



REGIONAL SOLUTIONS OFFICE
GOVERNOR KATE BROWN

South Central Regional Solutions Advisory Committee

Representing Klamath and Lake Counties

AGENDA

Thursday October 20, 2016

10:00 - noon

Klamath Community College

Building 6, Room H138

7390 South Sixth St

Klamath Falls, OR 97603

1-888-557-8511 code: 9470233

- I. Introductions - Jane O’Keeffe, Governor’s Convener

 - II. Rural Infrastructure Priority project update and decision needed.
Update on the infrastructure planning work funded by the Infrastructure Finance Authority – Mary Baker, Business Oregon

Committee review and discussion re: soliciting projects for the Regional Solutions funding (\$205,000) - Annette Liebe, Governor’s Office
Discussion draft attached

 - III. Woodstove Replacement Program
 - a. Number of stoves replaced, homes weatherized, leverage with other resources – Betty Riley (SCOEDD)
 - b. Air quality conditions and Clean Air Act status – Kelly Hill

 - IV. Employment Trends – Damon Runberg, Oregon Employment Department

 - V. Public Comment

 - VI. Review of revised priorities based on Committee discussion at last meeting (attachment)

 - VII. Roundtable
Committee members, hot topics
Red Rock biofuels – Annette Liebe
Advisory Committee charter – Annette Liebe
- Noon Adjourn

The meeting location is accessible to persons with disabilities. To request an interpreter for the hearing impaired or for other accommodations for persons with disabilities, please make requests at least 48 hours before the meeting to Lisa Howard at 503-378-6502; at Lisa.Howard@Oregon.gov; or by TTY: Oregon Relay Services at 1-800-735-2900

CAMPUS MAP

Klamath Community College
 7390 South 6th Street
 Klamath Falls, OR 97603
 541-882-3521
 www.klamathcc.edu

Welcome to Klamath Community College

Please watch for pedestrians and
 obey all traffic and parking signs

Bldg. 1 - Classrooms

Bldg. 2 - Classrooms

Bldg. 3 - Academic Advisors, Administration, Art Lab,
 Faculty, Financial Aid, Student Services,
 Board Room

Bldg. 4 - Commons, LRC, Tutors, TRiO, Culinary Arts,
 Food Service, Student Life Center,
 Classrooms, Health Lab

Bldg. M - Maintenance

Bldg. 5 - Career Technical Center (CTC)
 Classrooms, CAD Lab, Diesel Lab,
 Small Business Development Center,
 Community Education, Faculty Offices

Bldg. 6 - Health Science Building (HSB)
 Science Classrooms, Health and
 Science Labs, Computer Labs,
 Student Study Space, Faculty Offices

