



# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

Please see my memo which is attached.

*Additional data provided by Finance.*  
*(LW)*

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

Move to approve the Cost of Living Adjustment for all employees not covered by a Collective Bargaining Agreement, and not Elected Officials, to be \_\_\_\_\_% for Fiscal Year 2018/2019.

Attach additional background documentation as needed.

**Morrow County  
Budget History & Forecast  
2013-2023**

	2013-2014		2014-2015		2014-2015	2015-2016		2015-16	2016-2017		2016-2017
	Amount	Percentage	Amount	Percentage	<>2013-14	Amount	Percentage	<>2014-15	Amount	Percentage	<>2015-16
Personnel Services	7,884,667	32%	8,185,002	25%	4%	9,147,150	29%	12%	10,228,692	29%	12%
Materials and Services	7,118,482	29%	5,632,102	17%	-21%	8,184,302	26%	45%	9,395,159	26%	15%
Capital Outlay	2,405,273	10%	3,945,621	12%	64%	5,023,700	16%	27%	3,692,337	10%	-27%
Debt Service	425,000	2%	3,826	0%	-99%	165,000	1%	4213%	441,000	1%	167%
Interfund Transfers	3,161,318	13%	4,401,790	14%	39%	4,089,457	13%	-7%	5,238,996	15%	28%
Contingencies	123,527	1%	-	0%	-100%	173,865	1%	0%	205,385	1%	18%
Special Payments	729,789	3%	632,157	2%	-13%	1,761,625	6%	179%	2,056,805	6%	17%
Unappropriated Ending Balance	2,757,911	11%	9,534,805	29%	246%	2,864,167	9%	-70%	4,397,808	12%	54%
Total Requirements	24,605,967	100%	32,335,303	100%	<b>31%</b>	31,409,266	100%	<b>-3%</b>	35,656,182	100%	<b>14%</b>

**Morrow County  
Budget History & Forecast  
2013-2023**

	2017-2018		2017-2018	2018-2019		2018-2019	2019-2020		2019-2020
	Amount	Percentage	<>2016-17	Amount	Percentage	<>2017-18	Amount	Percentage	<>2018-19
Personnel Services	11,847,477	32%	16%	12,795,275	32%	8%	13,307,086	32%	4%
Materials and Services	9,081,262	24%	-3%	9,535,325	24%	5%	10,012,091	24%	5%
Capital Outlay	3,916,216	10%	6%	4,112,027	10%	5%	4,317,628	10%	5%
Debt Service	394,000	1%	-11%	394,000	1%	0%	394,000	1%	0%
Interfund Transfers	5,878,831	16%	12%	6,172,773	16%	5%	6,481,411	16%	5%
Contingencies	525,322	1%	156%	551,588	1%	5%	579,168	1%	5%
Special Payments	2,336,212	6%	14%	2,336,212	6%	0%	2,453,023	6%	5%
Unappropriated Ending Balance	3,323,334	9%	-24%	3,489,501	9%	5%	3,663,976	9%	5%
Total Requirements	37,302,654	100%	<b>5%</b>	39,386,700	100%	<b>6%</b>	41,208,383	100%	<b>5%</b>
	<u>Non-Represented</u>			<u>Non-Represented</u>			<u>Non-Represented</u>		
	3,057,324	8%		3,307,167	8%		3,440,764	8%	

