

**Morrow County Board of Commissioners Meeting Minutes**  
**May 10, 2017**  
**Irrigon Branch of the Oregon Trail Library District, Community Room**  
**Irrigon, Oregon**

**Present**

Chair Melissa Lindsay  
Commissioner Don Russell  
Commissioner Jim Doherty  
Jerry Sorte, Administrative Officer  
Richard Tovey, County Counsel  
Kate Knop, Finance Director  
Karen Wolff, Human Resources Director  
Roberta Lutchter, Executive Assistant

**Call to Order:** 9:04 a.m., followed by pledge of allegiance

**City and Citizen Comments:**

The following Irrigon residents spoke to the Commissioners about maintaining existing County services in Irrigon:

- Barb Huwe cited three reasons – 1.) The County offices represent Irrigon’s “ownership” in Morrow County. 2.) Historical aspect - the offices have been in Irrigon since the 1970s. 3.) If Irrigon lost County offices to Boardman it would have a negative economic impact on Irrigon, whereas Boardman already has many positive things taking place there.
- Jane Gallagher – Expressed concern that law enforcement response times would decrease in the Irrigon area if the Sheriff’s Office relocated elsewhere. In addition, a police presence is needed in Irrigon.

Commissioner Russell recapped the process that has taken place with this Board and the previous County Court regarding north County facility planning. He also said relocating the Sheriff’s Office out of Irrigon is “off the table,” since Boardman has its own police department. Commissioner Russell reasoned it doesn’t cost more or less to build in either location but it does come down to dollars and cents, especially if reasonably acquiring an existing building is an option worth considering. He stressed some planning has taken place but no decisions have been made.

- Jack Kinsey – Questioned the efficiency of Parole and Probation personnel and work crews working partial days two days a week when the work could be consolidated into one full day’s work. He also said Parole and Probation employees drive back and forth from Heppner to Irrigon both of those days.
- Aaron Palmquist, Irrigon City Manager – Urged to Board to start the process by moving the Public Works yard out of Irrigon while the weather is favorable. He also said the City is working through the details of locating a parking lot on the west side of the Morrow

County Health District building on 2<sup>nd</sup> Street so the Health District and others can have parking. Great things are happening, he said, and the City can get to the desired use for the County, but the Board needs to get the process going and move on to the next steps.

Commissioner Doherty said he and the other two Commissioners are eager to see things come to fruition and had a productive discussion at last week's BOC meeting on this topic. It boiled down to moving offices from the Docken Building in Boardman to a potentially remodeled Blue Mountain Community College building, and building a new facility in Irrigon while leaving most offices there. Staff was given direction to move on this posthaste as it is a top priority for the County, he said. Commissioner Doherty commented he was willing to spend extra dollars to keep Irrigon whole, but the Board needs to find out just how many dollars that involves. Staff needs time to research the options, he said.

- Harold Heath – The Irrigon Annex Building is Irrigon's anchor to Morrow County and it helps sustain the few businesses that remain. He also said he believed constructing a new facility would be cheaper than renovating an existing building that might have to be brought up to government code.
- Bobbi Veach, Irrigon Chamber of Commerce – Irrigon Chamber membership is growing and to see anything leave Irrigon would hinder the ability to attract new businesses.
- Cecil Rock, owner Rock Enterprises – discussed the rift that developed in the Eugene/Springfield area and cautioned the Board against fueling something similar between Irrigon and Boardman by moving County offices to Boardman.
- John Wenzholz, former County Commissioner and business owner – Boardman is the economic engine of the County and growth needs to continue in north County, but leave County facilities in Irrigon.

Chair Lindsay then asked the members of the audience to raise their hands if they were in support of what had already been stated; all audience members there for this matter raised their hands. Chair Lindsay said she fully supports staying in Irrigon, and while the Board needs to make a sound financial decision, it can't always be based on dollars alone.