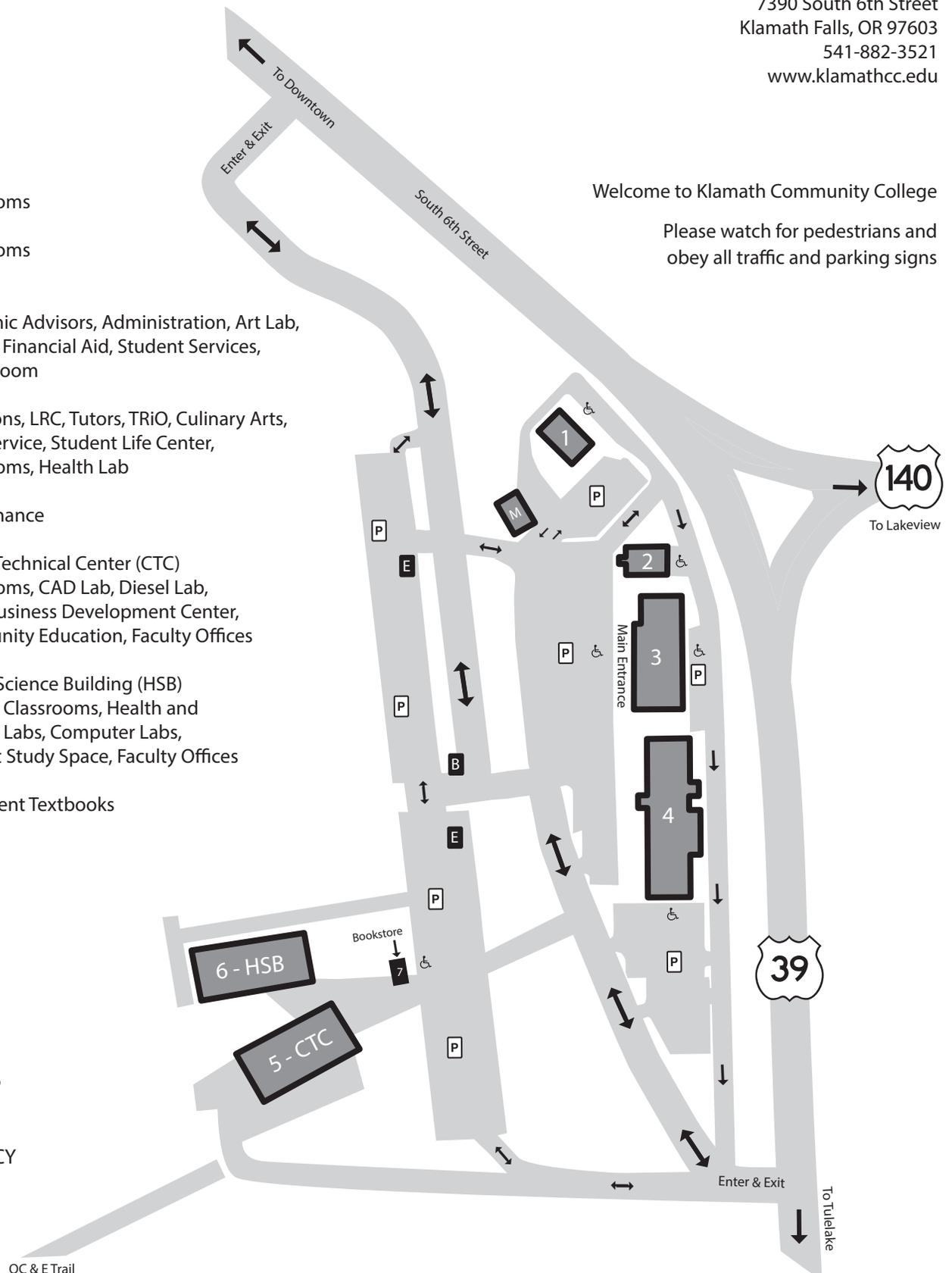
Bookstore - Student Textbooks

B BUS STOP

P PARKING

 HANDICAP
 PARKING

E EMERGENCY
 PHONE





DRAFT October 6, 2016

South Central Regional Solutions Small Communities Planning and Technical Assistance

The South Central Regional Solutions Advisory Committee is seeking to provide funding assistance to rural communities in Klamath and Lake Counties. A total of \$205,000 is available to support design and/or construction of community infrastructure that supports job retention or expansion.

Program Goals:

- Support community infrastructure projects with strong economic development connections.
- Align with, or leverage, other investments in community infrastructure.

Implementation Strategy

This document covers the following topics:

1. Eligible “Community Infrastructure Construction Projects”
2. Project Selection
3. Timeline

1. Eligible Projects

Because the source of funding is bonded debt, eligible expenditures are only capital construction.¹ Examples include: construction or renovation of water systems, wastewater treatment systems, transmission lines, buildings, docks, trails, roads, bridges, etc.

¹ Capital construction means the construction, modification, replacement, repair, remodeling or renovation of a structure, or addition to a structure, that is expected to have a useful life of more than one year, and includes, but is not limited to:

- (i) Acquisition of land, or a legal interest in land, in conjunction with the capital construction of a structure.
- (ii) Acquisition, installation of machinery or equipment, furnishings or materials that will become an integral part of a structure.
- (iii) Activities related to the capital construction, including planning, design, authorizing, issuing, carrying or repaying interim or permanent financing, research, land use and environmental impact studies, acquisition of permits or licenses or other services connected with the construction.

In addition, the construction project must create “community infrastructure” per the legislative intent. Any capital construction project by a local government creating or renovating a publically-owned asset is assumed to be community infrastructure.

Other infrastructure projects carried out by “other organizations” must be sponsored by a local or tribal government entity and be of significance to the community either by supporting a key regional economic driver or by creating an asset that is open to and can be enjoyed by the public.

Local government means a city, county, authority or entity organized under state statute or city or county charter, and includes any council of governments.

