

**Morrow County Board of Commissioners Meeting Minutes**  
**May 6, 2020**  
**Bartholomew Building Upper Conference Room**  
**Heppner, Oregon**

**Present In-Person**

Chair Melissa Lindsay  
Commissioner Don Russell  
Commissioner Jim Doherty  
Darrell J. Green, Administrator  
Kate Knop, Finance Director  
Roberta Lutcher, Executive Assistant  
Justin Nelson, County Counsel  
Diane Kilkenny, Interim Public Health Dir.  
Sheryll Bates, Heppner Chamber  
Dave Sykes, Heppner Gazette-Times

**Via Electronic Means**

Glen Diehl, Ronda Fox, Mike Gorman,  
Katie Imes, Matt Scrivner, Linda Skendzel,  
LeAnn Wright, Gregg Zody, Kalie Davis,  
Torie Griggs, Erika Lasater, Lisa  
Mittelsdorf, Aaron Palmquist, Karen  
Pettigrew, Sandy Toms, Greg Sweek

**Call to Order & Pledge of Allegiance:** 9:04 a.m.

**City & Citizen Comments:** Chair Lindsay said the Enterprise Zone III Business Item would be limited to comment from the Port of Morrow Commissioners who might have questions. If there were other comments, do so now, she said.

Aaron Palmquist, Irrigon City Manager, asked for clarification on the County's maps and urged all Commissioners to vote and to put personal biases and hidden agendas aside. He said if there was ex parte contact or "insider trading knowledge" it needed to be declared so that it publicly does not hurt that person in the future.

Torie Griggs, Boardman Chamber, said there was an Emergency Injury Disaster Loan (EIDL) application available for ranchers and farmers, and she asked for assistance in spreading the word.

**Open Agenda:** No items

**Consent Calendar**

*Commissioner Russell moved to approve the following items in the Consent Calendar:*

1. *Accounts Payable, May 7<sup>th</sup>, \$50,915.49; Payroll Payables, April 21<sup>st</sup>, \$167,439.43*
2. *Minutes: March 11<sup>th</sup> & 18<sup>th</sup>*
3. *Wolf Depredation Advisory Committee Reappointment Request: Paul Hisler, Jr., as a Livestock Producer Representative; term to be May 6, 2020 through December 31, 2023*
4. *Oregon Department of Agriculture Wolf Compensation & Financial Assistance 2020 Grant Agreement #ODA-4219-GR, \$8,650 and authorize Commissioner Doherty to sign on behalf of the County*
5. *Intergovernmental Agreement for Sheriff's Services with the City of Irrigon; effective July 1, 2020 for one year. City will pay the County a not-to-exceed amount of \$94,923.54 and will purchase a vehicle every three years, which will be returned to the City three years following the purchase of the agreed to vehicle.*

6. *Amendment 1 to Oregon Department of Revenue Intergovernmental Services Agreement #DOR-161-19; additional \$4,800 for Assessment Map Maintenance*
7. *First Amendment to Oregon Health Authority Intergovernmental Agreement #154978 for the Financing of the Alcohol and Drug Prevention and Education Program; increases the maximum not-to-exceed amount payable by \$122,500 to a new amount of \$245,000; funds are directly distributed to Community Counseling Solutions but Morrow County is responsible for all grant agreement requirements as the subrecipient; and authorize Chair Lindsay to sign on behalf of the County*
8. *City of Irrigon Annex Replat for North County Building Lot*  
*Commissioner Doherty seconded. Unanimous approval.*

### **Business Items**

#### Request for a portion of Rippee Road to be County-owned

It was noted the person who requested this agenda item, Veronica Pacheco, was not available today. Administrator Darrell Green said he would contact her to reschedule.

*Commissioner Russell moved to give a consistent response that other developers in the County have received, that is the County is not interested until the road is brought to the standards of the Public Works Director. This is a gravel road approximately one mile long and the County has required other developers to put in paved roads, so this shouldn't be treated any differently, he said. Chair Lindsay seconded for discussion and asked Matt Scrivner, Public Works Director, for input.*

*Mr. Scrivner said this request was still in the Planning stage and the Planning Department had more information.*

*Stephanie Case, Interim Planning Director, explained the applicant received Planning Commission approval, pending specific requirements. The applicant later requested an extension but has not finished the plat to complete the application.*

*Commissioner Russell commented the applicant hasn't followed the correct process to get to the Board.*

*Mr. Scrivner outlined the process for County funds to be spent on a road, and said this road has not even become a public access road yet, so it was premature to approach the Board with the request.*

*Unanimous approval.*

#### Morrow County Government Command Center Update

Chair Lindsay discussed the structures of the Command Center and the Emergency Operations Center meetings and how they differ. She then asked the other attendees for input.