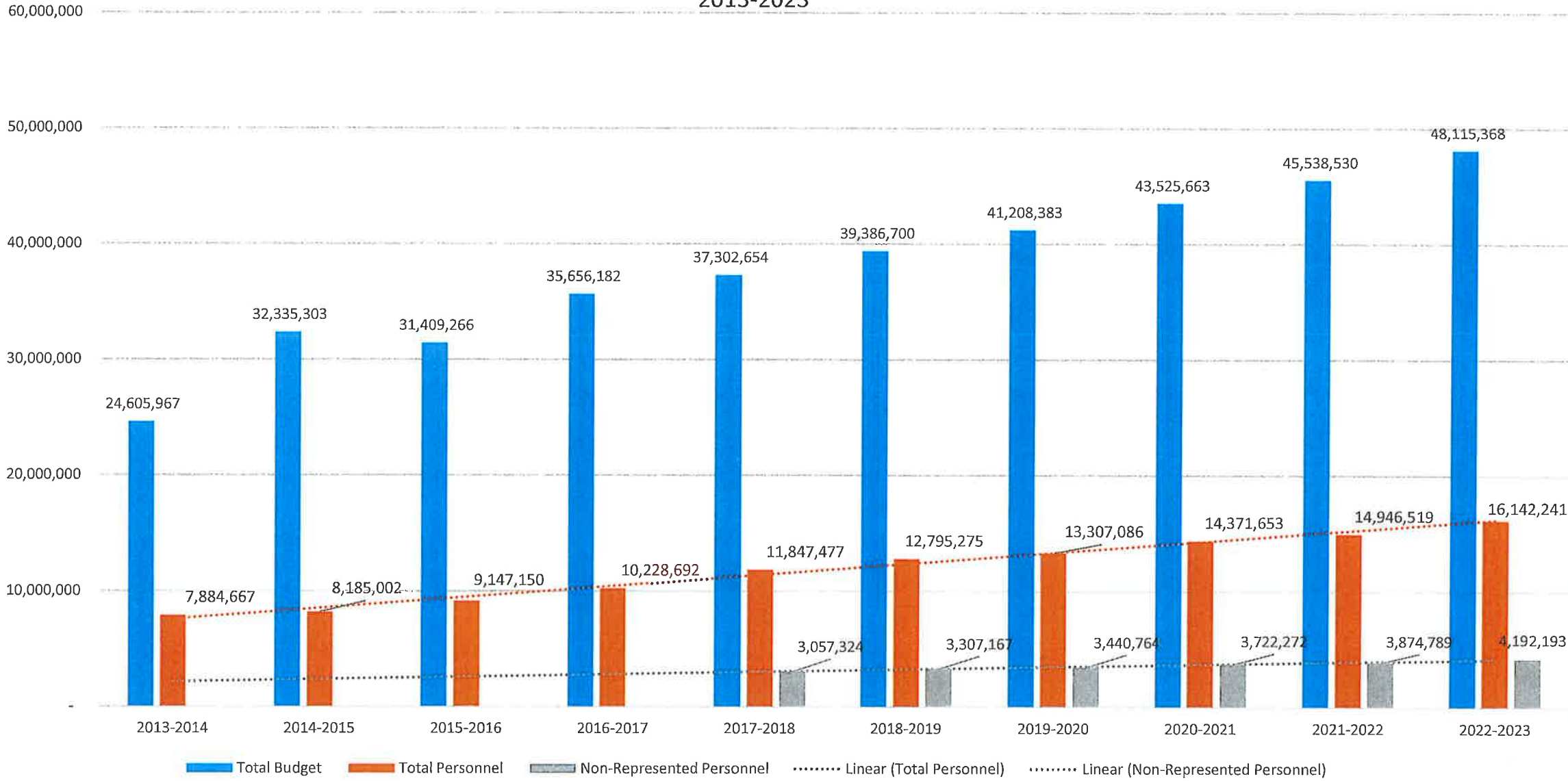
2018-2019		2019-2020	
FTE Blended Inc.	8.00%	FTE Blended Inc.	4.00%
Budget Adj.	5.00%	Budget Adj.	5.00%

**Morrow County  
Budget History & Forecast  
2013-2023**

	2020-2021		2020-2021	2021-2022		2021-2022	2022-2023		2022-2023
	Amount	Percentage	<>2019-2020	Amount	Percentage	<>2020-21	Amount	Percentage	<>2021-2022
Personnel Services	14,371,653	33%	8%	14,946,519	33%	4%	16,142,241	34%	8%
Materials and Services	10,512,696	24%	5%	11,038,331	24%	5%	11,590,247	24%	5%
Capital Outlay	4,533,510	10%	5%	4,760,185	10%	5%	4,998,194	10%	5%
Debt Service	394,000	1%	0%	394,000	1%	0%	394,000	1%	0%
Interfund Transfers	6,805,482	16%	5%	7,145,756	16%	5%	7,503,044	16%	5%
Contingencies	608,126	1%	5%	638,532	1%	5%	670,459	1%	5%
Special Payments	2,453,023	6%	0%	2,575,674	6%	5%	2,575,674	5%	0%
Unappropriated Ending Balance	3,847,175	9%	5%	4,039,533	9%	5%	4,241,510	9%	5%
<b>Total Requirements</b>	<b>43,525,663</b>	<b>100%</b>	<b>6%</b>	<b>45,538,530</b>	<b>100%</b>	<b>5%</b>	<b>48,115,368</b>	<b>100%</b>	<b>6%</b>
	<u>Non-Represented</u>			<u>Non-Represented</u>			<u>Non-Represented</u>		
	3,722,272	9%		3,874,789	9%		4,192,193	9%	

