

Board of Okanogan County Commissioners

Tuesday, May 24th, 2022, 1:30 p.m.

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Present:

Andy Hover (AH), BOCC District 2
Chris Branch (CB), BOCC District 1
Jim Detro (JD), BOCC District 3
Lanie Johns (LJ), County Clerk
Brock Hires, Fair Entertainment Coordinator
Helen Price Johnson (HJ), State Director, USDA Rural Development
John Holman (JH), Telecommunications Field Representative
Trudy Teter, State USDA Rural Development Single Family Housing
Business and Cooperatives Program Director
Rick Rose (RR), Community Programs Director
Jeff Baker, Well Assistant
Kirsten Beaman, State Travel Coordinator
John Weiss (JW), Farm Services Agency
Jack (J), not introduced, Loan Programs Representative

Time stamps refer to the time on the wall clock. An AV Capture archive of the meeting on this date is available at:

https://okanogancounty.org/departments/boards/live_streaming_of_meetings.php

Summary of Important Discussions: *Fair contract discussed; Commissioner Hover offers to be Project Manager for ARPA funds, Commissioner Branch retouches meeting notes re Liquor-Cannabis Board; USDA Rural Development presents it's programs to improve the county's access to - Water/waste infrastructure - internet networks -broadband - home and repair loans - wildfire relief; In describing their districts Branch cites special needs of Reservation, blighted communities, industry under threat because of crime; Hover touches on housing crisis, poor internet, need for infrastructure to encourage development; JD regrets lost jobs, "the attrition of everything"; Hover fishes for aid getting a grants manager; Charging stations urged, a skeptical Commissioner Detro offers a fix: plug into a "current bush". Meeting adjourned at 4:00 so Sheriff's department can use Commissioners Room.*

1:30 - Brock Hires presents a fair contract with various requirements e.g. producers pay the fair 20% (merchandise) and 10% (CDs, DVDs and books) of their sales at the Fair. They will be renting a sound-proofed generator. There will be a separate contract for the stage and lighting. CB asks for clarifications before approval of contract.

2:00 - BOCC Talks about an RP opening (minimum bid price) for Fair stock sales, and needing an online bidding service, but it's not required. Market stock is registered.

2:15 - **CB** has some small changes to make in proceedings from May 9th, 10th and 11th

including a discussion about the Liquor and Cannabis Board: Let's change to "WSAC was able to convince the State Legislature to allow an increase in cannabis revenues to counties" instead of "they addressed the subject of..." (*WASAC is WA State Association of Counties*) The revisions were approved.

AH: We got sub-recipient payments from ARPA (*American Rescue Plan Act*) for Economic Alliance. We need to come up with either – **LJ:** An Okanogan Project Manager – **AH:** We discussed what Chelan County is doing with that, or some other form of doing this. **CB:** You want to revise that, make the person different? You'd be the Project Manager? **AH:** Yes.

2:26 - *Representatives of the USDA Rural Development for WA State introduce themselves.*

HJ: I'm the State Director. My other partner is here online. (*The others follow suit.*) **HJ:** I'm here to give an overview of USDA Rural Development. There's a national effort to improve our outreach. Your priorities, hear back on how we might be able to deliver our services better. ... We want to do a better job of sending information up to our national office... **CB:** Share your history. **HJ:** I was a county commissioner for 12 years, worked with CB on a steering committee with WSAC, I'm a past president of WSAC... I want to help rural communities, getting the resources they need at a time in our history where we desperately need to catch up. *She says her goal is to bring local concerns to the attention of the state and national Rural Development offices.* **HJ:** We support communities around agriculture. There are a lot of financial assistance programs available, from housing to business support renewable energy, high speed internet, critical infrastructure with wastewater, also cooperative support for business cooperatives and community facilities, also solar panels for businesses and reducing the impact of wildfires...

Internet Programs - **HJ:** There are two important programs that are delivered regionally. One is high speed internet. There's an ongoing program in distance learning and "tele-med". Often in rural areas there's not enough return on investment for the big providers. The Reconnect program is particularly helpful in the distribution. We work with providers of internet and partner with the PUDs and other providers. **AH:** The (Okanogan) PUD has applied for several grants but the cost was so high they refused. Broadband will have to be an effort with the wireless companies. Verizon is the worst... you can't transfer any data. *HJ talks about how the Makah Nation in Neah Bay on the Peninsula used a 911 system.* **AH:** we're getting \$1M from ARPA (the American Rescue Plan) but in the cheapest area, Pine Creek, it would cost \$1,500 per person. *CB tells how the Economic Alliance has been "diving deep into this with the PUD.* **HJ:** The bipartisan infrastructure bill offers an unprecedented opportunity.