Justin Nelson, County Counsel, discussed the decisions made for distributing Personal Protective Equipment (PPE) throughout the County and how it was prioritized.

### Draft Reopening Plans

Chair Lindsay thanked the Command Center and EOC team members for their extensive efforts in assisting to produce the draft plan. She said it was important to adopt a plan to bring the process forward, in order to assure the citizens the County has been proactive to protect their health and the economy of the County. The plan, if approved, will be accompanied by a letter that will allow for future amendments to the reopening plan, and show the Governor that Morrow County is ready and able to get to the next level, she said.

There was then discussion about the timing of submitting the reopening plan this week versus last week. Diane Kilkenny, Interim Public Health Director, said work began last week on the plan but the framework and guidelines from the State changed over the course of those days.

Chair Lindsay said the first draft of the document had to be extensively rewritten due to the changing guidance from the State. Various discussions.

*Commissioner Russell moved to approve and sign the Morrow County Reopening Plan and forward it to the Governor for her consideration, knowing it is a living plan and subject to change. Commissioner Doherty seconded. Unanimous approval.*

Chair Lindsay asked about the cover letter, which the Board agreed by consensus to sign.

### Discuss Cost of Living Adjustment (COLA) for Non-Represented Employees

Darrell Green, Administrator

Mr. Green reviewed the information provided, saying it was also presented earlier in the year to the Board. He added that Kate Knop, Finance Director, compiled the fiscal impact information, such as the trajectory of the County's personnel expenses, and other graphs.

Chair Lindsay said it was highly concerning for future operation of the County, that somewhere between the 2023-2025 fiscal years, the personnel expenses will exceed the General Fund. She said she has been a huge proponent of the General Fund covering the core costs of the County.

Ms. Knop reviewed the impacts of the various COLA percentages for the 35 non-represented individuals.

*Commissioner Russell moved to consider a 2.5% COLA adjustment for Non-Represented Employees and Elected Officials, and also take into consideration the Compensation Board suggestion for a change in compensation for the Assessor based on the 2.5% compensation, rather than the 3% they used. He summarized his motion – Do 2.5% across the board and give the Assessor the 7% increase (2.5% COLA and 7% one-time adjustment). Commissioner Doherty seconded. Discussion. Unanimous approval.*

### Results of Office Equipment Request for Quotes & Award Bid

Deanne Irving, Staff Accountant

Ms. Irving said the County has three copiers outside their lease agreements. Three Requests for Quotes were solicited from current vendors with the intent of migrating to one vendor for all copiers as they reach the end of their lease term. Doing so will leverage the purchasing power of

the County, result in efficiencies for departments and reduce the number of invoices received and processed each month from multiple vendors. All this will save taxpayer money, she said. She briefly summarized the quotes and said Canon Office Solutions was the frontrunner with an estimated savings of 37.6% over the current cost, or \$4,951 per year for all three machines. She added that fiscal year 2020-21 will see four more copier leases expire.

Staff fielded questions from the Commissioners.

*Commissioner Doherty moved to accept the Canon Office Solutions bid and centralize the future procurement process for office equipment. Commissioner Russell seconded. Unanimous approval.*

Purchase Pre-Authorization Request, Public Works, CAT Wheel Loader  
Matt Scrivner, Public Works Director

*Commissioner Russell moved to approve the Purchase Pre-Authorization Request for a new 2019 938 M CAT Wheel Loader from Western States CAT in the amount of \$181,659.31. Commissioner Doherty seconded. Unanimous approval.*

Enterprise Zone III

Chair Lindsay presented the Port of Morrow's draft resolution and maps. She then reviewed the County's proposed revisions to that draft.

