

Rainier Economic Development Council Minutes
July 25, 2022
Rainier City Hall
106 West "B" Street
Rainier, OR 97048

Call Meeting to Order

The meeting was called to order by REDCO President Mike Kreger at 5:05 p.m.

Roll Call

Board Present: Connie Budge, Robert duPlessis, Jeremy Howell, Mike Kreger and Denise Watson

Board Absent: Levi Richardson and Scott Cooper

Agenda

a. Approve June 27, 2022 Meeting Minutes

Jeremy Howell moved to approve the minutes. That motion was seconded by Denise Watson and adopted unanimously.

b. Audit Presentation

Tracy Jones from Pauly Rogers and Co said that REDCO's review became an audit because its expenditures exceeded \$500,000. The review was sent to the state, which then asked for an audit. The audit was done in June and had more detail than the review. There are no errors to report, but some best practices are recommended. They include having the governing body do a review process and having that recorded in the meeting minutes and upping the amount of fidelity insurance coverage because the amount of cash exceeds the coverage. City Administrator W. Scott Jorgensen said that staff obtained the audit report and made some adjustments based on its recommendations. The amount of fidelity insurance coverage has been increased and there will be an item added to the council agendas for the approval of financial statements. Connie Budge asked about the REDCO spending other than the \$270,000 debt service payment. City Recorder Sarah Blodgett said there were capital contributions to the A Street project. Kreger said capital projects for that fiscal year budget totaled \$312,000. Jones said \$100,000 went towards the riverfront trail project. She cited an October 2020 email between Finance Clerk Elisha Shulda and former Finance Director Debbie Dudley stating that \$200,000 was contributed towards the A Street project. There was a discussion about the next audit. Jones said the firm will be sending engagement letters to the city shortly for that. Budge asked for confirmation that there will be an audit and not merely a review. Jorgensen confirmed that funds for an audit were included in the budget.

c. Approve Financials

Budge moved to approve the financials. That motion was seconded by Watson and adopted unanimously.

d. Approve Accounts Payable

Robert duPlessis moved to approve the accounts payable. That motion was seconded by Howell and adopted unanimously.

Adjourn Meeting

Kreger adjourned the meeting at 5:40 p.m.

Mike Kreger, President

Date _____

Robert duPlessis, Secretary

Date _____

DRAFT

STEPHEN D. PETERSEN, LLC

ATTORNEY & COUNSELOR AT LAW

P.O. Box 459 ~ 612 West B Street Rainier, OR 97048 503-556-4120 FAX 503-556-4124

Stephen D. Petersen
Licensed in Oregon and Washington
spetersen@petersenatlaw.com

Legal Assistants
Lindsay Jurvakainen
Tena Brundage
Brandy Lehde

August 10, 2022

VIA Email Only

W. Scott Jorgensen, Executive MPA
City Administrator
City of Rainier
503-556-7301

Re: Redco v USG/USG v. Tashman Johnson, LLC

Dear Scott:

Enclosed is a copy of the final and full settlement agreement between United States Gypsum and the City of Rainier. I believe this should answer any and all questions you have concerning settlement agreement and amounts owed to United States Gypsum. As you can see the original settlement amount was \$4,750,000.00 minus the \$1,000,000.00 that was paid within 90 days of the settlement agreement.

This leaves an amount due and owing REDCO of \$3,750,000.00 as of the middle of 2012.

According to the amortization schedule as of December 31, 2022 USG would be owed approximately \$1,630,625.00

I have no idea what payments were made to USG between 2012 and today.

Very truly yours,



Stephen D. Petersen

SDP/tb

Tena Brundage

From: Kathleen Bricken <Kathleen.Bricken@foster.com>
Sent: Thursday, March 3, 2022 4:29 PM
To: John Kaempf; Tena Brundage; Stephen D Petersen
Cc: Kathleen Bricken
Subject: RE: USG/City of Rainier
Attachments: CANON-7095-NORTH_EXCHANGE_04172012-144426.PDF

Steve and John,

It has been a while since our last communication – see attached.

All is good here. I hope the same for everyone else as well.

Kathleen Bricken
Principal

Foster Garvey PC
Tel: 503.553.3103
kathleen.bricken@foster.com

From: John Kaempf <john@kaempflawfirm.com>
Sent: Friday, February 18, 2022 9:59 AM
To: Tena Brundage <TBrundage@petersenatlaw.com>; spetersen@petersenatlaw.com
Cc: Kathleen Bricken <Kathleen.Bricken@foster.com>
Subject: RE: USG/City of Rainier

Steve: I moved and do not have this file handy. However, I copied Kathleen Bricken, as you can see. She may have what you need. I hope all is well in Rainier.

I hope all is well with you, Kathleen.

