

**REGIONAL RURAL REVITALIZATION  
Board Meeting  
Thursday, August 3, 2023**

**City of Burns Council Chambers  
242 S Broadway Burns, Oregon 97720  
6:00 P.M.**

**THE PUBLIC IS WELCOME AND ENCOURAGED TO JOIN THE MEETING  
VIRTUALLY VIA ZOOM**

Members of the public and media wishing to address the board of directors during any public comment period will be able to join the webinar as an “attende.” Attendees will be able to view the webinar on a desktop, laptop or mobile device such as a smartphone or iPad by using the following link:

<https://us02web.zoom.us/j/9020143459>      Meeting ID: 902 014 3459

1.    **OPEN AND ROLL CALL**
2.    **APPEARANCE OF INTERESTED CITIZENS**

Members of the public desiring to address the board shall first be recognized by the presiding officer and then state their name and address for the record. Unless otherwise designated by the presiding officer, each person shall have up to three (3) minutes to present their comments. The board of directors and staff normally will not directly respond to a public comment during the public comment period. Board and staff member comments will be held until the Board comment period.

3.    **MANAGING DIRECTOR RECRUITMENT**  
Attachments:
  - IGA Schedule 4.2.2; draft solicitation document
4.    **PUBLIC CONTRACTING RULES**  
Attachments:
  - None
5.    **IGA/BYLAWS AMENDMENT**  
Attachments:
  - None

**GENERAL DISCUSSION AND UPCOMING MEETINGS**

6.    **BOARD COMMENTS AND UPCOMING MEETINGS**  
Attachments:
  - None

**SUBJECT: AGENDA ITEM NO. 4 – MANAGING DIRECTOR RECRUITMENT**  
Attachment(s)

- Draft Solicitation

**BACKGROUND**

This item discusses options for and method of solicitation for the managing director role.

Please note that Baker City must complete its third reading of its ordinance, scheduled for August 8, before their ordinance takes effect. We will file the first amended and restated agreement following their third reading.

**DISCUSSION**

Chad Jacobs, the board’s legal counsel, will discuss the recruitment and solicitation process with the board.

**NEXT STEPS**

Determine the method of recruitment and authorize the board attorney to begin the recruitment process.

## **AGENDA ITEM NO. 5 – PUBLIC CONTRACTING RULES**

Attachment(s)

- None

### **BACKGROUND**

Board will discuss public contracting rules with board attorney and members.

### **DISCUSSION**

As an entity formed under ORS Chapter 190, R3 is required to adhere to the state's public contracting rules. *See, generally*, ORS 279A.050. Local contracting agencies are permitted by state law to adopt their own individualized local contracting rules, to address various issues such as personal services agreements. Mr. Jacobs will seek guidance from the Board regarding its desire to have local contracting rules drafted for the Board's consideration and adoption.

### **RECOMMENDED MOTION**

[Only if needed]

## **AGENDA ITEM NO. 6– IGA/BYLAWS AMENDMENT**

Attachment(s)

- IGA Exhibit A. Bylaws

### **BACKGROUND**

Baker City’s council has requested an amendment to the bylaws to allow non-elected officials to serve as board members. Baker City’s council wishes to appoint a member of its planning commission to serve as R3’s board member.

Section 2.2 “Membership” of the Bylaws states “the governing body of each Party will appoint one of its elected officials to serve on the Board (each a “Standing Member”). The then-appointed Standing Members will appoint one person to serve on the Board (the “At-Large Position”).”

Section 3.1(a) of the Restated IGA also requires that each party must appoint one of its “elected officials” to serve on the Board.

### **DISCUSSION**

Because the IGA requires that each party must appoint an elected official to the Board, a member of a city’s planning commission would not be eligible (unless of course the planning commission was an elected position).

Section 2.1 of the Intergovernmental Agreement (IGA) authorizes the board of directors to make changes to its bylaws.

Section 3.2.4 of the IGA requires the consent (approval) of all Standing Members (i.e., unanimous consent) is necessary to decide the following questions and/or actions taken before the Board: (a) admitting new or substitute Consortium members; (b) merging Consortium with any other entity; and/or (c) amendments or restatements of this Agreement and/or the Bylaws.

If there is unanimous agreement to amend the IGA and the bylaws by all standing members, they may be changed with the filing of the second amended and restated agreement before it is filed to include this adjustment.

