

# OREGON GOVERNMENT ETHICS COMMISSION

## INVESTIGATION

**CASE NO:** 25-160ECF

**DATE:** December 8, 2025

**RESPONDENT:** SMITH, Greg, Executive Director, Columbia Development Authority

**COMPLAINANT:** TALLMAN, Jonathan

**RECOMMENDED ACTION:** Make preliminary findings of violations of ORS 244.120(1)(c)

**SYNOPSIS:** The complaint involves allegations against Greg Smith, Executive Director for the Columbia Development Authority, and his submittal of a grant application with the Office of Local Defense and Community Cooperation, a federal agency that provides grants to local communities for national defense purposes.

On March 11, 2025, the Commission received a complaint from Jonathan Tallman regarding Greg Smith, Executive Director for the Columbia Development Authority. At its June 13, 2025 meeting, the Commission considered the information presented in the preliminary review and found cause to open an investigation. The focus of the investigation was to determine whether there is sufficient evidence to indicate that Greg Smith violated Government Ethics Law. The information gathered indicates that Greg Smith failed to declare a conflict of interest when doing so, thus violating ORS 244.120(1)(c). The information reviewed in this case also indicates that Greg Smith may have violated ORS 244.040(1) by using his position to obtain a substantial pay increase; however, additional fact-finding is required.

**RELEVANT STATUTES AND ADMINISTRATIVE RULES:** The following Oregon Revised Statutes and Administrative Rules are applicable to the issues addressed here:

1       **ORS 244.020 Definitions.** As used in this chapter, unless the context requires  
2 otherwise:

3  
4       (1) “Actual conflict of interest” means any action or any decision or any  
5 recommendation by a person acting in a capacity as a public official, the effect of  
6 which would be to the private pecuniary benefit or detriment of the person or the  
7 person’s relative or any business with which the person or a relative of the  
8 person is associated unless the pecuniary benefit or detriment arises out of the  
9 circumstances described in subsection (13) of this section.

10  
11       (13) “Potential conflict of interest” means any action or any decision or  
12 recommendation by a person acting in a capacity as a public official, the effect of  
13 which could be to the private pecuniary benefit or detriment of the person or the  
14 person’s relative, or a business with which the person or the person’s relative is  
15 associated \* \* \*.

16  
17       (15) “Public official” means the First Partner and any person who, when an  
18 alleged violation of this chapter occurs, is serving the State of Oregon or any of  
19 its political subdivisions or any other public body as defined in ORS 174.109 as  
20 an elected official, appointed official, employee or agent, irrespective of whether  
21 the person is compensated for the services.

22  
23       **ORS 244.040 Prohibited use of official position or office.** (1) Except as  
24 provided in subsection (2) of this section, a public official may not use or attempt  
25 to use official position or office to obtain financial gain or avoidance of financial  
26 detriment for the public official, a relative or member of the household of the  
27 public official, or any business with which the public official or a relative or  
28 member of the household of the public official is associated, if the financial gain  
29 or avoidance of financial detriment would not otherwise be available but for the  
30 public official’s holding of the official position or office.

31     ///

1           **ORS 244.120 Methods of handling conflicts; Legislative Assembly; judges;**  
2           **appointed officials; other elected officials or members of boards. \* \* \***  
3

4           (2) An elected public official, other than a member of the Legislative Assembly, or  
5           an appointed public official serving on a board or commission, shall:  
6

7           (a) When met with a potential conflict of interest, announce publicly the nature of  
8           the potential conflict prior to taking any action thereon in the capacity of a  
9           public official; or  
10

11          (b) When met with an actual conflict of interest, announce publicly the nature of  
12          the actual conflict and:  
13

14          (A) Except as provided in subparagraph (B) of this paragraph, refrain from  
15          participating as a public official in any discussion or debate on the issue out  
16          of which the actual conflict arises or from voting on the issue.  
17

18          (B) If any public official's vote is necessary to meet a requirement of a minimum  
19          number of votes to take official action, be eligible to vote, but not to  
20          participate as a public official in any discussion or debate on the issue out of  
21          which the actual conflict arises. \* \* \*  
22

23   **INVESTIGATION:** The focus of the investigation in this case was to determine whether  
24   Greg Smith used or attempted to use his position at Columbia Development Authority to  
25   obtain a salary increase for himself and whether he declared a conflict of interest prior  
26   to taking any actions or making any decisions or recommendations that would have  
27   benefited him personally. The preliminary review indicated that there was a substantial  
28   objective basis to believe that Greg Smith failed to declare a conflict of interest while  
29   negotiating with Office of Local Defense and Community Cooperation (OLDCC)  
30   regarding a salary increase and used his position to negotiate a wage increase for  
31   himself through the OLDCC. (#INV1). Allegations regarding Executive Director Smith's

1 failure to declare conflicts of interest as it relates to his relationship with the Bank of  
2 Eastern Oregon were dismissed by the Commission at the June 13, 2025 meeting  
3 where the preliminary review report was addressed.

#### 4 5 Background Information

6 The CDA is an intergovernmental organization comprised of five public entities: the Port  
7 of Umatilla, Umatilla County, Port of Morrow, Morrow County, and the Confederated  
8 Tribes of the Umatilla Indian Reservation. Pursuant to the Amended and Restated  
9 Columbia Development Authority Intergovernmental Agreement, one of its member  
10 public entities will serve as the fiscal agent for the CDA. The CDA's fiscal agent is  
11 responsible for, among other things: receiving funds and making payments on behalf of  
12 the CDA, as authorized by the CDA Board; and, if requested by the CDA Board,  
13 providing employer services on behalf of the CDA, including making arrangements for  
14 payroll and any agreed upon benefits to employees of the CDA. (#PR1). During the  
15 period relevant to this review, the Port of Morrow served as the CDA's fiscal agent.