	2020-2021		2021-2022		2022-2023
FTE Blended Inc.	8.00%	FTE Blended Inc.	4.00%	FTE Blended Inc.	8.00%
Budget Adj.	5.00%	Budget Adj.	5.00%	Budget Adj.	5.00%

### Morrow County Total Budget vs. Personnel Budget 2013-2023





## Human Resources

P.O. Box 788 • Heppner OR 97836  
(541) 676-5620

Karen Wolff  
Human Resources Director  
kwolff@co.morrow.or.us

DATE: February 5, 2018  
TO: Morrow County Board of Commissioners  
FROM: Karen Wolff, Human Resources Director  
RE: Holiday Pay

A handwritten signature in cursive script, appearing to read "Karen", written in black ink.

At the April 12, 2017 Board of Commissioners meeting, the Commissioners requested that the COLA for Nonrepresented Employees be presented for consideration prior to establishing the COLA for Elected Officials. The Compensation Board meeting is scheduled for next week, so I am bringing the COLA discussion before you today.

Exhibit 1 is a history of COLA for all Represented Employees, Nonrepresented Employees, and Elected Officials.

Exhibit 2 is an estimation of the impact of various COLA amounts for Elected Officials. This information has been provided by Finance.

Exhibit 3 is information regarding CPI.

The table below is a rough estimation of the impact of various COLA amounts for Nonrepresented employees. As I compiled salary information, I have not included the annual wage for Temporary Employees and some less than 0.5 FTE employees. The numbers below are a fair indication of the financial impact, but are not exact. These estimates have not been reviewed by Finance.

Nonrepresented Employees      25 FTE      \$1,844,830 FY 17/18

Nonrepresented	25 FTE	\$153,736/mo.	FY 17/18
	Diff \$3,075/mo	\$156,811/mo.	+ 2.0%
	Diff \$3,843/mo	\$157,579/mo.	+ 2.5%
	Diff \$4,612/mo	\$158,348/mo.	+ 3.0%

**Some factors to keep in mind when setting the COLA:**

- **Financial Impact of the COLA.**
- **CPI.**
- **AFSCME has opened bargaining for both the General Employees and Road Employees.**
- **Teamsters Collective Bargaining Agreement has a 3.0% COLA for FY 18/19.**
- **Delta between Department Directors/Supervisors and subordinates.**

**At this time I do not have a recommendation for COLA for FY 18/19.**

**I am available for any additional information that the Commissioners may wish in order to make a decision. Please feel free to reach out to me.**



**COLA History**

**Prepared by Karen Wolff**

*January 21, 2018*

	General			Elected	
	Employee	Road	SO	Managers	Officials
<b>FY 17/18</b>	3.00%	3.00%	3.00%	3.00%	3.00%
<b>FY 16/17</b>	3.00%	3.00%	2.50%	3.00%	3.00%
<b>FY 15/16</b>	3.00%	3.00%	2.50%	3.00%	3.00%
<b>FY 14/15</b>	3.00%	3.00%	2.25%	3.00%	3.00%
<b>FY 13/14</b>	3.00%	3.00%	2.00%	3.00%	3.00%
<b>FY 12/13</b>	3.00%	3.00%	1.50%	3.00%	3.00%
<b>FY 11/12</b>	3.00%	3.00%	1.00%	2.33%	2.33%
<b>FY 10/11</b>	3.00%	3.00%	1.50%	1.50%	1.50%
<b>FY 09/10</b>	3.00%	3.00%	3.00%		
<b>FY 08/09</b>			3.00%		
<b>FY 07/08</b>			4.00%		

**Prior to FY 12/13, the Elected Officials and Managers received a COLA that was the average of the three Collective Bargaining Agreements, as that was thought to be a written policy. It was determined that was a past practise, not a policy.**