### **RECOMMENDED MOTION**

[Motion for or against] amending Section 3.1(a) of the IGA and 2.2 of the Bylaws to allow non-elected official to be appointed as board members.

-Unapproved-

**REGIONAL RURAL REVITALIZATION (R3)  
BOARD MEETING  
JULY 18, 2023**

The Regional Rural Revitalization (R3) Board members met on, May 25, 2023, at 6:00 p.m. for a Board Meeting. Members present were as follows:

Heather Smith – Burns R3 Representative – Via Zoom	Judy Erwin – Burns Interim City Manager
Michelle Perry – Lakeview City Manager	Tiffany Leffler – Secretary/Admin
Jay Farmen – Lakeview R3 Representative	Nick Green – R3 Consultant
Heather Rookstool – John Day Mayor – R3 Representative – Via Zoom	

**APPEARANCE OF INTERESTED CITIZENS**

Guests present were Forrest and Jen Keady.

**CONSENT AGENDA**

Heather Rookstool asked if she could have clarification on the invoices or have them removed.

Nick Green informed the board that Chad Jacobs provided the Intergovernmental agreement that was added to the addenda and sent out about 3 hours prior to the meeting by Tiffany Leffler. He said they could discuss how they want to handle the day-to-day operations until they could decide about Managing Director services. He believed if they'd like to discuss the invoices and prior work during that agenda item instead of the consent agenda, he thought that'd be more appropriate.

Heather Rookstool made a motion to approve the consent agenda with the first 2 attachments as presented. Jay Farmen seconded. All ayes.

**NEW BUSINESS**

- 1. Funding Status Update and Administrative Appointments** - Nick Green said the governor had 30 days to sign all the bills. House Bill 34.10 has not been signed yet and she has until August 4<sup>th</sup>. He expects the bill to be signed indebtedly but certainly by that date. They have identified who the Department of Administrative Services lead is going to be. He had contacted them and introduced them to Judy and Chad Jacobs, and they will reach out to them as soon as the bill is signed to get the grant agreement in process so it can be sent back to the board.

On the Federal side, he said he had sent out the Congressionally Directed Spending Request announcement on Friday. He said that CDS request had been approved by Congress but still must be signed into law. As a board they would have to apply for those funds through the Small Business Administration. That application can be found on grants.gov and typically takes about 10 to 12 months to get those funds secured and committed. He believed the announcement guarantees them a win, but they must do the work to apply. The 1.5 million was approved but not awarded yet.

Nick Green informed the board that John Day had passed their ordinance now and Baker City had it on their agenda for the following Tuesday.

Heather Smith asked if adding them to R3 would go on the next agenda.

Nick Green said the board already approved to add them subject to them passing an ordinance. Then as soon as Baker has adopted the ordinance Chad Jacobs or Jeremy Green with transmit the amended and restated Intergovernmental Agreement to the Secretary of State's office. There will be no further action needed on the boards part.

Heather Rookstool asked when they are going to know where they are going. She feels uncomfortable saying this is what she wants to have happen until she knows who's running the show. She doesn't know whoever they choose has the backing to where she'd want to put this all in their hands. She knows all their URA and how it's being ran and she doesn't want to hand it over to someone she doesn't know. It makes her a little uneasy. She said they have a consultant they are using for planning. There was just some stuff in there that she was not completely saying no to but is not comfortable just putting it on this person when they don't even know what that person's roll is completely going to be yet. She also believes they need to discuss how that person will coordinate with land developers or whether they would like to take on the URA's since some cities don't currently have city managers. She believes the board needs to have more discussion before they make any motions.

Heather Smith said it was her understanding they were just getting an update on the overall summery. Appointing a director for R3 is on the agenda this evening.

Heather Rookstool said each of the items had a recommendation from whoever wrote up the agenda. She believed the board should discuss whether they would like to offer these things to these cities. She thinks they should discuss it more. She would have to take it back to her board and ask if they wanted to hand over things like the URA, because they have been running their URA or if they wanted to hand over planning. She wanted to know if this all would be apart of this person's job or were they just looking at them running R3 right now to get it up and running.

Heather Smith said as far as R3 was concerned she didn't believe that it was the plan for them to take over each of these areas but to assist in funding of these other areas. She informed the board R3 Board would not take over or eliminate anyone's URA Board or anything like that. It will me more like an addition to those other programs so funding can be available for each of them as well.

