



Board of Directors Meeting Minutes

December 13, 2018

ATTENDED

Board and Alternates:

Molly Coston, COW - CWEDA President/Chair
Larry Keister, PCW - CWEDA Secretary/Treasurer
Shannon Turk, COC- Vice President/Vice Chair
Mary Templeton, WSD
Steve Hogan, COC
Ray Kutch, COW
Jeff Snell, CSD
Steve Marshall, CSD

Ex-officio

Pete Capell, COC
David Ripp, PCW
David Scott, COW

Contract Staff

Paul Dennis, CWEDA
Rene Carroll, CWEDA

EXCUSED:

Max Ault, CREDC
Derek Jaques, CSD

Meeting was called to order at 3:32pm by Molly Coston. Introductions.

Minutes - It was moved and seconded to approve the October 25, 2018 minutes as submitted.

Agenda - One additional item was added to today's to agenda: F. Lands for Jobs

Benchmark Study - Eric Hovee, Consultant

Eric explained that the last assessment of CWEDA was done in 2014 and focused on job recovery and creation. It found that CWEDA had met and exceeded goals. CWEDA Board has completed a new strategic plan with more ambitious goals. The presentation summary included:

- 2011-15 CWEDA exceeded its job goals
- 2016-20 CWEDA already above goal of 2,000 new jobs
- Over 7 years, \$290 M in construction-related revenues
- To date, cumulative \$21.4 M one-time public revenues *plus* \$3.9 M from on-going business operations
- Camas the most substantial tax benefit to date, Washougal good opportunity ahead, Port benefit from leases plus property tax return across full Port district
- CWEDA transitioning to community-driven initiatives
- Planning & outreach – with public & private partners

Discussion –

Paul said a much more detailed report is coming once he has a chance to look over the draft. It will be sent to the partners. He wants them to see the detailed analysis. This report fills CWEDA's contractual obligation for partners, schools and CREDC.

Paul pointed out that the report nets out older projects that went out of business or did not come to fruition. Examples are Amnesia Brewing and Alpha Tech. Adjustments have been made to make the report as accurate of a picture as they could. Paul explained they are not just moving forward the 2015 report findings since that might overstate their potential. Paul understand he is not the only one responsible. CWEDA plays a roll but it all comes down to team work.

Monday Paul will be presenting to Camas City Council and will use some of the data from this report. That is the last of the partner presentations. Each of the presentations has grown. He will share the final presentation with all partners, so they can see how it has evolved.

A question was asked about how much of the total jobs in the report did Fisher Investments account for. Eric reported that out of 20 completed jobs there were three major contributors to jobs. They are Fisher, Sigma and Holland.

Paul mentioned that, as a CWEDA policy, we don't speak directly about companies' financials. If there are any questions, he is happy to share what he knows verbally outside of formal meetings.

Election of officers, bi-laws, budget and financial statement

Officers

With so much turnover on the board this year there have been several recent appointments of officers. As this is the Annual Meeting there is to be election of officers. Paul suggested the Board simply appoint Larry and Molly to stay on in their roles so they may have a full term. A new Vice President/Vice Chair is needed. Paul would like to see CWEDA consider moving the annual meeting to January so elected officials on the board will be in place during that vote.

Shannon Turk was nominated for Vice President /Vice Chair. It was moved, seconded and voted unanimously in favor.

It was then moved, seconded and voted unanimously in favor of retaining Molly Coston as President/Chair and Larry Keister as Secretary/Treasurer.

Bi-laws

Paul sent a copy of the Bi-laws to all Board members. He sent the "strike through" version, with last changes in made in early 2017, so they could see how they had evolved and what the changes have been. Another change to consider for the bi-laws will be to add Max's new role with WSU as a Board member spot. This helps to tie in education at all levels. We will get a new

Board member from CREDC when the president position is filled. Pete Capell reported that there was a selection made and an offer sent for that position. Paul also shared a copy of the Interlocal Agreement. These two documents will be reviewed and updated in 2019.

Budget

Paul distributed the budget for review. It was formatted to provide perspective of how the budget was established using broad categories. It includes information on where we are at and how money has been spent. At the end of 2018, CWEDA will have added \$53K to reserves and may start 2019 with uncommitted reserves of \$140K. These reserves have grown since a number of initiatives that were budgeted for never came to fruition. An example of that is the website and collateral refresh slated for last year as well as the retail recruitment initiatives that were discussed.

Paul explained that the guideline is to keep about \$50k in reserves so if a partner wants out, we will be enough to continue for another year to figure out how to proceed and time to find additional funding.

A motion to approve the budget was made and seconded and passed unanimously.