**ELECTED OFFICIAL SCALE  
2017- 2018**

TITLE	FTE	MONTHLY		
		2.0%	2.5%	3.0%
COMMISSIONER	0.5	3,363	3,379	3,396
COMMISSIONER	0.5	3,363	3,379	3,396
COMMISSIONER	0.5	3,363	3,379	3,396
ASSESSOR	1	6,854	6,887	6,921
TREASURER	1	5,995	6,024	6,054
CLERK	1	5,995	6,024	6,054
JUSTICE OF THE PEACE	1	5,995	6,024	6,054
SHERIFF	1	8,592	8,634	8,676
<b>Total</b>		<b>43,519</b>	<b>43,733</b>	<b>43,946</b>

TITLE	FTE	MONTHLY		
		2.0%	2.5%	3.0%
COMMISSIONER @ 1.0 FTE	1	6,726	6,759	6,792
COMMISSIONER @ 1.0 FTE	1	6,726	6,759	6,792
COMMISSIONER @ 1.0 FTE	1	6,726	6,759	6,792
ASSESSOR	1	6,854	6,887	6,921
TREASURER	1	5,995	6,024	6,054
CLERK	1	5,995	6,024	6,054
JUSTICE OF THE PEACE	1	5,995	6,024	6,054
SHERIFF	1	8,592	8,634	8,676
<b>Total</b>		<b>53,608</b>	<b>53,871</b>	<b>54,134</b>

# Consumer Price Index

Base period: 1982-84 = 100, not seasonally adjusted

Exhibit 3

## CPI-U

	U.S. City Average			West – Size Class B/C		
	2017	2016	2015	2017	2016	2015
Jan.	2.5%	1.4%	-0.1%	1.8%	1.3%	0.0%
Feb.	2.7%	1.0%	0.0%	2.3%	0.8%	0.6%
March	2.4%	0.9%	-0.1%	2.5%	0.3%	0.8%
April	2.2%	1.1%	-0.2%	2.3%	0.5%	0.9%
May	1.9%	1.0%	0.0%	2.0%	0.4%	0.8%
June	1.6%	1.0%	0.1%	2.0%	0.5%	0.5%
July	1.7%	0.8%	0.2%	1.9%	0.6%	0.3%
Aug.	1.9%	1.1%	0.2%	2.3%	0.7%	0.3%
Sept.	2.2%	1.5%	0.0%	2.6%	1.1%	0.0%
Oct.	2.0%	1.6%	0.2%	2.7%	1.3%	0.1%
Nov.	2.2%	1.7%	0.5%	2.7%	1.7%	0.1%
Dec.	2.1%	2.1%	0.7%	2.7%	1.8%	0.5%

### CPI-U

The newer index, reflecting the buying habits of all urban households.

## CPI-W

	U.S. City Average			West – Size Class B/C		
	2017	2016	2015	2017	2016	2015
Jan.	2.5%	1.2%	-0.8%	1.9%	1.3%	-0.4%
Feb.	2.8%	0.7%	-0.6%	2.5%	0.7%	0.1%
March	2.3%	0.5%	-0.6%	2.6%	0.1%	0.4%
April	2.1%	0.8%	-0.8%	2.4%	0.5%	0.6%
May	1.8%	0.7%	-0.6%	2.0%	0.3%	0.5%
June	1.5%	0.6%	-0.4%	2.0%	0.4%	0.2%
July	1.6%	0.4%	-0.3%	2.0%	0.6%	0.0%
Aug.	1.9%	0.7%	-0.3%	2.4%	0.6%	0.0%
Sept.	2.3%	1.2%	-0.6%	2.8%	1.1%	-0.2%
Oct.	2.1%	1.4%	-0.4%	2.8%	1.5%	-0.2%
Nov.	2.3%	1.5%	0.1%	2.9%	1.9%	0.0%
Dec.	2.2%	2.0%	0.4%	2.9%	1.8%	0.4%

### CPI-W

The revision of the "old CPI", reflecting the buying habits of urban wage earners and clerical workers.

West – based on cities with populations of less than 1,500,000 in 13 Western states.

