

Morrow County Board of Commissioners Meeting Minutes
May 27, 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
Katie Imes, The Loop
Sheryll Bates, Heppner Chamber
Dave Sykes, Heppner Gazette
Keleigh Wright, NextEra

Via Electronic Means

Stephanie Case, Bobbi Childers, Ronda Fox,
Mike Gorman, Gayle Gutierrez, Matt
Scrivner, Linda Skendzel, LeAnn Wright,
Gregg Zody, Torrie Griggs, Erika Lasater,
David Lawler, Lisa Mittelsdorf, Greg Sweek

Call to Order & Pledge of Allegiance: 9:04 a.m., followed by roll call

City & Citizen Comments: No comments

Open Agenda: Chair Lindsay acknowledged Keleigh Wright, Project Manager with NextEra Energy, in attendance and said she arrived today with 15 donated laptops for use by Morrow County employees working from home. She said NextEra was to be commended for stepping up as a partner, on this and other fronts. NextEra offered to help with project management, donated to area foodbanks and made many other donations, as has their partner, Blattner Energy, said Chair Lindsay.

Ms. Wright said NextEra wanted to thank the County for allowing them to be here and be a part of the community. She said they understood how difficult this pandemic has been for everyone nationwide, and they were happy to help.

Consent Calendar

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

1. *Accounts Payable, May 28th, \$689,260.20; Payroll Payables, May 11th, \$3,000 & May 19th, \$167,419.32*
2. *Minutes: April 1st*
3. *Barnett & Moro, P.C. Audit Engagement Letter for audit fees for fiscal year ending June 30, 2020; amount \$35,700 (if not subject to single audit, fee will be decreased by \$1,500); and authorize Chair Lindsay to sign on behalf of the County*

Commissioner Doherty seconded. Unanimous approval.

Business Items

Morrow County Command Center Update

- Administrator Darrell Green said the Community Development Director, Gregg Zody, was brought onto the team to make contacts around the County, to disseminate important information, to learn how the economy is being impacted, to further engage the Hispanic

community, and to collaborate and learn from nearby counties that also have migrant worker populations. He said the County should be able to reopen on June 8th, as long as things remain the same. The team talked about what departments might need to be able to safely open the doors, such as plexiglass dividers, hand sanitizers, etc. Janitorial service was also being reviewed and deep cleaning has been discussed.

- Chair Lindsay said the Work from Home and Remote Work Agreements will be pulled back to have employees in place for Phase II on June 8th.

Reopening Plan Criteria Benchmarks

No new information to report.

Resolution No. R-2020-2 – Designating an Enterprise Zone

Justin Nelson, County Counsel, said the idea was to move forward on the enterprise zone application process, which requires passing a resolution that delineates the zone sponsors and the zone boundaries. The County and the Port of Morrow are on the same page for a lot of this, he said, and the zone of influence for cities could be addressed later through intergovernmental agreements.

Chair Lindsay agreed with Mr. Nelson and added the State (Business Oregon) doesn't care about the vote or who is at the table, only about the application itself. She said the goal was to submit resolutions from both entities and then schedule a meeting with the taxing districts to complete the process before the June 30th expiration of the current enterprise zone. The remaining questions could be worked through after the submission of the application, she said.

Commissioner Doherty said the map and other things might stay the same or morph into something different, but at least this was a template to start the process. He said he previously made two different motions to move forward.

Commissioner Doherty moved to accept Resolution No. R-2020-9, with the requisite map: A Resolution to Jointly Sponsor Between the Port of Morrow and Morrow County, an Application for Designation of an Enterprise Zone. Commissioner Russell seconded. Discussion:

Commissioner Russell said he wanted to talk about the enterprise zone program and stated the following: We as a County Commission, know full well the Port Commission won't sign off on the resolution, the details aren't there. I wouldn't sign it, the Port won't sign it, no one in their right mind would. The Port offered us a resolution that they signed 5-0. It does what we started to do as a County Commission. It gives those communities impacted a voice at the table. We're arguing about the industrial zone airport property west of Boardman that is owned by the City of Boardman and the Port of Morrow that impacts the City of Boardman, and whether it should be in their impact zone. I don't see how anyone can say property owned by Boardman west of the City limits doesn't impact them. If not them, who, Arlington? The enterprise zone itself, we're in jeopardy of blowing up the best tool we've had in Morrow County in my lifetime. There are 74 active enterprise zones in the State. Thirty-nine are long-term rural enterprise zone, and this is off the Business Oregon website. Without an enterprise zone, it puts the Port, in my opinion, the most successful enterprise zone in Oregon, it can't compete and can't offer the same tax abatement. What has the enterprise zone done for Morrow County? The average wage in