Nick Green informed the board that the question was what type of services they want to solicit for when they talk about their Managing Director under item 5. He gave examples. If they want their Managing Director or a consulting team to provide Urban Renewal Administrative Services, then they would want to include that in the scope and in the evaluation criteria or they could end up with someone who knows nothing about Urban Renewal. This is the same for planning, economic development, and housing development. The board should discuss these types of qualifications, so they know what type of skill sets they are looking for, whether it's a team of consultants, an individual, or someone they directly hire, they need to know what they are looking for. He then commented to Heather Rookstool's earlier comment. He mentioned if the board anticipates doing Urban Renewal Management this meeting would be the time to discuss that so they can include that in the scope of the search. If they wanted each city to handle it on their own, then that wouldn't be something included in the search. He did inform them if they omit it then they run the risk of getting someone who says they think they can do it and that is not the case.

Judy Erwin informed the board she would like someone who knows more about the URA then they do so that person could tell them what they need to do next. She didn't know they had to file a UR-50 along with the LB-50 when the new budget started this year. She thinks it would be nice to have someone with a little more knowledgeable on the process. The cities handle their URA's just fine

with applications, reviews, and stuff like that, but she is more concerned with the accounting, the budget, the filings, and there is an end of year filing she doesn't know much about. These are the things she would like someone else to give them direction on.

Heather Smith asked the board if it would be better to table this until they had a Managing Director in place.

Heather Rookstool said she believed they should have that before they go out looking for a Managing Director, because they need to know what qualifications they are going to need to put in that scope. She believes it needs to be done before they hire a Managing Director, so the person is qualified for what the cities need and not just thrown something they don't understand later. She also wondered if this may need to be an individual or more than one person.

Heather Smith said she believed because so many cities are involved and most of the cities have similar agendas in terms of the URA, Planning, and Housing Development, that she would like to have it in the original agreement rather than try to add it later. She thought it should be in the original agreement for all the cities. If there is a specific area that someone may not need help, then at least the option will be available if they or another city does. She thinks that having all areas covered is more beneficial than picking and choosing.

Heather Rookstool asked how charges would be separated out for the services if one city wants help where another does not. The cities are each 25% responsible for funding all of this until they have money, which they do not have any currently. She feels this may become complicated trying to separate out charges.

Heather Smith said she did not believe they could plan for every single scenario and if all they do is consult with the person on where they are at then that is all still an idealization of their 25% fees and part of the scope of service they are trying to cover.

Judy Erwin said she thought it was a good idea because this is all so new, and they are just forming this. They don't know exactly where they are going yet. She thought it would be good to have one person heading it all until they get their feet under them and know what they are doing. She said as they progress, they may realize there are things they don't need and then can adjust for that at that time. She feels they need to have someone helping them in the beginning.

Heather Smith said she believed that keeping their options open for this person to serve each of the areas is ideal for each of the communities. She believed that if they stated getting down to cities not wanting certain services and they don't want to pay their 25% then that is where it will not work. Making the expectation that 25% is expected of each city and utilizing the services as they need will also benefit each city. She said that growing the cities is what is going to make us each stronger. She said she didn't want anyone to waste their time or to have anyone fund anyone else's projects. Going into this, they need to all be on the same page because 25% was the agreed upon amount.

Judy Erwin believed as time went on the cities needs would change and they may need help where they did not before.

Heather Rookstool said that she believed that planning, land development, and policies are where she sees John Day needing more help. She did believe it should all be included because she'd rather have too much in the scope than not enough.

Heather Smith and Judy Erwin said they agreed with that.

Jay Farmen said he thought they had a job description for the Managing Director already.

Judy Erwin said no they had a temporary one in place so they could function until they get their RFQ ready to put out, if that's the way they want to go.

Jay Farmen said that every city may have a different opinion on who they want, and he believed they should go in the direction of a consortium or a business to get started. They may have some specialty people on their staff that could answer a lot of these questions as they go through it instead of having one person. He believed there was a team of people that could handle all these areas.

Nick Green said he would like to declare a conflict of interest since he would like to provide a response to whatever RFP they put out there. He said having stated that, based on his 7 years as a City Manager and Planning Official, they may find an individual that fits all those criteria, but you cannot control how long that individual works for you. One of the biggest challenges for Rural Communities is continuity of operations in the Interim periods between City Managers. Right now, 3 of the 4 cities within the consortium have Interim City Managers. Most have Interim or Contract Planners. He would urge the board to consider an RFP with the full range of qualifications they are looking for. He believed they should include that in scoring. If a team responds with all the qualifications, then score them higher. If they only respond to some of them score them lower but allow a team to respond to the RFP as opposed to an individual so they do have redundancy in positions. For example, allow a team to bid a Director and a Deputy Director. They should consider their technical approach, background, redundancy, and all those types of things. He said they could work with their legal counsel to define these criteria however they should choose. Then they should come up with a reasonable timeline to allow companies to respond. That way they are asking for what they need or think they might need. They will also leave the window open for people to surprise them with approaches and proposals that they could then score and say wow I really like what company X is doing or only one firm responded. He thought it would make it easier.

