Special Board Meeting Minutes

Thursday, May 1, 2025
Time 1pm
Location of Meeting: Zoom

Board Members: Chairman, Kim Puzey, Port of Umatilla, Vice Chair, John Shafer, Umatilla County, JD Tovey, CTUIR, 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

Lisa Mittelsdorf, Aaron Palmquist, Berit Thorson, Josh Burns, Kelly Doherty, Lisa Pratt, Michael Huges, Marty Broadbent, Scott Ezell, Terry Murray, MC Planning

2. PUBLIC COMMENT PERIOD (3 Minutes Per Speaker)

Public Comment was given by Kelly Doherty.

3. WORK SESSION

A. Fire Services Update

1. April 25, 2023, Meeting Minutes
2. July 25, 2023, Meeting Minutes
3. July 25, 2023, Meeting Packet
4. August 22, 2023, Meeting Minutes
5. August 22, 2023, Meeting Packet
6. October 24, 2023, Meeting Minutes

Mr. Smith said, “During the last meeting, there appeared to be a disagreement between the board members as to whether or not there were proper motions for annexation within Boardman Rural Fire District and also the Irrigon Volunteer Fire Department. And I believe Commissioner Shafer requested the meeting minutes from the previous meetings. And so, before you are the meeting minutes from April 25, 2023, July 25, 2023, August 22, 2023, and October 24, 2023. In addition to these minutes, the board was provided with video recordings of the reference meetings as well. And so, I would turn this back over to you, Mr. Chair, to see if there's additional discussion based upon a motion that did not pass in the previous meeting. I would share with you, Mr. Chair, should you or the board believe that this could lead to future litigation between any of the parties. I've been advised by our legal counsel to encourage you to go into executive session to discuss these items.”

Chair Puzey said, “Okay, so the first item of business, and I'm looking to you, Commissioner Shafer, you have had an opportunity, I'm presuming you have had an opportunity to at least review the minutes and the audio recordings. Is that correct, John?”

Vice Chair Shafer said, “Yeah, it is. It's a YouTube video, and I did listen to it. I watched it and I do believe that Ms. Doherty is correct. The motion that was made is not what's reflecting in the minutes, the written minutes, they do conflict. In the motion. Actually, if I back up at 17:30, 17 minutes and 30 seconds into the video, Greg says that he wants to move forward with an annexation on the Umatilla County side. He was very clear on the Umatilla County side, with Umatilla County Fire District #1, and on the Morrow County side, to work with the Boardman Rural Fire District, who is currently working with OMD to provide services to OMD. The motion that was made was by Commissioner Wenholz, and the motion states verbatim, have Greg work towards an agreement with Boardman Fire District to cover the part of the CDA property in Morrow County. That was the motion, and it was seconded by Mr. Sampson with CTUIR. At no point in there did it talk about annexation of the property. So, I do believe that there is a conflict in the minutes between the written minutes and then what actually was said.”

Mr. Taylor said, “I would agree it doesn't say annex in there. But at the end of that, before the vote was taken, Kim asked that, I don't know the exact wording, but you stated that these are going to be the same. I think the intent of the motion was that the annexation take place for Morrow County on the Morrow County side. You know, Jeff did not say annexation. No, he did not.”

Vice Chair Shafer said, “Now see I would disagree with you. And the reason I disagree with you, Joe, is because of the way that Mr. Smith was so adamant on the annexation on the Umatilla County side. And if you go back and watch that video, you'll see what I'm referring to. He was very clear that the annexation was on the Umatilla County side, but he wanted to work with Boardman Rural Fire to provide services. Even Mr. Smith didn't say annexation.”

Mr. Taylor said, “But again, before the vote was taken, Kim made it clear that those were the same. The motion would be the same.”

Vice Chair Shafer said, “I would say that was Kim's interpretation, but not what was made by the person who made the motion or the person that seconded the motion.”

Mr. Taylor said, “I think Kim asked Mr. Sampson if he was all right with the change, but that might have been on the ambulance statement.”