**Open Agenda:** Request to add Oregon Department of Energy Contract #15-054 Amendment #2

### **Consent Calendar**

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

1. *Accounts Payable dated May 11, 2017; 2017 Q1 SUTA/WBF Quarterly Payment dated May 2, 2017; May 2017 Retirement Taxes dated May 5, 2017*
2. *Oregon Department of Agriculture Wolf Compensation and Financial Assistance 2017 Grant Agreement Award and authorize Commissioner Doherty to sign on behalf of the County*
3. *Anson Wright Park part-time Park Host Contract, William Malone*
4. *Resolution No. R-2017-8: Amended Bylaws of the Parks Committee in the 2010-2030 Morrow County Parks Master Plan*

*Commissioner Doherty seconded. Unanimous approval.*

Commissioner Doherty noted this year's ODA Wolf Grant increased by \$5,000 over the previous year to \$8,675. It has been a struggle to get livestock growers to participate in the program, he said, but things may change as there is known wolf activity in the County.

### **Business Items**

#### Budget Transfer Resolution No. R-2017-15

Kate Knop, Finance Director

Ms. Knop's memo stated: "The Echo Winds adopted budget included a Transfer to General Fund in the amount of \$114,600. During the 2016-2017 fiscal year, three tax district payments (including one current year, and two prior year) were distributed from the Echo Winds Fund requiring cash resources in excess of the fiscal year adopted budget for 2016-2017.

The requested budget transfer would increase the General Fund, "Other Requirements – Transfer to Echo Winds" in the amount of \$22,981. This transfer will allow sufficient Echo Winds Fund, cash resources to process tax district payments and leave a year ending fund balance of zero.

The Resolution will also impact the approved Morrow County budget for 2017-2018 with a lower beginning fund balance in the Echo Winds Fund and a reduced "Transfer to General Fund" dollar amount. This change will be presented to the Board of Commissioners on May 17, 2017 along with the Form LB-1."

Ms. Knop said this information came to her the day after the close of this year's Budget Committee meetings, and she has been in contact with the Oregon Department of Revenue on how to handle the situation.

*Commissioner Doherty moved to approve Resolution No. R-2017-15 – In the Matter of Transferring appropriations from General Fund to the Echo Winds Fund, Pursuant to ORS 294.463(3). Commissioner Russell seconded. Discussion: Commissioner Doherty asked why the information wasn't made available prior to Budget Committee meetings, and will the same transfer be needed next year. Ms. Knop said she is still researching it as it's outside the Finance Department. Moving forward, she said she will request more information on the distribution of these funds to the taxing districts. Ms. Knop detailed the impact going back several fiscal years. Chair Lindsay asked her if she became aware of the situation as a result of insufficient funds; to which she replied that was the case. Commissioner Russell said the County has a process issue. Unanimous approval.*

Chair Lindsay said the County needs additional processes and procedures and asked the others for ideas. Ms. Knop recommended oversight and review of all journal entries including receipts and distributions. She said the processes in the Finance Office are reviewed by multiple staff members and if the same would have occurred with these funds, perhaps we wouldn't be in this situation. She said as the person responsible for financial statements, this concerns her. It's

important to have controls in place to strengthen the entire County and to be fiscally responsible with all transactions. After additional questions, Chair Lindsay asked Ms. Knop if there is more that should take place. Ms. Knop said we need to document the processes so everyone is aware. Commissioner Doherty said this situation made him nervous and caused him to wonder what else might be out there. He then asked Administrative Officer, Jerry Sorte, if he supported the ideas that have been proposed. Mr. Sorte said they are exactly what needs to happen. The challenge is there is one elected Department Head and one appointed Department Head and it will require team spirit to get the new processes working or direction from the Board. He continued, Ms. Knop identified steps for redundancy, and this is an opportunity to better our system and communication so we have oversight for the best product possible. Commissioner Doherty asked Mr. Sorte to work with Chair Lindsay, Ms. Knop and the Treasurer (Gayle Gutierrez) to craft needed recommendations. Mr. Sorte said that could be done. Chair Lindsay said the direction to staff is to come to the Board next week with a list of processes that could be instituted to include: double checks on journal entries; double signatures on checks that don't go through the Accounts Payable process; the items she previously discussed in February; and cash handling policy. She said the County runs the risk of losing its insurance if these things aren't put in place. Mr. Sorte said he would meet with the others to provide the requested work product next week and to talk about interim control measures. Chair Lindsay suggested a Work Session with the Treasurer would be great for cohesion.