## Portland-Salem, OR-WA

	CPI-U Portland			CPI-W Portland		
	2017	2016	2015	2017	2016	2015
1st half	4.4%	1.7%	1.3%	4.2%	1.2%	0.6%
2nd half	3.9%	2.6%	1.1%	3.6%	2.2%	0.3%
Annual	4.2%	2.1%	1.2%	3.9%	1.7%	0.4%

### Portland 1<sup>st</sup> Half

January thru June

### Portland 2<sup>nd</sup> Half

July thru December

# NEWS RELEASE

## BUREAU OF LABOR STATISTICS

U. S. D E P A R T M E N T O F L A B O R



For Release: Friday, January 12, 2018

18-7-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.  
Technical information: (415) 625-2270 BLSinfoSF@bls.gov www.bls.gov/regions/west  
Media contact: (415) 625-2270

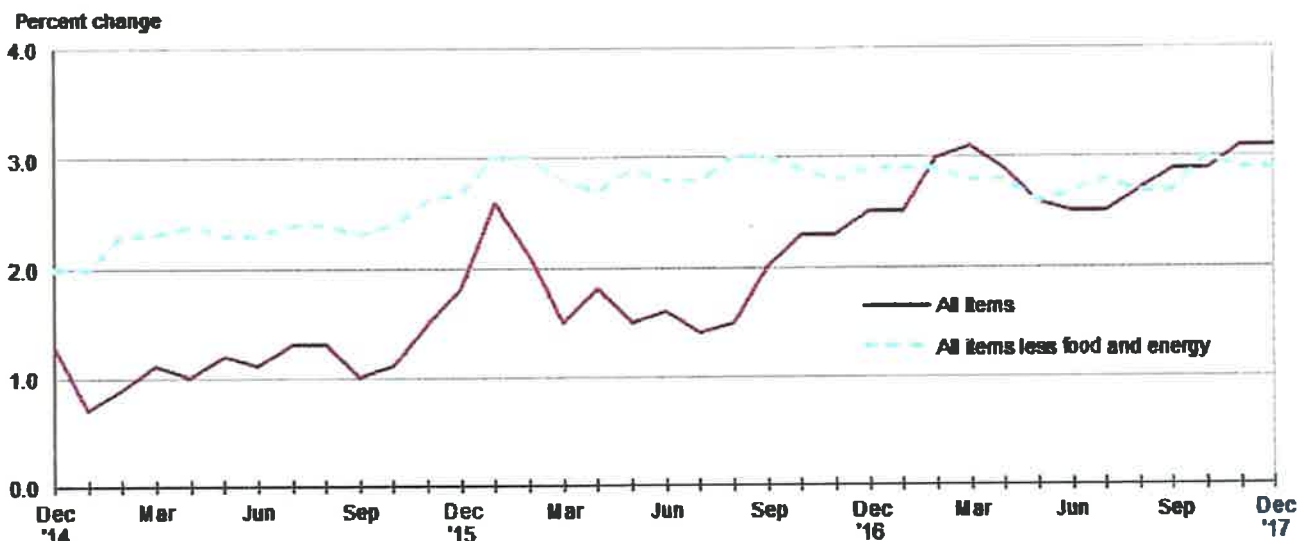
### Consumer Price Index, West Region — December 2017

Area prices were up 0.1 percent over the past month, up 3.1 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), inched up 0.1 percent in December, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) The December increase was influenced by higher prices for shelter and food. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 3.1 percent. (See [chart 1](#) and [table A](#).) Energy prices advanced 8.4 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy rose 2.9 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, West region, December 2014–December 2017



Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices advanced 0.4 percent for the month of December. (See [table 1](#).) Prices for food at home rose 0.5 percent, while prices for food away from home were virtually unchanged for the same period.

Over the year, food prices rose 1.9 percent. Prices for food away from home increased 3.6 percent since a year ago, and prices for food at home increased 0.6 percent.

## Energy

The energy index decreased 1.1 percent over the month. The decrease was mainly due to lower prices for gasoline (-2.5 percent). Prices for natural gas service advanced 1.4 percent, and prices for electricity advanced 0.4 percent for the same period.

Energy prices advanced 8.4 percent over the year, largely due to higher prices for gasoline (15.4 percent). Prices paid for electricity rose 1.9 percent, but prices for natural gas service declined 2.3 percent during the past year.

## All items less food and energy

The index for all items less food and energy inched up 0.1 percent in December. Higher prices for household furnishings and operations (0.8 percent), new and used motor vehicles (0.5 percent), and shelter (0.4 percent) were partially offset by lower prices for apparel (-3.8 percent) and other goods and services (-0.5 percent).

Over the year, the index for all items less food and energy rose 2.9 percent. Components contributing to the increase included shelter (4.5 percent) and medical care (2.1 percent). Partly offsetting the increases were price declines in apparel (-1.3 percent) and education and communication (-0.6 percent).