Morrow County, according to Business Oregon, we're fourth among counties, \$53,078. We're behind Clackamas County. How does it compare to other eastern Oregon Counties? Umatilla County's average wage is \$40,238, we're 130% of Umatilla County. The reason for that is the wage requirement on enterprise zones and we've had good results with our enterprise zone. What has happened with the tax base in Morrow County? According to the Morrow County Tax Assessor, 2005 Real Market Value was \$1,194,131,000; Certified Tax was \$18,375,748. If we roll to the most recent Real Market Value, it's \$5,786,269,143 – an increase of 385%. Not all properties pay tax because of Strategic Investment Program agreements or enterprise zone agreements. For Tax Rolls in 2005, ad valorem was just over \$1,000,000,000; now it's \$2,479,622,726, an increase of 136%. Certified tax collection on those properties was up 103%, same time period. What did we do with the money we collected in this tax abatement program with the enterprise zone? The enterprise zone committee decided it was an opportunity to think outside the box and spend money that would be of benefit to Morrow County because it was completely discretionary, so we created buckets that we funded. Originally the buckets were for housing and community development, disbursed to the regional economic development partners, Willow Creek Economic Development Group, Boardman Community Development Association and Irrigon. Then we decided those groups could spend those buckets for housing and community enhancement how they wanted, so we took off the percentages and said we're not going to micromanage you that much, you decide how much you want to spend on each one. BCDA is still primarily a grant if you buy or build a house. WCVEDG started as a home buyer incentive but it wasn't getting the desired result of new housing, so they morphed their program and now have a rehab program for older properties and built some duplexes. Irrigon still has a home buyer incentive but offers more of an incentive for a stick-built house than a manufactured house. Again, we've let each community decide to get the results they desire. Community enhancement has gone for a lot of things – if you're in charge of a non-profit and your building was refurbished, it probably came from enterprise zone funds. If a business was beautified, it probably came from enterprise zone funds. On education, we put money in education every year. In Morrow County, if you're a high school student, you can take credit through Blue Mountain Community College or Eastern Oregon University at no cost and that's paid for by the enterprise zone. We added an apprenticeship program in partnership with the Education Service District and 60 students participated this last year, who were matched with employers for paid internships and were exposed to career paths they might be interested in. We've funded emergency service districts. This will all go away because we as a County Commission want to control the enterprise zone, we don't want to be partners, we want to control it. Our partners have bent over backwards to comprise their original position. The original position was three sponsors, the City of Boardman the County and the Port. I know we've been uncomfortable having a city involved but we can't point to where the City of Boardman has taken a vote we didn't agree with. We wanted each community impacted to have a voice at the table, but the circle we've drawn, we can't agree with our partners at the Port of Morrow and we want to have control over the ground the Port of Morrow owns and Morrow County owns. It will all go away.

Chair Lindsay said: I agree with your statistics and that the enterprise zone is a good thing and it's the reason I, as Chair, worked really hard and brought a different idea back on a weekly basis. I've gone to the meetings and have taken the Facebook lies and attacks and I've brought it back again to get to where do we agree and let's make application. If we make application and don't come to agreement on an IGA or impact zone or voting, then it doesn't go anywhere.

It doesn't have to be marketed, but this is trying to get to an application so we start that process. There are mistakes on the map, there are lots broken in half but if we could get the application started and take that heat off and sit down...and work through the mapping and understand who owns what, we might get to the next step. But at this point, it's just been throwing jabs back and forth. This gets us to an application and enterprise zone. If the impact looks like the way I prepared it, then it's the County representative and the County elected representatives at the Port of Morrow. The Port of Morrow doesn't own the property, the citizens of the County own the property via the Port of Morrow. I'm proposing a vote with just those two entities. Moving the conversation forward is agree on these things, this map, that's all we need to make an application. It's not about control, it's about continuing the conversation. Why does this not get us to an application, why does it blow it up?

Commissioner Russell: Because the Port of Morrow won't sign this.

Chair Lindsay: And how do you know that because they haven't even seen it and voted on it. Did you poll all of the Commissioners?

Commissioner Russell: I polled the majority.

Chair Lindsay: Let's look that up.

Commissioner Russell: Look it up, I can talk to Commissioners one-on-one.

Chair Lindsay: Then you come and say they're not going to approve it. Why would they not even have the conversation to look at it?

Commissioner Russell: We won't even take a vote on their proposal.

Chair Lindsay: I think a counterproposal is voting and says that's not what I want to do, from my perspective. This hasn't changed from the fire map at all, it's the same vote at the same spot on the same map, zero change.

Commissioner Russell: Yes, the stuff in the enterprise zone but what you're asking us to do is...

Chair Lindsay: Who is us?

Commissioner Russell: I mean me, as a County Commissioner, you're asking me to vote on a resolution that doesn't have all the details.

Chair Lindsay: They never have had the details before, ever, the State doesn't care about the details...

Commissioner Russell: No, but the partners do.

Chair Lindsay: And if we don't agree to the IGA, it does not move forward. I'm asking you to keep this moving forward.

Commissioner Russell: It would be easy to move forward if we voted on the Port's resolution and accepted it.

Chair Lindsay: So, who is all or none then?

Commissioner Russell: Well, I think the Port has compromised and compromised and compromised.

Chair Lindsay: And what's the compromise?

Commissioner Russell: For the Port? It started off with three sponsors, we're now down to two sponsors.

Chair Lindsay: With a vote, they're still right at the table every time, so that's not a change.

Commissioner Russell: Your original suggestion was that if there's a project in somebody's back yard, they should be at the table, and that's what's been done.