Michelle Perry asked if they could each instruct their attorneys to come up with RFP criteria based on the things that they know they need in a director.

Heather Rookstool said she would agree to that.

Judy Erwin asked if they should tell R3's attorney that they want Housing and Land Development, Policy and Finance, Urban Renewal Administration, Planning Services, and Regional Economic and Community Development experience.

Michelle Perry asked if they could also add grant writing since they need funding.

Heather Rookstool agreed with the grant writing and said she believed they needed to have budget and accounting experience as well.

Nick Green said if the board wanted to include those qualifications that was great, but he wanted it also to be suggested they coordinate with each other on a timeline for when they want to review the draft solicitation before it's published unless they are just going to have the attorney publish it. Also maybe let him know how long they want to keep it open.

Heather Rookstool asked how long it would take Chad Jacobs to draft that up.



Nick Green said he believed 2 weeks was reasonable to have a draft back to the board. Then any meeting of the board, they can review and approve that solicitation if that is required so that they are not losing a month. Then pick a reasonable timeline. He said he would make it less than 30 days but that is probably an ample amount of time. They could make it longer, but they just needed to decide for themselves what they want and what that timeline would be so Chad will have all the information he needs to draft the solicitation and have it ready for their review.

Judy Erwin asked where the solicitation would be published or put out.

Nick Green informed her it could be published in local papers. He said The Daily Journal of Commerce is also another avenue they could post it. He informed the board that the only requirement under ORS-279 is that they document how they advertise it. Where and how they advertise it is up to the board as long as it is documented.

Jay Farmen believed they should make a real push to get a lot of this done this Summer because in the Winter there won't be much going on in their communities.

The board agreed on giving Chad Jacobs 2 weeks to draft the RFP and have it to them by the 28<sup>th</sup>.

More discussion was had on meeting times to review the drafted RFP.

The board agreed to discuss and review the draft during a meeting on August 3, 2020, at 6:00 p.m.

Nick Green suggested the board schedule their next official board meeting after this board meeting on the 3<sup>rd</sup> for about 5 to 6 weeks out so if they decide they want to put the RFP out for 30 days they will have time to review, get together, and score proposals before the next board meeting. Then at that point they'd be ready to decide.

The board had more discussion on that matter and agreed they would meet to look at the RFP they have received and score them on September 11, 2023, at 6:00 p.m.

## **2. Managing Director Recruitment – Discussed during item #1**

**3. General Accounting Services Request for Proposals –** Nick Green informed the board that one of these was for their accounting services and one is for their annual audit. He noticed that there were a few tactual changes that need to be clarified and he will make those adjustments. The RFP 2023-01 is for their accounting services and under item 7, 2023-02, which is for their auditor and would be similar to what they are doing for their Managing Director. These would go out, be published, and it would provide companies and qualifying firms with the opportunity to respond. Ideally, they could hire an accounting firm and an auditor at their September 11<sup>th</sup> meeting as well. He said these ones don't require legal council and he could assist under his contract with Burns to get those published because he does not have any conflicts of interest, and these are not the types of contracts he bids on. They would need to identify who they are sending the responses to. So, in the absence of a Managing Director, they just need to identify where they want these proposals to go so that they can complete the solicitation and get it published.

The board agreed to have them sent to the Burns general email inbox and then the staff could forward them to the Board Chair Heather Smith.

Nick Green informed the board the difference between an RFP and RFQ is who you are asking for responses from. In this case the RFQ 1023-01 would be soliciting proposals from professional

services firms. This is talking about engineers, surveyors, architects, and those types of things. They would become part of their professional services firms that they could direct the work to, and this can be done every 2 years which is called a bi-annual request for qualifications. He said again those proposals would be submitted to the board for review ahead of the September 11<sup>th</sup> meeting and the action from the board would be to approve their list of qualified Professional Services Firms at that meeting.

