

Grant County Digital Board Meeting

Tuesday June 18, 2024, 4:00 pm

John Day Fire Station

316 S Canyon Blvd, John Day, OR 97845

Join Zoom Meeting

City of John Day is inviting you to a scheduled Zoom meeting.

<https://zoom.us/j/95867942253?pwd=dHE5c3djSEx4OFBuZndPQU5HMGN3QT09>

Meeting ID: 958 6794 2253

Passcode: 776959

1. **OPEN AND ROLL CALL**
2. **DRAFT AGENCY DISSOLUTION PLAN**

DISSOLUTION PLAN AGREEMENT

This Dissolution Plan Agreement (this "Agreement") is dated _____, but made effective for all purposes as of _____, 2024 (the "Effective Date"), and is entered into between Grant County ("Grant County"), a political subdivision of the State of Oregon, City of John Day ("John Day"), an Oregon municipal corporation, and City of Seneca ("Seneca"), an Oregon municipal corporation (individually a "Party" and collectively the "Parties"). This Agreement sets forth the general terms and conditions under which Grant County Digital (the "Agency") will dissolve and liquidate Agency's business and affairs.

RECITALS:

A. Agency was formed pursuant to ORS 190.010 and that certain Intergovernmental Agreement for Joint Management of Broadband Network (the "IGA") dated effective April 10, 2018. Agency was formed to promote economic development within Grant County through development and deployment of a digital broadband network.

B. The Parties have determined that Agency's continued existence is no longer necessary and/or desirable to fulfill the purposes for which it was created. To that end, the Parties desire to terminate the IGA and dissolve and liquidate Agency pursuant to ORS 190.080(5) and Sections 6.5.3(e), 7.1, and 7.2 of the IGA.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. Definitions. Unless defined elsewhere in the IGA and/or this Agreement, capitalized terms contained in this Agreement have the meaning assigned to them in the attached Appendix A.

2. Dissolution. The Parties unanimously consent to terminate the IGA, dissolve Agency, distribute Agency assets, and satisfy Agency liabilities subject to and in accordance with this Agreement.

3. Business. After the Effective Date, Agency will continue Agency's existence but will not carry on any business except as necessary or appropriate to wind-up and liquidate Agency's business and affairs, including, without limitation, the following: (a) collecting, preserving, and protecting its assets and minimizing its liabilities; (b) discharging (or making provision for discharging) Agency's liabilities and obligations, including, without limitation, performing any remaining obligations Agency may have under any grant and/or loan agreements [are there any grant and/or loan agreements that need to be assigned/assumed?]; (c) disposing of its properties that will not be distributed in-kind, if any; (d) returning, transferring, and/or conveying assets held by Agency upon a condition requiring return, transfer, and/or conveyance, which condition occurs by reason of the dissolution, in accordance with such condition; (e) transferring and conveying assets as provided in this Agreement; and (f) doing such other acts necessary or appropriate to wind-up and liquidate Agency's business and affairs. Each Party on the date of dissolution will be responsible for its share of the Operating Expenses through the date of dissolution [does any party have an outstanding operating expense payment?].

4. Time. Agency's dissolution and liquidation will occur as expeditiously and promptly as possible, but in no case later than _____, 2024.

5. Asset Disposition. After discharging and/or making provision for discharging Agency's liabilities, title to all Agency assets will vest in the Parties in accordance with this Agreement. Assets already titled in the name of one Party will remain the property of that Party, unless specified otherwise in this Section 5. The Parties agree that title to all assets will be transferred as follows:

5.1 The fiber optic cable running from the John Day Fire Hall to John Day City Hall will be transferred (to Grant ESD, subject to approval by the John Day City Council and Grant ESD board of directors/subject to the outcome of a competitive proposal process followed by a public hearing).

5.2 The fiber optic cable running from John Day City Hall to the School Buildings fiber will be transferred (to Grant ESD, subject to approval by the John Day City Council and Grant ESD board of directors/subject to the outcome of a competitive proposal process followed by a public hearing).

5.3 The Planned Fiber Optic Cable will be retained by John Day until completion and transferred (to Grant ESD after construction is completed, subject to approval by the John Day City Council, Grant ESD board of directors, and the EDA/subject to the outcome of a competitive proposal process followed by a public hearing and any required EDA approval).

5.4 The John Day CyberMill Property will be sold subject to approval of the John Day City Council and EDA/subject to the outcome of a competitive proposal process followed by a public hearing and any required EDA approval). Cash from the sale(s) of the John Day CyberMill Property will be applied to the negative fund balance in John Day's Information Technology Fund ("John Day Fund 07") referenced in Section 6, below. The Parties acknowledge and agree that the Seneca CyberMill Property is City-owned property not subject to the IGA and/or this Agreement.

