

General Discussion: February 9, 2016

9:00 a.m. – BCC Conference Room

Commissioners Cheryl Walker, Keith Heck, and Simon G. Hare; Terri Wharton, Recorder

Chair Cheryl Walker called the meeting to order at 9:00 a.m.

1. Purchase of Private Hangar at Illinois Valley Airport (Graves)

Larry Graves, Airport Manager, explained his request to purchase a private hangar at the Illinois Valley Airport (**Exhibit A**) using County funds with a repayment amortized over 10 years plus interest. He advised the net cost of the hangar over the 10 years is half of its current market value and recommended whenever there is an opportunity the County should purchase private hangars at a good price. Commissioner Heck asked how fair market value is determined. Larry explained he calls other airports for a comparison, takes into account if it's wood or steel, is there plumbing, septic, water, etc. He reported the hangar was very nicely finished, and is only 10 years old. Commissioner Hare said when the Board is presented with a purchase like this the Contract needs to include a description of the property, pictures, etc. He questioned how the two full time positions that were previously added to his budget were being funded since the original revenue sources were no longer there. Larry explained the funding comes from lease holds and fuel sales. The Board directed Larry to provide a more robust description of the property as an Addendum to the Contract.

Commissioner Heck made a motion to approve Contract for Sale of Aircraft Hangar #E3 from James Dunlap to Josephine County subject to receipt of Addendum/Legal Description for \$112,500, seconded by Commissioner Hare. Upon vote, motion passed 3-0; Commissioner Hare – yes, Commissioner Heck – yes, and Commissioner Walker – yes.

2. Other (ORS 192.640(1) “. . . notice shall include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.”)

Commissioner Walker advised she did send out an e-mail regarding the Board's opposition to the minimum wage legislation. Commissioner Hare said for the Board's piece of mind Legal Counsel will look at the constitutionality of opposing it and said letters sent by a commissioner should be copied to the other commissioners.

Commissioner Walker discussed developing the two acres around the Dimmick Campus with townhouses since there is such a shortage of moderate housing and it would make it more attractive to developers. Commissioner Hare explained that Mark Illsley, Oregon Commercial Realty Managing Director, would provide to the Board the best use of the property. Commissioner Heck asked when the County could expect a proposal from a developer. Commissioner Hare explained it is a long process, partly due to the need to move Public Health, Planning, Building Safety, and Building Maintenance. He will be working with Arthur O'Hare, Finance Director, to develop a spreadsheet with timeframes.

Commissioner Walker distributed the current Economic Development project list (**Exhibit B**) and reviewed it with the Board. Commissioner Hare advised the Economic Development funds couldn't be

used for the Lake Selmac project so Sarah Wright, Parks Program Manager, is going through a list of projects to be funded. Commissioner Walker said the NVIP Purchase Agreement for \$30,000 isn't due until 2018. Commissioner Hare explained this was a reduction of the purchase price in exchange for a certain number of jobs. Commissioner Walker said she would follow up with Arthur O'Hare. Commissioner Heck said he would follow up with Peggy Anderson, Fairgrounds Manager, regarding the progress on replacing building overhangs.

Commissioner Walker asked about Ecivis Grant and since the Board hasn't had any feedback, each commissioner will check with their managers for feedback and Commissioner Heck will check with Kate Lasky, Executive Director JCLI, and the Board will reevaluate.

Commissioner Walker shared an e-mail from Colleen Padilla, Senior Business Development Manager SOREDI, asking the Board if they would like to donate \$10,000 again this year for the EDGE Promotion (**Exhibit C**). Following a brief discussion the Board was in favor of giving SOREDI a \$10,000 grant for the EDGE Promotion. Commissioner Walker will follow up with Arthur O'Hare regarding the grant.

Commissioner Hare said he was concerned about the loss of Title III funding and asked that Nate Gairan, Community Corrections Director, give a presentation to the Board regarding what it will look like after July 2016 with the loss of the funding.

Commissioner Hare asked for a progress report on the North Valley Sewer System Project.

Commissioner Hare discussed Coos County's increased assessment from the Oregon Department of Forestry regarding liabilities for forest projections and will be discussing Josephine County's assessment with Dave Streeter, Forestry Program Manager.

Commissioner Heck discussed an e-mail from Bob Hart (**Exhibit D**) regarding the Codification Project and Commissioner Hare advised he spoke with Wally Hicks, County Legal Counsel, and they are making good progress.