Judy Erwin asked if this would have the same restriction of projects \$100,000.00 or less.

Nick Green informed the board that was statutory for design services but what this does is essentially checks the box on their competitive bidding process, so then they could contact the firms on their lists and see who's available to do the work rather than having to go out for a competitive bid every time.

Heather Smith asked if they wanted to approve the publication of RFQ 2023-01 subject to final review.

Judy Erwin mentioned they had not done the others yet and asked if the board would like to do them all together.

The board came to a consensus on approving the RFQ 2023-01 and the RFQ 2023-02.

#### **4. Auditor Services Request for Proposals – Discussed during item #1**

#### **5. Burns Intergovernmental Agreement for Temporary Support Services – Heather Rookstool asked if this was a monthly bill on each of the cities until R3 had funding.**

Judy Erwin told her that was correct.

Heather Rookstool said she needed to go back to her board because she was instructed that anything that finically commits John Day must be approved by them.

Nick Green said that is his bill to the City of Burns for preparing agendas, coordinating the funding, getting the website up and running, and all the coordination between the cities over the last 3 meetings. He said if the board was willing to approve those invoices he wouldn't mind waiting until they receive their funding to pay him. This way they don't have to invoice all the cities. He said he did not know if Chad Jacobs would agree to that, but these are costs that have only been incurred since the board was legally organized. They are costs to the agency itself, so he doesn't mind if the board is willing to approve those as an expenditure and defer payment until they receive funds but what he doesn't want to do is donate \$15,000.00 of his time and never get paid for it.

Heather Smith informed him that they did not want that either.

Heather Rookstool said she had to go back to her board for anything that finically commits her board, to get approval. If the Intergovernmental Agreement for Temporary Support Services and the invoices need to be paid right now, she will need to take it back to her board.

Heather Smith asked what happened if her board said no.

Heather Rookstool said she did not know.

Heather Smith said she saw that as part of the 25% from each city and that being here and being a part of this is all part of that process.

Heather Rookstool let them know that she understood, but if the money was needing to come out of their general fund right now, she had to take it back to her board first. She did not have the authority to approve it.

Nick Green wanted to clarify he was suggesting the board pay it out of R3's budget and that does not require approval by the councils. He said they could approve the invoices but defer payment until R3 receives their funding.

Heather Rookstool agreed as long as it wasn't coming out of their general fund, then she won't have to get board approval first.

Judy Erwin said she believed the temporary agreement they suggested tonight would be Burns paying the bills and then being reimbursed by R3 up until the time their funding comes.

Nick Green said he is willing to defer a receipt of payment but not work for free. If the board is willing to make a motion to have R3 pay the invoices as submitted and approving the intergovernmental agreement so Burns can act in that roll, then that the action the board needs to take tonight.

Heather Smith said so moved. Jay Farmen seconded. All ayes.

- 6. Discussion of Press Release on Money R3 is Receiving** – Nick Green said he suggested the board draft a press release to let their communities know that this funding has been approved because it is exciting, and they should know. It's been a year and a half of working towards this.

Heather Rookstool asked if the press release could be shared with League of Oregon Cities so it can be shared all Oregon cities.

Nick Green told her it absolutely could. They can send it out to anyone they want. He said he would be happy to take a swing at the initial draft and circulate that with the board members. He said they are not releasing anything that isn't already in the public domain but just making it more visible, so it did not need to be approved at a meeting. He informed that they could all circulate a draft make sure they all like it, and then they can send it out to their respective media outlets, and he could forward it to the Legion.

The board came to a consensus on Nick Green drafting a press release and circulating it between the board members.

## **PRIOR BUSINESS/CONTINUED MATTERS**

- 1. Biannual Request for Qualifications** –

Nick Green informed the board the difference between an RFP and RFQ is who you are asking for responses from. In this case the RFQ 1023-01 would be soliciting proposals from professional service firms. This is talking about engineers, surveyors, architects, and those types of things. They

would become part of their professional services firms that they could direct the work to, and this can be done every 2 years which is called a bi-annual request for qualifications. He said again those proposals would be submitted to the board for review ahead of the September 11<sup>th</sup> meeting and the action from the board would be to approve their list of qualified Professional Services Firms at that meeting.

Judy Erwin asked if this would have the same restriction of projects \$100,000.00 or less.

Nick Green informed the board that was statutory for design services but what this does is essentially checks the box on their competitive bidding process, so then they could contact the firms on their lists and see who's available to do the work rather than having to go out for a competitive bid every time.