#### Mapping Maintenance contract with Oregon Department of Revenue

As Mike Gorman, Assessor/Tax Collector was not present, Mr. Sorte said the contract was reviewed by County Counsel and Mr. Gorman recommended it be signed.

*Commissioner Russell moved to approve Intergovernmental Services Agreement Contract #3610-17 with the Oregon Department of Revenue for map maintenance and related cartographic activities to be performed by the Department of Revenue for Morrow County as authorized under ORS 306.125 and ORS 190.110 for fiscal year July 1, 2017 to June 30, 2018; total cost \$18,000. Commissioner Doherty seconded. Unanimous approval.*

#### Intergovernmental Agreement – Sheriff's Office and the City of Heppner

As Undersheriff John Bowles was not present, Mr. Sorte said he had nothing additional to add beyond what was provided in the Agenda Packet.

*Commissioner Russell moved to approve the Intergovernmental Agreement for Sheriff's Services with the City of Heppner effective July 1, 2017 to June 30, 2018; agreement shall automatically renew for the next fiscal year under the same terms and conditions unless one party gives the other notice of intent not to renew on or before March 1 of the current fiscal year. The City of Heppner will pay the County \$173,550.25 per fiscal year for services under this agreement. Commissioner Doherty seconded. Unanimous approval.*

#### County Grants to Cities Discussion

Jerry Sorte, Administrative Officer

Excerpted from Mr. Sorte's memo: "The Fiscal Year 2017-2018 Budget that was approved by the Budget Committee includes \$200,000 for County grants to cities. The Board of Commissioners has not made a decision on the specifics of how those funds should be distributed. Morrow County's five incorporated cities are: Boardman, Heppner, Irrigon, Ione, and Lexington.

Commissioner Russell prepared a spreadsheet that lists four ways that the funds could be divided:

1. Even split to each city;
2. Distribution based on population;
3. Distribution based 50% on population and 50% on an even distribution; and
4. Distribution based 37.5% on population and 62.5% on an even distribution."

After agreeing they should first decide if the grants will have requirements attached to them, the Commissioners agreed to identify the funds are to be used for infrastructure. However, Commissioner Doherty requested one caveat – that the cities and all other entities that receive grant-type funds from the County provide in-person reports to the BOC as to how they have used those funds. Mr. Palmquist suggested the County make that clear in the documentation. It was further noted that the grants will not be confirmed until the County budget has been finalized. Discussion then centered on how to allocate the funds.

*Commissioner Russell moved to approve the split as follows for the five incorporated cities – 37.5 % of the \$200,000 to be based on population, and 62.5% to be split evenly, or:*

- Boardman to receive a total of \$60,154.60
- Heppner to receive a total of \$38,650.74
- Irrigon to receive a total of \$45,028.11
- Ione to receive a total of \$28,478.57
- Lexington to receive a total of \$27,687.98

*Commissioner Doherty seconded and asked for discussion. He said he and Chair Lindsay thought Commissioner Russell was in favor of an even 50/50 split. Chair Lindsay said there are already many decisions based on population and she preferred to give everyone the same opportunity. Aye: Commissioner Russell, Commissioner Doherty. Nay: Chair Lindsay. Motion carried.*

The Board then agreed to Mr. Sorte's proposal that he notify the cities of the Board's intentions and restrictions, and that the County will adopt its budget in June. Furthermore, he recommended the Board adopt a resolution listing the same. Commissioner Russell said it's important the cities be allowed to "bank" the funds, or use them as a match to attract other funding, or pool them for larger projects.

Lease Agreement with Domestic Violence Services, Inc.

Jerry Sorte, Administrative Officer

Mr. Sorte said past practice in determining lease amounts for the Gilliam Bisbee Building was with a goal in mind of covering utility costs. This amount does that, he said, and it's a month-to-month lease so neither party is locked in long-term.