Commissioner Hare discussed the need to ask Legal Counsel for a project list because he's been trying to get a contract by the end of 2015 and still hasn't received it. Commissioner Walker said she's been waiting for almost a year for a contract and told Legal Counsel two months ago the contract was a priority. Commissioner Walker said she would follow up with Legal Counsel.

The meeting adjourned at 10:29 a.m.

EXHIBITS

Exhibit A – Contract for Sale of Aircraft Hangar

Exhibit B – Economic Development Projects

Exhibit C – SOREDI Edge Program

Exhibit D – Bob Hart Email

EXHIBIT A
General Discussion
2/9/16

CONTRACT FOR SALE OF AIRCRAFT HANGAR

This Contract is made and entered into at Grants Pass, Oregon, by and between James Dunlap (SELLER) and Josephine County, Oregon (BUYER) for the sale and purchase of an Aircraft Hangar (PROPERTY) located at E3, Illinois Valley Airport, within Josephine County Oregon.

RECITALS

SELLER is the owner of an aircraft hangar located on land owned by Josephine County, on the site of the Illinois Valley Airport within Josephine County. BUYER owns the land upon which the PROPERTY is situated and wishes to buy the PROPERTY. Upon the following terms and conditions, SELLER agrees to sell and BUYER agrees to buy, the PROPERTY.

1. **CONSIDERATION:** The consideration for this sale is One Hundred Twelve Thousand Five Hundred and no/100ths Dollars (\$112,500.00), to be paid by BUYER to SELLER within ten days from the date this CONTRACT is executed by both parties.

2. **DELIVERY:** Within ten days from the date this CONTRACT is executed by both parties, SELLER will remove or cause to be removed, any items of property, other than fixtures, remaining within the PROPERTY, and will deliver to BUYER any keys, combinations, or other information or materials necessary to gain access to the PROPERTY. If BUYER is required to remove or dispose of any items of property remaining within or upon the PROPERTY, SELLER shall reimburse BUYER's reasonable costs incurred in doing so.

3. **WARRANTY:** SELLER warrants that the PROPERTY is in good condition, fully equipped and not in need of repair other than ordinary maintenance. SELLER warrants that there are no hazardous materials within or upon the PROPERTY that require cleanup. In the event that hazardous materials are found to be present and require cleanup, SELLER will reimburse BUYER for the reasonable cost of cleanup. SELLER will reimburse BUYER for the cost of repairs to the PROPERTY in the event such repairs are necessary to prepare the PROPERTY for its intended use as an aircraft hangar. SELLER further warrants that the PROPERTY is not encumbered, and that this transfer is made free and clear of any claims by third parties. SELLER will indemnify and hold harmless BUYER from and against any and all claims asserted by third parties to any interest in or claim to or against the PROPERTY. SELLER warrants that there are no taxes currently due and owing against the PROPERTY.

4. **TRANSFER OF TITLE:** BUYER and SELLER agree that this CONTRACT, upon being fully executed, passes title to the PROPERTY to BUYER immediately, and without the need for any further documentation of any sort. In the event that a court determines that further documentation is required, SELLER and BUYER agree to execute any such documents as a court may require.

5. **GOVERNING LAW:** This CONTRACT shall be governed by and interpreted or construed according to the laws of the State of Oregon. Any legal action to interpret or enforce any provision of this CONTRACT shall be brought and maintained in the Circuit Court of the State of Oregon for Josephine County.

6. **SEVERABILITY:** In the event that any provision of this CONTRACT is void, invalid, or unenforceable for any reason, the remainder of this CONTRACT shall remain in full force and effect as to both of the parties.

7. **ATTORNEY FEES:** In the event that legal action is brought to interpret or enforce any provision of this CONTRACT, the prevailing party shall be entitled to an award of that party's reasonable attorney fees incurred in such action.

8. **DAMAGES:** In no event shall BUYER be liable for damages in excess of the agreed upon purchase price of the PROPERTY; BUYER expressly disclaims liability for any claim of incidental or consequential damages.

9. **BREACH:** In the event that either party fails or refuses to fulfill the party's obligations under this CONTRACT, the other party shall notify the breaching party by certified mail within ten days of the date the non-breaching party discovers the breach. The breaching party shall have a period of thirty (30) days in which to cure the breach. If the breaching party is unable or unwilling to remedy the breach, the non-breaching party shall have the right to pursue legal action.

10. **NO WAIVER:** The failure of any party to this CONTRACT to insist on performance shall not constitute a waiver of any part of the right to insist on subsequent performance.