John Kaempf
Kaempf Law Firm P. C.
2021 SW Main St. Suite 64
Portland, OR 97205
(503) 224-5006
[Bio](#) | [Website](#)



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GARVEY SCHUBERT BARER

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

Please reply to KATHLEEN C. BRICKEN
kbricken@gsblaw.com TEL EXT 3103

April 17, 2012

VIA E-MAIL AND HAND DELIVERY

John Kaempf
Brooksby Kaempf, PC
121 SW Morrison Street, Suite 1100
Portland, OR 97204

VIA E-MAIL AND U.S. MAIL

Stephen D. Petersen
Stephen D. Petersen LLC
612 W. B Street
P.O. Box 459
Rainier, Oregon 97048

Re: REDCO v. United States Gypsum Company, et al.
USDC Case No. 3:09-CV-479-HA

United States Gypsum Company v. Tashman Johnson, LLC, et al.
USDC Case No.: 3:09-CV-00507-AC

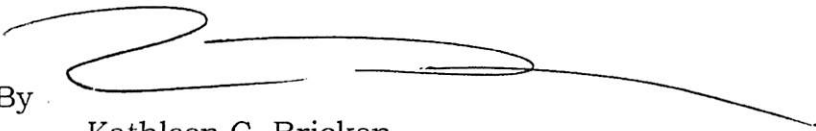
Gentlemen:

Enclosed is a fully executed copy of the Settlement Agreement involving United States Gypsum Company, REDCO and City of Rainier in the above-referenced matters. For your reference, I also enclose an updated amortization schedule based on the newly agreed upon effective date of April 2, 2012. Naturally, it is enclosed for reference and does not alter the terms of the Agreement.

Thank you.

Sincerely,

GARVEY SCHUBERT BARER

By 

Kathleen C. Bricken

KCB:rar
Enclosures

COPY

FULL AND FINAL SETTLEMENT AGREEMENT

This FULL AND FINAL SETTLEMENT AGREEMENT ("Settlement Agreement") is effective this 2nd day of April, 2012, by and between the City of Rainier, an Oregon municipal corporation ("City"), Rainer Economic Development Council ("REDCO"), and United States Gypsum Company, a Delaware corporation ("USG"). Each individual party shall be referred to as a "Settling Party." The parties shall be referred to collectively as the "Settling Parties."

RECITALS

A. The purpose of this Settlement Agreement is to compromise, resolve, and extinguish all disputes and claims between the Settling Parties relating to the USG Note (as hereinafter defined) and pending in the Lawsuits (as hereinafter defined); to supersede and cancel the USG Note; and to modify any and all related agreements between USG, REDCO, and/or the City.

B. On August 5, 1999, REDCO issued a promissory note to pay USG the sum of \$3,410,000, plus interest at the rate of six percent per annum, accruing from August 5, 1999, until the note is paid in full (the "USG Note"). A dispute arose between REDCO and USG concerning REDCO's repayment obligations under the USG Note.

C. REDCO commenced a lawsuit in the Circuit Court of the State of Oregon for the County of Columbia entitled *Rainier Economic Development Council v. United States Gypsum Company, et al.*, which was removed to the United States District Court for the District of Oregon and is currently pending as Case No. 09-CV-479-HA. In that lawsuit, USG has asserted counterclaims against REDCO.

D. USG commenced a lawsuit against the City and other parties in the United States District Court for the District of Oregon entitled *United States Gypsum Company v. Tashman Johnson LLC and City of Rainier*, Case No. 09-CV-507-HA. The two federal-court cases were consolidated on September 1, 2009. The two lawsuits are referred to herein collectively as "the Lawsuits."

E. The Settling Parties intend to fully, finally, and completely settle and resolve all claims and disputes among and between them arising from, in connection with, or relating to, the Lawsuits and the USG Note on the terms in this Settlement Agreement. The Settling Parties acknowledge that there are other parties named in the Lawsuits. Except as expressly stated herein, this Settlement Agreement does not resolve the claims asserted in the Lawsuits by and against such other parties.

TERMS OF AGREEMENT

In consideration of the mutual covenants contained herein, and for other valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Settling Parties agree to these terms of agreement:

1. **Incorporation of Recitals.** The recitals are incorporated into these terms of agreement.
2. **Effective Date:** The Effective Date of this Settlement Agreement shall be April 2, 2012, after the agreement has been signed by all parties.
3. **Settlement Amount.** Exactly \$4,750,000 is owed by REDCO to USG as of the Effective Date.
4. **Lump Sum Payment.** No later than 90 days after the Effective Date, REDCO shall pay to USG a single, lump sum amount of \$1,000,000 in immediately available funds.
5. **Annual Payments.** REDCO shall make an annual payment to USG in the amount of \$275,000. The annual payment shall be made no later than December 31 each year. The first annual payment is due December 31, 2012. The annual payments of \$275,000 shall continue until the \$4,750,000 is fully paid. The amount owed by REDCO to USG shall accrue simple interest at the rate of three percent per year until REDCO's obligation to USG is fully paid. Interest shall commence on the Effective Date. The Settling Parties acknowledge the last payment is likely to be in an amount other than \$275,000. There shall be no penalty for early payment. If in any year, USG pays less than \$275,000 in taxes relating to its Rainier facility, then REDCO's payment obligation in that particular year will be equal to the amount of taxes paid by USG in that year. For example, if in 2014, USG pays \$100,000 in taxes, then REDCO's payment obligation in 2014 would be \$100,000. However, such payment reduction for that year would not reduce or discharge any part of the total principal amount or interest due and owing under this Settlement Agreement. REDCO's annual payment obligation shall return to the full \$275,000 in the same year that USG's payment of taxes relating to the Rainier facility no longer is less than \$275,000, provided that, after such an occurrence, REDCO's payment under this Settlement Agreement shall be increased above the annual \$275,000 in every year that REDCO receives more than \$275,000 from USG's tax revenue payments relating to the Rainier facility and up to the amount REDCO receives above \$275,000 for any reason. For example, if in 2020, REDCO legally receives \$350,000 in tax revenues relating to the USG facility and REDCO had previously received less than \$275,000 in a prior year, then REDCO's payment to USG in 2020 would be \$350,000.
6. **First Lien Priority of Payment Obligations and Pledge of Security Interest.** REDCO agrees that its annual payment obligations set forth in paragraph 5 of this Settlement Agreement shall take priority over any other REDCO obligation or debt and ahead of any other REDCO financial project or other use of REDCO funds. REDCO expressly pledges all its property as defined in ORS 287A.310(1)(b) as security for its debt obligation owed to USG in this Settlement Agreement. REDCO does not reserve a right to pledge any of its property as security for bonds, debt, or any other obligation other than its obligation to USG, and agrees to not pledge property as security, unless such pledge is expressly subordinate to the pledge and first lien given USG. REDCO's governing body expressly authorized REDCO to make these pledges and representations.

7. **REDCO's Obligation.** The liability to USG under this Settlement Agreement is solely that of REDCO.

8. **Confession of Judgment.** Contemporaneously with the execution of this Settlement Agreement, REDCO will sign and deliver to USG a Confession of Judgment in the principal amount of \$4,750,000 plus simple interest at the rate of three percent per year, less any payments made by REDCO to USG under this Settlement Agreement. The Confession of Judgment may be filed and enforced in the Circuit Court of the State of Oregon for Columbia County if REDCO misses any payment and does not cure within 60 days after receiving written notice from USG of the delinquent payment. The form of judgment is attached as Exhibit A.

9. **Termination of Operations or Failure to Pay Taxes.** If the USG facility in Rainier permanently closes or otherwise permanently ceases operations at any time or for any reason, or if USG ceases paying taxes due and owing relating to the USG facility in Rainier and fails to cure after 60 days' written notice of USG's failure to pay taxes due and owing, then any and all unpaid obligations of REDCO under this Settlement Agreement are deemed fully satisfied, and REDCO does not owe USG any additional money under this Agreement.

10. **USG Note Canceled.** This Settlement Agreement supersedes the USG Note, and the USG Note is hereby canceled and wholly superseded by the terms of this Settlement Agreement. The original USG Note shall be stamped or marked as canceled by USG and returned to REDCO.

11. **Modification of Agreement.** As of the Effective Date, Article 6 of the Disposition and Development Agreement, entitled "DEVELOPER LOAN: OBLIGATION TO REPAY," and Exhibit G attached to the Disposition and Development Agreement, shall be and are hereby wholly superseded and modified by the terms of this Settlement Agreement. Further, any and all other agreements between any of the Settling Parties containing terms that are inconsistent with this Settlement Agreement shall be and are hereby modified to be wholly consistent with the terms of this Settlement Agreement.

12. **Dismissal of Claims Between Settling Parties.** Within 10 days after the Effective Date, REDCO, the City, and USG shall dismiss all claims and counterclaims among and between themselves in the Lawsuits with prejudice and without an award of costs or attorney fees to any Settling Party.

13. **Dismissal of USG's Claims Against Other Parties.** Provided the other parties in the Lawsuits agree to dismiss their claims with prejudice, USG shall dismiss its claims with prejudice in the Lawsuits against the other parties.

14. **REDCO May Continue Litigation.** REDCO and the City are allowed to proceed with all claims against other parties in the Lawsuits, whether such parties are now named or will be named in the future, except no claim may be brought against USG or any current or former USG employee.