Vice Chair Shafer said, “Correct. Commissioner Wenholz clarified by saying that the, and I've got this in direct quotes too, by saying the fire part will be Boardman Rural Fire District, the ambulance side will have to be sorted out when Morrow County figures out its ambulance service agreement. And that was what was clarified with Mr. Sampson.”

Mr. Smith said, “So Mr. Chair, may I bring some clarity? If the board will reference Tuesday, August 22, 2023, there are two action items for consideration on that day, among a total of seven. Number one is, annexation of the Boardman Fire and Rescue MOU number two is annexation process for Umatilla County Fire District #1. And why those words were chosen, I do not know. We'd have to go back and ask Debbie, but then, if you look at the board meeting minutes under action item number one, it says annexation of Boardman Fire and Rescue MOU, a motion to approve the annexation between the CDA and Boardman Fire and Rescue by approving the MOU was made by Mr. Schaefer, seconded by Ms. Mittelsdorf. Motion carries then number two, action item is an annexation process for Umatilla County Fire District #1. Director Smith shared the process for annexation, and then under that a petition to annex signed by all the property owners. This could include the legal or some other method to describe the property endorsement by the district board, filed both with the Board of Commissioners. Effectively, what I was doing was walking through what the process would entail after a motion was approved and seconded. So, I'll leave this up to you guys for now, for your conversation, but I did want to reference the August 22 meeting.

Mr. Shafer said, “Yeah, and since I made that motion, I went, and I'd know exactly what you're referring to. And I did make that motion, but I made that motion based on the written minutes of the April meeting, not actually what transpired. Had I known what the actual language was, I would not have used the word annexation in my motion.”

B. Payroll
C. CDA Financial Obligations

Chair Puzey said, “Let's move to Item B on the work session, on payroll, and I would just like to underscore that it is absolutely critical that each of the members be paying their invoices, because we have to make payroll. So, I wanted on the record that we must pay our invoices in order to make payroll. And Greg, you had some other information you wanted to share, if you don't mind.”

Mr. Smith said, “As we all know, the Columbia Development Authority, over the last 16/17, months has moved in very different directions than it historically had been proceeding. With that said, the Port of Morrow has chosen to no longer provide payroll services or to serve as the fiduciary for the Columbia Development Authority. As such, the last day of payroll will be tomorrow, with checks issued, if I'm correct, on Tuesday. After that point, the Columbia Development Authority will not have any form of fiduciary relationship with the Port of Morrow. So, I want to highlight that for you, anticipating this day, we have been looking for an entity to provide payroll services. We've come up with two. In addition to that, I've sent a letter, email letter out to local Certified Public Accountants seeking their interest in providing payroll services. Thus far, we have two firms that have expressed an interest. One is called Xenium. I'm going to pronounce it because I can have a hard time stating it. And that's XENIUM, and then the other is a company called ADP. In addition to that, Mr. Chair, if I may, just blend Item B and Item C together. Payroll with financial obligations, so we have a complete picture. As it stands right now we have outstanding financial obligations of payroll at $7,398 and some change, we have a phone bill of $200, and currently we have rent of $2,906. Emily and I have been exploring renting a new location in Hermiston. The question will rise, why don't you move out to one of the CDA buildings? And as it stands right now, I think the cost of renovating one of those modular buildings would be significantly greater than we have cash on hand, or anticipated cash on hand. With that said, we also have the following other expenses, Umatilla County Litigation $1,363, Legal Services outstanding $28,119.50. For the board and for the public, that legal invoice is primarily for the separation of the real estate and the property line adjustment, etc., that is ready to be completed. We then have other outstanding litigation invoices of $1,300. I have an IRZ invoice for $1,702, I have a surveyor for the property line adjustment of $18,800. That was an expense we did not anticipate. We received an additional survey requirement from Umatilla County, and so we wanted to make sure we met that in an expeditious way. And then board, probably the most important one for you folks to consider as of right now is an outstanding insurance invoice for $21,733.80, and so these are obligations that need to be accounted for and paid for. And I will leave that with you, Mr. Chair, for you folks now to discuss.”