11. **MODIFICATION:** No modification of this CONTRACT is valid unless it is in writing and signed by all of the parties.

12. **ENTIRE AGREEMENT:** This CONTRACT constitutes the entire agreement between the parties; any prior agreement or understanding between the parties is not binding on the parties.

13. **NOTICE:** Any written notice required to be provided under the terms of this CONTRACT shall be addressed to the parties as follows:

SELLER: James Dunlap, P.O. Box 392, Salome, AZ 85348

BUYER: Josephine County Board of Commissioners, 500 NW Sixth Street, Grants Pass, OR 97526

14. **AUTHORITY:** By signing this CONTRACT, each party affirmatively represents that he, she, or it is fully authorized so to act.

AGREED AND ACCEPTED:

SELLER:



James Dunlap

Date: 2-5-14

AGREED AND ACCEPTED:

BUYER:

JOSEPHINE COUNTY
BOARD OF COMMISSIONERS

Cherryl Walker, Chair

K.O. Heck, Vice Chair

Simon G. Hare, Commissioner

Date: _____

Dunlap Hangar Purchase by JoCo Airports Department -- Total Cost Considerations

Purchase Price = \$112,500

Year	Yearly Payment (1% Interest)	Yearly Rent Savings	Yearly Rental Income	Total Yearly Cost
1	\$11,878	\$2,100	\$4,200	\$5,578
2	\$11,878	\$2,100	\$4,200	\$5,578
3	\$11,878	\$2,100	\$4,200	\$5,578
4	\$11,878	\$2,100	\$4,200	\$5,578
5	\$11,878	\$2,100	\$4,200	\$5,578
6	\$11,878	\$2,100	\$4,200	\$5,578
7	\$11,878	\$2,100	\$4,200	\$5,578
8	\$11,878	\$2,100	\$4,200	\$5,578
9	\$11,878	\$2,100	\$4,200	\$5,578
10	\$11,878	\$2,100	\$4,200	\$5,578
Total	\$118,780	\$21,000	\$42,000	\$55,780

EXHIBIT A
General
2/9/16

	ECONOMIC DEVELOPMENT (Rev. 1/15/2016)	PROJECT NAME	PROPOSED AMOUNT 2015-16	Paid
	Internal Applications			
*	Airport	General Econ Development	\$ 30,000.00	30,000.00
*	Airport 2014-15	Staffing Level Increase	\$ 75,000.00	75,000.00
*	Fair	General Econ Development	\$ 20,000.00	20,000.00
	Fair 2013-14	Marketing Project	\$ 342.32	150.00
	Fair 2014-15	Capital Improvement Plan	\$ 2,125.00	2,125.00
	Fair 2015-16	Replace Building Overhangs-Jan 2016	\$ 30,000.00	-
*	Parks	General Econ Development	\$ 20,000.00	20,000.00
*	Parks 2014-15	Whitehorse Park Improvement - May 2015	\$ 30,000.00	
	Parks	Lake Selmac		
*	Planning	General Econ Development	\$ 20,000.00	20,000.00
	Planning	Community Dev Director	\$ 48,000.00	
	External Applications			
	NVIP (Boersma Bros. LLC)	NVIP Purchase Agreement - due May 2018	\$ 30,000.00	
	Ecivis Grant	Annual Dues	\$ 6,800.00	
	EcoNorthWest	w/City of GP	\$ 37,500.00	37,500.00
	GP Chamber	Annual Dues-all County Departments	\$ 3,000.00	3,000.00
	IV Chamber	Annual Dues	\$ 100.00	
	IV Comm Dev Org	Revolving Loan Fund 1st Qtr	\$ 25,000.00	25,000.00
	IV Comm Dev Org	Revolving Loan Fund 2nd Qtr	\$ 25,000.00	25,000.00
	IV Comm Dev Org	Revolving Loan Fund 3rd Qtr	\$ 25,000.00	25,000.00
	IV Comm Dev Org	Revolving Loan Fund 4th Qtr	\$ 25,000.00	
	IV Comm Dev Org	Strategic Plan	\$ 1,500.00	1,500.00
	Josephine Community Libraries Inc	Library Core Services	\$ 35,000.00	35,000.00
	RCC Small Business Dev Center	Small Business Development	\$ 25,000.00	25,000.00
	SORED I	Annual Dues	\$ 25,000.00	25,000.00
		Total Proposed/Approved	\$ 539,367.32	
		Budget 2015-16	\$ 615,000.00	
		Balance Available 2015-16	\$ 75,632.68	369,275.00

