

Morrow County Court
August 10, 2016
Irrigon, Oregon

Irrigon Branch of the Oregon Trail Library District, Community Room

Present

Judge Terry Tallman
Commissioner Leann Rea
Commissioner Don Russell
Jerry Sorte, Administrative Officer
Karen Wolff, Human Resources Director
Richard Tovey, County Counsel
Kate Knop, Finance Department Director
Roberta Lutcher, Court Executive Assistant
Melissa Lindsay, Judge-Elect
Jim Doherty, Commissioner-Elect

Aaron Palmquist, Irrigon City Manager
Wayne Downey, Lost Valley Ranch
(Construction Manager)

Sam Heath, Irrigon
Lin Starke, Irrigon
Burrel Cooley, Irrigon
Karen Cooley, Irrigon
Kelly Shelton, Irrigon
Wayne Huwe, Jr., Irrigon
Michele Ball, Irrigon
Travis Love, Willow Creek Dairy

Audience

Ruth Bostick, Irrigon
Tia Hall, Irrigon
Barb Huwe, Irrigon

Judge Ann Spicer
John Wenzholz, Irrigon
David Sykes, Heppner Gazette-Times

Call to Order: 9:03 a.m., followed by pledge of allegiance.

City and Citizen Comments

Mike Mullins – Recreational Use of Marijuana

Due to a misunderstanding regarding the meeting date, Mr. Mullins' presentation was rescheduled to August 24th.

Petition to Retain Morrow County Annex Building in Irrigon

Barb Huwe, Irrigon

Ms. Huwe presented the petition to the Court, which contained 60 signatures. She said they were gathered in a matter of a few days.

During her presentation, Ms. Huwe touched on several topics, including those stated in the petition itself: "We, the citizens of Irrigon and the surrounding area, would ask the Morrow County Court to leave all current county offices in the Irrigon area. The Irrigon Annex has been there since the 1970s, is outdated and inadequate. The easiest solution is to construct a new building on land Morrow County currently owns adjacent to the existing Irrigon Annex..."

She said the Court needs to be aware of the concern Irrigon residents have at the prospect of losing multiple County departments housed in Irrigon. "We'll never have industry in Irrigon. We're a bedroom community but should be allowed some County ownership. We pay taxes

too,” she stated. She then discussed the growth Irrigon has experienced since a high school was established in town.

Commissioner Russell said if money is going to be spent on a new facility, it should be spent where the customer base is located and that growth has occurred in the north end of the County. He said Planning Director Carla McLane indicated to him the Planning Department should be in Boardman, but perhaps she’s changed her position on that, but he doesn’t have a preference. He added the Sheriff’s Office has to remain in the Emergency Services Building due to “strings attached” when that building was established. He said Judge Ann Spicer has expressed her preference that the Justice Court remain in Irrigon.

Commissioner Russell discussed the option of the soon-to-be-available Blue Mountain Community College (BMCC) Building in Boardman and how it could solve office space problems in the short term. He said he is of the mind to delay facility decisions until after the incoming Commissioners take office in January 2017.

Commissioner Rea responded she disagreed with delaying a decision. She also said County offices are scattered around and need to be consolidated in order to save expenses. A new building in the north end would be a basic structure and not as expensive as the Bartholomew Building, she estimated, which required exterior finishes that would complement the existing Courthouse. She said she wants to make a decision very soon and that all County services in Irrigon, and a few others, should remain there in one building.

Judge Tallman said his view is more fact-gathering should take place and added there will be future discussions that will involve the public.

Commissioner Rea wrapped up the discussion by stating Strategic Investment Program (SIP) funds are a possible funding source for a new structure but they’re short-term and should be used for capital improvement projects, not personnel costs.

Open Agenda Requests to be Added:

- Purchasing Pre-Authorization Request from the Sheriff’s Office.

Lost Valley Ranch (te Velde Dairy) Presentation

Wayne Downey, Construction Project Manager

Travis Love, General Manager, Willow Creek Dairy

Mr. Downey said he and Mr. Love wanted to meet with the Court to respond to comments Ms. McLane submitted on behalf of the Court to the Oregon Department of Agriculture (ODA) during the Public Hearing for the Confined Animal Feeding Operation (CAFO) Permit for Lost Valley Ranch. Mr. Downey explained the Public Hearing was only about protecting the waters but the County’s comments pertained to other items, and he wanted to answer any questions and alleviate any concerns. Mr. Downey’s and Mr. Love’s presentation covered multiple topics, including:

- Groundwater Protection – Mr. Downey said the facility is built in a manner required by State law that allows zero discharge into the waters of the State. Extensive research and planning went into the grading and compacting of the site, and linings using impermeable conveyances are in place for effluent water. He said dangers of contamination from manure are inaccurate because the highly regulated and monitored CAFO facilities are designed to protect the waters. The real problem in terms of nitrogen loading comes from more conventional fertilization practices in use since the early 1970s, but no one addresses those, he said. Commissioner Rea said she serves on the Lower Umatilla Basin Groundwater Management Area Board and current farming practices call for much lower fertilizer application rates. The fertilizer companies are funding research and are very helpful in telling growers the minimal amounts necessary, she said.
- Mr. Love noted the company’s dairies take in over 200,000 pounds of waste feed from the various food processors in the region that would otherwise end up in a landfill. Most people don’t realize what great recyclers of feed waste dairies are, he said.
- In responding to Commissioner Russell’s questions about the use of effluent water and methane digesters, Mr. Love said effluent is currently used on their own farm land to build up the soil, but Willow Creek Dairy exports a lot of solvents to other farms and nurseries in the Portland area. Mr. Downey said methane digesters will be used at the new dairy.
- Air Quality – there is a misconception that cows are great producers of noxious chemical gases, said Mr. Downey. The forage crops grown on the farm off set the gases produced by cattle in a far greater amount, he said. Trees and green crops absorb the gases, he explained, and they have 5,000-10,000 acres of forage crops in production.
- Economic Impact to the Region - Mr. Downey said the annual operating budget for the new dairy will be \$25,000,000-30,000,000. Economists say the peripheral impact and jobs created indirectly can be multiplied by five to seven, which is significant for the area, he said. Mr. Love added dairies typically need plumbers, electricians, concrete workers, etc. We’ve touched almost every business with something to sell, he said.
- Permitted Water for the Dairy – Mr. Downey said it’s a water transfer not a new application. It will be approximately 700 gallons per minute being transferred for dairy use. It’s technically not an exempt use, it will be regulated by the State, he added. The plan to the Water Resources Department is the drinking water combined with industrial and commercial water used by the milking center will not exceed the transferred amount, which can’t happen according to the permit, said Mr. Downey. There is no industry that makes better use of a gallon of water than dairies, he offered.

The Court thanked both gentlemen for their presentation and said they do support the dairy. Mr. Downey asked if the Court would send a letter of support to the Governor’s Office or ODA, to which they agreed.

Old Business

North Morrow County Facility Planning Update

Jerry Sorte, Administrative Officer

Mr. Sorte briefly reviewed the packet of information and said there is work yet to be done determining costs. He said he is analyzing data from the Bartholomew Building to see what information might be useful to the discussion and he will update the Court with any new information. He said he is still assessing needs and there is a significant amount of work left to be done.

Sign Order to Adopt a Fee Schedule for Morrow County

Commissioner Russell requested fees for electronic copies be clarified and kept to a minimum where appropriate. Mr. Sorte said he would follow-up on the electronic fees. The Court decided to approve the current Fee Schedule.

Commissioner Rea moved to approve In the Matter of Adopting a Fee Schedule for Morrow County, Order No. OR-2016-7. Commissioner Russell seconded. Unanimous approval.

Sign Order Directing Sale of Surplus Property, Order No. OR-2016-8

Karen Wolff, Human Resources Director

Commissioner Rea moved to approve In the Matter of Real Property Owned by Morrow County and Directing Sheriff to Conduct Sale, Order No. OR-2016-8, Map and Tax Lot 4N2520-A0-02600, Account #4580, 78576 Parkside Road, Boardman. Commissioner Russell seconded. Unanimous approval.

Foreclosed Five Acre Parcel on Gun Club Lane

Ms. Wolff said this property has become a nuisance property and the Assessor/Tax Collector's assessed value was \$20,000 as of January 1, 2015. It now needs to be declared surplus, she stated.

Commissioner Rea moved to declare the property on Gun Club Lane, Account #2718, as surplus. Commissioner Russell seconded. Unanimous approval.

Discussion ensued on an acceptable minimum bid amount.

Commissioner Rea moved to set the minimum bid at \$10,000 for the property located on Gun Club Lane, Account #2718, and direct County Counsel to prepare a Sheriff's Order to Sell, with terms of the sale to be cash, cashier's check, money order or current letter of credit from a bank or lending institution in full on the day of the sale. Commissioner Russell seconded. Unanimous approval.

Ms. Wolff noted that additional foreclosed properties will be on the agenda in the near future.

New Business

Budget Transfer Resolution No. R-2016-17

Kate Knop, Finance Department Director

Ms. Knop said the requested intra-fund transfer would be from the Morrow County Heppner Administration Building Fund, Material & Services, to the Morrow County Heppner Administration Building Fund, Capital Outlay, in the amount of \$35,000 to complete landscaping around the Bartholomew Building.

