

South Central Regional Solutions Advisory Committee
Meeting Summary
October 20th, 2016
Klamath Community College, Klamath Falls, Oregon

Committee members attending:

Jane O' Keeffe, Governor's Convener
Jim Bellet, Klamath County Commissioner
Trish Seiler, Klamath Falls City Council
Chip Massie, Klamath Community College, Ford Fellow and OCF Regional Leader
Betty Riley, SCOEDD
Bridgitte Griffin, Private Sector

Team members:

Larry Holzgang, Business Oregon
Jon Jinings, Department of Land Conservation and Development
Mary Baker, Infrastructure Finance Division, Business Oregon
Jarod Johnson, Department of Transportation
Damon Runberg, Employment Department
Annette Liebe, Regional Solutions Coordinator

Guests:

Joe Wall, City of Klamath Falls
Nicholas Bear, Rep. Whitsett's office

Via conference call:

Jeremy Austin, Oregon Natural Desert Association
Kelly Hill, Department of Environmental Quality
Darwin Johnson, Lake County
Roberta Vanderwall, Town of Lakeview

1. Rural Infrastructure Project

Mary Baker, IFD, Business Oregon provided an overview of the facilities planning work funded in rural communities in the region.

Below is an overview of the planning work funded by the Infrastructure Finance Authority since the RA Committee recommended the rural infrastructure technical assistance project.

- Chiloquin: A \$60,000 water master plan was funded by \$30,000 of RD / \$20,000 of IFA and / \$10,000 of city funds. Plan is nearly complete and will be submitted to regulatory agencies (OHA-DWS and OWRD) for approval. Wastewater facilities plan funded by DEQ. The plan will not be completed until the end of 2016. City is Community Development

Block Grant (CDBG) eligible and they are desiring the use of CDBG and other funds. Will have funding one stop after plan is approved by DEQ.

- Merrill: A \$20,000 water master plan funded by IFA. The water master plan is completed and approved by IFA and OHA-DWS. USDA-RD and IFA met with the city on October 3, 2016 to discuss potential funding of the \$3,000,000 design/construction project. City is providing additional financial information to IFA/RD and we will work up funding scenarios for them to decide how best to proceed.
- Malin: A \$60,000 water master plan funded by \$20,000 of IFA and \$40,000 of city funds. As of October 11, 2016 the water master plan is nearly 80% complete, and is under internal review.
- Paisley: \$312,657 of arsenic treatment improvements were completed at the water treatment plant last year. The improvements are constructed and in service.
- Bonanza: A \$39,000 wastewater facilities plan funded by \$20,000 of IFA and \$19,000 town funds. The wastewater facilities plan is anticipated to be drafted and available for review in October 2016, and the rate study is anticipated to be completed by the end of the year.
- Bly Water & Sanitary District: Water system preliminary design report funded by \$30,000 of RD funds.
- Chemult: Met with district representative; they are still discussing.
- Crescent Sanitary District: A \$40,000 wastewater facilities plan, environmental report and income survey funded.

The committee reviewed the draft project infrastructure solicitation to identify projects that support economic development/regional priorities, are ready to go, and have other committed funding. The draft approach is posted on the website. Committee has \$205,000 to invest in rural infrastructure. Overall, the committee supported the approach but wanted to ensure that the timeline is ambitious yet realistic. Plan is to post and share solicitation starting November 15th. First step will be solicitation of one to two page papers for screening review by the RST and committee.

2. Woodstove Replacement

Betty Riley, Exec. Dir. SCOEDD, provided an update on the woodstove replacement program. In Klamath Falls, 99 projects have been completed for a total cost of just under \$472,000. In Lakeview, 39 projects have been completed for just over \$182,000. SCOEDD worked with the team to revise the offering in Lakeview to incentivize more replacements. Focus is on getting the word out in Lakeview.

Kelly Hill shared the latest air quality data. Compliance is demonstrated using a three year average. In Klamath Falls, emissions have been reduced so that the area is now meeting air quality standards. Because of extremely high concentrations in 2013 in Lakeview, the area needs low values this winter in order to come into compliance.

There was discussion about whether the new Cleaner Air Oregon program would impact these communities and woodstove emissions. Annette agreed to get information out to the group about the program and upcoming public comment opportunities.

3. Employment Trends – Damon Runberg, Employment Department

Damon Runberg reviewed employment statistics for Klamath and Lake Counties. Both counties have not recovered jobs lost during the recession. Lake County employment is 7% below pre-recession peak; Klamath County is 8% below pre-recession peak. Greatest job growth has been in health care. Both manufacturing and construction are way down from the pre-recession peak. Projection is that it will take approximately 10 years to gain jobs to get back to pre-recession levels. Areas of projected growth are: health care, tourism, construction, and natural resources. One challenge for this region is that the employment department does not include farm payroll. There has been a consolidation of farms in Klamath and Lake Counties; these affect farm employment.

4. Public Comment

There were no public comments.

5. Review of Revised Priorities

Committee reviewed the regional priorities categorized as “high focus” and “support” priorities based on the discussion during the May 2016 meeting. Mary Baker pointed out that the Bonanza infrastructure project is for waste water not water system. Corrected priorities adopted by the committee are below.

High Focus Priorities

- 1) Infrastructure
 - a. Water systems (Chiloquin, Malin, Merrill)
 - b. Wastewater/Sewer (Bonanza, 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.