledge we have a staff of one and a half right now.”

Chair Puzey said, “And we have a precedent that has been in place for upwards of 30 years.”

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Mr. Smith said, “And the truth be told, I'm having to use my own credit card, and I would think that would be more of a challenge for the CDA than not having the written policy.”

Mr. Peterson said, “Well, this is Joel, and if I may, I'd like to change that I just have a potential conflict of interest and don't feel like I have a direct a direct one, and therefore I will second that motion.”

Vice Chair Shafer said, “Mr. Chair, point of order. I believe Mr. Peterson recused himself.

Mr. Peterson said, “I said, I asked if I can un-recuse myself?

Mr. Smith said, “After declaring your potential conflict of interest or not, you can always bring yourself back in for a vote.”

Mr. Puzey said, “Okay, so it's been moved by Jeff. We've had a lengthy conversation, and it's been seconded by Joel. I'm going to call for a vote.”

Mr. Wenholz made a motion to acknowledge director Smith's and the other board member’s noted potential conflict of interests and allow director Smith to apply for two credit cards from the Bank of Eastern Oregon with a credit limit of $10,000. The noted potential conflicts of interest are:

Mr. Smith, as he has a banking relationship, a lending relationship, an ownership relationship and a professional relationship with the Bank of Eastern Oregon. His wife, Sherri Smith, also keeps the same relationships.

Mr. Peterson, as he has loans with the Bank of Eastern Oregon and is currently a member of their board.

Mr. Wenholz, as he has multiple accounts with Bank of Eastern Oregon and owns stock in the Bank of Eastern Oregon.

Mr. Shafer, as he is a customer of Bank of Eastern Oregon and holds multiple accounts with them.

Seconded by Mr. Peterson.

Chair Puzey – Yes, Vice Chair Shafer – No, Mr. Wenholz – Yes, Mr. Peterson – Yes, Mr. Tovey – No.

Motion Carried.

Chair Puzey asked, “Greg, if you don't mind, can we have Elizabeth put together a policy that reiterates what we have just moved and discussed today?”

Mr. Smith said, “Most definitely, and we'll have that ready for the next board meeting. I think it's a good time to mention, you know, as the CDA continues to go through a maturation process, these are good conversations, and good for your one and a half staff to work with legal counsel to put those type of policies in place as we come upon them.”

Chair Puzey said, “So thanks for the input that each of you have given to this issue.”

8. FOR THE GOOD OF THE ORDER

Mr. Smith said, “Just a few items. As we transition out of the Port of Morrow, I've been working with Umatilla Electric Cooperative to utilize professional office space on Highway 395, in Hermiston Oregon. They're prepared to have me sign a 36-month lease with you with them, the rent would be equal to what we're currently paying the Port of Morrow. That's $3,000 per month. However, our current lease agreement with the Port covers our utilities. With Umatilla Electric Cooperative, we would be responsible for our share of the utilities and housekeeping, based upon my conversations with the Bank of Eastern Oregon, who's utilizing the other side of the building that we can anticipate it'll range between four to $600 per month. And I know in the in the past, the Port of Morrow has graciously provided these services for free.”

Mr. Tovey said, “Yeah, I had a couple of items for the good of the order. I do want to bring up the 25/26 budget that has not been adopted. And remember the process for that requires us to take them that needs to be reviewed and approved by the CDA tentatively, so then each of us can take it to our individual agencies to have that reviewed. It's going to require an allocation of funds on our part, and so I can't, I cannot vote in favor of a motion of a board of a budget that includes the obligation of the CTUIR without informing the CTUIR, having that in place. So, I want to make sure that we still are working towards having that completed. Until then, we haven't had any allocation for funds. I mean, we I know we have agreements under the IGA, but I don't have anything necessarily allocated on our end in order to be able to support that yet,

without that budget, two other items that I have on my list that have not been completed are the CDA Executive Director job description that's fallen off the agenda, as well as CDA personnel policies manual. Both of those have been reviewed a number of times and have not been finalized. I'm sure I've got others, but those are the three big ones that have not been completed."

Mr. Puzey said, "I don't know enough about this, but I would like to acknowledge that today is National Day of Remembrance for US Indian boarding schools and trying to be sensitive to one of our members. JD, I just want you to know that some of us are aware of a tiny, tiny bit of the implications that that horrific process had on the Tribes throughout the United States, and that, I hope that you know our hearts are with those who suffered under that terrible policy. Thank you, Mr. Chairman, thank you, Greg. Do we have anything for Executive Session?"

Mr. Smith said, "I do not. I would share that JD raises issues that are very correct, your staff stands ready to assist in any way possible on those issues.

Mr. Peterson asked, "When's our next meeting? I guess."

Chair Puzey said, "We have a requirement to meet quarterly, but we've got some items out there where some of us have said we would reach out with some immediacy. So, I would guess that it's sometime prior to the 30th of October, or else, there will be at least a notification that we've reached some resolution. I'm going to reach out to Lisa and see what we can do and so forth."

Mr. Peterson, "I would prefer more often. I understand that's all required, but we should meet monthly. There's a lot of issues to continue to work at."

Mr. Smith said, "Just as a reminder to the board, the reason we did what we did was with our legal counsel being on sabbatical, with Emily being on maternity leave, we were holding the fort down, and I do think we held the fort down pretty darn well, but we will meet as the board dictates."

9. EXECUTIVE SESSION (If needed)

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.

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.

> 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).
> B. For the Purpose of Consideration of Deliberations with the CDA's Executive Director and Other Staff Members Who Have Been Designated by the CDA to Negotiate Real Property Transactions – ORS 192.660 (2)(e)

There was no executive session.

10. ADJOURN