

**South County Health District
Regular Meeting January 30, 2024
Catherine Creek Community Center, Union, OR**

Call to order 10:05AM by President Susie Wirkkala

Roll Call: Present – Susie Wirkkala, Fred Hawkins, Maja LeFever, Gerry Zastrow, Debbie Clark, Kathy Kirby, District Manager Adina Ferguson. Mary Brookshire did not attend.

Approval of Minutes: Fred noted that Kathy had asked for percentages to be addressed in the issue of the District Manager’s salary increase and noted that information was not in the minutes. He requested that it be put into the minutes. He also noted that his motion was to increase the hourly rate to \$29, not \$28 as reflected in the minutes. Debbie responded that she would fix those items. Kathy Kirby made a motion to accept the minutes with the requested changes to be done and given to the board, Gerry seconded. Motion passed unanimously.

Financials: Financials were reviewed. Fred asked if the \$15,000 income figure for December was accurate as shown in the budget summary page. Adina responded that it could be a 2-month total, but she would check the system to be sure. She noted she uses other reports to check on monthly income.

Amended Board Policy: Debbie noted that she had provided the board with the amended board policy to review and needed the board to approve the changes. She explained that the board had approved a new policy that board members would ask for a special meeting to discuss concerns rather than hold conversations with individual board members to complain or discuss. The second approved item was the creation of the board Compliance Officer. These changes impacted the policy and had to be added. She noted that she also changed the term “Chair” to “President” to match SCHD practice. Maja made a motion to accept the amendments and Fred seconded. Passed unanimously.

New Grant Request: Debbie noted that Oregon Community Fund’s spring operating grant deadline was Jan. 8th and she has sent in a request for the district. She noted the decision would be announced in May. This is a general grant that looks at the programs of the district.

District Manager Job Description: Debbie noted that copies of documents detailing the job duties for the District Manager were handed out to the board in the packet. The first is a job list the President Susie had asked Adina to write up after the performance review. The District Manager job duties comes from Oregon Special Districts and the District Manager job Description also comes from Special Districts. Given the fact that SCHD did not have a good job description for the performance review, these are submitted to the board for review and adoption. The formal review will be on a future agenda.

District Manager Presentation: Adina announced that she had been contacted by Nick DuCote a week prior regarding the federal grant for new building construction or building remodel project. The deadline to submit for the grant is Feb. 25th. He wanted to know if SCHD could put together the needed info before the deadline. She explained that she has the info from the work done over the last year and

the specific information collected by herself and Kathy while touring buildings that could be used for the new clinic project.

She displayed documentation on a board she had brought along for the presentation. She noted that the board needed to make a decision.

Property #1: Matt & Donnie Later building - Main Street Union

This building is gutted. It is a brick structure from the 1800's. The floor has holes in it. It is two floors. Each floor contains 4500 square feet for a total of 9000 square feet. There are no utilities -they have been removed. It has 12-foot ceilings. The roof leaks. Matt & Donnie have put on roofing tar, but there is no bladder liner. There is no parking. The building is the same size as the lot, so no land around the building. There is no handicap access. If this building is remodeled, the district would have to pay for the system development fees and installation of utilities. The estimate for a remodel into a clinic is \$2 million. The building is not for sale. The tax assessor has the value at \$109,000. Adina posted the draft floor plan for clinic remodel.

Property #2 Roger Yeates building Main Street Union

This building is also gutted down to the brick supporting walls. There is no electricity, the water pipes are present, but Roger said they were no good. There is a furnace in the basement with a pipe that runs through both floors. Roger has not used it and does not trust it. The building is 4456 square feet. Former owners had knocked holes in the brick walls for access points. Roger used steel to reinforce and repair the damage so the walls would be structurally sound. The bricks outside are falling down. Roger did some work on the exterior, but much more needs to be done. He put a bladder on the roof of the main portion, but the roof on the additions to the building leaks. There is fire damage to the ceiling support beams. It has 12-foot ceilings. The windows need to be replaced. The building is on the historic register and could be expensive to restore. If remodeled, the district would have to pay to bring the utilities back. There is no land other than what the building sits on. There is no parking. There is no handicap access. The additions are shaped like a hay maze, making it difficult to design a clinic layout. The basement was not inspected. Roger said it was scary down there. He has an interested buyer. He wants \$223,000 for the building. The tax assessor has the building at \$60,300. Remodeling would be at about \$1 million. Adina posted a draft of possible clinic layout.