#### 16 17 2024 OLDCC Grant Application

18 OLDCC is a federal agency that provides grants to local communities. CDA, through the  
19 Port of Morrow, submitted a grant application to OLDCC in 2024. Commission staff  
20 reviewed the version of the 2024 OLDCC grant application that was part of the meeting  
21 materials for the June 25, 2024 CDA Board meeting. (#PR22). The grant application  
22 includes the following language:

23  
24 Compensation packages have been approved by the Columbia Development  
25 Authority Board of Directors and is provided through the Port of Morrow.

26 Requested compensation reflects a significant board-approved increase salary  
27 adjustment to prior grant period's existing salaries beginning April 1, 2024. The  
28 CDA board is in agreement that compensation for the top two employees through  
29 research of other like positions in the Pacific Northwest is approved and will bring  
30 those salaries to the correct levels in accordance with management and other  
31 local and state comparable salaries. (#PR22).

1 The OLDCC grant application states:

2  
3 The Executive Director (ED) role also holds the role of CEO. The CEO reports  
4 directly to the CDA Board and is responsible for all operations, business, and  
5 management of the CDA. The CDA is designating the Executive Director CEO  
6 position as the “key” position, see attached resume. Recognizing the OLDCC  
7 salary cap of \$195,000, the federal funding request will be \$123,350 and locally  
8 funded match for the grant will be \$71,650.

9  
10 Executive Director Smith's Written Response

11 During the preliminary review, Executive Director Smith provided a written response  
12 through his attorney, Amanda Gamblin. (#PR3)

13  
14 Executive Director Smith provided background information regarding the CDA budget  
15 process. Executive Director Smith states that until recently, the Port of Morrow was the  
16 CDA's fiscal agent and as its fiscal agent, obtained an annual grant from the federal  
17 OLDCC to fund the CDA's operations. Executive Director Smith states, “Because CDA  
18 was not the grant recipient, it had limited insight into the communications and  
19 relationship between the OLDCC and the Port of Morrow, although the CDA played a  
20 meaningful role in drafting the grant application with the OLDCC.” (#PR3).

21  
22 Executive Director Smith states that the OLDCC required the grant application to  
23 include a budget for the CDA:

24  
25 \* \* \* Every year the CDA staff, in conjunction with the OLDCC project manager,  
26 created the initial drafts of the grant application including the CDA budget by  
27 working on a cloud-based document that resided on the OLDCC's systems.  
28 Since my hire in 2015, my cost-of-living salary increases, and those of staff, have  
29 been included in the CDA budget at this stage. I do not recall the CDA ever  
30 having a separate meeting to approve salary increases since my hire in 2015.

31 ///

1 I have never accessed the grant application documents including the  
2 accompanying CDA budget because I have never been trained to use the  
3 OLDCC's grant portal. Rather, this process is handled by CDA staff and the Port  
4 of Morrow.

5  
6 Each year, once the OLDCC and the CDA agreed on the CDA budget, including  
7 salary increases, and how much of it the OLDCC would fund through the  
8 government grant, the Port of Morrow reviewed and submitted the grant  
9 application to the OLDCC. Once the OLDCC approved the Port of Morrow's grant  
10 application the CDA then knew how much of its budget the OLDCC grant would  
11 cover. \* \* \* (#PR3).

12  
13 Executive Director Smith notes that in some years the CDA Board approved the CDA  
14 budget before the OLDCC approved the grant application and other years, the grant  
15 application was approved prior to the CDA Board's approval of the CDA budget. He  
16 notes that in his experience, drafting the grant application was a negotiation with CDA  
17 staff, the Port of Morrow and the OLDCC. Executive Director Smith explains: "[t]he CDA  
18 budget was fluid and changing until the OLDCC agreed to the numbers. So that the  
19 CDA board had concrete budget numbers to vote on, it made more sense for the CDA  
20 board to approve the budget after the OLDCC agreed to it." (#PR3).

21  
22 Executive Director Smith states that in December 2023, he asked the CDA Board to  
23 discuss a merit pay increase for himself and the CDA staff. He states that he was asked  
24 to provide a salary study to the CDA Board Chair, which was provided on January 15,  
25 2024 and that the CDA Board instructed him to discuss salary increases with the  
26 OLDCC to see how much of the salary increases would be covered by the OLDCC  
27 grant funds. (#PR3).

28  
29 Executive Director Smith states that in 2024 CDA staff worked with OLDCC to create  
30 the initial draft of the OLDCC grant application and CDA budget. He states that during  
31 that process, he and CDA staff discussed pay increases with the OLDCC, which were

1 included in the CDA budget. He states, “[i]n May 2024, the Port of Morrow reviewed the  
2 grant application and CDA budget, which included the exact pay increase amounts,  
3 signed the application and submitted it to the OLDCC on May 2, 2024...The OLDCC  
4 approved the grant on May 14, 2024.”

5  
6 Executive Director Smith states that on June 21, 2024, as part of the June 2024 CDA  
7 Board meeting packet, the CDA Board members were provided with the OLDCC grant  
8 application budget, “including the exact numbers for the proposed pay raises to each  
9 staff member and the grant application budget narrative.” He states that the materials  
10 were also placed on the CDA’s website. Executive Director Smith states that at the June  
11 2024 meeting, the CDA Board unanimously approved the CDA budget, including the  
12 pay raises.

13  
14 Executive Director Smith states that in September 2024, a CDA Board member brought  
15 the following language in the OLDCC grant application to his attention:

16  
17 Compensation packages have been approved by the Columbia Development  
18 Authority Board and is provided through the Port of Morrow. Requested  
19 compensation reflects a significant board approved increase salary adjustment to  
20 prior grant periods existing salaries beginning April 1, 2024.