Commissioner Rea moved to approve In the Matter of Transferring Appropriations within the Morrow County Heppner Administration Building Fund, Pursuant to ORS 294.461(1), Resolution No. R-2016-17. Commissioner Russell seconded. Unanimous approval.

Actuarial Valuation for the Morrow County Retirement Plan – Review and Discussion

Ms. Knop reviewed the Milliman Actuarial Valuation Report. As relayed in person and stated in her memo, "...The actuarial report reflects increasing assumptions to meet the Plan needs. The Milliman Actuaries recommended the following ideas:

- Stepping into higher contribution levels over time, for example three-five years (from 30.5% to 35.9%)
- Adopting lower interest rate assumptions (from 6.0% to 7.5%)”

Discussion. Judge Tallman stressed adjustments are needed from time to time but will not jeopardize the benefits people receive. Mr. Sorte suggested possible scenarios be considered during a Long Range Planning meeting. Ms. Knop asked that it be scheduled after the upcoming annual audit.

Discussion - Electronic Meeting Packets Distribution

Mr. Sorte asked the Court if the same Electronic Meeting Packets they receive each week should also be made available to the public, with the exception of any confidential information (Executive Session minutes, sensitive identifying information such as Social Security numbers, etc.). The Court was in favor of the move.

Process to Recruit and Fill Budgeted Positions; Permission to Fill Senior Maintenance Specialist

Ms. Wolff said the Administrative Officer has been charged with monitoring budgets and perhaps that position could approve filling already-budgeted staff positions. This would speed up the hiring process and would not include new positions, she said.

Commissioner Russell moved to transfer the authority from the County Court to the Administrative Officer and Human Resources Director to authorize and fill currently budgeted, existing positions, with the understanding any new positions will continue to come before the County Court. Commissioner Rea seconded. Unanimous approval.

Ms. Wolff said recruitment will begin for the Senior Maintenance Specialist in the Road Department. A retirement created the vacancy, she explained.

Safety Committee Appointment

Ms. Wolff reviewed a letter from AFSCME Local 2479 which stated on July 7, 2016 their Executive Board appointed LeAnn Wright to represent the General Employees on the Safety Committee. The Commissioners agreed by consensus.

Department Reports

Planning Department

Carla McLane, Director

- Discussed the upcoming recruitment that will take place to fill potentially up to three vacancies on the Planning Commission.
- Requested Planning Department Visa Cards be reissued in the following manner – one with her name and “Morrow County Planning” and another that reads “Morrow County Planning” for use by other Planning staff members. She said she will register their names with the Bank of Eastern Oregon as proof they are authorized users.
- Requested the County Court adopt the Planning Department’s Credit Card Policy, which reflects County Policy.

Commissioner Rea moved to approve the requested credit card changes by the Planning Department and the Planning Department Credit Card Policy as outlined. Commissioner Russell seconded. Unanimous approval.

- Provided an update on the Department of Land Conservation and Development (DLCD) funded process to update Farm and Forest Use Zones and invited the Court to attend an August 30th Planning Commission work session on the topic.
- Discussed the comment letter submitted to the Oregon Department of Energy regarding Pacific Ethanol’s Site Certificate (Amendment #1). She said Pacific Ethanol remains compliant with their land use and has requested two changes. The first is based on the Port of Morrow’s request that two buildings that were to be removed be left for other uses, and a second requested change of reference from Agricultural to Industrial. She said she agreed with the changes. Discussion.
- Discussed the Federal Emergency Management Agency (FEMA) Implementation of the National Marine Fishery Service Endangered Species Act Biological Opinion (BiOp) and Reasonable and Prudent Alternative (RPA). DLCD is working cooperatively with FEMA Region 10 staff to discuss early phases of the RPA and BiOp relative to adopted FEMA Flood Insurance Rate Maps, she said. She outlined several future requirements regarding permits issued relative to floodplains that could be considered as unfunded mandates. After discussion, Judge Tallman requested a letter be drafted that will be sent to State and Federal entities about this unfunded mandate.
- Discussed upcoming meetings of the Environmental Quality Commission, Water Resources Commission, and the Energy Facility Siting Council.
- Planning Staff are reviewing the Proposed Order for the Wheatridge Wind Energy Facility. A recommendation or comment will be put forth at the August 24th County Court meeting concerning participation in the contested case.