15. **USG Cooperation.** USG will cooperate in good faith with REDCO concerning REDCO's remaining claims against non-settling parties, including voluntarily making documents and USG witnesses reasonably available to REDCO for depositions and trial testimony, as well as the related preparation for depositions and trial testimony. USG has no control over people who are no longer employed by USG and will not undertake

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responsibility to produce or pay for any actual costs related to such people.

16. **USG's Release of City and REDCO.** USG hereby releases and forever discharges the City and REDCO, and each of them, their past, present, and future council members, officers, employees, and representatives, and their respective attorneys, predecessors, successors, and assigns, from any and all claims, demands, and causes of action asserted by USG in the Lawsuits against the City and REDCO, and each of them, and from any and all debts, obligations, guaranties, duties, penalties, attorneys' fees, costs, punitive damages, injuries, actions, causes of action, controversies, omissions, damages, and liabilities of any nature or description, at law or in equity, both asserted and unasserted, known or unknown, suspected or unsuspected, whether based on statute, contract, common law, or otherwise, which in any manner arise out of, or are based upon or connected with, or in any way related to the Lawsuits and/or the USG Note. This release is not intended to and does not release any obligation, claims, duties, or rights relating to or arising from or under this Settlement Agreement.

17. **REDCO's and City's Release of USG.** REDCO and City hereby release and forever discharge USG and its past, present, and future shareholders, directors, officers, employees, and representatives, and its attorneys, predecessors, successors, and assigns, from any and all claims, demands, and causes of action asserted by REDCO or the City in the Lawsuits against USG, and from any and all debts, obligations, guaranties, duties, penalties, attorneys' fees, costs, punitive damages, injuries, actions, causes of action, controversies, omissions, damages, and liabilities of any nature or description, at law or in equity, both asserted and unasserted, known or unknown, suspected or unsuspected, whether based on statute, contract, common law, or otherwise, which in any manner arise out of, or are based upon or connected with, or in any way related to the Lawsuits and/or the USG Note. This release is not intended to and does not release any obligation, claims, duties, or rights relating to or arising from or under this Settlement Agreement.

18. **Material Representations.** The Settling Parties agree that the following representations are material to this Settlement Agreement:

a. REDCO and the City have the approval of their respective governing councils to unconditionally enter into this Settlement Agreement.

b. USG has the approval of its board of directors or authorized company officer to unconditionally enter into this Settlement Agreement.

c. REDCO has no prior existing pledges of its property as security.

d. REDCO's governing body expressly authorizes REDCO to pledge its property and give USG a first priority lien for REDCO's obligations to USG stated herein.

e. REDCO covenants that so long as its payment obligations under this Settlement Agreement continue, it will not pledge its property as security for any obligation (other than to USG) unless the operative agreement for any other obligation expressly states it is subordinate to USG's first priority lien in REDCO's property.

19. **Resolution of Disputes.** The Honorable Michael H. Simon of the U.S. District Court for the District of Oregon shall retain jurisdiction over the Lawsuits for settlement purposes and will have sole authority to resolve any and all disputes about the Settlement Agreement and enforcement of its terms, including the authority and discretion to award

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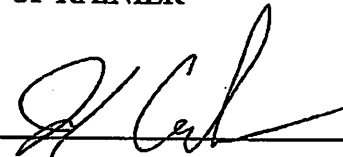
costs and/or attorney fees for any violation of the Settlement Agreement that he deems unjustified. If Judge Simon is unavailable for any reason, the Chief Judge of the District of Oregon shall appoint another judge to replace Judge Simon in the role provided for in this paragraph. Oregon substantive law shall apply to any and all disputes related to this Settlement Agreement.

20. **Entire Agreement.** This Settlement Agreement constitutes the final and complete agreement of and among the Settling Parties with respect to the subject matter covered herein. This Settlement Agreement supersedes all prior written and oral agreements or understandings between the parties as to the subject matter covered herein, and may be changed, modified, or amended, only by written agreement of the Settling Parties.

IN WITNESS HEREOF, the Settling Parties have willingly and knowingly, and after having had the opportunity to review the Settlement Agreement and to consult with their own legal counsel, executed this Settlement Agreement on the dates set forth adjacent to their names.


Dated: 4-4-2012

CITY OF RAINIER

By: 
Its: Mayor

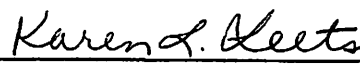
Dated: 4-4-2012

RAINIER ECONOMIC DEVELOPMENT CORPORATION

By: 
Its: Chair

Dated: 4-11-12

UNITED STATES GYPSUM COMPANY

By: 
Its: VP+ Treasurer

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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF COLUMBIA

UNITED STATES GYPSUM COMPANY, a
Delaware corporation,

Plaintiff,

v.

