

Local & State

MALHEUR ENTERPRISE NEWSPAPER EXAMINES SMITH'S NETWORK OF ROLES

Legislator Greg Smith's multiple jobs and contracts create empire built on public money

■ He contracts for economic development work in several counties, including Baker

By Les Zaitz, Pat Caldwell and Kristine de Leon
Malheur Enterprise

Greg Smith is a juggler. In La Grande, he holds a full-time job directing Eastern Oregon University's Small Business Development Center.

A hundred miles away in Boardman, he has a second full-time job, serving as executive director of a consortium redeveloping the Army's sprawling Umatilla Chemical Depot.

At the same time, he directs separate economic development programs in Harney, Malheur and Baker counties, each paying Gregory Smith and Company thousands of dollars every month for the service.

In Salem, the state representative from Heppner sits on nine legislative committees, with leadership roles in three. He earns \$31,200 a year and dips into political contributions for expenses and to compensate his wife and his company's employees.

He uses his influence in the Legislature — he is dean of the House — to benefit those who retain him, pushing through millions of dollars in state allocations.

"Greg Smith is the busiest guy I've ever known," said Don Russell, a Morrow County commissioner who also oversees one of Smith's full-time jobs.

"How are you able to be a representative and a contractor? To me it is entirely problematic. Nobody has ever given me an answer that I felt really resolves the question in my mind."

— Mark Bennett, Baker County commissioner, talking about Greg Smith, an Oregon state representative who also is Baker County's contracted economic developer



A three-month investigation by the Malheur Enterprise untangled his public service and his private contracts through government documents and interviews, revealing an empire funded by public money. Smith didn't respond to repeated interview requests or five pages of written questions.

He formed his company in December 2000 as he prepared to take his seat as a legislator. Since then, he has stacked one government contract atop another — Wheeler County in 2004, Eastern Oregon University in 2008, Baker County in 2011, Malheur County in 2013 and Harney County in 2017.

He has contracts with Morrow Development Corp. in Heppner, Umatilla Electric Cooperative in Hermiston, and the Linn Economic Development Group in Albany.

Along the way, he has amassed in his own name or that of his company an estimated \$1.7 million in real estate. That includes commercial buildings in Heppner,

La Grande and Hermiston, a \$340,000 resort home at Sunriver, a \$422,500 beachfront condominium in Seaside, and a \$160,000 condominium in Provo, Utah.

His company's interests repeatedly take him to officials at state agencies, from transportation to state parks to economic development. He does so, email records show, in the name of his company's clients. But as a legislator, Smith can influence every state agency budget in his role as a vice chair of the Legislature's budget-writing committee.

His public and private hats come off and on at his will.

In 2017, the Legislature appropriated \$26 million to fund a new rail shipping center in Malheur County and \$25 million for a rail project in Millersburg, near Albany. Smith held a vote on the committee that engineered that funding.

After the appropriation, he switched to his business role to win for his company the contract to make the Millers-

burg project a reality. In Malheur County, officials added more money to his company's existing contract for work on their rail project.

Smith has made no secret of his dual roles and on occasion seeks guidance from state ethics officials. In February, he asked the Oregon Government Ethics Commission about the "appropriateness" of his company's contract to manage a state-funded rail project.

"Nothing appears to indicate that you were awarded this private business opportunity as a result of being a member of the Oregon Legislative Assembly," wrote Ron Bersin, the ethics commission executive director. "You must be mindful of any conflicts that may arise."

Smith is co-chair of the legislative committee with primary responsibility for the commission's budget.

Baker County officials wonder how Smith can serve so many masters at once.

"How are you able to be a representative and a contractor? To me it is entirely problematic," Mark Bennett, a Baker County commissioner, said last week. "Nobody has ever given me an answer that I felt really resolves the question in my mind. I believe it would test any of us, were we in the same position."

See **Juggle** / Page 5A

LOCAL BRIEFING

County Fair practice show set for June 11

All members of the Good Shepherds, Poco Wing and other 4-H members, and North Powder FFA, are invited to a practice show, judging contest and barbecue June 11 at 4 p.m. at the Baker County Fairgrounds.

Participants can bring their animals, but they must be halter-broke. Swine and small animals will not be judged but members can bring them to help get them used to the fair environment.

Check-in starts at 4 p.m., with the judging contest at 5 p.m., dinner at 6 p.m. and practice show from 7 p.m. to 9 p.m.

The main meal will be tri-tip. People with last names A-M should bring a dessert, and last names N-Z should bring a side dish.

People planning to attend are asked to RSVP by calling Mark Coomer at 541-519-3246.

