

Infrastructure Finance Authority

June 21, 2019

Salem, Oregon

Attendance

Members Present: Andrea Klaas, Port of The Dalles (phone); Pat Clancy, representing financial sector; Mark Knudson, Tualatin Valley Water District (phone); Kristin Retherford, City of Salem (phone); Laura Lockwood-McCall, Oregon State Treasurer's Office; and Alexa Jakusovszky for Representative Karin Power

Staff Present: Chris Cummings, Assistant Director; Ed Tabor, Program and Incentives Manager, Dennis Knight, Finance Officer; Rich Rodriguez, Finance Officer, Tawni Bean, Regional Project Manager, Matt Mattia, Regional Project Manager; Sean Stevens, Regional Development Officer; Ted Werth, Regional Project Manager; Arthur Chaput, Regional Project Manager; Shanna Bailey, Regional Project Manager; Melisa Drugge, Regional Development Manager; Carolyn Meece, Regional Development Officer; Bonnie Kline, Admin Asst.; Isabella Olmstead, Admin Asst.; and Suzy Miller, Executive Assistant

Guests: John Saris, Business Finance Manager, Business Oregon; Brenda Bateman, Assistant Director for Operations, Business Oregon; Theresa Pietzold, Employee Services Manager, Business Oregon; Steve Major, The Dyer Partnership; Don Mann and Olga Kaganova, Port of Cascade Locks; William Potter, City of Fossil; Brad Baird, Anderson, Perry & Associates; Mayor Daniel Richer and Jake Obrist, City of La Pine

Chair Klaas called the meeting to order at 10:00 a.m.

Welcome, Introductions, Minute Approval

Chair Klaas welcomed everyone and introductions were made.

Public Comment

None.

Review of Proposed Meeting Minutes

Action: Chair Klaas called for a motion to approve the minutes of the April 5, 2019, meetings.

Kristin Retherford made a motion to approve the minutes.

Laura Lockwood-McCall seconded the motion.

Vote: Passed; Minutes approved.

Respectful Workplace Policy

Brenda Bateman and Theresa Pietzold addressed the board on behalf of Director Harder to talk about respectful workplace policy, trainings, and resources available. As a member of a board or commission for the state of Oregon, each has a responsibility to serve in a professional and respectful manner. Not knowing is no excuse; leaders need to be aware of what staff are facing, what the work environment looks like, and to know they are responsible for not only halting any

harassment or inappropriate workplace behavior, but also reporting. Even more fundamentally, cultivating a respectful workplace environment so that folks have a place where they feel safe and can work productively. Each year, the Department of Administrative Services (DAS) require all Oregon executive agencies, staff, board, and commission members to undergo a training on respectful workplace behavior. There are two trainings to be completed—harassment and respectful workplace, and one on IT security training. The completion of the training goes into part of our public record. Business Oregon would like to see training completed by June 30, 2019.

SPWF Underwriting Requirements

John Saris, Business Oregon Finance Manager, spoke to the board about underwriting requirements as it pertains to ports/municipalities when applying for SPWF. As the economy strengthens, the department is starting to see different projects come forward to the board that are dependent upon revenues from businesses (mainly projects where a port or municipality may be developing industrial or commercial land primarily for the benefit of a single business), that brings additional risks that are outside of the standard IFA type of accredit. Staff has talked about how to appropriately address those risks, and make sure that the board is aware of what those are in order to manage the funds, and to know what these projects bring from a risk profile to the state. The department is going to be looking at the primary ability repayment; as well as, the ability of a company that is going to occupy the building and their ability to service the data, through the lease and rental payments that are due. The department will also look at other things that would mitigate risk, because in the event of default, we would look to the ports or municipalities to repay, but we also need to protect the security interest of the state and the programs. The Port of Cascade locks, before the board today, is the first project staff took through the process. John asked the board to provide any feedback if they feel the need for more information than what will be presented today from staff.