6. Liabilities. Agency has no long-term liabilities. Current liabilities consist of pole attachment fees payable to Oregon Trail Electric Cooperative ("OTEC") and a negative fund balance in John Day Fund 07 for construction in progress. The Parties will allocate sufficient Agency funds to pay OTEC pole attachment fees when due until the respective Agency assets attached to OTEC poles have been sold, conveyed, or otherwise transferred pursuant to this Dissolution Agreement. [are there any grants, loans, leases, contracts, etc. that must be assigned/assumed?]

7. Grant Administration; Reserve Fund. The EDA Grant will continue to be administered by John Day. The Parties may establish a reserve fund in an amount determined reasonable by the Parties for any contingent and/or unknown Agency liabilities and/or obligations. The reserve fund may be discontinued when the Parties deem that it is no longer necessary or desirable. Upon discontinuance, the remaining balance of the reserve fund, if any, will be transferred in accordance with Section 5(g), above. Any Agency decision, consent, approval, act, and/or similar action contemplated under this Agreement will be made by and through the unanimous consent of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Dissolution Agreement to be executed and effective for all purposes as of the Effective Date.

John Day:
City of John Day,
an Oregon municipal corporation

Seneca:
City of Seneca,
an Oregon municipal corporation

By: _____

By: _____

Dated: _____

Dated: _____

Grant County:
Grant County,
a political subdivision of the State of Oregon

By: _____

Its: _____

Dated: _____

Appendix A
Definitions

“Agency” has the meaning assigned such term in the preamble.

“Agreement” has the meaning assigned such term in the preamble.

“Grant County” means Grant County, a political subdivision of the State of Oregon, whose address is 201 South Humbolt Street, Suite 290, Canyon City, Oregon 97820.

“EDA Grant” means that certain EDA Grant Award No. 07-79-07789, awarded to John Day.

“Effective Date” has the meaning assigned such term in the preamble.

“Grant County CyberMill” is an Oregon nonprofit public benefit corporation, whose principal place of business is located at 241 West Main Street, John Day, Oregon, 97845.

“Grant ESD” means the Grant County Education Service District, whose address is 835A South Canyon Boulevard, John Day, Oregon 97845.

“Grant ESD Office” means the Grant ESD office located at 835A South Canyon Boulevard, John Day, Oregon 97845.

“Grant School District No. 3 Office” means the Grant School District No. 3 office located at 401 North Canyon Boulevard, Canyon City, Oregon 97820.

“Grant Union Junior/Senior High School Building” means the school building located at 911 South Canyon Boulevard, John Day, Oregon, 97845.

“Humboldt Elementary School Building” means the school building located at 329 North Humbolt Street, Canyon City, Oregon 97820.

“John Day” means the City of John Day, an Oregon municipal corporation, whose address is 450 East Main Street, John Day, Oregon 97845.

“John Day City Hall” means the John Day building located at 450 East Main Street, John Day, Oregon 97845.

“John Day CyberMill Property” means the real property, including a building located thereon, located at what is commonly known as 241 West Main Street, John Day, Oregon, 97845.

“John Day Fire Hall” means the John Day Fire Department building located at 316 South Canyon Boulevard, John Day, Oregon 97845.

“Operating Expenses” has the meaning assigned such term in the Formation Agreement.

“Party(ies)” has the meaning assigned such term(s) in the preamble.

“Planned Fiber Optic Cable” means the fiber optic cable development and installation planned pursuant to the EDA Grant. **This could use more specificity as to the various broadband buildouts.**

“Rally Networks” means, collectively, the following business entities: (1) North-State Telephone Co., an Oregon corporation, whose principal place of business is 2nd and Williams, Dufur, Oregon 97021; (2) Oregon Telephone Corporation, an Oregon corporation, whose principal place of business is One Telephone Drive, Mount Vernon, Oregon 97865; (3) Pine Telephone System, Inc., an Oregon corporation, whose principal place of business is 104 Center Street, Halfway, Oregon 97834; (4) Helix Telephone Co., an Oregon corporation, whose principal place of business is 200 Concord

Street, Helix, Oregon 97835; and (5) Home Telephone Company, an Oregon corporation, whose principal place of business is One Telephone Drive, Mount Vernon, Oregon 97865.

“R3” means Regional Rural Revitalization (R3) Strategies Consortium, an intergovernmental entity organized under ORS chapter 190.

“School Buildings” means, collectively, the Grant ESD Office, Grant School District No. 3 Office, Grant Union Junior/Senior High School Building, and Humboldt Elementary School Building.

“Seneca” means the City of Seneca, an Oregon municipal corporation, whose address is 106A Avenue, Seneca, Oregon 97873.

“Seneca CyberMill Property” means the real property, including a building located thereon, located at what is commonly known as 300 Barnes Avenue, Seneca, Oregon 97873.

“EDA” means the United States Economic Development Administration.