AH: A major issue is housing. We're running out. How can a county get infrastructure out in the urban growth areas so developers don't have that up front cost. We need to get infrastructure projects around cities and towns to create cheaper housing.

HJ: Would you each talk about your district? **CB:** I have the challenges of the Reservation. Nespelem—they're on their own in many ways. Their incorporated community tax base is more challenging than most. A lot of part-time folks, like in Elmer City and Coulee Dam. I have past experience asking for grants. Everybody avoids the USDA. It's a last resort, loans. We had to mix and match, like CBDG (Community Block Development Grants). Oroville took on a water system but with more affluent residents mixing with the city population (they couldn't meet) income requirements. Nespelem had a grant to do and they need a

Critical Areas Ordinance. ...Housing, dealing with the homeless—we're seeing more blighted communities, threats to foreclose, fines. The closed convalescent home is falling apart, had a fire. In Omak more and more boarded homes. Industry is under threat because of crime. Counties need to be supporting cities and towns... The EDA (Economic Development Administration) (has a) lot of red tape.

AH describes his district: tree fruit, agriculture. There's a fight between ag property and people wanting to develop. It's hard to find people making a living farming— I can count them on one hand. Even with \$100,000, hard to make down payments on a house. There are housing trusts but they have constraints. When you were talking about broadband—the terrain is such that 8-10 homes takes a lot of poles... During Covid the PUD had to set up hot spots so kids could do homework. **HJ:** Access to health care and government—That's where this investment in the infrastructure act is targeted.

3:00 - **JD:** They don't understand what rural America is. Logging has gone down, people can't afford to fertilize... Kenrose Gold... closed because of regulation; there was much gold left. Shame. Some of the best jobs in the county. An atrocity, the attrition of everything. The main street of every town— **HJ:** Is it because of infrastructure?

AH: There's a huge work force issue. We can't compete with businesses that can increase their prices to increase wages... All services are hard-pressed. \$55,000 a year is the average income. : You have beautiful country culture, rich agricultural land— **CB describes how a Canadian company benefited from Oroville's infrastructure:** There was a negative look (*at the EDA conference in DC*) at Canadian businesses, but jobs were created. It was a positive thing. They changed the road design so the business could expand. (*Elsewhere*) the Forest Health Co-op works with a Bio Char business, C6. We're working on a forest treatment project that has an economic side. Agriculture keeps changing its face: smaller farms, direct marketing—another solution. We had conversations about mobile meat processing. *AH feels the scale has changed, now it's hundreds of head at a time to be processed.* **AH:** Before, a 40-acre farm was typical. Now no way you can do that. **JD:** I can remember 75,000-head farms. It's gone down to 15,000. **AH:** What are the best programs?

HJ turns it over to the program directors. **RR:** The whole county is eligible for our Community Facilities and Water and Waste program. We have funded, working with the city of Okanogan) a water main replacement. To create economic equity is the focus. If you're trying to get "water and waste" to (*rural areas*), we can't fund a project that benefits the developer. **AH:** Looking at what the county is doing with a sewer project on Lake Osoyoos They're trying to grow beyond the city limits. How to defer costs? The only way is if the developer covers the cost. **RR:** We may be going down that path. At what point will that house be built?... Funding can't go to the developer. If the county created a tax increment so money goes to the county? In Spokane the first thing I did was investment infrastructure, a tax frontload to put water infrastructure in. Rural Development has the infrastructure grant development dollars because they used those to pass into the county investment piece. That would eliminate the red tape. **HJ:** Those are that challenges that we're hoping to hear about today.