Use of funds: Funding provided to recipients through this program may only be expended on construction of the community infrastructure asset itself and related costs. (See footnote 1.)

A total of up to \$205,000 will be made available to such projects. The Advisory Committee is likely to award at least one project per county (Klamath and Lake).

2) Project Selection

- a. Pre-application process: Interested applicants should send a 1-2 page (maximum!) description of a proposed project by **December 31, 2016**. Description should include clear identification of need and solution; amount of grant request; total cost of capital construction project and sources of funds.
- b. Invitation to complete application. The Advisory Committee will review pre-applications and invite applications. The Advisory Committee will determine at this time whether to award all \$205,000 through this process.
- c. Evaluation criteria
 - i. Impact of capital project on one or more adopted South Central Regional Solutions Priorities (25 pts)
 - ii. Does the project result in the retention/creation of jobs in the region (15 pts)
 - iii. Alignment with and leverage of other funding sources (15 pts)

(iv) Acquisition of existing structures, or legal interests in structures, in conjunction with the capital construction. Capital construction does not include: (i) Maintenance and repairs, the need for which could be reasonably anticipated; (ii) Supplies and equipment that are not intrinsic to the structure; or (iii) Furnishings, unless the furnishings are acquired in connection with the acquisition, construction, remodeling or renovation of a structure, or the repair of a structure that is required because of damage or destruction of the structure.

- iv. Is the project ready to proceed (15 pts)
- v. Does the project have community support? (15 pts)
- vi. Does the project sponsor have the capacity to manage the project? (15 pts)

Those projects that are ready to proceed immediately, are technically and financially feasible, cost-efficient, have strong community support, and capable project management capabilities will receive higher priority.

d. Final selection process

- i. RST staff score applications versus evaluation criteria
- ii. These scores will inform/guide discussion, not make the final determination
- iii. The South Central Regional Solutions Advisory Committee, with staff support, will review applications and their assigned scores
- iv. The committee will take into consideration regional balance in project selection
- v. Committee recommendation will be made available to the public. There will be opportunity for public comment
- vi. Committee approves final list

5) Pilot Program Timeline

- a. Distribute program description: November 15, 2016
- b. Deadline for pre-application: December 31, 2016
- c. Invite full applications: March 1, 2016
- d. Applications due: April 15, 2016
- e. Committee meeting hear public input and select projects: June 2017
- f. Develop/finalize grant agreement: July 2017

Please direct any questions about this funding opportunity to Annette Liebe, Regional Solutions Coordinator, South Central Oregon Region, Office of Governor Kate Brown, (541) 610-7215/ annette.liebe@oregon.gov.

South Central Regional Solutions Priorities
Updated June 2016

High Focus Priorities

- 1) Infrastructure
 - a. Water systems (Chiloquin, Malin, Bonanza, Merrill)
 - b. Sewer (Crescent)
 - c. Natural gas (Lakeview)
 - d. Broadband
- 2) Availability and marketability of industrial land
- 3) Business retention, expansion and attraction
 - a. Support entrepreneurship and small businesses
 - b. Renewable energy and energy efficiency
 - c. Food processing/value added agriculture
 - d. Remove air quality impediments to economic development
- 4) Regulatory integration/streamlining

“High Focus Priorities” – the committee, coordinator and team will actively engage in seeking solutions and projects that contribute to successful outcomes for the priority.