RAINIER ECONOMIC DEVELOPMENT
COUNCIL,

Defendant.

Case No. _____

CONFESSION OF JUDGMENT

Defendant Rainier Economic Development Council ("REDCO") hereby confesses judgment in favor of plaintiff United States Gypsum Company, a Delaware corporation ("USG"), in the principal amount of \$4,750,000.00, plus simple interest thereon at the rate of three percent (3%) per annum from April 2, 2012, minus the total amount of any payments made by REDCO prior to its default under the terms of the parties' Settlement Agreement (a copy of which is attached as Exhibit 1).

REDCO's indebtedness arises under the parties' Settlement Agreement, pursuant to which USG and REDCO settled and discharged disputed claims for a sum certain, which REDCO agreed to pay USG pursuant to the terms of the Settlement Agreement. REDCO

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acknowledges and agrees that USG fully performed all of its obligations under the Settlement Agreement.

REDCO acknowledges and agrees that the sums represented above are justly and presently due, together with accruing interest at the rate of three percent (3%) per annum until entry of judgment.

REDCO further acknowledges and agrees that this document authorizes entry of judgment against it without further proceedings which would authorize execution to enforce payment of the judgment. REDCO acknowledges that there are not defenses to entry of this judgment.

Therefore, REDCO, with full authority and approval of its Board, hereby authorizes entry of judgment against it as set forth herein without further notice:

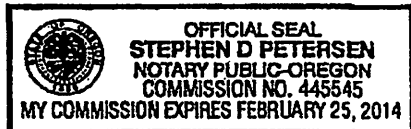
RAINIER ECONOMIC DEVELOPMENT COUNCIL

By: Mike Avant
Its: Chair

STATE OF OREGON }
County of Columbia } ss.

On this day personally appeared before me Mike Avant, the Chairman of Rainier Economic Development Council ("REDCO"), and acknowledged the said instrument to be the free and voluntary act and deed of REDCO, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument on behalf of REDCO.

SUBSCRIBED AND SWORN to before me this 6th day of April, 2012.



Stephen D. Petersen
NOTARY PUBLIC FOR OREGON
My commission expires: 2/25/14

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2
3 **JUDGMENT**

4 Based on the above confession of judgment, it is

5 ORDERED AND ADJUDGED that judgment be and is hereby entered in favor plaintiff
6 United States Gypsum Company and against defendant Rainier Economic Development Council for
7 the sum of \$4,750,000.00, together with interest thereon at the rate of three percent (3%) per annum
8 from April 2, 2012, until entry of judgment, minus the total amount of any payments made by
9 Defendant prior to its default under the terms of the parties' Settlement Agreement, which amount
10 equals \$ _____ leaving a total amount owed of \$ _____ as of the date of this Judgment.

11 It is further

12 ORDERED AND ADJUDGED that plaintiff United States Gypsum Company is entitled to
13 post-judgment interest as provided in ORS 82.010 from entry of judgment until paid.

14 DONE IN OPEN COURT this _____ day of _____, 2012.

15 _____
16 CIRCUIT COURT JUDGE

17 Presented By:

18 GARVEY SCHUBERT BARER

19 By: _____

20 Kathleen C. Bricken, Bar # 942660
21 E-Mail: kbricken@gsblaw.com
22 Telephone: 503 228 3939
23 Fax: 503 226 0259

24 Of Attorneys for Plaintiff

25 PDX_DOCS:473344.4 [36573.00400]

**Amortization Schedule Based on Proposed Agreement
Assuming 4/2/12 Settlement**

	Beg Principal	Payment			End Principal
		Principal	Interest	Total	
4/2/2012	4,750,000	1,000,000		1,000,000	3,750,000
12/31/2012	3,750,000	190,856	84,144	275,000	3,559,144
12/31/2013	3,559,144	168,226	106,774	275,000	3,390,918
12/31/2014	3,390,918	173,272	101,728	275,000	3,217,646
12/31/2015	3,217,646	178,471	96,529	275,000	3,039,175
12/31/2016	3,039,175	183,825	91,175	275,000	2,855,350
12/31/2017	2,855,350	189,339	85,661	275,000	2,666,011
12/31/2018	2,666,011	195,020	79,980	275,000	2,470,991
12/31/2019	2,470,991	200,870	74,130	275,000	2,270,121
12/31/2020	2,270,121	206,896	68,104	275,000	2,063,225
12/31/2021	2,063,225	213,103	61,897	275,000	1,850,121
12/31/2022	1,850,121	219,496	55,504	275,000	1,630,625
12/31/2023	1,630,625	226,081	48,919	275,000	1,404,544
12/31/2024	1,404,544	232,864	42,136	275,000	1,171,680
12/31/2025	1,171,680	239,850	35,150	275,000	931,830
12/31/2026	931,830	247,045	27,955	275,000	684,785
12/31/2027	684,785	254,456	20,544	275,000	430,329
12/31/2028	430,329	262,090	12,910	275,000	168,239
12/31/2029	168,239	168,239	5,047	173,286	-
		4,750,000	1,098,286	5,848,286	