**Table A. West Region CPI-U monthly and annual percent changes (not seasonally adjusted)**

Month	2012		2013		2014		2015		2016		2017	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January.....	0.4	2.6	0.3	1.7	0.3	1.7	-0.3	0.7	0.5	2.6	0.5	2.5
February.....	0.4	2.5	0.8	2.0	0.4	1.3	0.6	0.9	0.1	2.1	0.6	3.0
March.....	0.9	2.4	0.4	1.5	0.6	1.5	0.8	1.1	0.2	1.5	0.3	3.1
April.....	0.2	2.1	0.0	1.3	0.3	1.8	0.3	1.0	0.5	1.8	0.3	2.9
May.....	0.2	2.0	0.2	1.3	0.6	2.3	0.8	1.2	0.5	1.5	0.2	2.6
June.....	-0.2	2.0	0.1	1.5	0.1	2.3	0.0	1.1	0.2	1.6	0.0	2.5
July.....	-0.3	1.8	0.0	1.9	0.1	2.3	0.3	1.3	0.1	1.4	0.1	2.5
August.....	0.5	2.1	0.1	1.5	-0.1	2.1	-0.1	1.3	0.0	1.5	0.2	2.7
September.....	0.5	2.2	0.2	1.3	0.1	2.0	-0.2	1.0	0.3	2.0	0.5	2.9
October.....	0.4	2.5	-0.1	0.9	-0.1	2.0	0.0	1.1	0.3	2.3	0.3	2.9
November.....	-0.7	1.9	-0.4	1.3	-0.6	1.7	-0.2	1.5	-0.2	2.3	0.0	3.1
December.....	-0.5	1.7	0.0	1.8	-0.5	1.3	-0.1	1.8	0.0	2.5	0.1	3.1

**The January 2018 Consumer Price Index for the West Region is scheduled to be released on February 14, 2018.**

## Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The West Region covered in this release is comprised of the following thirteen states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

**Resolution No. R-2017-9 – Approving an Agreement between the Sponsors of the Columbia River Enterprise Zone (CREZ) and VaData Inc.**

Commissioner Russell, who also serves as Chair of the CREZ, explained a resolution is necessary from all the partners of the CREZ in order to approve an agreement. The other partners are the City of Boardman and the Port of Morrow.

*Commissioner Doherty moved to approve Resolution No. R-2017-9 – In the Matter of Approving an Agreement between the Sponsors of the Columbia River Enterprise Zone and VaData Inc. Commissioner Russell seconded. Unanimous approval.*

**Equity Fund Loan Review Committee Meetings and Public Meeting Laws**

For informational purposes, the Board reviewed the memo from Richard Tovey, County Counsel, which stated “Morrow County Equity Fund Committee meetings are public meetings and should be noticed and conducted accordingly. The discussion of financial statements and other specific information or records may be heard in executive session with any decision being made outside of the executive session.”

**Establish Cost of Living Adjustment (COLA) for Fiscal Year 2017-2018 – Nonrepresented Employees**

Karen Wolff, Human Resources Director

Ms. Wolff explained each year the Commissioners are asked to set the COLA that will be applied to the wages for all employees not covered by a Collective Bargaining Agreement. Since FY 2011-2012, that rate has been three percent, she said. Brief discussion.

*Commissioner Russell moved to approve a three percent Cost of Living Adjustment for Nonrepresented Employees. Commissioner Doherty seconded.*

Discussion: Chair Lindsay requested that next year the compensation related discussions and decisions occur in a different order. She said she'd like the analysis of COLAs for Nonrepresented Employees to take place prior to the analysis for Elected Officials; Commissioner Doherty agreed. Ms. Wolff said she will plan for it to take place January 2018. *Unanimous approval.*

**Surveyor Compensation**

Karen Wolff, Human Resources Director

Ms. Wolff provided a status update on her research into the compensation of the Surveyor as to whether or not Morrow County is paying him in an appropriate manner. She said our Surveyor, Stephen Haddock, suggested she review the method used by Crook and Jefferson Counties. She said she will contact both counties again because her initial contacts did not indicate they used Professional Services Contracts, which is what Mr. Haddock is relaying. She said she will return with additional information in the near future.