Chair Lindsay: We disagree about that backyard but I've also said if we want to put it in the IGA that if services are actually delivered and an impact is actually there, that it will be revisited, that's an easy change. Why is that not reasonable?

Commissioner Russell: I think it's reasonable to have the details on the contract done before you sign it.

Chair Lindsay: And has that been your experience in the past in making application to the State?

Commissioner Russell: I have never personally made application to the State.

Chair Lindsay: This gives us what we need to make application for an enterprise zone at the State and the ability to continue negotiation to figure out what makes sense, including fixing the maps that were inaccurate and have tax lots split in half and we continue moving this forward and we take the next 30 days to work through those details and I think that's possible. I've had great conversations with Ryan (Neal) and the Chair (Rick Stokoe) and I think that's possible. But if the Port Commission's already made a decision before we even sent them a proposal, how is that negotiating?

Commissioner Russell: How is it negotiating good faith on our part when the Port sends us a proposal and we won't even take action up or down on it or to reject it or accept it?

Chair Lindsay: For me, a counterproposal is doing that. Do we move this forward if we take a vote on that and then this?

Commissioner Russell: I think we owe it to our partners to take a vote on their proposal.

Brief inaudible exchange due to audio interference.

Commissioner Russell: Their proposal is in the packet today signed by all five Port Commissioners dated May 13th.

Chair Lindsay: I apologize I forgot that was in there.

Commissioner Russell: That's not the motion on the table though.

Chair Lindsay: Counsel, how do we address that, do we table this motion potentially?

Commissioner Doherty: No, we need to vote.

Commissioner Russell: We need to vote on this motion.

Chair Lindsay: You're welcome to make a motion to amend or make a motion to table.

Commissioner Russell: So are you. I'm happy to vote on this motion.

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

New Motion

Commissioner Russell moved to accept the Port's proposal dated May 13th on the details of an enterprise zone application, it's in the packet. Chair Lindsay seconded for discussion.

Chair Lindsay: What does this do, Mr. Nelson, it's different than what we already approved?

Commissioner Russell: I think this one gets us to an enterprise zone application if both parties accept, then we get to move forward.

Chair Lindsay: The other motion did that as well, it's just we have a disagreement about a certain area and who is voting.

Mr. Nelson: ...It's what's being submitted to the State, they might say they won't consider it until you remove one...

Discussion continued on the likelihood of both entities signing the same resolution, confusion over the map references, and County Counsel's advice that the Board not vote on an item that wasn't listed on this week's agenda (Port's prior proposal).

Vote: Aye: Commissioner Russell. Nay: Chair Lindsay. Abstained: Commissioner Doherty. Commissioner Doherty said he would not vote because it wasn't on the agenda, and the topic could have drawn interest from the public, had it been noticed. Motion failed.

Request to move The Loop dispatcher salary and benefits to STF Budget

Katie Imes, Coordinator, The Loop

Ms. Imes explained the request, as outlined in the Agenda Coversheet in the Agenda Packet.

Commissioner Russell moved to approve moving 100% of the Dispatcher salary and benefits to the 216 STF Budget. Commissioner Doherty seconded. Unanimous approval.

CARES Act Funding Update

Commissioner Doherty said the State was reluctant to “release the purse strings” on the funds from the Federal government meant for small businesses throughout the State and not just for the two metro counties. He encouraged Chair Lindsay and Commissioner Russell to reach out to Rep. Greg Smith, Sen. Bill Hansell and anyone else with whom they might have any sway.

Chair Lindsay said this topic will be on the agenda for tomorrow’s joint meeting with the Umatilla County Board of Commissioners, and asked if a draft letter should be presented; Commissioner Doherty agreed to do that.

Equity Fund Loans

Chair Lindsay provided the background – \$500,000 from Enterprise Zone funds were approved at the April Budget meetings to be put into an equity fund of some kind to help small businesses dealing with the impacts of COVID-19. She said she hoped to have a draft for discussion in July but wanted input as to whether it should be loans, grants or some combination thereof.

Commissioner Russell said requests should be evaluated case-by-case. If grants are forgiven, there should be criteria that has to be met, he said.

Chair Lindsay said for the July discussion, she would look at drafting a loan document with a forgiveness option based on some criteria.

Irrigon Building Update

Darrell Green, Administrator

- The diagram, site plan, Design-Build Flow Chart & Master Schedule were provided and reviewed by the Commissioners.
- The “first run” at the budget came in at \$7,800,000 but Mr. Green said he thought it would be closer to \$6,800,000.

Department Reports – Written

Road Department Monthly Report

The report was reviewed.

Correspondence

- Association of Oregon Counties/League of Oregon Cities letter – Logic Model for CARES Act Funding to Cities and Counties
- Letter from Alexandra C. Hobbs stating her opposition to the condemnation of private property by Umatilla Electric Cooperative
- Notice from the City of Boardman to Local Taxing Districts regarding the designation of Columbia River Enterprise Zone III

Commissioner Reports

Verbal reports of activity were provided by the Commissioners.

Signing of documents

Adjourned: 10:50 a.m.