Settlement Amount	4,750,000
Initial Payment	1,000,000
Initial Note Amount	3,750,000
Interest Rate	3.0%

Tena Brundage

From: John Kaempf <john@kaempflawfirm.com>
Sent: Friday, February 18, 2022 9:59 AM
To: Tena Brundage; Stephen D Petersen
Cc: kathleen.bricken@foster.com
Subject: RE: USG/City of Rainier
Attachments: 2022_02_18_Ltr to Attorney Kaempf.pdf

Steve: I moved and do not have this file handy. However, I copied Kathleen Bricken, as you can see. She may have what you need. I hope all is well in Rainier.

I hope all is well with you, Kathleen.

John Kaempf
Kaempf Law Firm P. C.
2021 SW Main St. Suite 64
Portland, OR 97205
(503) 224-5006
Bio | Website



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From: Tena Brundage <TBrundage@petersenatlaw.com>
Sent: Friday, February 18, 2022 9:00 AM
To: John Kaempf <john@kaempflawfirm.com>
Subject: USG/City of Rainier

Good Morning Mr. Kaempf,
Attached is a letter from Mr. Petersen concerning the above referenced matter.
Thank you,

Tena Brundage
Legal Assistant
Stephen D. Petersen, LLC
P.O. Box 459
612 West B Street
Rainier, OR. 97048
(503) 556-4120
(503) 556-4124 (fax)

STEPHEN D. PETERSEN, LLC
ATTORNEY & COUNSELOR AT LAW

P.O. Box 459 ~ 612 West B Street Rainier, OR 97048 503-556-4120 FAX 503-556-4124

Stephen D. Petersen
Licensed in Oregon and Washington
spetersen@petersenatlaw.com

Legal Assistants
Lindsay Jurvakainen
Tena Brundage
Brandy Lehde

August 9, 2022

VIA Email: john@kaempflawfirm.com

John Kaempf
Kaempf Law Firm
2021 SW Main Street
Suite 64
Portland, OR 97205

Re: City of Rainier v. Redco USG

Dear Mr. Kaempf:



Please be advise I am the attorney for the City of Rainier. Concerning the above lawsuit that you handled for the City I would appreciate if you could pull up the file settlement documents that were signed and recorded in Federal District Court and send them to me. Thank you for your assistance in this matter.

Very truly yours,



Stephen D. Petersen

SDP/tb

September 2, 2022

Questions for REDCO meeting – 9-12-22

A. Intergovernmental agreement dated July 9, 2012:

Skips from Point #F to #P – what is let/left out of this agreement?

B. Full and Final Settlement agreement dated 04-04-2012:

.Page #1. “A dispute between RECO and USG concerning REDCO’s repayment obligations under the USG note...” What is the time frame re: obligation to pay dispute? Was it during the period of time covered by the two (2) enterprise zones? After or before 2007 with the expiration of the enterprise zones? Was the annual payment plan as outlined on page 2 in effect during this time? What were USG’s taxes during the disputed time? What does the original promissory note define as REDCO’s payment obligation?

Page #2 - #5. Annual payments: “ If in any year, USG pays less than \$275,000 in taxes on the Rainer facility, then REDCO’s obligation in that particular year will be equal to the amount paid by USG in that particular year”. USG’s 2021 taxes were \$50,527 before discount & 2020 taxes were 39,274 before discount. How many years have they been paying less than \$275,000? Although on careful reading, paying according to this tax payment agreement may not be to REDCO’s advantage.

Page #3. - #8. Does this mean payments made after the signing of this settlement agreement (2012)? Or does this mean the payments (\$1.2 million) made prior to this settlement? Should the prior payments have been taken off the 3.4 to 3.7 million originally agreed upon? Why weren’t they accounted for? Does this mean REDCO paid \$1.2 million twice ? The final agreement was \$4.7 million so does \$3.4 million plus \$1.2 million add up to 4.7 million? Almost? How did they arrive at the 4.7+ million anyway?

Page Confession of Judgment page line 21- what and when was the default? Minus what payments – from 2012 going forward? Or before 2012 = 1.2 million?

Page Judgment - when is the default - after the signing of the agreement in 2012 or before?