- Discussed the August 24th County Court Public Hearing for the Coordinated Human Services Public Transportation Plan.
- Columbia River Enterprise Zone II Board (CREZ) met recently to discuss a boundary line change, but lacked the authority to act upon it. They will tentatively hold a Public Hearing on Wednesday, September 14th with the three Sponsor Entities (Morrow County Court, Port of Morrow Commission, Boardman City Council) to consider the boundary change and possible changes to the intergovernmental agreement that governs the activities of the Board.
- Space Age Industrial (SAI) Use Zone – Ms. McLane commented the Planning Department has some interest in evaluating this SAI zone and its future value. She said the majority of the land in the SAI is already being farmed. Discussion.

Juvenile Department

Tom Meier, Director

Mr. Meier discussed his fourth quarter report (April-June 2016). He noted:

- Seven admissions into facilities; total for the year - 13, which is lower than previous years but they involved rather “difficult” individuals, as evidenced by the length of their stays. The length of stays outpaced statistics from the previous three quarters combined.
- Referral to services rate was 96, which hasn’t been that high since 2011/2012. This increase may be attributed to referrals from the School Resource Officers.

Additional reports and statistics were reviewed.

Veterans’ Services

The Court reviewed the written Quarterly Report submitted by Veteran Services Officer, Linda Skendzel. It included information about meetings she attended and outreach efforts. It also showed that 46 in-office interviews and three out-of-office interviews were completed.

County Counsel Report

Richard Tovey, County Counsel

Mr. Tovey said both he and Co-County Counsel, Justin Nelson, continue to review documents and contracts and the process is going well with Department Heads registering no complaints.

Retirement Plan Update Documents (McGee Wealth Management)

Ms. Wolff explained the contract with McGee Wealth Management includes some changes to the Morrow County Retirement Plan which were outlined during their update to the Court in April. The documents have been reviewed by County Counsel and are ready for signature, she said.

Commissioner Rea moved to approve signing all McGee Wealth Management documents regarding the Morrow County Retirement Plan Funds (Investment Management and Consulting Agreement; Statement of Investment Policy and Objectives; Updated Plan Information Documents) based on the recommendation of approval from County Counsel. Commissioner Russell seconded. Unanimous approval.

Administrative Officer Report

Mr. Sorte

- Unfunded Mandate Litigation – Mr. Sorte said the lead attorney, Nathan Rietmann, asked participating counties to designate a staff person to sign a declaration of facts associated with the case. Mr. Sorte asked the Court's preference. After discussion, Mr. Tovey said County Counsel recommends a staff person knowledgeable in budget matters sign the declaration. Additional discussion. Mr. Sorte said he and Ms. Knop could draft a document indicating the County Court directed staff to respond and confirm the financial impact threshold requirements are met by Morrow County (sick leave paid constitutes an impact of more than one one-hundredth of the County's total budgeted expenditures). The Court agreed to this approach.

Commissioner Rea moved to direct staff to prepare the declaration requested by Nathan Rietmann as lead attorney in an unfunded mandate litigation and authorize Judge Tallman to sign on behalf of the County, or a yet-to-be determined designee following Judge Tallman's retirement. Commissioner Russell seconded. Unanimous approval.

- Mr. Sorte said PGE would like to provide an update to the County Court on Wednesday, August 31st, 10:00 a.m. at the Port of Morrow. He said this is the fifth Wednesday of the month so a County Court meeting was not planned. The Court agreed to schedule the update.

Claims

Purchasing Pre-Authorization – Sheriff's Office

Mr. Sorte said Undersheriff John Bowles is requesting to purchase 20 body armor vests for approximately \$8,500 from a budget within the Sheriff's Office.

Commissioner Rea moved to approve the Purchasing Pre-Authorization from the Sheriff's Office in the amount of \$8,500 to purchase 20 body armor vests, and authorize Judge Tallman to sign on behalf of the County. Commissioner Russell seconded. Unanimous approval.

Commissioner Rea moved to approve the following Payroll Payables: Monthlies, dated July 29th; Immediates & Electronic, dated August 2nd; Immediates & Electronic, HRA EFT, dated August 3rd; Immediates & Electronic, Employee Final, dated August 4th; and the August 2016 Retirement Taxes dated August 5th; and the Accounts Payable, dated August 11th, in the amount of \$272,291.62. Commissioner Russell seconded. Unanimous approval.

Minutes

Approval of the July 27th minutes postponed.

Correspondence Reviewed:

- Agenda for the Oregon Environmental Quality Commission meetings in Boardman on August 17th and Hermiston on August 18th.

Commissioner Reports

- Commissioner Russell said he will be attending the Eastern Oregon Counties Association meeting in Ontario on August 11th. Commissioner Rea will be attending, as well.
- Judge Tallman said he'll attend a Community Renewable Energy Association meeting on August 12th.

Adjourned: 12:20 p.m.