21  
22 Executive Director Smith states:

23  
24 My concern was that at the time the Port of Morrow submitted the grant  
25 application to the OLDCC, the CDA board had not approved the salary  
26 increases. If this statement was in the Port of Morrow’s grant application, it was  
27 important to alert the OLDCC. I immediately called the OLDCC project manager  
28 who went into the cloud-based document and corrected the statement to remove  
29 the part indicating that the salary increases were board approved. The OLDCC  
30 project manager did not seem concerned and did not indicate that the grant  
31 approval would be affected by the change.

1 Executive Director Smith states that he was accused by several CDA Board members  
2 of writing the statement regarding the board-approved salary increases knowing that it  
3 was false. “Despite my repeatedly telling them that I did not write the statement, was  
4 unaware of it, and that the OLDCC corrected it as soon as the board brought it to my  
5 attention, they continued to push their false narrative.” (#PR3).

6  
7 Executive Director Smith states that at the September 20, 2024 CDA Board meeting, he  
8 stated that he owned the mistake on the OLDCC grant application in part because he  
9 was not prepared to discuss the topic at the meeting and in part because he believes  
10 that as Executive Director, he is responsible for the work that leaves the CDA  
11 “regardless of which team member made the error.” (#PR3).

12  
13 Executive Director Smith states that “[t]he error could have been made by CDA staff, or  
14 by Port of Morrow staff, or by the OLDCC, which all had access to the document.”  
15 Executive Director Smith states that on April 30, 2024, the OLDCC said that they made  
16 changes to the salary section of the budget justification. He states: “I have no way of  
17 knowing what revisions the OLDCC made on the grant portal that day, but this email  
18 shows that anyone, including the OLDCC, may have drafted the verbiage regarding  
19 salary increases.”

20  
21 Executive Director Smith states that he believes part of the issue was that the new CDA  
22 Board members were unfamiliar with the budget process:

23  
24 Had the CDA board members requested an investigation they would have  
25 discovered the CDA negotiated pay increases with the OLDCC at the board’s  
26 discretion...The statement that the budget included “board approved” salary  
27 increases was one the Port of Morrow made to the OLDCC in its grant  
28 application. It is not a statement that I made or that the CDA made to either the  
29 OLDCC or to the CDA board. In fact, Mr. Tallman admits that CDA staff notified  
30 the OLDCC in an email that the salary increases were not board-approved.  
31 (#PR3).



1 Executive Director Smith concludes with the following:

2  
3 As far as the CDA is aware, the Port of Morrow submitted a grant application to  
4 the OLDCC containing what may be a mistake, although because the CDA is not  
5 the grant recipient it has limited insight into the relationship and communications  
6 between the Port of Morrow and the OLDCC. The one thing that is clear is that  
7 neither I nor CDA staff made any false statements to the OLDCC or the CDA  
8 board. I do not know how to access the grant portal documents and could not  
9 have typed any such statement. And CDA staff is not ultimately responsible for  
10 the application – the Port of Morrow is. In 2024, the CDA followed the same  
11 budget and salary increase approval process the CDA has used since at least  
12 2015. The CDA has never had a separate board meeting to approve salary  
13 increases. Two board members, unfamiliar with the CDA budget process or the  
14 board's instructions to me at the December 2023 board meeting to discuss salary  
15 increases with the OLDCC jumped to conclusions, and without notice or  
16 investigation, excoriated me and the CDA staff in a public forum in an apparent  
17 attempted coup. (#PR3).

18  
19 Letter to Kim Puzey, Chairman of the CDA

20 Executive Director Smith provided a copy of a letter regarding employee compensation  
21 and addressed to CDA Chairman Kim Puzey. The letter states that on December 11,  
22 2023, Executive Director Smith requested a discussion on CDA staff salary  
23 adjustments. The letter states the:

24  
25 \* \* \* "conversation stalled out over the question of the CDA hiring a  
26 'compensation consultant' and also creating a new compensation review  
27 policy...I also appreciate the board's fiduciary conservatism; however, I  
28 contend our positions are unique and our circumstances unprecedented."

29  
30 The letter included a proposed motion that would increase the Executive Director's  
31 salary to \$238,000 and the authority to increase the salary of the Assistant to the

1 Executive Director to \$130,000. The letter includes a chart with the salaries of what are  
2 described as equivalent executive position with like responsibilities. (#PR17).

3  
4 CDA Board Meeting Minutes and Recordings

5 Commission staff reviewed CDA Board meeting minutes and recordings of meetings  
6 that occurred between November 2023 and June 2024. (#INV2, #INV3). Based on a  
7 review of the publicly available meeting minutes and recordings, neither Executive  
8 Director Greg Smith nor any CDA employee presented proposed salary increases to the  
9 CDA Board for their consideration prior to the presentation of the 2024 OLDCC grant  
10 application at the June 2024 meeting. Additionally, there is no indication that the motion  
11 provided to Board Chair Puzey by Executive Director Smith was ever presented to the  
12 CDA Board for their consideration during a public meeting. Finally, there is no reference  
13 in the CDA meeting minutes or recording of meetings regarding when the Executive  
14 Director's salary increase was to take effect or whether any funds from the OLDCC  
15 grant would be used to pay Executive Director Smith retroactively to April 1, 2024.

16  
17 OLDCC Letter and Conversation

18 In a letter dated February 21, 2025, the OLDCC reached out to the Executive Director at  
19 the Port of Morrow. The letter stated that OLDCC had sought an explanation as to why  
20 the approved budget included salary increases that were not CDA Board approved.  
21 OLDCC stated that the response received from the Port of Morrow was inadequate as it  
22 did not provide an explanation for why the approved budget did not include salary  
23 increases that were approved by the CDA Board. OLDCC noted that the Port of Morrow  
24 advised it did not participate in the preparation of the budget. (#PR23).