City of Fossil

Shanna Bailey, Regional Project Manager, introduced representatives from the city of Fossil. The city is asking for an award of \$1,480,000 from the Water/Wastewater Financing Program for design and construction improvements to their Wastewater Treatment Plant.

Action: Chair Klaas called for a motion.

Kristin Retherford moved to approve an award of \$1,480,000 in Water/Wastewater Financing Program funding to the city of Fossil, comprised of a \$740,000 loan at 1.00% for 30 years and a \$740,000 grant to construct the Wastewater System Improvements project.

Laura Lockwood McCall seconded the motion

Vote: Passed

City of La Pine

Matt Mattia, Regional Project Manager, introduced representatives from the city of La Pine. The city is asking for an award of \$1,500,000 from the Water/Wastewater Financing Program for construction improvements to their wastewater collection, treatment, and disposal systems. Matching funds for the project would include \$1,000,000 from the Oregon Department of Environmental Quality Long-term Financing, \$8,699,500 from the U.S. Department of Agriculture Rural Development, and \$1,633,000 from the city of La Pine.

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Action: Chair Klaas called for a motion.

Kristin Retherford moved to approve an award of \$1,500,000 in Water/Wastewater Financing Program funding to the city of La Pine, comprised of a \$750,000 loan at 1.00% for 30 years and a \$750,000 grant to construct Wastewater System Improvements.

Mark Knudson seconded the motion.

Vote: Passed

City of Sutherlin

Tawni Bean, Regional Project Manager, introduced representatives from the city of Sutherlin. The city is seeking approval for an award of \$3,937,773 from the Safe Drinking Water Revolving Loan Fund Program (SDWRLF) for design and construction improvements to their Nonpareil Water Treatment Plant.

Action: Chair Klaas called for a motion.

Pat Clancy moved to approve an award of \$3,937,773 from the Safe Drinking Water Revolving Loan Fund Program to design and construct improvements to the Nonpareil Water Treatment Plant and raw water intake.

Kristin Retherford seconded the motion.

Vote: Passed

Port of Cascade Locks

Ted Werth, Regional Project Manager, introduced representatives of the Port of Cascade Locks. The port is looking for an award approval of \$4,505,934 for construction of a 23,640-square-foot industrial building inside their Cascade Locks Business Park.

Action: Chair Klaas called for a motion.

Pat Clancy moved to approve an award of \$4,505,934 in Special Public Works funding to the Port of Cascade Locks, comprised of a \$4,505,934 loan at 4.66% for 20 years to construct a 23,640 square foot industrial building inside the Cascade Locks Business Park for lease to pFriem Family Brewers.

Laura Lockwood-McCall seconded the motion.

Vote: Passed

Other Business

Chris thanked the board for questions that are submitted back to staff after staff recommendations are sent out for review prior to the meeting. It not only provides staff what questions need to be addressed, but our applicants as well so they come better prepared.

Chris provide legislative and agency updates and reviewed financials with the board. The agency budget passed and is awaiting signature from the Governor; no positions were lost this round, except for one vacancy; this was a key goal. The Oregon Growth Fund gained some funds, under the innovation section that they've never had before; the Rural Opportunity Initiative, received \$750,000; and the broadband bill will receive some funding, mainly around staff. Our last bill—still waiting to move forward—contains funding for the SPWF, Brownfields, and the RST programs.

Draft Minutes

With regards to agency updates, Chris announced the retirement of the department's port manager, Dave Harlan, and that the department will go out soon for a replacement. Chris also noted Niki's term has expired, but she is working with the agency on suggestions for submittal to the Governor's office for consideration.

Next meeting: August 2. Staff will look into holding the August meeting in Albany or Lebanon; with possible project site visits.

Chair Klaas adjourned the meeting at 12:35 p.m.

Approved by:

Andrea Klaas, Chair
Infrastructure Finance Authority Board

Date

Chris Cummings, Assistant Director
Business Oregon

Date