
INTEROFFICE MEMORANDUM

Sarah Hanson
County Counsel

Spencer Parsons
Sr. Assistant County Counsel

Edward McGlone
Assistant County Counsel

Kelly Johnson
Legal Secretary

TO : Board of Commissioners
FROM : Sarah Hanson/Ed McGlone
DATE : January 22, 2026
RE : CET Follow up Matters

Dear Board (by bc):

As you are aware, CET is in the process of dissolving. Commissioner Tony Hyde has been hired by the CET Board to see the dissolution through to completion. I have had two meetings with Commissioner Hyde to discuss CET matters that involve the County and require some follow-up. I will discuss the follow-up matters with you on January 28, 2026.

1. CET and COLPAC Permits. The County issued Permits to CET and COLPAC for their respective use of the John Gumm building office space and storage. The terms of the Permits go through October, 2029, but can be revoked at any time. CET has indicated that it will need the office space and storage through March at which time it will be dissolved. CET employee keycards have been deactivated. Only Commissioner Hyde and Paul Vogel currently have access cards for CET. COLPAC has indicated that it would like to continue using office space and storage in John Gumm. Commissioner Hyde has indicated that CET may wish to donate furniture and/or computers to the County upon dissolution. Real Property Taxes in the amount of approximately \$2800 have not been paid for 2025. Commissioner Hyde has indicated that he will pay the tax bill directly. I recommend that the CET permit be terminated through an amendment effective March 31, 2026 and seek direction from the Board about COLPACs continued use of the space.

2. Enterprise Zones. The County is a zone sponsor for both the Lower Columbia Maritime Enterprise Zone and the South Columbia County Enterprise Zone together with cities located in each zone and the Port of Columbia County. ORS 285C.105 provides that a duty of a zone sponsor is to appoint a Zone Manager. Over the years, the Zone Manager has principally been a County official, primarily the County Assessor, followed by two County employees. After CET took on the economic development role for the County, the Zone Sponsors for both of the Enterprise Zones appointed the CET Director as the Zone Manager. The County and other Zone Sponsors will need to agree to a new Zone Manager by mid-March so that statutory requirements continue to be met. There are no pending Enterprise Zone applications or Extended Enterprise Applications/Agreements pending at this time. I recommend that the Board invite the other Zone Sponsors into a discussion about who to appoint. A resolution of each of the Zone Sponsors for each of the two Enterprise Zones will need to be completed and then notice provided to the Department of Revenue.

3. SILL Loan/Grant. The County is the recipient of a Business Oregon SILL loan/grant for a transmission line planning project. Upon completion of the project the loan will be forgiven. Both phases of the project are required to be completed by March 2028. The loan agreement provides that the County will cooperate with CET to manage the project. The County will need to seek a modification of the loan/grant to take reference to CET out and make any other necessary changes. The County has entered into a contract with a consultant for Phase 1 of the project. That contract and project scope is scheduled to end in September 2026. Paul Vogel is named as the County's contract representative for that work. The County will need to identify a new project representative and notify the contractor of that change. The loan/grant is subject to a match which is partially in-kind. Commissioner Hyde has agreed to provide a spreadsheet breakdown of the in-kind match hours completed as well as cash contributions towards the match. In addition, Paul Vogel has been responsible for the loan/grant drawdown requests. Information about that process will need to be transferred to the County's Finance Department or other Project Manager, together with all documentation related to the project.
4. Donation. The County donated funds to CET for the Fiscal Year 2026 to support CET's economic development mission. The Order provides that CET will report back to the Board. The Board may wish to ask Commissioner Hyde/Paul Vogel to provide a final report to the Board of Commissioners. In addition, the Board may wish to request a partial refund of the donation, in proportion to the work not completed by CET.
5. Grant Documentation. Over the years, the County has worked with CET to manage several grants. The County will want to verify that it has all necessary documentation for those grants.