Financial Statement

This statement focuses on 2017 and 2018. Paul is still working on 14, 15, 16, but should have it completed this month. Going forward, the statement will be produced on a quarterly basis and show actual vs budget figures. It will track the starting fund balance and the ending reserves. This will allow the Board to know where we are financially, so the budget can be amended if an opportunity comes up. This is all a part of the effort to be more formal and improve our functionality.

The Board agreed to this Financial Statement format.

Website

Rene explained that the five-year-old website features outdated videos (with former Mayors and Mark Lampton) and the property search and mapping function do not work.

The site platform is Concrete Five and the developers who create the site do not work with it any longer. The only way to fix it is to go online and post our need and someone writes back and gives you a bid to do the work. Sketchy at best and difficult to figure out costs.

The original site development was driven by Mark Lampton's vision. But we found that the property broker community never embraced the site and its ability to share available locations. The site is getting little to no traffic.

Rene can make simple updates to property listings, verbiage on pages and photos but other than that it is beyond the limited training she received for this platform.

One direction is to just remove the property function and videos and keep this site, but a new site is likely the better direction.

Rene suggested that before making a change we understand:

- 1- What functionality do we want it to have? Will it be a static landing page or interactive?
- 2 - How will this be promoted for use and effectiveness tracked?
- 3 – What is the Board’s budget for the work

There was discussion around tapping into IT expertise of the partners. Also using social media and having partners feed a CWEDA site with appropriate posting as a way to have content. Also dStudio21 was recommended as a web developer who has done significant projects in the area and who is very good at strategy development as well.

Molly point out that the CREDC site is nice looking and interesting.

An ad hoc committee was discussed to work on this task with Rene. This will be revisited at a future meeting.

Opportunity Zones & Next Steps

Paul continue to work on OZ and OF. Through a business contact, Paul has found a person wanting to deploy a sizable fund of capital. Washougal is of high interest. The difficult part is how to put a deal together in a suitable manner. The development involves holistic communities. Max Ault and CREDC is also working with them.

Interest has grown in OZ and OF when the US Treasury came out with rules and an end date. This means a clock is ticking so projects need to get in this year so interested investors are working quickly.

Lands for Jobs

In 2016 CREDC created a report to identify significant lands for job creations in Clark County. At that time, CWEDA was a funding partner, as well as the Port. Our organization also gave them CW base data and upfront information to feed the process.

Two local properties, Steigerwald and Johnston Dairy, were identified as significant sites. By being identified, when the State is looking for a site for a large company, they can recommend the right communities.

The question before CWEDA is that CREDC is asking for our participation again. Paul has committed from human resources standpoint to help out. From a financial standpoint, the Board needs to consider what they want to do for this project. Paul will invite CREDC to our January meeting to discuss CWEDA’s potential role.

State audit

Back in 2016, the Board was asked how was CWEDA classified. This was part of a State audit of the Port. There were discussions with the auditor and, at that time, the Board had strong feelings that CWEDA was a private intently, acting like a public entity.

We were later advised by a Seattle attorney that we ARE a public entity and subject to state audit. In response, in 2017, we reformed CWEDA and expanded the Board. It was understood with the State that from 2017 forward is CWEDA is subject to State audit, but not before.

About a month ago Paul heard from the State again and they are now asking for an audit. They

asked to come to the December board meeting, but Paul struck a deal that he would fill out the form, start the process of audit and they would be invited to come to January meeting. That meeting was set for Thursday, January 24 at 2:30pm at the Port office.

The auditor will explain what an audit means and does not mean and answer Board questions. She described it as an Audit Lite or Mini Audit. It will look to see if we are conducting ourselves as a public entity. They may find we may be doing some things we should not be doing. This is a good time to find out how to install more appropriate business practices and to see how well we have been doing.

The audit will take place in February 2019. CWEDA will be expected to pay for it but has money in the reserve.

CWEDA Business development

Paul continues to work on potential OZ initiatives.

A large international company is looking at CW area. Two large property sites are still in the running. Both in Camas. We do know, as of a month and a half ago, one jurisdiction signed a letter of intent. The other site had a site study performed. Neither has been chosen. No decision will be made until the first of the year.

Project Sabre – This came out of some of Paul’s private work. It was evident that, for further investments, they needed more parking. An existing Camas site was suggested, and work done with City and fire. This is a super cool company and will likely get involved with schools. They have been running financials and all indication are they are excited. Paul knows the neighboring property owners and they are willing sellers so that opportunity exists for expansion. That decision will be coming.

A closed session was held at Paul’s request to include Board members, alternates and CWEDA staff.

Meeting was adjourned at 5:06 pm

Next Meeting

Next regular meeting is January 24 at the Port of CW at 2:30pm

Respectfully submitted,
Rene’ Carroll, December 14, 2018