February 12, 2018

U.S. Department of Energy  
Attention: Secretary of Energy Perry  
1000 Independence Ave., SW  
Washington, DC 20585

(via email [The.Secretary@hq.doe.gov](mailto:The.Secretary@hq.doe.gov) and regular mail)

**Re: Assistance with U.S. Navy on Easements**

Dear Secretary Perry:

On behalf of Umatilla Electric Cooperative (UEC) and our members, I want to personally thank you for accompanying Representative Walden and other stakeholders last fall to tour the McNary Dam. One comment that stood out in our discussion was your statement that if energy needs were not being met and the federal government was the obstacle, that your office could help work through those obstacles.

UEC has been working with the Navy on simple easements for many months and unfortunately, the Navy has not been able to timely provide what we need to serve new agricultural developments or renewable energy developments in our territory. We are hoping you can help us get a specific timeline from the Navy.

Background on Navy Avigation Easements

At the Navy Weapons Systems Training Facility (NWSTF) Boardman Bombing Range, the Navy holds avigation easements dating back to the 1970's encumbering properties approximately 7 miles to the east of the Bombing Range. These easements generally restrict property use 100' above ground elevation and they specifically limit overhead lines to 35' in height. This restriction essentially creates a blanket prohibition on development of electric transmission facilities in the area.

UEC developed two formal proposals and submitted paperwork for Navy consideration requesting the Navy to amend the easements to increase the height of the permitted overhead lines from 35' to 100' (the Wheatridge and Oregon Trail Substation easements, see attachment). We are aware of at least one other easement in the area where the Navy agreed to 125' of permitted overhead, so these UEC proposals are neither unprecedented nor complicated.

750 W. Elm Street • PO Box 1148 • Hermiston OR 97838

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February 12, 2018

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#### Background on UEC's Proposed Wheatridge Easement

UEC initiated conversation with the Navy during pre-development of the proposed Wheatridge Wind Energy Facility, at which point UEC received verbal consent from Navy staff for pole heights up to 100' above ground level for the segment of the transmission line running along the easterly side of the Bombing Range at NWSTF Boardman. UEC submitted its formal proposal in February 2017 requesting the Navy to amend its avigation easements consistent with that verbal agreement.

Even the Navy's own use on their property affirms that the existing 35' limitation is unwarranted; third-party powerlines exceeding 35' in height already exist on the easterly edge of the Bombing Range. Additionally – this proposed facility has recently been reviewed and affirmed by FERC, compelling UEC to diligently pursue its implementation in a timely manner.

#### Background on UEC's Proposed Oregon Trail Easement for Substation

The existing utility facilities are adequate only to serve local irrigation pumps and related agriculture use. UEC needs the Navy's cooperation to develop safe reliable utility service to meet increasing demands of ag development and new enterprises in previously under-utilized agriculture land.

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#### Navy Response

UEC has been in communication with Kimberly Peacher, Community Planning and Liaison Officer for the NWSTF Boardman Bombing Range. Officer Peacher has been very helpful and responsive. She has held a meeting with Captain Moore to discuss our requests. Officer Peacher shared that Captain Moore approved the easement on December 11, 2017. In follow up correspondence, Officer Peacher said they are working with their Real Estate and Environmental staff; however this process is delayed currently due to internal constraints for funding and the Navy hopes to have a resolution "*in the next several months*". It is this uncertain timing that results in major delay.

#### Request

As you know, transmission planning and execution is already a lengthy process and additional delay adds additional costs to any project. Our requests have been approved but it appears funding constraints are causing the delay. UEC offers to prepare any legal documentation necessary for the easements to facilitate the process thereby minimizing strain on the Navy's resources. We are requesting your personal assistance and support to escalate our requests to have both the Wheatridge and Oregon Trail easements completed without further delay and that the Navy provide a timeline for completion.

February 12, 2018  
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We have sent similar requests to Senators Wyden and Merkley and Congressman Walden who have been helpful with a request from Morrow County that UEC worked on and supported for an easement in the green energy corridor that has similar Navy delay concerns on the Boardman to Hemingway Transmission Line Project ("B2H").

Should you have any questions about this letter they can be addressed to Josh Lankford, UEC Manager of Engineering at 541-289-1528 or [joshua.lankford@umatillaelectric.com](mailto:joshua.lankford@umatillaelectric.com), or Alec Shebiel, UEC Government Affairs Director at 541-215-7835 or [alec.shebiel@umatillaelectric.com](mailto:alec.shebiel@umatillaelectric.com).

