



**Columbia Development Authority
Meeting Minutes
April 11, 2017
9:00 a.m. Conference Call**

Members Present: Bill Elfering, Umatilla County
Don Russell, Morrow County
Bill Tovey, CTUIR
Kim Puzey, Port of Umatilla
John Doherty, Morrow County (Alternate)
Gary Neal, Port of Morrow

CDA Staff Present: Greg Smith, CDA Director Joleen Horning, CDA Admin

Guests Present: George Plaven, East Oregonian
Stan Hutchinson, OMD
Michele Lanigan, BRAC
Skeeter Amstad, Amstad Farms
Mellissa Lindsey, Morrow County
Carla McLane, Morrow County
Tamra Mabbott, Umatilla County
Melisa Drugge, Region 5, Biz OR
Carl Scheeler, CTUIR
JR Cook, NOWA

CALL TO ORDER

The meeting of the Columbia Development Authority (CDA) was brought to order by Chair Don Russell at 9:03 a.m. The meeting started with a round of self-introductions. Chair Russell asked if it would be okay to turn the meeting over to Director Smith.

Agenda:

Old Business

Review/Approval of Meeting Minutes from 1/6/2017.

Director Smith asked the CDA members if they had been able to review the minutes from the previous CDA meeting. Bill Elfering moved to approve the minutes; Gary Neal seconded the motion. Motion passed. No further discussion needed.

New Business

Director Smith said the purpose of the meeting is to update everyone on the key issues that are presented to the CDA as they correlate to the real estate transfer from the U.S. Army.

Draft Memorandum of Agreement (MOA)

Director Smith reported Gary, Kim and he had met with Tom Lederle from the BRAC office in DC about six weeks ago. The purpose of the meeting was to convey the CDA's continued desire to press forward as expeditiously as possible with the real estate transfer. Director Smith shared his appreciation for the support of Gary and Kim; they expressed the CDA's future direction. Director Smith said, sadly, one of the takeaways from the meeting was once the BRAC missed February 1st deadline, the BRAC reduced their aggressiveness to get the transfer completed. The BRAC thought the economic development opportunities the CDA had, were dissipated, thus making it less of a priority. Gary and Kim were instrumental expressing that the opportunities are still available to the CDA. Director Smith also mentioned he would like to thank Gary, Kim and Lisa Mittelsdorf for taking the time to speak with Congressman Walden's office. The discussion has helped Congressman Walden's office to spur the BRAC office once again. Director Smith stated he wanted the public and media to be aware, there are various economic developments for the CDA, but cannot do anything until the land transfer is complete.

Director Smith stated he had sent the Draft MOA onto Martha Pagel to review. Martha's recommendation is to acknowledge to the BRAC the receipt of the Draft MOA and ask the BRAC to proceed forward at the quickest pace possible. Director Smith mentioned there is a portion of real estate that the Port of Morrow and the U.S. Army will need to discuss regarding the sale of a parcel of land for approximately \$1 million. Director Smith would like to address this and see if the Army will open negotiations on the \$1 million transfer because of the lost revenue. Gary added he appreciates the efforts of Director Smith, but it was an item the BRAC discussed with the LRA and stated they were going to sell this parcel of ground outside the scope of the transfer. Gary continued that the parcel of land was included in the CDA's efforts and strategies for the development plan to leverage it for additional economic efforts. The CDA did not want to see this carved out of the plan, so, the Port of Morrow stepped up and said they would pay for it. Gary added he has one concern; the MOA mentions all proceeds from the sale are to be reinvested to support economic development. Gary stated this parcel should be separated out from those conditions. Director Smith agreed, however, he still wants to continue the conversation to negotiate this \$1 million price because the CDA has lost millions of dollars in operating revenue due to the delay of the transfer. Bill Elfering mentioned when discussions began the transfer would be clean, free, and with water.

Director Smith recommended the Board read the MOA, and convey any concerns they may have. He added that Martha Pagel would transfer over to her counterparts for consultation and he has not met with them yet. Bill Elfering mentioned page 3 of the MOA that the exhibits were not included and wanted to know if the CDA had a copy. Director Smith stated we do not have the exhibits and the BRAC is in the final stages of completing the exhibits.

New Timeline

Director Smith reported that the CDA received the new timeline from the BRAC and it appears as though they are moving towards meeting the proposed schedule as quickly as possible. Director Smith referenced the new proposed transfer date is December 2017 and will he will continue to push towards that goal.

Cultural and Archaeological Resources

Director Smith mentioned the cultural and archaeological resources are the significant areas that need to be resolved to proceed forward with the real estate transfer. The cultural and archaeological resources have been identified by the Confederated Tribes of Umatilla, U.S. Army, and State Historic Preservation Office (SHPO). Director Smith discussed the Umatilla Cutoff Wagon Road on the Umatilla County side primarily runs through the habitat, and it would not harm the CDA to take a portion of that Cutoff Road that has not been disturbed and section it off. Director Smith said he would work with SHPO to set up a kiosk and educate the public. He recommends preserving 50-100 yards that are undisturbed. Director Smith suggests not preserving the disturbed areas. Gary said flexibility and options are an important factor as we look forward.

Director Smith stated the second cultural resource is, the Oregon Trail, which runs through the industrial land on the L-shape I82 and I84, and parallel to the airstrip. Also, noting there is a prehistoric flake, and cobble concentration found adjacent to the Oregon Trail. Again, in the interest in being a good partner to all, Director Smith suggests taking 50-100 yards creating a kiosk where the undisturbed portion of the Oregon Trail and the flake (Morrow County side), cobble concentration (Umatilla County side) and preserve it outside of the industrial area. Director Smith added the CDA would work in close collaboration with the SHPO and CTUIR to ensure the language for the education and cultural purposes are accurate. The situation before us is, the fire pit and the flake noted by CTUIR offered two suggestions:

- Set aside location with the buffer area fire pit 30-foot circumference and kiosk 30-foot circumference circle on the flake, and the additional research could be done later, and it would not hold up the transfer.
- Alternatively, do additional research resulting in further delay.