C. Pauly Rogers and CO financial report and Audit for June 30, 2021 – Long term debt sections are confusing to me and do not seem to reflect the amortization schedule attached to the agreement – please an explanation – clarification – thanks

Payment Due Date	Beginning Principal	Payment			End Principal	Total Amount Paid
		Principal	Interest	Total Payment		
4/2/2012	4,750,000	1,000,000	-	1,000,000	3,750,000	1,000,000
12/31/2012	3,750,000	190,856	84,144	275,000	3,559,144	1,275,000
12/31/2013	3,559,144	168,226	106,774	275,000	3,390,918	1,550,000
12/31/2014	3,390,918	173,272	101,728	275,000	3,217,646	1,825,000
12/31/2015	3,217,646	178,471	96,529	275,000	3,039,175	2,100,000
12/31/2016	3,039,175	183,825	91,175	275,000	2,855,350	2,375,000
12/31/2017	2,855,350	189,339	85,661	275,000	2,666,011	2,650,000
12/31/2018	2,666,011	195,020	79,980	275,000	2,470,991	2,925,000
12/31/2019	2,470,991	200,870	74,130	275,000	2,270,121	3,200,000
12/31/2020	2,270,121	206,896	68,104	275,000	2,063,225	3,475,000
12/31/2021	2,063,225	213,103	61,897	275,000	1,850,121	3,750,000
12/31/2022	1,850,121	219,496	55,504	275,000	1,630,625	4,025,000
12/31/2023	1,630,625	226,081	48,919	275,000	1,404,544	4,300,000
12/31/2024	1,404,544	232,864	42,136	275,000	1,171,680	4,575,000
12/31/2025	1,171,680	239,850	35,150	275,000	931,830	4,850,000
12/31/2026	931,830	247,045	27,955	275,000	684,785	5,125,000
12/31/2027	684,785	254,456	20,544	275,000	430,329	5,400,000
12/31/2028	430,329	262,090	12,910	275,000	168,239	5,675,000
12/31/2029	168,239	168,239	5,047	173,286	-	5,848,286
		4,750,000	1,098,286			

Number of Payments Remaining: 8

	Principal Payment	Interest Payment	Payment Total	Total Amount Paid
12/31/2022	219,496	55,504	275,000	275,000
12/31/2023	226,081	48,919	275,000	550,000
12/31/2024	232,864	42,136	275,000	825,000
12/31/2025	239,850	35,150	275,000	1,100,000
12/31/2026	247,045	27,955	275,000	1,375,000
12/31/2027	254,456	20,544	275,000	1,650,000
12/31/2028	262,090	12,910	275,000	1,925,000
12/31/2029	168,239	5,047	173,286	2,098,286
	1,850,121	248,165		

REDCO

Oregon State Treasury (LGIP), Period Ending 07/31/2022

RECONCILIATION REPORT

Reconciled on: 08/23/2022

Reconciled by: Imichelle@cityofrainier.com

Any changes made to transactions after this date aren't included in this report.

Summary

USD

Statement beginning balance	659,096.32
Interest earned	699.74
Checks and payments cleared (0)	0.00
Deposits and other credits cleared (1)	2,450.75
Statement ending balance	<u>662,246.81</u>

Register balance as of 07/31/2022	662,246.81
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Details

Deposits and other credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
07/11/2022	Deposit		Columbia County Treasurer	2,450.75
Total				2,450.75



For the Month Ending July 31, 2022

Account Statement

RAINIER ECONOMIC DEV COUNCIL - RAINIER ECONOMIC DEVELOPMENT COUNCIL - 5606

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Balance
Oregon LGIP					
Opening Balance					659,096.32
07/11/22	07/11/22	Transfer from Columbia County Treasurer - COLUMBIA COUNTY TREASURER UNSEGREGATED	1.00	2,450.75	661,547.07
07/29/22	08/01/22	Accrual Income Div Reinvestment - Distributions	1.00	699.74	662,246.81
Closing Balance					662,246.81

	Month of July	Fiscal YTD July-July	Closing Balance	Average Monthly Balance	Monthly Distribution Yield
Opening Balance	659,096.32	659,096.32	662,246.81	660,824.22	1.25%
Purchases	3,150.49	3,150.49			
Redemptions	0.00	0.00			

Closing Balance	662,246.81	662,246.81
Dividends	699.74	699.74

REDCO

Public Fund Checking - 1, Period Ending 07/31/2022

RECONCILIATION REPORT

Reconciled on: 08/23/2022

Reconciled by: lmichelle@cityofrainier.com

Any changes made to transactions after this date aren't included in this report.