25  
26 The letter went on to explain that the Port of Morrow has held itself out as the fiscal  
27 agent for the CDA and notes that the Port of Morrow has signed grant awards with  
28 OLDCC in the past. The letter states: "Therefore, as the grantee, the [Port of Morrow] is  
29 the party responsible for ensuring all information provided as part of any OLDCC grant  
30 is accurate and that all terms and conditions of the federal award are met. This includes  
31 any budget submissions."

1 The letter goes on to state:

2  
3 It is now clear that CDA's 2024 budget justification submission did not accurately  
4 represent the CDA Board's involvement in the salary increases. An email  
5 submitted to the OLDCC Project Manager on March 11, 2024, from  
6 columbiaassistant@gmail.com, includes a draft budget narrative as an  
7 attachment that clearly states: Compensation packages have been approved by  
8 the Columbia Development Board of Directors and is [sic] provided through the  
9 Port of Morrow. This statement became part of the final award. \* \* \* Reviewing  
10 the attachments that accompanied the March 11-14 exchanges and the separate  
11 March 11 email shows the OLDCC Project Manager did not alter the statement  
12 that the salaries were approved by the CDA Board, which is the material issue. \*  
13 \* \* (#PR23).

14  
15 Commission staff spoke with Elizabeth Chimienti, Deputy Director for Community  
16 Adjustment at the Department of Defense, OLDCC. Deputy Director Chimienti explained  
17 that in 2023, OLDCC and the CDA started working on a draft of the new OLDCC grant  
18 application. She advised that it is common for a project manager to be involved in the  
19 process of drafting the grant application because they can assist with conformity to the  
20 rules, including making sure that costs are allowable, allocable and reasonable. She  
21 noted that the original draft had serious problems, including the huge pay increase. The  
22 OLDCC project manager provided feedback and recommended that CDA bring the  
23 salaries down and explain why the amount was reasonable. (#PR24).

24  
25 Deputy Director Chimienti stated that there was a back and forth regarding the grant  
26 application between OLDCC and CDA. She advised that it is not uncommon for tracked  
27 changes to be included in documents from an OLDCC project manager, in part because  
28 it is easier to provide assistance that way, especially to smaller agencies. (#PR24).

29  
30 Deputy Director Chimienti advised that to the best of her recollection, the language  
31 regarding "board-approved salaries" was in the budget justification "from the get go."

1 She stated that at no time did the OLDCC project manager change the rationale  
2 language for the salary increases. She noted that from a policy perspective, OLDCC  
3 would not have moved forward with the salaries in the budget if they had known they  
4 were not approved by the CDA Board. She stated that while there is no written policy on  
5 that, it is a policy in practice because they want to be careful not to put communities in a  
6 situation where they are on the hook for matching funds. (#PR24).

7  
8 Deputy Director Chimienti advised that Executive Director Smith has access to the grant  
9 application portal. However, at the time of our conversation, she was unable to confirm  
10 whether Executive Director Smith had ever logged into or used the portal. (#PR24).

11  
12 Deputy Director Chimienti advised that OLDCC was notified by Executive Director Smith  
13 on September 4, 2024 of the erroneous "board-approved" language. At that point,  
14 according to Deputy Director Chimienti, Tim Robert changed the budget justification to  
15 remove that language and then made a note in the system. She advised that Tim  
16 Robert is on administrative leave. (#PR24).

17  
18 Conversation with Kim Puzey

19 Commission staff spoke with CDA Board Chair Kim Puzey regarding Greg Smith and  
20 the salary increases included in the 2024 OLDCC grant application. Board Chair Puzey  
21 recalled a conversation with Executive Director Smith regarding his compensation as it  
22 related to a counterpart at the Pueblo, Colorado reuse authority (Pueblo). He recalled  
23 that Pueblo has fewer acres and a larger staff than the CDA, and the Pueblo executive  
24 director is paid more than the CDA's Executive Director. (#INV4).

25  
26 With respect to the salary increase included in the 2024 OLDCC grant application,  
27 Board Chair Puzey indicated salary increases were handled through the budget  
28 process. According to Board Chair Puzey, it was his understanding that the OLDCC  
29 was agreeable to whatever the local reuse authority found acceptable in terms of CDA  
30 employee salaries. Board Chair Puzey recalled that the budget packet went out to the  
31 CDA Board members, a meeting was held regarding the budget and the budget was

1 approved unanimously. He emphasized that the process for approving CDA employee  
2 salaries was through the budget process. (#INV4).

3  
4 Board Chair Puzey could not recall the language in the grant indicating that the salaries  
5 were "board-approved," the tense of the language or the timing of the language as  
6 compared to the timing of the approval. Other than the conversation regarding Pueblo,  
7 he could not recall discussing the amount of Executive Director Smith's compensation.  
8 (#INV4).

9  
10 Conversation with Debbie Pedro

11 Commission staff spoke with Debbie Pedro regarding her time at the CDA and her  
12 involvement with the 2024 OLDCC grant application. She indicated that she started at  
13 the CDA in 2019. Debbie Pedro explained that Executive Director Smith was involved  
14 in the grant writing process. She did not recall the language from the 2024 OLDCC  
15 grant indicating that the salaries had been approved by the CDA Board. She did not  
16 recall Greg Smith specifically telling her to include that language in the grant. She could  
17 not recall any conversations with Tim Robert regarding that specific language in the  
18 grant application. She explained that the language of the grant application narrative  
19 describes things that the CDA hoped to accomplish during the year. Debbie Pedro  
20 explained that drafts of the grant language were shared by email before they were  
21 finalized and entered into the grant portal. She confirmed that Executive Director Smith  
22 reviewed the grant application prior to it being submitted to the OLDCC for approval.  
23 (#INV5).