Commissioner Doherty said he didn't know if Mr. Palmquist's comment about disclosing any conflicts was about him or not but he agreed with the statement. He said over the years, he periodically leased a piece of ground in Enterprise Zone II from the Port of Morrow on an annual verbal basis, which he mentioned previously on the record. He said he attempted to make it a long-term agreement but the previous Port Director said he was a "space holder," so he never included it in his plans from year-to-year. He said he has seen solar people working out there and fully expected it to go away. Additionally, the prior Port Director indicated but for the water challenge on a portion of it, there would be a data center there. Commissioner Doherty said he thought they had rectified the water situation...but he wanted to disclose this. He said he would be happy to make a motion to co-sponsor and use this as a starter map but they've been reluctant to move forward with an enterprise zone. Commissioner Doherty contended the details could be worked out through intergovernmental agreements.

*Commissioner Doherty moved to accept their resolution and expand the Enterprise Zone using Exhibit A, and in their resolution where it references Exhibit B, instead we use Map A and B. Chair Lindsay said there are two maps labelled as A and B, one is the Port presentation and the other is the map she prepared. Commissioner Doherty said he referenced the map Chair Lindsay prepared. Commissioner Russell seconded for discussion. Mr. Nelson suggested labelling them as Exhibit A and County Exhibit A & B. Discussion about areas of influence on the proposed maps and the Port's desire for a third vote at the table. Vote: Aye: Chair Lindsay, Commissioner Doherty. Nay: Commissioner Russell. Motion carried.*

**Break:** 10:15-10:25 a.m.

Resolution No. R-2020-7: Approving an Agreement Between the Sponsors of the Columbia River Enterprise Zone

Greg Sweek, Enterprise Zone Manager

Mr. Sweek explained this was the current 2020 agreement that started in the fall of 2019 with Amazon Data Services for the building site with the potential for four new data centers on Gar Swanson Drive.

Mr. Nelson discussed the maps and the confidentiality aspects, but said this agreement basically mirrored agreements previously signed by the County.

Chair Lindsay said it removed any future bonding, which she pushed back on at the last Enterprise Zone meeting. She cited the rec center in Boardman, saying it's operating because of bonding. She said bonding was needed and she wanted it left in because of the importance to hospitals, schools and rec districts. Various discussions.

*Commissioner Russell moved to approve Resolution No. R-2020-7: In the Matter of Approving an Agreement between the Sponsors of the Columbia River Enterprise Zone and Amazon Data Services, Inc. Chair Lindsay seconded. Discussion: Commissioner Doherty said he had two challenges: 1.) Amazon gets an 85% tax break, and then at some point in the future, when a school bond comes in and Amazon's portion is X million dollars and the Morrow County constituent who gave up the 85% tax break then has to reach into his or her own pocket to pay Amazon's share – that would be very grating on that constituent. 2.) When this was brought up in December, the Port of Morrow Director said there wasn't time to go back and talk to Amazon because the process had to be completed by January 1, 2020. Now, it's six months later and we're doing it, which is discouraging. Whether that was done by hook or crook, or an honest mistake, if six months don't matter, then another few months won't matter while we go back and talk to them about bonding so folks don't have to pay Amazon's share. He said he also worried about running into a challenge when the folks who own the fiber company are weighing in on these contracts either at the Enterprise Zone meetings, Port of Morrow, or here. If it ever comes up they had a vested interest or direct conflict or things weren't noticed and these contracts get thrown out, CIS (the County's insurer) becomes concerned about such things. Is there any way to put this on hold and work through? Amazon has put \$2 billion into this project and to be challenged by a constituent that an owner said to discontinue asking them for a bond or the owners of the company giving them an 85% break or another company challenges it and the contract gets thrown out, they will sue the socks off the County. I have the documentation where the fiber company for 10 years was worth \$3 million and in the last five years since Amazon came to town, it's gone to \$7 million, \$9 million and presumably to \$16 million if you follow the trajectory. It's hard to say this isn't a direct influence. It's a huge challenge and we need to back this up, have the folks not associated with this look at it again to make sure the County runs no risk down the road.*

*Mr. Nelson said there might be underlying issues for negotiations of the Enterprise Zone, that's one aspect, but today it's the vote on the Resolution...the concern is if there was a vote of 2-1 today and a constituent or someone with standing said he/she disagreed with what the County did, the vote, it shouldn't have been valid because a person should have been conflicted off, and then wants the decision overturned...it would have a trickle effect to say the whole Enterprise*