Adina noted that the second floor of a 2-story building would be wasted space unless an elevator was installed due to access concerns. She added that the state rules require 1 parking space per 100 square feet of facility.

Property #3

Union Drug Store Main street , Union

Adina noted this building was not for sale. It has a total of 9583 square feet on 2 stories. There is 4791 square feet per level. The upper level is an apartment. The downstairs has 12-foot ceilings, but is in good shape. It would still need remodeling to be converted to a clinic. The estimate for remodel on both levels is \$2 million. The tax assessor values the building at \$329,000. It is unknown what Walt Brookshire would want for the building and she has heard that the apartment is being rented out at this time. The property has minimal parking and no handicap access.

Property #4 – The Old Boulder Market/Auction Barn – 340 Highway 203

The building is 3850 square feet with 1 acre of land. It has a full parking lot. It has operational utilities, heat and AC. It is wired for a security system. It has 8-foot drop ceilings. It is solid steel, has a metal roof, metal siding and a solid concrete floor. It has street signage and is highly visible. It is open, so easily remodeled. It is on the market for \$189,000. It is valued at \$136,000 by the tax assessor. It has coolers that can be sold and the money used to help finance the project. Remodel cost is estimated at \$780,000.

Staff input:

Adina noted that she had staff review the properties to get their input. Dr. Donick prefers a single level for the clinic. He preferred the Boulder Market site money-wise, structure and location-wise. Heidi agreed. She noted that Dr. Donick has a degree in engineering.

Adina asked Kathy if she had anything to add. Kathy noted that she likes the idea of using the historic buildings, but logic and cost doesn't make much sense for this project. She noted that there could be parking at the Knotty Pine (Roger Yeates) building if the district wanted to buy the old barn behind the building. Adina added that the barn is not for sale and belongs to the couple who own Chiropractic clinic.

The option of using the second floors of the historic buildings as rentals was discussed.

Kathy noted that inspection of the old Boulder Market could reveal more major issues that needed attention. Fred noted that an inspection would be mandatory. Kathy said she likes the visibility and signage of the Boulder but thought there were hidden issues with the property.

Fred asked how much space was wanted. Adina said SCHD needs at least 3000 square feet.

Kathy mentioned new construction. Fred suggested that CUP would sell their lot. Adina explained the in the meetings with CUP, letting SCHD purchase the lot has not been considered or offered. Kathy noted that new construction is more expensive. Fred wanted to know how the district would pay for landscaping at the auction barn.

Susie remarked that the old buildings are on the historic register and could be expensive to restore. Adina shared that Dr. Donick feels that the deteriorating brickwork would be a constant maintenance cost. He is concerned about the old structures.

Adina noted that since the bad weather is starting to subside there is more interest in Union property. Roger Yeates has one interested buyer, the Boulder has three people looking at the property. Cove has no commercial space available, and North Powder has no commercial space. North Powder is also too far for most of our patients and difficult to drive to in the winter.

Adina noted there are many reasons why we need to move out of the current space and into a new clinic. She noted that our usable 753 square feet is not enough space. The sterilization area is not in compliance in its current tiny space. She showed the board the OSHA diagram for a sterilization area to

explain the challenges. She noted that the treatment rooms are too small for OSHA compliance. The carpet in the dental hallway is non-compliant due to the aerosols from patient treatment and contamination from the lab and other sources. She noted that sharing a space with another clinic is challenging. The day before the meeting Grande Ronde changed the locks on their cabinets and also changed all our locks. This is being corrected, but it is very inconvenient. GRH receives all the utility bills and then charges us a prorated amount (20%). They bill us several months at once so it is difficult to track and budget. Right now we have six months of utility bills outstanding.