24  
25 Debbie Pedro recalled that the salary increases included in the 2024 OLDCC grant  
26 application were more than previous years. She stated that increases in salary were  
27 proposed each year in the OLDCC grant application to address cost of living increases.  
28 She indicated that the compensation numbers for CDA employees were provided to her  
29 by Executive Director Smith. She explained that she did not participate in any research  
30 regarding the executive director's compensation. (#INV5).

31 ///

1 Debbie Pedro recalled that the CDA Board approved the budget one month and then  
2 approved the meeting minutes of the budget meeting the next month. She stated that  
3 CDA staff did not take the wages until the budget was approved by the Board. Debbie  
4 Pedro emphasized that standard procedure would be for the CDA Board members to  
5 have read and reviewed the grant application materials, asked questions, and called out  
6 aspects of the grant application for more discussion or research. Debbie Pedro could  
7 not recall whether the 2024 OLDCC grant application, including the proposed budget  
8 and salary increases, was presented to the CDA Board prior to being submitted to  
9 OLDCC for approval. She could not recall any questions from the CDA Board regarding  
10 the salaries when the budget packet was presented to the CDA Board. (#INV5).

11  
12 Debbie Pedro recalled that once the language in the grant was application was  
13 discovered, Executive Director Smith reached out to OLDCC to update the language.  
14 (#INV5).

#### 15 16 Conversation with Emily Collins

17 Commission staff spoke with Emily Collins, project coordinator at the CDA. She  
18 explained that she's been with the CDA since 2023 and assisted with the 2024 OLDCC  
19 grant application. She explained that she drafted the narrative portion of the grant  
20 application. She explained that she provided grammatical edits to the budget  
21 justification but did not come up with the numbers and did not write any of the content.  
22 (#INV6).

23  
24 Emily Collins indicated that she was aware of the language regarding board approved  
25 salary increases and believed that language was in the drafts she reviewed. She could  
26 not recall having any discussions with Executive Director Smith or Debbie Pedro  
27 regarding that language. She explained that it was her first grant and did not recall the  
28 language raising any red flags for her. (#INV6).

29  
30 When asked about whether she was aware that the salary increases had not been  
31 approved by the CDA Board at the time the granted application was drafted, she

1 explained that she views the narrative differently. In her opinion, the language was all  
2 projection until the CDA Board approved it, because the grant wasn't approved and  
3 wasn't solidified until the CDA Board approved it. She explained that she could see that  
4 language being in there because the person writing it could have thought as soon as the  
5 grant was approved the language was correct and the narrative didn't go into effect until  
6 the grant was approved. She added that from her understanding, the approval by the  
7 OLDCC was more a of an approval of what they were willing to provide as funding if the  
8 grant application was approved by the CDA Board. (#INV6).

9  
10 Emily Collins could not recall having conversations with Tim Robert, or being in the  
11 room when either Executive Director Smith or Debbie Pedro were having conversations  
12 with him. She explained that the 2024 grant application process was the same one they  
13 had been using each year, that there was nothing different. She explained that in her  
14 opinion, there was no point in bringing a proposal to the CDA Board until the details  
15 were worked out with OLDCC because they didn't want to confuse the CDA Board with  
16 multiple drafts. She indicated that would have been confusing and would have made the  
17 process take longer. (#INV6).

#### 18 19 Emails Provided by CDA

20 Commission staff reviewed emails between CDA staff and OLDCC staff. The first email,  
21 dated January 26, 2024, indicates that the Narrative, Budget Justification and  
22 associated documents for the 24-25 grant cycle. The email states: "This is our first  
23 draft." (#INV7).

24  
25 The document attached to that email includes the following language:

26  
27 \* \* \* Compensation packages have been approved by the Columbia  
28 Development Authority Board of Directors and is provided through the Port of  
29 Morrow. Requested compensation reflects a significant board-approved  
30 increase salary adjustment to prior grant period's existing salaries beginning  
31 April 1, 2024. The CDA board is in agreement that compensation for the top

1 two employees through research of other like positions in the Pacific  
2 Northwest is approved and will bring those salaries to the correct levels in  
3 accordance with management and other local and state comparable salaries.  
4 The increase also considers that our assumption over the past five-year  
5 salary adjustment of 3% was significantly below market in our area and the  
6 2024 increase will bring us in closer line with actual local salaries of those in  
7 similar positions. The following is the breakdown of personnel wages and  
8 benefits federal and local share of salaries totaling \$644,133 (\$601,133 for  
9 the grant). As suggested by OLDCC to add the additional funding of the top  
10 two employees' salaries to local share section in the budget. \* \* \*

11  
12 \* \* \* Executive Director – The Executive Director (ED) role also holds the role  
13 of CEO. The CEO reports directly to the CDA Board and is responsible for all  
14 operations, business, and management of the CDA. The CDA is designating  
15 the Executive Director CEO position as the “key” position, see attached  
16 resume. OLDCC Funding \$123,350 and Local Funding \$114,650 at the base  
17 rate of \$124 per hour totaling \$238,000 base annual salary. Recognizing the  
18 OLDCC salary cap of \$195,000, the locally funded match for the grant will  
19 be \$73,650 with the balance funded separately. \* \* \* (#INV7).

20  
21 On February 21, 2024, Tim Robert responded to the email, indicating that he had  
22 reviewed the documents. He indicated that the budget justification looked good but that  
23 OLDCC was unable to support the amount requested for federal funding. Tim Robert  
24 wrote: “The primary concern is the excessive increase in personnel salaries. If these  
25 new salaries are approved, I recommend shifting the increase to the non-federal column  
26 and keeping the federal amount roughly the same as previous years.” (#INV7).