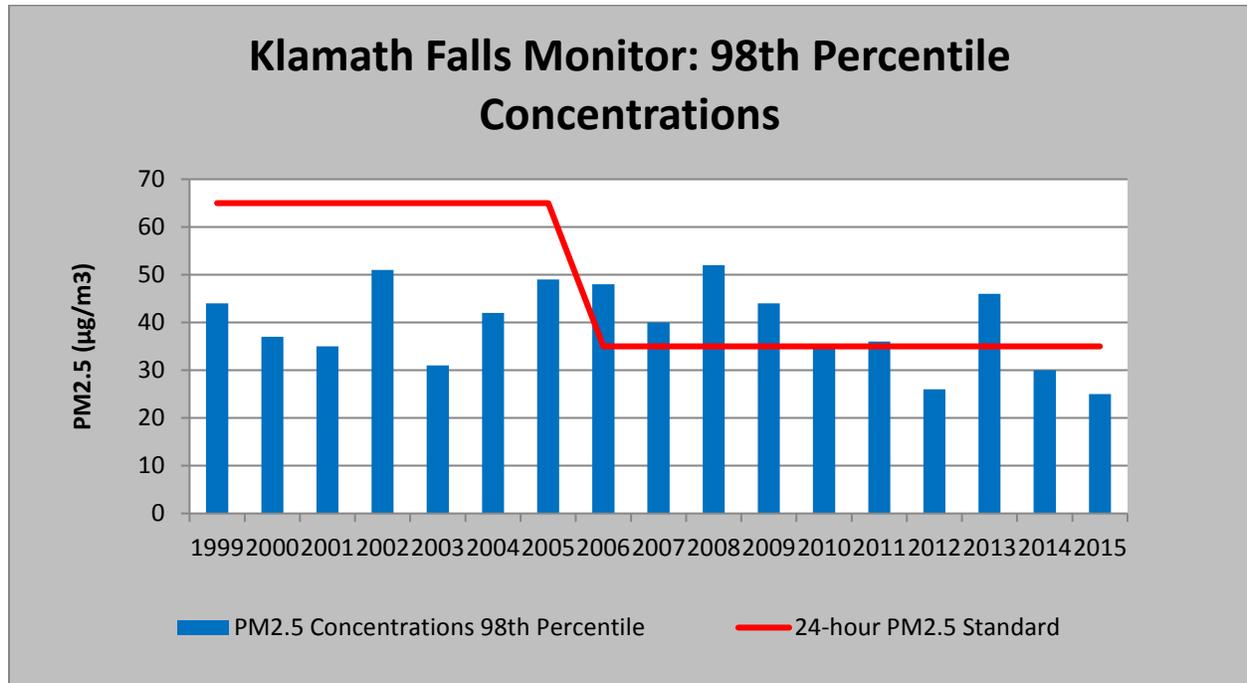
Support Priorities

- 1) Water storage for agriculture
- 2) Transportation (rail, highways, airports, and local roads)
- 3) Workforce training
- 4) Workforce housing
- 5) Downtown revitalization
- 6) Improve forest health and access federal timber resources

“Support Priorities” - the committee, coordinator and team will monitor, engage and support as needed and requested. The coordinator/team will continue working with communities opportunistically to address these priorities and to serve as a catalyst for their successful accomplishment.

Klamath Falls

- Designated as a nonattainment area for the 24-hour fine particulate (PM_{2.5}) standard in 2007.
- Klamath Falls developed an attainment plan, submitted it to EPA in 2012
- Klamath Falls was required to come into compliance by December 2014 and succeeded.
- Data from the last 1 ½ years shows Klamath is continuing to meet the standard. Current data for 2013-2015 shows Klamath is at 33.6 ug/m³. (35 ug/m³ is the standard)