Chair Puzey sad, “So I'm hoping that invoices have been sent to the members, and I'm hoping that those reflect these obligations that we have collectively. And I'm hoping that people are responding to those invoices. Emily, would you like to speak to that?

Ms. Collins said, “For the invoices that have been sent, the outstanding for the insurance, Morrow County has paid it, and so has Port of Umatilla, and then the other three parties are the outstanding. And I have not received any checks for the payroll invoice that was sent out.”

Chair Puzey asked, “Okay, so some have, some have paid for the insurance. Is that correct? And no one has paid for the payroll?”

Ms. Collins said, “No. So that payroll invoice that we send out, we sent the big invoice for everybody's portion of the new partner matches.

Chair Puzey asked, “So that invoice went out, the one in what amount?”

Ms. Collins said, “It is the $218,000.”

Chair Puzey said, “Okay, some of us had a question internally about whether or not we could pay that monthly, quarterly, and I don't recall whether there was a response to that inquiry. So, does that have to be paid all at once, monthly, quarterly? How would you like it?”

Mr. Smith said, “You know, at the end of the day, we need to be able to manage cash flow. Ideally, it would be monthly, and then actually going back from there is less ideal.”

Chair Puzey said, “I think everyone here has heard that we have obligations and invoices have been sent, and just want to underscore the importance of us taking care of the team that we have here that has been working for us. Now in this same context, or in this context, we have previously discussed multiple times, having a resolution that directs Greg to sell or lease property. And I just want you to know that there's a willingness on the part of the Port of Umatilla that after the litigation that we have with the County, it has been resolved that I would be more than happy to take to my commission the idea of having that 100 acres that we talked about hypothetically be on the Port of Umatilla side of the line, and actually being a parcel that we have determined with the County to be the Port of Umatilla. We feel strongly enough about paying the bills that we're more than happy to have it be ours. So, Joe, I know that you had some questions last time, if you want to put out that the Port of Morrow was willing to that's fine. If you still have some questions or hesitation, that's fine. But Greg, I just want you to know I'm willing to take this up with my commission to have it be on the Port of Umatilla property once the lis pendens is lifted, and the litigation has come to an end.”

Columbia Development Authority

Mr. Smith said, “Mr. Chair, if I could just add a few more obligations of the CDA so we have a complete picture. In addition to what I've shared with you thus far, please recall that Emily will be going into maternity leave here in about 30 days or less, or a little more somewhere right in there. With that said, I have two excellent candidates. I have withheld hiring either one of them until I understand how I would pay for them. In addition to that, I've got a government relation invoice of $5,000 working with the Division of State Lands. I also want to remind this board; we have audit reports for 2023 and 2024/25 that need to be completed as soon as possible. And Emily, can you remind us what we were charged for our last audit?”

Ms. Collins said, “We were right around $20,000.”

Mr. Smith said, “Mr. Chair, what I'd share with you is I've directed IRZ to direct our engineering firms to push pause on that project. What I will share with you, just because I also serve in other capacities, the State of Oregon is contemplating, I want to be very careful for the media, they're just contemplating a sweep of outstanding ODOT projects in an attempt to put together a new transportation package.”

Mr. Taylor asked, “The insurance that runs through special districts. Is that already past due then and how much is it?”

Ms. Collins said, “So I did call our agent just to make sure that we weren't negative or it's going to go away. Before our policy term started I received payment from Port of Umatilla and Morrow County, and so that got us started. And they don't charge any late fees. They just send me a notice every once in a while with “Hey, this this amount is outstanding” just because they're used to working with organizations such as ours. But it is important that we get it paid.”

Mr. Taylor said, “I'm good if something happens on the Morrow County of side, like we agreed to on the land sale.”

Chair Puzey said, “If I'm hearing you correctly, you'd be willing, we'd be willing, and we could proceed as soon as the lis pendens is lifted without a litigation.”

