

**REGION RURAL REVITALIZATION (R3)
BOARD MEETING
September 18, 2023**

The Regional Rural Revitalization (R3) Board members met on September 18, 2023, at 6:00 p.m. for a Board Meeting. Members present were as follows:

Heather Smith – Burns R3 Representative and Board Chair
Jay Farmen – Lakeview R3 Representative – Via Zoom
Beverly Calder – Baker City R3 Representative – Via Zoom
Heather Rookstool – John Day R3 Representative – Via Zoom
Chad Jacobs – R3 Legal Counsel
Judy Erwin – Burns Interim City Manager
Michelle Perry – Lakeview City Manager
Nick Green - R3 Consultant

APPEARANCE OF INTERESTED CITIZENS

Guests present included Kim Rollins of Burns, Cam Marlowe of John Day, and Shannon Adair of John Day.

PUBLIC COMMENT

Cam Marlowe of John Day spoke to the Board about the needs of the Blue Mountain Hospital District and presented the Board members with a proposal from the district and their plan for the future. He asked the Board to consider their plan and perhaps assist with funding their projects. The amount the Board was asked to consider was \$500,000. Jay Farmen commented that Lakeview had passed a bond for their hospital district and encouraged Mr. Marlowe to research an option such as that also.

Kim Rollins of Burns was present and told the Board that he had never been against R3 but was concerned that at the last meeting some non-members were allowed to vote. He reminded the Board that they would not have the public trust and support if we break the rules. He also told the Board that he agreed with Jay Farmen's opinion that the managing director position should go out so that others are able to apply and then pick the best candidate.

AGENDA APPROVAL AND LATE ADDITIONS

There was some discussion regarding the minutes from the August 3 meeting in which Board member Rookstool stated that she wanted her abstention recorded in the minutes on page 5 of those minutes. She was assured that the minutes would be corrected. The Board tabled the minutes until that correction could be made.

There was further discussion regarding decisions made at the August 3, 2023 meeting and R3's attorney Chad Jacobs assured the Board that they had not done anything illegal since they did not take any formal action, only agreements by consensus of the Board were made.

NEW BUSINESS

1. **MEMBER AT LARGE APPLICATIONS** – The Board received only one application for the member at large position. That application was from William Van Vliet from Portland, Oregon. Board member Smith expressed her opinion that we should continue to advertise until we have more applicants. Board member Rookstool asked where the RFQ was posted and was told that it was on the City of Burns website. She asked that the RFQ's be posted on all the city's websites. The Board agreed by consensus that the RFQ's should be posted on all the city's websites in order to reach a wider audience.

CONTINUED ITEMS

1. **PUBLIC CONTRACTING RULES** -- There was a brief discussion regarding the public contracting rules that were included in the meeting packet. Board member Calder made a motion that the public contracting rules be approved and Board member Smith seconded the motion. All ayes, the motion was carried.
2. **MANAGING DIRECTOR RECRUITMENT** – It was noted that the Board had asked Catalyst to submit a proposal to be considered at the last Board meeting. Nick Green of Catalyst to present the proposal. He explained to the Board that they had three options, 1) to approve the proposal as presented, 2) amend the proposal, make rate changes and any other changes that they would like to see or 3) if the proposal was not satisfactory it could be rejected and the Board could elect to go out for other proposals. Green also told the council that the contract has a 30 day cancellation clause which states that it can be cancelled with a 30 day notice with no penalty to R3. He urged the Board to move quickly since R3 needs to get up and running in order to have everything in place when the money comes down from the State.

Board member Rookstool spoke to the rate that was being charged of \$6,500 per month. She asked what the maximum fee would be and what the fees would be for other projects. Green explained that the \$6,500 was a set amount for regular business that R3 conducts and that the price per project would be known as each project comes up since it would have to state anticipated fees and costs in each proposal. Also, he stated that each project would have to go before the Board for approval and that would include fees charged for each project. Board member Farmen asked to clarify that phone calls and everyday questions would be included in the \$6,500 flat fee and he was told that it would be included.

Board member Smith made a motion to approve the proposal from Nick Green and Catalyst and to name them Managing Director.

Board member Rookstool stated that she is uncomfortable with the way it looks and would prefer that RFQ's be put out for the position.

Board member Calder seconded the motion, stating that time is of the essence and she feels that the 30 day cancellation clause will provide ample protection for R3 and enable us to make any changes we feel are necessary for the effective operation of the Board. Board member Smith agrees that the 30 day cancellation clause would protect R3 and that overall the proposal solidifies the team and looks good. Board member Rookstool stated that the proposal Nick Green put forward is great proposal but that she wanted it noted in the minutes that she did not feel we were serving the community well by not putting out a request for more proposals. Board member Farmen stated that he believed R3 would have to wait a long time to get anyone better than Nick and Catalyst. Chad Jacobs told the Board that Nick and Catalyst are in a unique

situation because they collectively have the background in management, planning and construction to manage a group such as R3. He stated that even if we waited it was his belief that anyone could put forward a better proposal.

Nick Green stated that he was declaring a conflict of interest since the proposal being considered was his but that he wanted to note that there is no effective date in the agreement and that there is presently no definitive time line for grant funds to be transferred but that by choosing the proposal today it would allow R3 to get all the custodial matters, such as the LGIP account, handled, and be ready when the funds are released.

The Board voted on the motion to approve the proposal from Nick Green and Catalyst and to name them Managing Director and the vote was all ayes except for Board member Rookstool who voted nay. The motion passed.

3. **BIANNUAL REQUEST FOR QUALIFICATIONS**
4. **AUDITING SERVICES PROPOSAL**
5. **ACCOUNTING SERVICES PROPOSALS**

These three items were discussed by the Board and they decided by consensus to place all three back out for RFQ's on all city websites for 60 more days.

6. **PROJECTS**

The Board discussed an intake form for projects which would contain 2 or 3 pages of critical information about a project so that the Board would be able to compare "apples to apples" on funding requests. They also discussed methods of the criteria that would be needed on the intake form such as time, cost, whether it would be a loan, grant, if there are to be investors, etc. The Board decided to have Nick Green and Chad Jacobs work together to develop a form for the Board to review which would give them a starting place for intake.

Board member Rookstool asked how are we going to get information out to other cities since all cities under 50,000 in population are eligible for participate in the program. Nick Green suggested that we should also have criteria to determine the need for each city such as how much housing the community has built in the last several years. Michelle Perry asked Rookstool if there was a city that she was interested in helping and Rookstool stated that she had been contacted by a few communities interested in help. Perry stated that she felt that if we were generous, as long as we are fair, then the State would be more generous. Smith stated that that is exactly why we need a logical way to score intake forms for all applications.

There were no further Board comments.

Heather Rookstool asked if we could schedule future meetings on the third Monday of every month at 6:00 pm and the Board agreed with her. The dates for the next three meetings are:

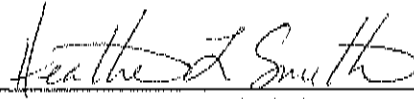
October 16, 2023
November 20, 2023
December 18, 2023

ADJOURN

Heather Rookstool motioned that the meeting be adjourned, and Heather Smith seconded the motion. All ayes. The motion passed. The meeting was adjourned at 7:11 pm.



Judy Erwin, Burns City Manager



Heather Smith, R3 Board Chair