*Commissioner Russell moved to approve the Commercial Lease Agreement dated May 10, 2017 with Domestic Violence Services, Inc. for the first-floor office specified in Exhibit A of the Gilliam Bisbee Building at the rate of \$100 per month; and authorize the Administrative Officer to sign on behalf of the County. Commissioner Doherty seconded. Discussion: Chair Lindsay said there was recent discussion that the Board will wait a year to see if any prospects develop with that building before getting serious about what might have to be done with the Gilliam Bisbee Building. She said she's shown it three different times and there may be some good ideas for its use. Commissioner Russell said he has spoken to someone and hopes that person will follow through with those ideas as well. Unanimous approval.*

#### Oregon Department of Energy (ODOE) Contract #15-054 Amendment #2

Carla McLane, Planning Department Director

Ms. McLane explained the amendment extends the contract period an additional two years. The original contract covers reimbursements from ODOE for Morrow County's review of Energy Facility Siting Council projects in or adjacent to Morrow County for which the County is appointed as a Special Advisory Group. She said the contract allows up to \$12,000 but she budgeted \$1,000 for the next year. The Board encouraged her to be diligent about tracking time spent in order to be fairly reimbursed.

*Commissioner Doherty moved to approve Amendment No. 2 to Interagency Agreement No. 15-054 dated July 1, 2015 with the Oregon Department of Energy; Amendment No. 2 effective date January 1, 2017 to June 30, 2019; in an amount not to exceed \$12,761.89; and authorize Chair Lindsay to sign on behalf of the County. Commissioner Russell seconded. Unanimous approval.*

**Break:** 10:38 a.m.

**Resumed:** 10:48 a.m.

#### **Staff Reports**

##### Planning Department Monthly Report

Carla McLane, Planning Department Director

Ms. McLane said she would provide a brief update since there was a BOC Work Session on Planning related matters last week. She began by discussing possible mileage reimbursement for the eight Planning Commission members who attend 11 meetings per year, alternating locations between Heppner and Boardman. The total amount would be approximately \$1,600 at the County's reimbursement rate of \$0.5350 per mile, she said. If this is done for Planning Commission members, it brings up the question of other boards and commissions, she said. Commissioner Doherty indicated the amount of Planning Commission meetings separates it from other board and commissions, and he would like to take it to the public. The Commissioners agreed the idea warranted more time for consideration.

Ms. McLane's other discussion items were:

- Dates for a possible Work Session with the BOC and Planning Commission to discuss renewable energy policy and regulation options. Chair Lindsay requested it be in July or August.
- Energy Facility Siting Council Site Certificate limitations, if any, concerning Federal Aviation Administration lighting requirements or lighting requirements by Morrow County. This is related to radar triggered lighting on wind towers, she explained, which is of interest to Commissioner Russell.

#### Veterans Services Quarterly Report

Linda Skendzel, Veterans Services Officer

Ms. Skendzel's reviewed information on some of the Federal Veterans Affairs programs offered through her office; the Oregon Department of Veterans Affairs Quarterly Report; and other items related to activity in Morrow County's local Irrigon office.

Commissioner Doherty discussed a call from someone who was concerned about outreach to younger veterans. This person noticed that most outreach events are attended by older veterans and he wondered if we were aware of that situation, said Commissioner Doherty. It was a good discussion and Commissioner Doherty said he encouraged the caller to contact our Veterans Services Officer. Ms. Skendzel said her audience does tend to be older veterans, but in the last few months there have been younger veterans involved. She said many are working age and unable to come to events during the week. In addition, she said the Walla Walla VA Center is unwilling to come to events on Saturdays.

#### **Correspondence**

- Letter to Public Works from the Oregon Department of Environmental Quality regarding the approval of the Morrow Watershed 2016 Opportunity to Recycle Program.

#### **Commissioner Reports**

- Commissioner Doherty attended yesterday's Association of Oregon Counties C3 Summit, which is a national effort to reduce the number of people in the criminal justice system due to mental illness. The effort is also known as the "Stepping Up Initiative."
- Commissioner Russell said he attended AOC legislative workshops in Salem. There are vacancies on several AOC state-wide boards, he said, including Business Oregon which Commissioner Doherty suggested he consider. Commissioner Russell said he plans to attend an Oregon Public Utilities Commission Public Comment Hearing on the PGE 2016 Integrated Resource Plan on May 15<sup>th</sup> in Portland.

**Adjourned:** 11:24 a.m.