*Zone agreement shouldn't be in place because one of the sponsor entities wasn't in favor of it or wouldn't have approved it, then it should be full tax. The issue is that it all narrows back down to the individual vote by the elected official and their own declaration that there is a conflict. He said there wasn't a separate basis for him to say no. He didn't have any inherent authority...in the past we've called the Ethics Commission...but they don't have to...there could be potential risk but he hadn't looked into this at all...and wasn't part of the CIS questions or responses. There's not much here from a County Counsel standpoint that we can do, we don't control that. Chair Lindsay said it was a valid concern. It's a huge tax break and people at the table aren't declaring actual or potential conflicts.*

*Commissioner Russell asked if they wanted him to declare a potential conflict of interest because a company he has a financial interest in, Windwave, has done business and competed with multiple other entities for business with Amazon, then he will do that. He said he'd spoken with the State and it doesn't preclude him from voting.*

*Chair Lindsay said that was helpful but those have not been made at all of these meetings.*

*Commissioner Doherty asked if there were Requests for Proposals issued.*

*Commissioner Russell said no, not at all because they haven't built this facility.*

*Commissioner Doherty clarified, for past ones, or bring Windwave's books.*

*Commissioner Russell said he would not do that, Windwave is a privately held company.*

*Chair Lindsay said we have a declared potential.*

*Commissioner Russell said he would still vote.*

*Mr. Nelson said a motion could be made to table.*

*Chair Lindsay said she was a "yes" at the Enterprise Zone vote, which pushed her toward continuing to support this, but those were valid concerns. She said she didn't know how to move forward with researching it but there was a definite need to declare more conflicts for the public.*

*Vote: Aye: Chair Lindsay, Commissioner Russell. Nay: Commissioner Doherty. Motion carried.*

#### **Irrigon Building Update**

Darrell Green, Administrator

Mr. Green said the third stakeholder meeting was held and additional input was considered as they move closer to a footprint for the building. He also said he appreciated the collaboration with Mr. Palmquist and the City of Irrigon.

#### **Department Reports**

The following written reports were reviewed:

- Administrator’s Monthly Report, submitted by Mr. Green
- Sheriff’s Office Monthly Report, submitted by Administrative Lieutenant Melissa Ross
- Treasurer’s Monthly Report, submitted by Gayle Gutierrez
- Assessment & Tax Quarterly Report, submitted by Mike Gorman

### **Correspondence**

- Regional Solutions Weekly Report dated April 29<sup>th</sup>
- Letter from the Planning Department to the Oregon Department of Energy regarding the Request for Amendment 5 for the Wheatridge Wind Energy Facility Site Certificate noting Morrow County had no comments.

### **Commissioner Reports**

- Commissioner Russell discussed the meetings he attended related to the new Irrigon building. He also said he attended yesterday’s Columbia River Enterprise Zone II Board meeting where a request from Amazon to amend the original agreement was approved 5-0 with one abstention. The request was to build a 15,000 square foot building inside an existing campus and to take into consideration payment on the smaller building. The topic will come to a future BOC meeting, he said.
- Commissioner Doherty also attended the CREZ meeting as the County’s alternate on that Board and noted he was the abstaining vote. He said he did so because he wanted to get bonding back into the discussion since Amazon reopened it. He said he posed the question as to how to be certain Amazon would not forego the other two larger buildings and instead build 10 smaller ones at \$60,000. The answer during the meeting was, “They presumed they’d still build the big ones and these would fit around, but there was no guarantee.” He said that was the reason he abstained from voting. Commissioner Doherty also talked about Oregon State University’s field testing and contact tracing related to COVID-19. He said Regional Director, Nicole Strong, told him she would notify him if it moved forward.
- Chair Lindsay reminded everyone about the 2020 Census and commented on the efforts by many people to assist in getting the word out. She said Morrow County’s low response rate puts us at 30<sup>th</sup> place out of the 36 counties. Chair Lindsay also said she was working with a Port representative to help an individual interested in expanding to the former Kinzua mill site. She said there was discussion during Budget meetings about a new location for the Sheriff’s Office Station 2 as the Port worked toward engaging someone for economic development at that site. The County owns the land next to the main Sheriff’s Office where a structure could be built to accommodate the loss of the building at the mill site but there has been push-back. It’s evolved into a potential land swap and she planned to approach the City of Heppner to ascertain interest and then report back to the BOC.  
Commissioner Russell suggested the County purchase the building from the Port saying it would be cheaper than replacing it.  
Chair Lindsay said she would hate to see a government entity stall the slightest bit of economic development in south County, especially when it could be housed in a different way.

**Signing of documents**

**Adjourned:** 11:45 p.m.