Heather Smith asked if they wanted to approve the publication of RFQ 2023-01 subject to final review.

Judy Erwin mentioned they had not done the others and asked if the board would like to do them all together.

The board came to a consensus on approving the RFQ 2023-01.

2. **Anticipated projects** – Nick Green said this is where the board needs to talk amongst themselves because the services, he has been providing under the contract with Burns were just to get R3 organized. It does not include him meeting with individual prospective project owners or applicants. He said the board needs to decide the approach they want to take for allocating these funds to the various projects. He believed they may have a hard time doing that before they have a Management Firm or team in place to advise them. He said they were more than welcome to discuss the projects, but he wasn't sure there was really anyone to action anything at this point. Until that team is in place there is really no one to do the work.

Heather Rookstool said to her knowledge they didn't really know funding wise, when the funds will be available.

Nick Green informed the board the funding from DAS last year for general fund hit about the end of August beginning of September. He believed they would have funding before a Management Team but stated that it was a very valid point.

Heather Rookstool explained to the board she did not see any dollar amounts next to the initial projects. She knew what John Day's projects are going cost because she is dealing with them. She wanted to know with these other projects would each city submit what they propose they need, and would the board then come up with an amount they found fair. She was worried that the \$10,000,000.00 will go fast with all these projects. She said she was looking at some of them and they were quite large. She wanted to know when they would start seeing the requests on what they want.

Nick Green told Heather Rookstool that he believed that was what the board needed to discuss. If they are going to do a Public Private Development approach, then they will find people to submit project proposals to them and they are going to be able to look at what they are bring to the table. Things such as, what is their readiness level, how much funding they are committing to the private sector, and how much money they are asking for. The board needs to be able to communicate clearly to any potential project sponsor what kind of information they want to see so they can make a good

evaluation and spend R3's resources to their highest and best use. He thought the board should include within their scope of services, program evaluation. A team that helps them define programs, define how they will evaluate their spending, and how they will measure return on investment. He informed them that the nice thing with State General Fund is they are going to send the money in advance so they will have a lot of equity with their organization. They will be able to invest quickly into projects, but they want to be able to have a metrics around their decision making.

Heather Rookstool wanted to know if they go out for an RFP, and they don't give somebody the money they request can they challenge it and ask why they have a scoring system.

Nick Green informed the board that was up to them. They don't have limitations on how they appropriate the funds other than it must be for communities of 50,000 people or less.

Heather Rookstool said she would be comfortable with putting the manager in charge or creating a scoring sheet. She would like to be able to say whole heartedly, this is why a project didn't get their full asking amount. She thinks they need to create that.

Judy Erwin said she agreed and thought that it was a good idea so they could eliminate anyone feeling the decision was unfair.

Heather Smith wanted to know if it was something the board would score or would each city do their own scoring.

Nick Green said they needed to do the evaluation as a board with the advice of their team. It needs to be stringent.

Jay Farmen said he believed there should be a cap put on what each city can get until more funding comes in.

Heather Rookstool wanted to remind the board that it was for all Rural Oregon Cities under 50,000 people and not just the 4 that are on the board. She believed that they should not delegate money to any one city, and they put in price proposals for anyone in Rural Oregon that meets the requirements.

Heather Smith asked if money was specifically being allocated to R3 for the 4 cities that are a part of R3.

Nick Green said the allocation for the state funding can go to any community of 50,000 people or less. He reminded them R3 is not a state agency, and they will not have the resources to run a global competition so they will have to work with their management team.

Heather Smith asked Nick Green if R3 was responsible for distributing that money all over the state.

Nick informed her that they were responsible for having a state-wide impact. He suggested they consider that not everything is a project, some things are programs. He said this meant their management team may provide technical assistance to some of these communities to go after some the other resources that are available and then they are providing technical support. Not everything has to be a million-dollar project. He then informed them that their getting additional state-wide funding is going to hinge on their ability to show statewide impact.

Heather Smith thought they should use a scoring system similar to what the URA has to define what criteria they are looking for. The board could then look at what projects they would like to fund and which projects they think would have a good impact across the board for anyone.