Summary

USD

Statement beginning balance	19,859.79
Checks and payments cleared (3)	-8,860.00
Deposits and other credits cleared (1)	10.00
Statement ending balance	11,009.79

Uncleared transactions as of 07/31/2022	0.00
Register balance as of 07/31/2022	11,009.79
Cleared transactions after 07/31/2022	0.00
Uncleared transactions after 07/31/2022	0.00
Register balance as of 08/23/2022	11,009.79

Details

Checks and payments cleared (3)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
05/26/2022	Check	1187	Pauly, Rogers, & Co, P.C.	-3,300.00
05/26/2022	Check	1186	Pauly, Rogers, & Co, P.C.	-5,550.00
07/05/2022	Expense		InRoads	-10.00
Total				-8,860.00

Deposits and other credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
07/05/2022	Deposit		InRoads	10.00
Total				10.00

Additional Information

Uncleared checks and payments as of 07/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/02/2022	Expense		InRoads	-10.00
Total				-10.00

Uncleared deposits and other credits as of 07/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/24/2022	Deposit		InRoads	10.00
Total				10.00

Uncleared checks and payments after 07/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
08/02/2022	Expense		InRoads	-10.00
Total				-10.00

Uncleared deposits and other credits after 07/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
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DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
08/02/2022	Deposit		InRoads	10.00
Total				10.00



P.O. Box 537
 St. Helens, OR 97051
 503.397.2376
 inroadscu.org

Statement Date

07/31/22

Account #

XXXXXXXXX04



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REDCO
 PO Box 100
 106 West B Street
 Rainier, OR 97048



277



Statement Summary

Deposit Accounts		Total Balance: \$11,014.79		
Account Type	Previous Balance	Deposits	Withdrawals	Ending Balance
Public Funds Savings (1)	5.00	0.00	0.00	5.00
Public Fund Checking (2)	19,859.79	10.00	8,860.00	11,009.79

Public Funds Savings (1) 07-01-22 To 07-31-22

Public Funds Savings (1) 07-01-22 To 07-31-22		Previous Balance:	\$5.00
		Ending Balance:	\$5.00
Dividends YTD	0.00		

Public Fund Checking (2) 07-01-22 To 07-31-22

Public Fund Checking (2) 07-01-22 To 07-31-22		Previous Balance:	\$19,859.79		
Post Date	Tran Date	Description	Deposits	Withdrawals	Ending Balance
07-05		Miscellaneous Debit Business Acct Service CHG \$10.00		-10.00	19,849.79
07-05		Deposit	10.00		19,859.79
		Business Relationship Reward			
07-19		Share Check		-3,300.00	16,559.79
		Check# 1187 \$-3,300.00 NC Trace:0000000000009081121			
07-19		Share Check		-5,550.00	11,009.79
		Check# 1186 \$-5,550.00 NC Trace:0000000000009081120			
			Ending Balance:		\$11,009.79

Deposits, Dividends, and Other Credits

Date	Amount	Date	Amount	Date	Amount	Date	Amount
07-05	10.00						
<u>Total Count Dividends</u>		<u>Total Amount Dividends</u>		<u>Total Count Credits</u>		<u>Total Amount Credits</u>	
0		0.00		1		10.00	

Withdrawals, Fees, and Other Debits

Date	Amount	Date	Amount	Date	Amount	Date	Amount
07-05	-10.00						
<u>Total Count Fees</u>		<u>Total Amount Fees</u>		<u>Total Count Debits</u>		<u>Total Amount Debits</u>	
1		-10.00		0		0.00	

Cleared Items This Period

<u>Date</u>	<u>Check #</u>	<u>Amount</u>	<u>Date</u>	<u>Check #</u>	<u>Amount</u>	<u>Date</u>	<u>Check #</u>	<u>Amount</u>
07-19	1186	5,550.00	07-19	1187	3,300.00			
<i>* Indicates a break in check number sequence</i>								
Dividends YTD					0.00			



June 2022

XXXXXXXXX04



P.O. Box 537
 St. Helens, OR 97051
 503.397.2376
 inroadscu.org

REDCO
 PO Box 100
 106 West B Street
 Rainier OR 97048



501

Monthly Activity

Deposits	0
Withdrawals	0
ACH Debits	0
Checks Deposited	0
Checks Cleared	5
<hr/>	
Total Monthly Activity	5

Service Fee	\$10.00
Total Relationship*	\$20,548.00
Relationship Credit	\$10.00
Adjusted Service Fee	\$0.00

*Total relationship includes the average balances for the prior month for all deposits and all month-end loan balances for the prior month combined.

RAINIER ECONOMIC DEVELOPMENT COUNCIL

9/12/2022

Accounts Payable Listing:

Approve Accounts Payable:

Vendor	Invoice #	Inv Date	Amount
City of Rainier	Inv # 07012022	07/01/22	\$ 600.00
City of Rainier	Inv # 08012022	08/01/22	\$ 600.00
City of Rainier	inv # 09012022	09/01/22	\$ 600.00

Total \$ 1,800.00

Chair

Date

Treasurer

Date