* Approved in annual budget and paid over 12 months via Interfund Transfer

Cash Balance June 30, 2015	\$ 346,300.00
Spent per above	\$ (369,275.00)
Deposit 8/7/2015 4th Qtr Lottery Proceeds	\$ 93,800.00
Deposit 10/30/2015 1st Qtr Lottery Proceeds	\$ 97,021.00
Deposit	\$ -
Deposit - Kairos Loan Payback	\$ 1,458.31
	<u>\$ 169,304.31</u>
Cash Balance 1/15/2016	<u>\$ 169,304.31</u>

EXHIBIT C
General
2/9/16

Cherryl Walker

From: Colleen Padilla <colleen@soredi.org>
Sent: Friday, February 5, 2016 3:42 PM
To: Cherryl Walker
Cc: Ron Fox
Subject: SOREDI - Josephine County Profiles in 2016; SOREDI outreach

Importance: High

Good afternoon Commissioner Walker,

Southern Oregon Edge Update:

We are now mapping out the next round of 8-12 Southern Oregon Edge profiles and I wanted to touch base with you to see if SOREDI might request sponsorship again this year for 3-4 new Josephine County profiles. I met with our agency yesterday and we are developing a strategy on how to also feature key amenities or assets within those profiles. For example, we will likely do a profile on Erickson so that we can weave into the story a bit about our strong regional airport, and a profile on Dutch Bros. to convey a young and prosperous company with a growing national presence.

In terms of Josephine County profiles, we are pursuing a mix that may include Dutch Bros, Duro-Last, MasterBrand Cabinets, Fire Mountain Gems, Krauss Craft, and Climate City Brewing. Would Josephine County consider a grant to SOREDI this year to support this effort? If I recall correctly, you participate last year by sponsoring 4 profiles at \$2,500 each. Thus, our ask for 4 this year will be \$10,000. One or two will come out in the spring, and then the others will be later in the year.

We are also very close to launching our airport display - targeting a big reveal in mid-March. If Bern gives the go ahead for our current design, this is a large and wonderful window display of 9 companies, including Met One and Rogue Wilderness Adventures. We are considering many other marketing tools in conjunction with this - including billboards, a SO EDGE phone app, and pull up banners at local hotels to reinforce our amenities.

OIT Career Fair:

On February 24, we are also going to the OIT Career Fair and representing a two Josephine County businesses there - Met One and Linx - with our Rogue Tech Collective display of 10 companies

Tradeshow Activity:

Also, just wanted to let you know that in my upcoming trip to the Mid-west at the end of February, I will be visiting the corporate headquarters for Duro-Last and MasterBrands. If you think it appropriate and would like to send with me a simple letter of "thanks for doing business in Josephine County", I am happy to deliver that. That particular trip also includes a tradeshow, 2 project visits and 2 site consultant visits.

I will be out next week to a tradeshow in Southern California (also visiting a few companies and consultants) and will miss our board meeting. Then I am off for a week of vacation. **Let me know if you need further information, and if I should fill out a more formal application for grant funds to help with the SO Edge profiles.** Thank you for your consideration. Take care.

Sincerely,

Colleen Padilla
Senior Business Development Manager
100 E. Main St., Suite A | Medford, OR 97501
Cell: (541) 601-6918 | Tel: (541) 773-8946

EXHIBIT D
General
2/9/16

Keith Heck

From: Bob Hart <bob@bobhartconsultingllc.com>
Sent: Monday, February 8, 2016 10:22 AM
To: Cheryl Walker
Cc: Keith Heck; Simon Hare
Subject: Code Revision

Dear Comm Walker,
After you left, Wally Hicks came to the Ann Basker. Grace, Wally and I spoke about code revisions. He said that he received my proposed code amendment but has not reviewed it. He mentioned that he is expecting the clean code revision from the contractor to be here soon and that he was waiting until after it was here and we have a square one to work from. Grace also mentioned that the local code is more restrictive than state law regarding structure size for industrial uses outside urban areas. She is of the opinion that industrial development is being harmed by the local code limits. We all discussed that there are many code revisions that are not being addressed as we wait for the code update. Wally said the the code revisions being done right now will not require public hearing to adopt since the changes are mandated by the state so it should go fairly quickly when the code is delivered. We also dicussed that all other changes will need public hearings and adoption by the BCC.

I understand that the contracted code revisions have been under way for quite some time and there is no specific date that it is due. Is there any way to start moving on the "discretionary" changes to the code so we are not wasting time waiting for mandatory changes?

Bob Hart
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