Nick Green recommended the board come up with some defensible criteria. He said one of those should be that your primary area of service is going to be communities and counties that have the least resources, that are the most economically distressed, and produce the least housing. 4 of the 5 cities were currently present. He reminded the board that they were not a secondary underserved market, but they are a tushery unserved market. They do not have housing builders, but general contractors that may be able to build a home. He said the pain point resides within the area where the funding has been appropriated by the state and that was the whole point. He suggested the board have discussions and early work sessions with their team to define how they will do the call for proposals and how they will evaluate them. They may need to tier it based on priority and add tiers based off funding. They don't want to go extreme either way, where they go so extreme everything stays within the 4 cities or they go so big that their overwhelmed with just evaluating projects.

Heather Rookstool agreed and said she wanted to find a happy medium and didn't know what that was, but she just wanted to make sure that they were helping all Rural Oregon cities that qualify and not just helping the 4 on the board.

Jay Farmen said he agreed there were a lot of little towns around Lakeview that have contacted him. He thought if they had matching funds there may be something they could do to help. He just hadn't thought of it like that until then.

Heather Rookstool informed the board that John Day had a Downtown Revitalization Grant they had given to downtown businesses, and they required a match. They also had to show profit and work before they receive any money. She thinks it needs detail like what they have done, what they have tried to do, what they haven't been able to do and why, what they are asking for, and what they can put in.

More discussion was had.

Heather Smith suggested the board go over these details via email so it can be reviewed at the next meeting. She does not believe pushing things out would be beneficial.

Nick Green informed the board as they are evaluating the proposals for management services, look at the understanding of the team and their ability speak to this challenge. If they are not already anticipating this and talking to them about it, then they may want to move on because they do need to show impact. If they show that impact in the next 2 years, then their next request to the State Legislature will have some solid evidence behind it.

Heather Rookstool asked Heather Smith to create the email they would go over details on.

Heather Smith agreed.

- 3. Public Contracting Rules** – Nick Green informed the board this was just instructing their attorney develop their own agency Public Contracting Rules. It is to add a layer of fidelity and discrimination for the board about what they can and can't do and specifically identifies the procedures they want to follow under the umbrella of the State Procurement Code.

Heather Smith asked if Chad or Jeremy had been asked to do this.

Nick informed her that they were needing a consensus or a motion from the board to have them produce that for their next agenda. He said that it would be adopted by a resolution of the board and specify the rules that they are going to follow. If they don't do this then they will be stuck under the states rules which are more restrictive than they probably want, given the amount of funding they have and the types of projects they are trying to invest in.

The board came to a consensus to have the attorney develop R3's Public Contracting Rules.

## **GENERAL DISCUSSION AND UPCOMING MEETINGS/TOPICS**

Discussed during item # 1.

## **BOARD COMMENTS**

Jay Farnen said they can go through the process of that, come up with the criteria the cities need, and then they can publish it. That way cities will know if there's a 50/50 split or if they must put in so many work hours to get money, or whatever the board chooses. He thinks they should do a good job the first year with distributions and let it be known in Salem what they are doing and the cities that are getting funding from R3 and that could improve their chances of receiving more funds.

Heather Smith said she felt like the recruitment of management services is being put off. She thought it would be happening tonight or at least sooner than later. She then made a motion to make Nick Green the Interim Managing Director while the criteria for that position is being developed. She thinks going without a Managing Director at all is not beneficial to R3.

Heather Rookstool didn't understand why it couldn't just be as it is now, and Burns covers it until R3 receives funding and can reimburse them. She doesn't think they can just appoint someone without putting it out there. After speaking with their legal counsel, they wonder if Nick Green having contracts with other cities that are in R3 is a conflict of interest.

Heather Smith said the IGA allows Nick Green to continue to contract with each of them.

Heather Rookstool said they already approved for R3 to reimburse for any expenses and Nick Green will continue to do what he is doing.

Judy Erwin said she believed that was what the Intergovernmental Agreement for Temporary Support Services was.

Heather Smith believed that Catalyst or Nick being on board is a huge priority. Making sure he is getting paid and being taken care is important so that the meetings are not just quite but that they are all on board and all know what is going on is because of his consulting and feedback in each of our cities.