27  
28 Emails Provided by Port of Morrow

29 Eileen Hendricks, Port of Morrow employee, provided an email from Greg Smith, dated  
30 June 26, 2024. In the email he states:

31 ///



1       \* \* \* The minutes are attached from our board meeting for approval of the  
2       OLDCC April 2024-March 2025 grant and budget including admin-wages and  
3       benefits, contractual, operational/supplies and travel expenses. I sure appreciate  
4       all you do, the new wage structure should be retroactive to April 1, 2024. \* \* \*  
5       (#INV8).

6  
7       Conversation with Executive Director Greg Smith

8       Commission staff has scheduled an interview with Greg Smith for December 8, 2025.

9  
10      Conversation with CDA Board Member JD Tovey

11      Commission staff has scheduled an interview with JD Tovey for December 8, 2025.

12  
13      June 13, 2025 Oregon Government Ethics Commission Meeting

14      The preliminary review report regarding the complaint was presented to the  
15      Commission at their June 13, 2025 meeting. Executive Greg Smith did not appear, but  
16      he was represented by his attorney, Amanda Gamblin. Attorney Gamblin. Attorney  
17      Gamblin stated that the only comment she had was on the conflict of interest issue. She  
18      stated that she believed it was undisputed that in December 2023, the CDA board  
19      asked Greg Smith to talk to the OLDCC to see how much funding the OLDCC would  
20      grant to the Port of Morrow and to potentially raise to the CDA board a vote for raises  
21      for CDA staff. She explained that as she understands the Commission's position, when  
22      the CDA board directed Greg Smith to talk to the OLDCC they put Executive Director  
23      Smith in a conflict of interest position when it directed him to talk to the OLDCC.  
24      According to Attorney Gamblin, neither Executive Director Smith nor the CDA Board or  
25      their legal counsel saw the conflict of interest. Attorney Gamblin argued that no one  
26      recognized a conflict of interest because Executive Director Smith wasn't speaking to  
27      someone when he spoke with OLDCC that had the authority to give him a raise. She  
28      argued that it was "three degrees removed" from anybody being able to use their  
29      position to benefit. (#INV9).

30      ///

31      ///

1 Attorney Gamblin stated OLDCC does not have the authority to grant a raise to Greg  
2 Smith or anybody at the CDA. She also stated that the Port of Morrow does not have  
3 the authority to grant a raise to Greg Smith or anyone else at the CDA. Only the CDA  
4 had the authority to give him a raise. (#INV9).

5  
6 Finally, Attorney Gamblin stated that if the Commission views the conversation with  
7 OLDCC as a conflict of interest, it was not on anybody's radar at the time. She  
8 confirmed that Greg Smith did not make the written disclosure and did not fulfill the  
9 written requirements. Attorney Gamblin advised that if it's the Commission's position  
10 that a conflict of interest existed, Executive Director Smith did not know and did not give  
11 the written disclosure. (#INV9).

#### 12 13 OLDCC Grants Management Manual

14 The OLDCC website includes a copy of the Grants Management Manual (Manual),  
15 which includes terms and conditions, policies, forms and instructions. The Manual  
16 includes a requirement that states material changes in the project or program described  
17 in the application including, but not limited to, those identified in the Manual, require  
18 prior written approval from the grantor. One material change identified is changes to the  
19 budget. (#INV10).

20  
21 **CONCLUSIONS:** During the relevant period, Greg Smith was the Executive Director of  
22 the Columbia Development Authority. As the Executive Director of the CDA, Greg Smith  
23 is a public official as defined in ORS 244.020(15) and is subject to Oregon Government  
24 Ethics Laws.

#### 25 26 *Prohibited Use of Office Relating to the Salary Increase*

27 ORS 244.040(1) prohibits a public official from using or attempting to use their official  
28 position or office to obtain financial gain or avoidance of financial detriment for the  
29 public official, a relative or member of the household of the public official, or any  
30 business with which the public official or a relative or member of the household of the  
31 public official is associated, if the financial gain or avoidance of financial detriment

1 would not otherwise be available but for the public official's holding of the official  
2 position or office.

3  
4 There are exceptions to this provision. ORS 244.040(2) allows a public official to accept  
5 any part of their official compensation package as determined by the public body that  
6 the public official serves. OAR 199-008-0005(3) defines official compensation package  
7 to mean the wages and other benefits provided to the public official. To be part of the  
8 public official's official compensation package, the wages and benefits must have been  
9 specifically approved by the public body in a formal manner, such as through a union  
10 contract, an employment contract, or other adopted personnel policies that apply  
11 generally to employees or other public officials. The term official compensation package  
12 also includes the direct payment of a public official's expenses by the public body, in  
13 accordance with the public body's policies.

14  
15 The 2024 OLDCC grant application submitted by the Port of More on behalf of the CDA  
16 includes language that increases the Executive Director's salary significantly. The 2024  
17 OLDCC grant application, which was reviewed by the CDA Board on June 25, 2024  
18 included language that indicates the executive director's salary was approved by the  
19 CDA Board. It was subsequently determined that the salaries were not approved by the  
20 CDA Board prior to the submission of the 2024 OLDCC grant application.

21  
22 A review of available information indicates that Executive Director Smith raised the  
23 issue of a salary increase for himself to the CDA Board in December 2023.

24 Documentation in support of the proposed salary increase was provided by Executive  
25 Director Smith to Board Chair Kim Puzey by letter on or about January 15, 2024. The  
26 letter includes a proposed motion which would increase the Executive Director's salary  
27 to \$238,000. The CDA Board did not take up Executive Director Smith's request for a  
28 salary increase at a public meeting and did not present or vote on the proposed motion  
29 that was included in the letter directed to Board Chair Puzey.