Director Smith stated that according to the BRAC office and SHPO is that what the CDA is offering for protecting the cultural and archaeological resources are sufficient. Gary asked if there would be additional research for these cultural and archaeological items. Director Smith stated he thought that if they were preserved there would not be further testing done, and this would not delay the transfer. If further testing would need to be addressed, it could delay the transfer five more years.

Director Smith added the CDA would need to have conversations with SHPO and CTUIR about Coyote Coulee. CTUIR has shared that Coyote Coulee has religious significance and they would like to have this area open to all members of the CTUIR. The CDA proposes Coyote Coulee will be open to all the members of CTUIR and the public for hunting and gathering activities as long as they do not conflict with the lands set aside for the industrial purposes. Director Smith expressed his concern in keeping the industrial land protected from the hunting and gathering activities. Bill Elfering asked if the demil area would not be part of this inception because it has been severely rearranged. Gary asked if the CDA agriculture was part of the Coyote Coulee area and if there was an oversight in this area. Director Smith added that it was set aside initially as exclusive farm area and it will not be included.

Director Smith mentioned one challenge is respecting a sovereign nation's identification of religious significance on the real estate but at the same time balancing the CDA as the owner of the property. The U.S. Army's primary focus is the real estate will be used for industrial and economic development purposes. The CDA can work around the land that is zoned for the habitat area, and the lands that are industrial/commercial it shall be protected for

that purpose. Director Smith has noticed that the cultural and archaeological resources are the issue that could hold us up for the transfer. He has called for a meeting with SHPO, the BRAC, and the office in Mobile, Alabama. This issue has been going on for over a year now.

Bill Elfering moved to empower the Executive Director to continue to mitigate and resolve Cultural and Archaeological Resources as it relates to real estate transfer. Bill Tovey seconds; motion passed.

Oregon Department of Environmental Quality (DEQ) fine to Army

Director Smith wanted to ensure that the BRAC knows it is not a target, but this issue is important for the public and Board to know. As a member of the legislature, Director Smith is regularly notified from state agencies including the DEQ. On March 15th as a State Representative, he was notified that Oregon DEQ issued a 'Notice of Civil Penalty Assessment and Order' to the U.S. Army regarding the Umatilla Chemical Depot, the amount of the penalty assessed is \$21,600. The penalty assessment is for administrative and procedural violations. Director Smith had an opportunity to discuss the penalty with DEQ, and they shared that for the last 18 months they have requested from the BRAC office and had no communication. Michele Lanigan mentioned that this is not a BRAC permit issue it is the Chemical Material Agency (CMA). She also added that the BRAC, CMA, and DEQ have bi-weekly meetings. She also added that the CMA is behind by about 18 months in submitting their closure report. Director Smith asked if he could be included in these sessions, Michele stated she would send the meeting notices.

Goal 11 Exception

Director Smith asked if Tamra Mabbott could update everyone on Goal 11 Exception. Tamra said that the City of Umatilla Goal 11 Exception would be presented at the Umatilla County Commission hearing on April 27th and then final adoption on May 24th. The City of Hermiston is working on their draft and findings. There will be a meeting today (April 11, 2017) for coordinating with the State Department of Land Conservation to make sure that two Goal 11 Exceptions are acceptable. The CDA's position then would be to choose one or the other of whom to contract for wastewater services. Director Smith would like to publicly thank Port of Umatilla, Umatilla County, and Port of Morrow for assistance with the Goal 11. A reminder to the Board, initially the CDA was considering the Goal 11 Exception with just the City of Umatilla. That is a primary avenue for us to handle wastewater as we develop our infrastructure, but it was shared with Director it is strategic to have options and alternatives. Both the City of Umatilla and City of Hermiston are working on Goal 11 Exceptions and by having two different routes potentially available to us will provide alternatives and allow us to move forward.

Infrastructure Update

Director Smith added, Legislature is continuing to have conversations on a transportation package. The CDA has expressed to be considered for the transportation package. Senator Hansel is considering and thinks potentially the CDA will be approved for road improvements. These improvements will be a great opportunity for development for Umatilla and Morrow County.

Cheatgrass Trial

Director Smith wanted to provide an update on the Cheatgrass Trial. We tried to schedule the walk through on the property for the Cheatgrass Trial; the weather did not cooperate. He wanted to let them know he is available for a walkthrough as soon as the military is ready.

Questions

Gary asked about the time frame on the schedule; at the meeting in DC, they discussed to get the transfer by the end of this fiscal year. Director Smith stated as you recall Tom Lederle did not want to give a timeline it was not until the conversation with Congressman Walden had taken place. Shortly after Congressman Walden's office got involved, the CDA received the revised schedule. Director Smith stated he would continue pushing forward. Kim said he would travel with Greg to the BRAC office if needed for any meetings.

Michele added the biggest hurdle for the transfer had been the cultural and archaeological resources, she believes as soon as they are comfortable with the responses to SHPO that it will move forward. She also included that negotiation with CDA and SHPO will help move the process along.

Public Comment

George Plavin from the East Oregonian requested he would like the meeting materials for today.

Other Discussion for the Good of the Order

Director Smith shared with the Board, Rick Solander with Office of Economic Administration (OEA) has announced they are going to be moving the CDA to an 18-month budget. The OEA has a high level of confidence with our administrative operations. Director Smith mentioned how much he appreciated Eileen Hendricks at the Port of Morrow with her high level of professionalism.

Adjournment

The meeting was adjourned at 9:55 a.m.