Gerry asked if the building was designed for medical or dental clinic use. Adina explained that it was designed for a medical clinic. Our current space was offices in the original plans.

Gerry mentioned that it seems that GRH is trying to push us out. She wanted to clarify a statement that had been made at another meeting that GRH was moving out and we could have more space. It was noted that the statement had been made at a prior meeting in September, but it was later verified to be wrong. CUP told Adina and Kathy that GRH never gave notice to move out.

Gerry brought up the GRH clinic in Elgin and wondered if they would do that in Union at some point. Debbie explained that the clinic in Elgin belonged to the Elgin Health District and GRH rents space for their clinic as they do here in Union. Gerry asked if GRH did move out at some point if SCHED could use the vacated space. It was noted that Ralph Edwards looked at the clinic and opined that the rooms were too small. It would be costly to remodel the building and we would not own anything.

➔ Adina added that CUP is planning to raise rents so it could end up being costly to stay in the clinic long term.

➔ Kathy agreed that paying \$5000 per month for mortgage made more sense than paying \$5000 for rent indefinitely. (assuming that SCHED was renting the entire building at some point.)

Competition coming into our area:

➔ Adina shared that last week, Dr. Kruse sold his dental clinic in Island City to Arrow Dental. Arrow is owned by MODA. They are one of the insurance companies for the Oregon Health Plan and they set up clinics to treat OHP patients and assign their insured patients to their own clinics. They have mobile dental units and programs that they fund with grant money. While we are struggling with this clinic issue they have stepped in to fill a need. SCHED needs to address this issue if we are to stay open. Right now our dentist is setting appointments in May. Hygiene is scheduled out to July.

Adina stressed the need to get out of the current clinic and get more visibility as a separate entity. People think we are part of GRH.

Adina said that the board now needs to decide two things:

Does the board agree that we need to move forward on a new clinic?

Which property do you want to use for the study and grant submission?

Fred asked if we have a contractor to do an estimate. Adina said she had three contractors she can contact for the estimate needed for the grant.

Gerry asked if the new building would be just dental. Adina verified it would be a dental clinic with room to grow.

Kathy said I don't see us succeeding. I see us fading into the distant past if we don't move forward. So, I move that we move forward. Maja seconded. At this point Debbie declared her potential conflict of interest. Vote was taken and was unanimous.

Fred asked if there would be a 3rd party consultant to do the negotiation of the building purchase. Adina verified that was the plan. She suggested that we use Nick DuCote's consultant, Ashley O'Toole. Kathy said she wanted to go to the meetings to represent the board.

Fred asked when the February date came up for this grant. Several board members responded that it has always been the deadline since we first agreed to meet with CUP - who was planning to apply for that grant.

Gerry was still nervous about the issue, so there was discussion and clarification about how the building would be evaluated, inspected and how the cost of construction would be determined. Kathy noted that if the building was not sound and had to be torn down, that would be reflected in their estimate to build the new clinic.

Gerry agreed to the plan and Kathy made a motion "I move that we use the Boulder property to move forward to establish a new clinic at what is called the Boulder or auction barn property as the basis for the grant. Vote was taken as follows:

Fred: pass
Susie: Yes
Maja: Yes
Kathy: Yes
Debbie: abstain
Gerry: Yes

Debbie clarified that the grant process allows us to have the consultants come in and determine the work to be done, build a project package and come back to the board for further discussion and decision. She noted that there are many grants we will be able to explore with this initial work.

Adina added that Nick will be shopping the project once the submission is put together.

Susie noted that she is having knee surgery on March 26th. Kathy shared that she is going to be offering classes in CPR/AED.

Kathy asked to adjourn the meeting. The board agreed.

Approved on _____ 2024

President: _____