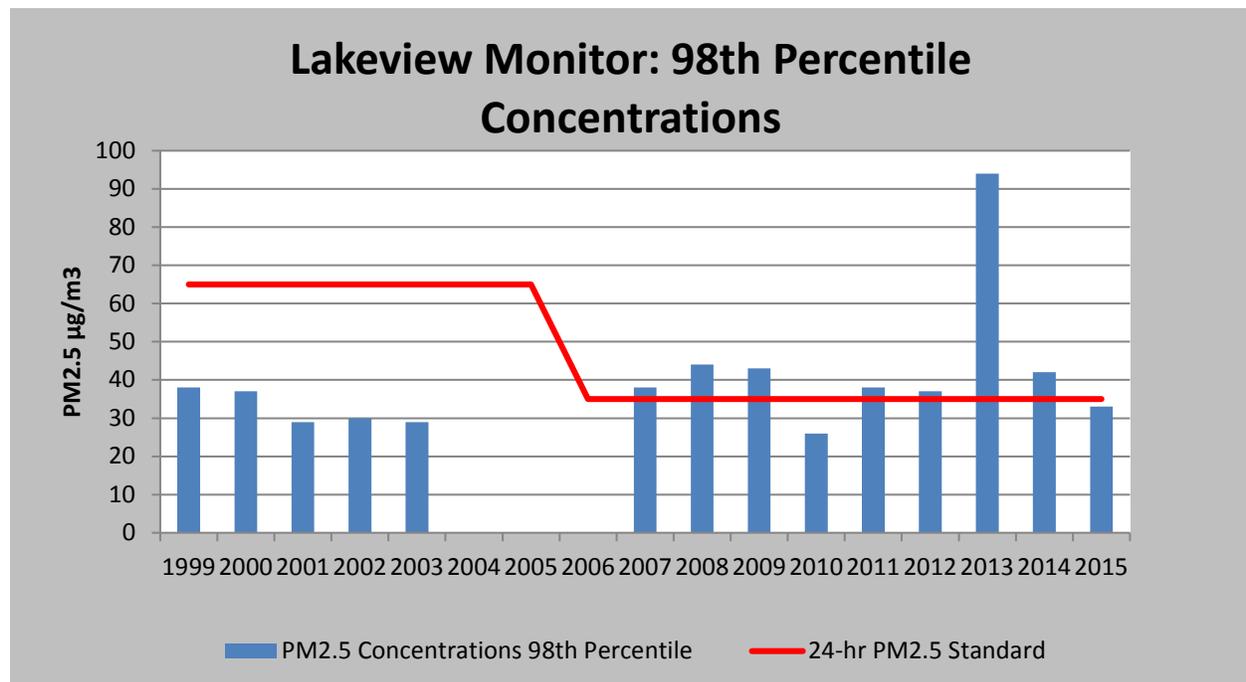


- Currently, data for 2016 shows Klamath is below the standard (1st quarter of data reporting = 23 ug/m³); still have the remainder of the year to go.
 - Depending upon weather conditions for the 2016-2017 woodheating season and continued compliance and implementation efforts, Klamath Falls could see its 2016 monitored values below the standard. Efforts included:
 - Strengthening its mandatory curtailment ordinance
 - Changing the woodstove curtailment calls to include a buffer - red day call is made at 30 µg/m³ instead of 35 µg/m³
 - Open burning was prohibited all year except for three weeks in the fall and three weeks in the spring.
 - “Health alert day” where no-one is allowed to burn; requiring only alternative sources of heat other than wood to be used.

- Compliance surveys were strengthened with immediate notices at the door provided to inform violators immediately, followed by a letter in the mail describing the violation and remedies.
- Wood stove change out programs were offered over the last decade, with the most recent change out only offering alternative sources of heat such as gas appliances or electric appliances.
- DEQ is waiting to ensure compliance before writing a Maintenance Plan. The past two years have seen mild winters – the true test of Klamath’s success will be during a cold winter season with many inversions.
- EPA continues to label Klamath Falls as a nonattainment area but is pleased by its progress in meeting the standard.

Lakeview

- Lakeview is currently violating the PM2.5 daily standard. The area has not formally been designated as nonattainment.
 - When EPA made the nonattainment designations in 2007, there was insufficient monitoring data for Lakeview at the time. Since then, monitoring data showed that Lakeview was above the standard.
- Based on recent data (2013-2015), Lakeview is at 56.2 ug/m3. (standard is 35 ug/m3)



- For Lakeview to meet the standard in 2014-2016, the area needs to have a 98th percentile value of 31 ug/m³ in 2016.
 - Existing 2016 data indicates Lakeview is meeting the standard, but there are already two very high concentrations in 2016. Since compliance with the standard is based on the 98th percentile, (which is essentially the 3rd highest monitored value), the 3rd highest value for the remainder of the year will determine if Lakeview meets the standard.
- Lakeview agreed to participate in a voluntary program (PM Advance) and to develop a plan to bring the area back into compliance with the standard.
 - Lakeview submitted its voluntary PM Advance Plan to EPA in 2014. Currently implementing the strategies in the plan.
- Strategies include:
 - Implementing a mandatory curtailment program (previously was voluntary program)
 - Allowing some exemptions but limiting wood burning, especially on poor air quality days
 - Prohibiting open burning between Nov 1 and end of Feb
- EPA has not yet designated Lakeview as a nonattainment area because it is participating in the PM Advance voluntary program. As long as Lakeview continues to show progress towards meeting the standard (and meets it by 2019), it is unlikely EPA will designate the area as nonattainment in the near future.
 - However, if EPA revises the PM_{2.5} standard (could occur as early as 2018) and Lakeview is above the standard, then the area will be designated nonattainment.