'Harry & the Hendersons' airing June 14

As a precursor to the Bigfoot Fest scheduled June 15 in Baker City, the Baker City Nazarene Church will be hosting a showing of the movie "Harry & the Hendersons" on Friday, June 14, at 6 p.m. in the Family Life Center, 1250 Hughes Lane.

Each child is invited to bring a decorated box car to sit in during the "drive-in" movie.

Concessions will be available with proceeds going to the Children's Ministry Programs of Baker City Nazarene.

More information is available by calling the church office at 541-523-3533.

Morgan Scilacci's heifer wins award

PVF Blackbird 8187, an Angus heifer owned by Morgan Scilacci of Baker City, won reserve late spring heifer calf champion at the 2019 Atlantic National Super Point Roll of Victory Angus Show May 26 at Timonium, Maryland.

Scilacci also was awarded an Atlantic National Merit Scholarship at the show.

Livestock Foundation offers scholarship

Applications are available for the Baker County Livestock Producers Foundation scholarship for the 2019-20 school year. Applicants must be residents of Baker County who are attending or have been accepted for a second year or higher at an accredited college or vocational school. Applicants also must be pursuing an agricultural-related course of study. Applications are available at the Extension Office, 2600 East St., and are due by July 15. More information is available by calling the Extension Office at 541-523-6418 or Kay Markgraf at 541-523-6019.

Friends of Baker Heritage Museum collecting donations for yard sale

Friends of the Baker Heritage Museum are planning a yard sale during Miners Jubilee in July and are accepting donated items, except clothing. To arrange to make a donation, call Liz Miller at 541-300-5416.

— Compiled from staff reports and press releases. To contribute, call 541-523-3673, send an email to news@bakercityherald.com, or bring the information to the Herald office at 1668 Resort St.

HAINES

Continued from Page 1A

Rock Creek School closed the year before Tim started school, so he attended Haines through sixth grade. (After 1945, students in grades 7 and up were bused to Baker or North Powder.)

One of Tim's vivid memories is of the snowdrifts that made it impossible to get home one day. He stayed in town — the first time away from his parents.

"I was scared," he remembered.

At 6:30 p.m. the events moved to Haines School where so many local residents, alumni and community members attended that nearly half the crowd stood during the ceremony.

The students, led by Russell Carpenter, sang patriotic songs accompanied by the Baker Community Orchestra.

Anthony Johnson gave the keynote speech of "Education Through the Decades."



Lisa Britton / For The Baker City Herald

A school-themed exhibit will be on display all summer at the Eastern Oregon Museum, which is open through Labor Day weekend. Hours are Thursday through Saturday from 10 a.m. to 4 p.m., and Sunday from 12:30 p.m. to 3:30 p.m. Admission is a suggested donation of \$2 per person or \$5 per family.

Johnson, who is now retired, is an alumni of Haines School and became principal there in 2004.

In his talk, he gave highlights from the school's

history woven with notable events during the last 100 years.

For instance: Elmetta Bailey York became the first woman to be county super-

intendent of schools in 1917 — three years before women had the right to vote.

The 1940s brought the U.S. into World War II, and in

"The faces of children and education may change over time, but the mission of the school remains the same."

— Anthony Johnson

1945 Haines was reduced to grades 1 through 6.

The 1950s brought color television, Disneyland and Elvis Presley. In 1955, Anthony Johnson's dad, Ken, became principal of Haines.

Johnson continued through the decades of events, but always came back to the importance of education.

"I am ever mindful of the many wonderful teachers I had the good fortune of working with and the indelible influence they had on me and, more importantly, on the children of this community," he said. "Each new school year brings to the Haines Elementary campus a new generation of students who represent the hopes and aspirations of their parents and the community, just like

those a century earlier."

He closed with this: "The faces of children and education may change over time, but the mission of the school remains the same. Happy 100th, Haines Elementary."

Afterward, those in attendance were invited to tour the school's hallways and rooms. Students prepared a number of displays for the milestone event, including artistic photos of the school by the sixth-graders.

Other classes spent time at the Eastern Oregon Museum to compare current life with that of 1919 in terms of clothing, family routines, buses and technology.

Stay active & have fun this summer!

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Thank You

The kindness and sympathy of our neighbors and friends, care givers, and Gray's West & Co., in our recent sorrow will always remain with us a precious memory. Our sincere thanks and gratitude for all those comforting acts.

— The Family of Leland G. Wilson

Thank You

With deepest gratitude, we extend this word of thanks for the many kind acts of sympathy expressed by thoughtful friends. Thank you.

— The family of Russell T. Chandler Jr. (Tom)

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