Nick Green said the IGA was for him to cover as the Interim. He did want to clarify that ORS-279 does allow for the direct appointment of a Managing Director. They are not required to go out for competitive bid, however in this meeting the board already made a motion to go out for a competitive bid. He wanted to clarify because Heather Rookstool made the statement that she didn't think they could directly appoint They can direct appoint, and that statue is allowed under state law

because of these of types of conversations like they were having right then. If they don't have a Managing Director who knows the law and knows how to do the work, then the board is flying blind. He said they always have that option to direct Personal Service Contracts, and they just did it by appointing Chad Jacobs with out going out for a global solicitation. There was another thing he wanted to disclose because Heather Rookstool brought up conflicts of interest. Conflict of interest must be disclosed to the board so that they can mitigate it, it doesn't mean they can't provide services. Jeremy Green's firm is a great example. They represent all 3 cities. He can also represent other projects. He just must disclose that his firm has a conflict of interest so the board can mitigate it. He then informed the board that if his firm decides to respond to their RFP then they will disclose conflicts of interest as required under state statute and what those conflicts potentially are. If the board is aware of them then they will know when and how to mitigate them. Doesn't mean that they must go out and find a company that has never worked for any of the cities or has never worked for any of them and knows nothing about their region.

Heather Smith stated that Nick Green has been involved from the beginning and she doesn't think they will find anyone more qualified, and it may cause the board to drag their feet on getting a Directing Manager hired. She said if Nick Green is interested and willing, they already know his qualifications. She said she understood wanting to do a recruitment for that surprise person, but she is skeptical on what that looks like as far as the waiting. She understands the IGA allows Nick Green to keep doing his work but if they need a Managing Director, she believes we already have one that is beneficial and involved with the cities.

Judy Erwin said she wanted to agree with that, and they wouldn't even have R3 if it wasn't for Nick Green. She thinks it would be difficult to find anyone else better qualified.

Heather Rookstool thought they still needed to draft R3's Managing Director responsibilities before the hire that person. She wanted to know how they hire someone before that draft is completed.

Heather Smith said she wanted to point out that the person drafting most of their stuff is Nick Green.

Heather Rookstool said she believed R3's attorneys were going to draft that up. She would rather see that from the attorney before they hire someone without knowing what they will do for sure.

Heather Smith asked the board to request a proposal from Nick Green if he was interested and willing to do so.

Nick Green said if the board wanted to reach out to their attorney and ask him to invite Nick to submit a proposal on behalf of his team, he would be happy to do so, he just would like to avoid them doing that, seeing his proposal, making that a public document, and then deciding they want to go out for competitive bid. Then everyone gets to ghost write off what he submitted and what R3 made public. If they want to request a proposal from him, he has one ready and he is happy to provide it to R3's attorney as long as there is a way for their attorney to coordinate their evaluation of that in a manner that if they do not elect to award a contract, his proposal does not become a public document for anyone to be able to say they really like this approach so maybe they'll shave some pennies and then then will bid on it.

Heather Smith would be comfortable appointing Nick Green as the Managing Director pending negotiation of his proposal so that its in place because she does not know if they will find someone as qualified and this is just delaying R3's opportunities.

Heather Rookstool said that I think or assuming weren't comfortable for her.



Jay Farmen said he thought Nick Green would be a wonderful choice. He said if he was Nick and if he put in all the months of toil and getting R3 off the ground, he wouldn't want someone voting him out for someone else to come in at this point.

More discussion was had.

Nick Green said he would like to see the board follow the process they set up to follow. His advice is to consult with their legal counsel and if they want a direct proposal from his company, he will provide one but asked them to please ensure that 3 or the 4 board members have a consensus on how they want to proceed with that. He asked if they don't achieve that consensus and the default is to go out for competitive bid, for them to not make his proposal a public document. He said if they direct award then great but if they decide they don't have the votes to do that then he asks they allow him to submit like anyone else would and score his proposal the same so it's fair.

The board came to a consensus on asking Nick Green to submit a proposal to R3's attorney that will not be made public and be kept confidential.

Heather Rookstool asked if on the 3<sup>rd</sup> if all 4 cities would be in R3.

Nick Green said they should be. Baker has it on their agenda for the following Tuesday assuming the ordinance passes. That would then be passed over to the attorneys and then they would file the amended reinstated agreement which took effect July 1<sup>st</sup> so it would be retroacted to that date. Heather Rookstool asked if after that was done if they would then be setting up a bank account.

Nick Green said once the amended and restated agreement has been filed then he would recommend the board collectively set up an LGIP using the information they already have. They already agreed to have Heather Rookstool get the signature documents and agreements from Bank of Eastern Oregon. This way those financial instruments would be in place well ahead of the point the board will need them. The LGIP is more critical because that is where DAS is going to transfer the money.

There was not further discussion had.

Heather Rookstool made a motion to Adjourn the meeting at 7:46 p.m. Jay Farmen seconded. All ayes.