30 ///

31 ///

1 Despite the CDA Board not granting the salary increase request, the initial draft of the  
2 grant application submitted to the OLDCC by the Port of Morrow states that the salary  
3 for the Executive Director is \$238,000 and includes the language that the significant  
4 increase in salaries for CDA employees was approved by the CDA Board. The  
5 Executive Director's salary was subsequently decreased to \$195,000 during the  
6 negotiation process with OLDCC personnel.

7  
8 Executive Director Smith states that the language in the OLDCC grant application that  
9 indicated his salary increase was "board-approved" was not included by him. He  
10 suggests that it could have been Port of Morrow or OLDCC personnel. However, the  
11 available information indicates otherwise and instead points to the fact that the  
12 increased salary and the language indicating that the salary was board-approved was  
13 included in the grant application from the beginning of the process. Specifically, OLDCC  
14 personnel indicated that based on their review of the 2024 OLDCC grant application,  
15 the language indicating the increased salary was board approved was there from "the  
16 get go." Emily Collins, CDA employee, also recalled the language indicating that the  
17 CDA employee salary increases were board approved being in the initial draft of the  
18 2024 grant application. A review of an email chain between CDA employees and  
19 OLDCC staff includes language that the increased salaries were board approved and  
20 include a salary for the executive director in the amount of \$238,000.

21  
22 Debbie Pedro recalled that Executive Director Smith provided her with the numbers for  
23 the CDA employee salaries to be included in the 2024 OLDCC grant application. The  
24 executive director's salary in the initial draft of the 2024 OLDCC grant application is  
25 consistent with the amount Executive Director Smith included in his letter to CDA Board  
26 Chair Kim Puzey, dated January 15, 2024.

27  
28 Neither Debbie Pedro nor Emily Collins could recall Executive Director Smith telling  
29 them to include the language in the 2024 OLDCC grant application that the salary  
30 increases were board approved. Neither could recall why the language was included.

31 ///

1 The available evidence in this case indicates that Executive Director Greg Smith sought  
2 approval of a salary increase for himself, first during an executive session and then by  
3 letter addressed to Board Chair Kim Puzey. Subsequently, Executive Director Smith  
4 requested the CDA Board put forth a motion to increase his salary to \$238,000. The  
5 Board did not approve the salary increase as requested. Despite the fact that the CDA  
6 Board had not approved his salary increase, according to the information reviewed,  
7 Executive Director Smith provided the increased salary number to Debbie Pedro for  
8 inclusion in the 2024 OLDCC grant application to be filed by the Port of Morrow, on  
9 behalf of CDA. And Executive Director Smith himself notes that the salary figures the  
10 OLDCC agrees to then provide the CDA board with "concrete budget numbers to vote  
11 on." (#PR3).

12  
13 But for holding his position as Executive Director of the CDA, Greg Smith would not  
14 have been in a position to include a salary increase for himself in the 2024 OLDCC  
15 grant application filed by the Port of Morrow, on behalf of the CDA. The budget included  
16 in the 2024 OLDCC grant application was treated as the organizational budget for the  
17 CDA. By including a salary increase in the 2024 OLDCC grant application, and given  
18 the way the CDA handled its budget at the time, approval of the 2024 OLDCC grant  
19 application effectively CDA Board as part of the grant application, not as part of a  
20 discussion on a merit increase for Executive Director Smith.

21  
22 Further, Executive Director Smith, upon approval of the 2024 OLDCC grant application  
23 by the CDA Board, reached out to Eileen Hendricks at the Port of Morrow and  
24 requested salary changes consistent with the 2024 OLDCC grant application and went  
25 so far as to state in his email that the new wage structure should be retroactive to April  
26 1, 2024. As noted above, there were no discussions during the public meetings between  
27 November 23, 2023 and June 24, 2024 regarding the significant increase in Executive  
28 Director Smith's salary, when it should become effective and whether it should be  
29 retroactive.

30 ///

31 ///

1 Executive Director Smith argues, in part, that the timing of the budget approval and the  
2 timing of the grant application submission effectively required that the CDA staff include  
3 the salary increases in the OLDCC grant application prior to formal approval of the CDA  
4 budget by the CDA Board. There are two issues with this argument. First, Executive  
5 Director Smith knew that he had requested a salary increase, in two different ways, and  
6 neither of those requests were granted by the CDA Board. Second, Executive Director  
7 Smith, as the executive director of the CDA, is responsible for the processes and  
8 procedures utilized by CDA employees to develop the CDA's budget.

9  
10 Based on the information available, it appears that Executive Director Smith may have  
11 violated ORS 244.040(1) by using his position to include a pay increase in the OLDCC  
12 grant application prior to formal CDA Board approval of that pay increase; however, as  
13 noted herein, additional fact-finding is required to establish this alleged violation.

#### 14 15 *Conflict of Interest Relating to Salary Increase*

16 When an appointed official is met with an actual or potential conflict of interest, that  
17 public official is required to notify their appointing authority in writing and request that  
18 the appointing authority dispose of the matter giving rise to the conflict. In this case, a  
19 potential conflict of interest arose when Executive Director Smith was assisting with the  
20 preparation of the OLDCC grant application materials. Executive Director Smith's  
21 attorney, Amanda Gamblin, stated that Executive Director Smith did not recognize the  
22 conflict of interest that arose in the course of negotiating a salary increase with the CDA  
23 and did not fulfill the written conflict of interest disclosure requirements. Additionally,  
24 when Greg Smith recommended approval of the OLDCC application with his salary  
25 increased, he did not inform the Board of his conflict.