Mr. Taylor said, “And one other thing, as far as payroll, Lisa and Eileen have talked, and I think the Port of Morrow is okay, if we need to extend payroll services another month. Or until you get another organization to do the payroll, we could handle that, it's not a lot of time or money to do that.”

Chair Puzey said, “If only all of us were like you. So, thank you so much. We appreciate it from both of you. Greg, I think we're ready to go into Executive Session on some of the items that pose some potential or existing litigation, and unless there's anything else, we should just go ahead and proceed. You okay with that?”

Mr. Smith said, “I just want to share Mr. Chair. I've heard the comments, but I need action. I need I need more than, and I say this with gratitude for the overall Columbia Development Authority, but I need more than a desire, I need action from the board, taking action and then providing me direction.”

Chair Puzey asked, “Okay, what would you like that action to be? Do you want a motion or something? How would you like us to do that?”

Mr. Smith said, “Well, again, this is the Columbia Development Authorities, unique organization in which, within your original agreement, no one entity is obligated to any financial obligation. And so, I need to know how the board is going to handle distribution of its financial obligations, so I can receive those funds and I can pay bills.”

Chair Puzey said, “So the IGA has us all working together to get this taken care of, and Emily has sent invoices, and some have paid. But we have way more requirements than resources at this time. So that's the underscore the urgency of this. And it sounds like you will accept monthly payments, quarterly payments. So, I'm hoping everyone can hear and will respond to this urgency, and I certainly commit us to at the very least monthly on that to 18, and if, if not, we can ramp that up to quarterly. If not paying the full amount after this next fiscal year begins.”

Mr. Smith said, “Mr. Chair, perhaps what would make the most sense is for Emily and I and whoever our new person is, if I hear that there is going to be the opportunity to make payment to this new person, to send a total of the outstanding financial obligations with A 1/5 division of that obligation to each member.”

Mr. Puzey said, “And if you wouldn't mind, in that notification to just state explicitly, monthly, quarterly, something like that is acceptable rather than pay the whole bill. Okay, now, if we I should do good of the order, anything for the good of the order. All right, seeing none, let's move into executive session.”

4. FOR THE GOOD OF THE ORDER

5. EXECUTIVE SESSION

A. Potential Litigation
B. Existing Litigation

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).

Chair Puzey said, “Welcome back into an Open Session. Then Emily, this is the part where you let everybody back in. And if I'm not mistaken, we go ahead and have the motion that was before us last time. And if Elizabeth could maybe help us with the wording on that, or unless Greg, you have it in front of you.”

Mr. Smith said, “Kim, I think the best thing to do be to have Elizabeth read the motion and then follow it from there.”

Ms. Howard said, “So this is a resolution to proceed with fire district annexation. Whereas in 2023 the Columbia Development Authority entered into a memorandum of understanding with the Irrigon Rural Fire Protection District and an MOU with the Boardman Fire Rescue District in which CDA received fire services and emergency service pending annexation into each of these districts. Whereas it was anticipated through the individual MOUs that IRFPD would annex the exclusive farm use parcel in Morrow County, and BFRD would annex the port industrial area in Morrow County into the respective districts. Whereas in its February 2025 meeting, the CDA board voted to rescind the ongoing annexation process before Morrow County related to annexation of the port industrial property into the BFRD. Be it resolved that the February 2025 motion is rescinded, and annexation of the port industrial property by BFRD should proceed as anticipated in the MOU with BFRD. Be it further resolved that the exclusive farm use parcels in Morrow County should be annexed, as anticipated by IRF PD, and that CDA will convey to the IR FPD, that it should not annex other lands into its district pursuant to ORS 478.720, which was a statute enacted Following execution of the MOUs in 2023.”

Mr. Tovey, under the advice of legal counsel, moved that the February 2025 motion is rescinded and annexation of the port industrial property by BFRD should proceed. Second by Mr. Taylor for discussion.

Chair Puzey – Aye, Mr. Tovey – Aye, Mr. Sykes – Aye, Mr. Shafer – No, Mr. Taylor – No. Motion carried.

6. ADJOURN