They discuss uncertainties with depending on developers, financing through "frontloading" and having a "finance district", Oroville's experience cooperating with developers who were planning an on-site system. **CB:** They probably weren't going to get that through Ecology anyway (laughter), There was a cost associated for a sanitary system via the city. They went back and forth. (*The developers*) paid a quarter, \$250,000. There's opportunities to mix and match funding, heavy on requirements but it's so do-able. **AH:** Truthfully, so

many times you have a project like our fire district. Try to get the money, then a piece of red tape they can't overcome. People get tired of that. **RR**: I would consider getting everyone for a follow-up conversation, the Rural Development National Office, even bring Public Works to the table. **AH**: Winthrop is calling me—there's an influx of people and they don't know what to do about it. Looking at the comprehensive plans for Omak and Okanogan, I see the expansion areas they've assumed they will annex sometime... It's trying to get infrastructure in those annexation areas. **CB**: Omak's and Okanogan's affordable housing is there, still has an expanded growth area. Same with Oroville. Water and sewer are the pieces to put together. The IACC (*Infrastructure Assistance Coordinating Council*) is a place to do that. The years I worked for cities and towns I did not see counties at IACC conferences. There's a lack of cooperation between cities and counties.

AH brings up the paradox of financing water systems and not being financial developer, and the fact that housing developments tend to "look a certain way". **AH**: Only way is to have infrastructure **RR**: Community Facilities does everything else: pallet stockers for the food bank, fire trucks, hospitals, ambulances—can't do recreation! Business parks. **AH**: How can we fund a person who would come in and help manage all those grants? Our fire districts are all volunteers. **HJ**: Non-profits can help with economic development, are really critical, have this capacity. The Biden Administration focused on trying to overcome the barriers. It's not new. They already do that with the housing program and lenders, people who put packages together on our behalf. In WA we would benefit by leaning more into one of those opportunities. We need to find ways to fund their work too. Economic Alliance is doing some of this. **RR**: We've used RCAC quite a bit for technical assistance. **JD**: In my district the fire district only has \$18,000 in their budget. **RR**: Grants aren't as big as with water and waste. **JD**: They just need some place to store (the fire truck).

High Speed Internet - **JH**: We have four programs. Construction and loan (since the '30s), Community Connect for servers to extend broadband, Reconnect, a pilot program with a \$1M grant for a project—health care, educators, and we have structured loans through the Public Rural Communities Act. *He talks about particular consideration given to tribal entities whose requests are "always satisfied", and says the Okanogan PUD has applied for applications in; they have to "wait and see". Top priority is given to the vulnerable, according to the Centers For Disease Control definition.* **JH**: You can reach out to me. Who are the providers? The ones who are going to have access to the loan power? (*Inaudible.*)

Another colleague, Jack, gives a lightning fast run-down of loan programs for housing: - For very low-income applicants, a maximum \$336,500 loan (households of 1-4, income \$56,000 or less). There is a requirement for stable income. A subsidy is an option for the end of the loan term. It can be for new or existing homes or land and the building of a new home, with a 36 to 38 year term at 3% - Home repair, also for very low-income occupants, to remove health and safety hazards; those 60 or over can qualify for a maximum grant of \$10,000. It's a \$40,000 maximum with demonstration of ability to pay - For moderate incomes, \$93,000 or under, 1--4 person households, with great interest rates.

Farm Service Agency (FSA), **JW**: As we learned from wildfires, we've pre-designated Okanogan County in the top designation. Emergency fencing is already approved in Eastern WA. The red tape is out of the way... The state requires that all the light utility be electric by 2030 (*but the federal government - 2027*). Electric charging stations are going to be critical. I suggest you think of these, and the ability of the grid to hold them. **JD**: Does it occur to those dummies that electricity is not going to work for rural communities like us? **JW**: It doesn't matter. It passed. For electric charging stations to be installed it costs just under \$21,000 for 40 amps. Each one of the type 2 chargers is 80 amps. If you want type 1 it's

\$38,000 (120 amps). Type 1 charges your car in 20 minutes. You can only use it every third time. Type 2 takes 40 minutes. You can go 300 mph in the summer, 285 in the winter (*with a charge*). I would suggest you start talking with them about that. JD: Got it fixed. Just plug it into a current bush.

Wildfires - AH: When you need to get animals out, it's not the FSA's job... JW: We have a new rule: the FSA pays to haul livestock out of the danger zone, as well as food to be brought to the cattle. They finally approved it in January 2022. HJ: (*The must vacate the Commissioners Room for a Sheriff's meeting.*) You've been generous with your time. We'll address business programs tomorrow with Economic Alliance. CB: There are 15 KTesla charging stations in Leavenworth. JW: Lanie's the best clerk in the state." HJ: We have some brochures...

4:00 - Meeting *adjourned*.