26  
27 Nonetheless, Executive Director Smith was faced with a conflict of interest when  
28 preparing the OLDCC grant application and salary increases included therein, along  
29 with his recommendation to the Board. By failing to declare the conflict of interest,  
30 Executive Director Smith violated ORS 244.120(1)(c).

31 ///

**RECOMMENDATIONS:** There is a preponderance of evidence in this case to establish that Greg Smith failed to properly disclose his conflict of interest, in violation of ORS 244.120(1)(c). There appears to be sufficient information to believe that Greg Smith engaged in a prohibited use of position, in violation of ORS 244.040(1), however, additional fact-finding is required. As noted above, Commission staff were not able to complete interviews with Executive Director Smith and J.D. Tovey until December 8<sup>th</sup>, the same date as this report. Information provided in those interviews could not be incorporated into this report. Further fact-finding is needed in order to confirm or clarify the information provided in the interviews with Executive Director Smith and J.D. Tovey. This would include further interviews with Eileen Hendricks and Lisa Mittelsdorf at the Port of Morrow. Additionally, Commission staff has not yet received records from the OLDCC in response to our outstanding records requests.

ORS 244.260(6)(d)(B) authorizes the Commission to extend the 180-day period of an investigation for additional fact-finding. The extension cannot be for more than 30 days. We recommend that the Commission order the investigation in this case be continued for a period not to exceed 30 days for the purpose of additional fact-finding. [Motion 6].

In the alternative, the Oregon Government Ethics Commission should make a preliminary finding that Greg Smith violated ORS 244.120(1)(c). The Commission should further order that the case be moved to a contested case proceeding or that a negotiated settlement be entered. [Motion 10].

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///

**ASSOCIATED DOCUMENTS:**

#PR1	Amended and Restated Columbia Development Authority Intergovernmental Agreement, dated July 14, 2014.
#PR2	Complaint filed by Jonathan Tallman, dated March 11, 2025.
#PR3	Response to Complaint filed by Greg Smith, dated April 15, 2025.
#PR4	Email response from Greg Smith, dated May 5, 2025.

1 #PR5 Email from Mark Lemmon, dated April 8, 2025.

2 #PR6 BEO Bancorp (BEOB) News, online available at: [Beo Bancorp \(BEOB\)](#)  
3 [News Headlines | Nasdaq](#)

4 #PR7 BEO Bancorp, Secretary of State Registration, May 7, 2025.

5 #PR8 Statement of Economic Interest, Gregory Smith, 2021.

6 #PR9 Statement of Economic Interest, Gregory Smith, 2022.

7 #PR10 Statement of Economic Interest, Gregory Smith, 2023.

8 #PR11 Statement of Economic Interest, Gregory Smith, 2024.

9 #PR12 Statement of Economic Interest, Gregory Smith, 2025.

10 #PR13 CDA Board Minutes for September 27, 2022 Meeting.

11 #PR14 CDA Board Minutes for October 25, 2022 Meeting.

12 #PR15 CDA Board Minutes for December 22, 2022 Meeting.

13 #PR16 CDA Board Minutes for November 26, 2024 Meeting.

14 #PR17 Letter to Kim Puzey from Executive Director Greg Smith, dated January 15,  
15 2024.

16 #PR18 Emails between OLDCC and CDA regarding OLDCC grant application,  
17 January 2024.

18 #PR19 Emails between OLDCC and CDA regarding OLDCC grant application,  
19 March 2024.

20 #PR20 Emails between OLDCC and CDA regarding OLDCC grant application,  
21 April 2024.

22 #PR21 OLDCC grant application provided by Greg Smith, signed May 2, 2024.

23 #PR22 OLDCC grant application materials posted to the CDA website, available as  
24 of May 7, 2025.

25 #PR23 OLDCC Letter to the Port of Morrow, dated February 21, 2025.

26 #PR24 Memorandum to File, Discussion with OLDCC Personnel, dated May 6,  
27 2025.


28 #PR25 Memorandum to File, Discussion with Port of Morrow Personnel, dated May  
29 2, 2025.

30 #PR26 Email from Executive Director Smith to Port of Morrow regarding CDA  
31 Budget Approval, dated June 26, 2024.



1 #INV1 Case No. 25-160ECF, Preliminary Review Report, Greg Smith, dated May  
2 9, 2025.  
3 #INV2 CDA Board Meeting Minutes, November 2023 through June 2024. Available  
4 online at [Board Members and Meetings | Columbia Development Authority](#).  
5 #INV3 CDA Board Meeting Recordings, December 11, 2023 through June 25,  
6 2025. Available online at [Board Members and Meetings | Columbia](#)  
7 [Development Authority](#).  
8 #INV4 Memo to File, Conversation with Kim Puzey, December 4, 2025.  
9 #INV5 Memo to File, Conversation with Debbie Pedro, December 3, 2025.  
10 #INV6 Memo to File, Conversation with Emily Collins, December 2, 2025.  
11 #INV7 Emails between CDA employees and OLDCC personnel, dated January  
12 2024.  
13 #INV8 Email from Greg Smith to Eileen Hendricks, dated June 26, 2024.  
14 #INV9 Oregon Government Ethics Commission, June 13, 2025 Meeting.  
15 Recording available at [June 2025 Commission Meeting Executive Session](#)  
16 [Part 1 \(Agenda Items 1 - 22\)](#)  
17 #INV10 Grants Management Manual, U.S. Department of Defense, Office of Local  
18 Defense Community Cooperation. Available at: [Grants Management](#)  
19 [Manual](#).


PREPARED BY

  
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Compliance & Enforcement Coordinator

12.8.2025

Date

APPROVED BY

  
Susan V. Myers  
Executive Director

12/8/2025

Date

REVIEWED BY Sean Brady - Approved by Email

Sean T. Brady  
Senior Assistant Attorney General

12.8.2025

Date