We look forward to your timely response.

Sincerely,



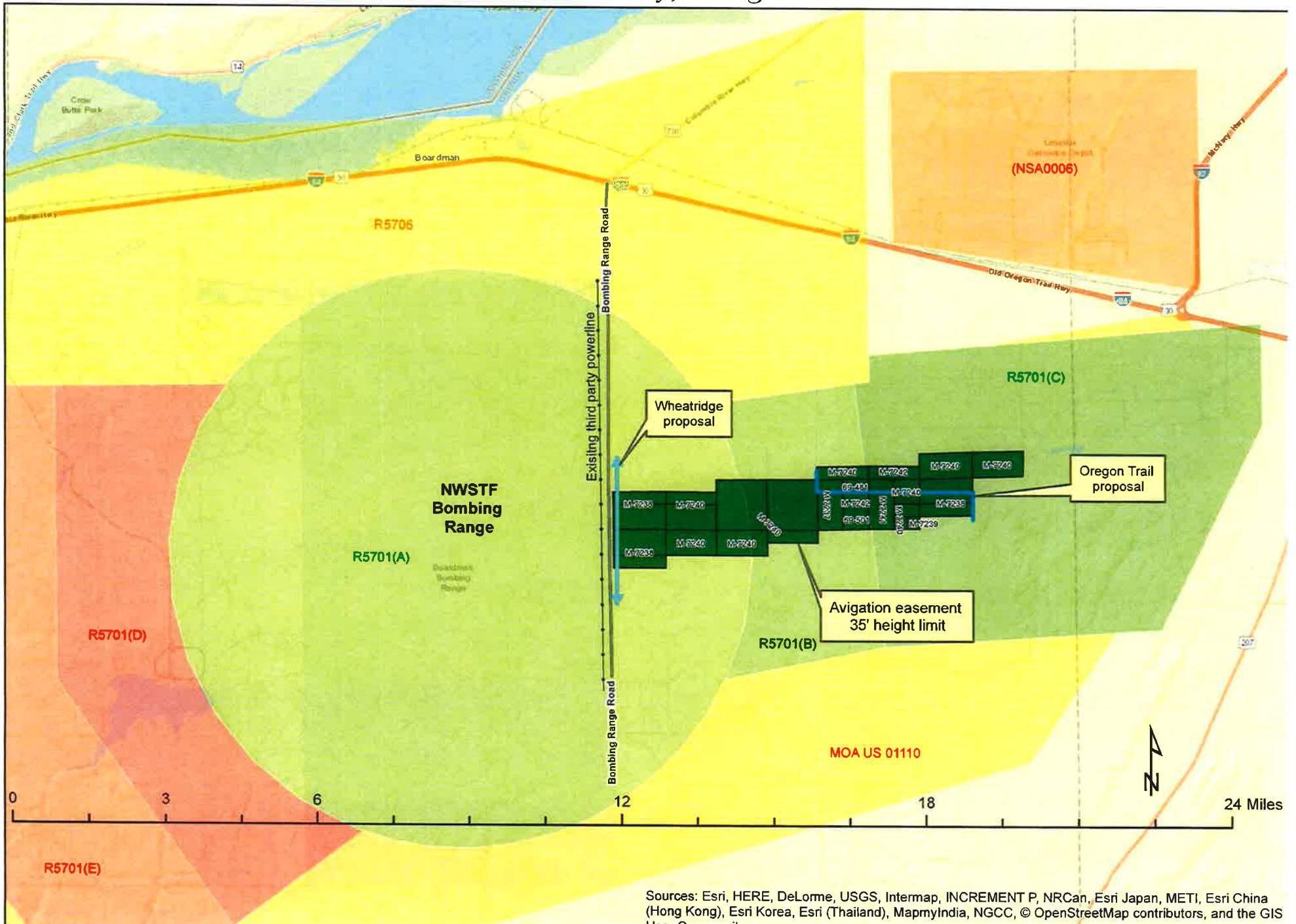
Robert Echenrode  
General Manager and CEO  
Umatilla Electric Cooperative

cc: Officer Peacher, US Navy (via email)

Attachment



# Morrow County, Oregon



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), MapmyIndia, NGCC, © OpenStreetMap contributors, and the GIS User Community



February 12, 2018

Congressman Walden  
2185 Rayburn House Office Building  
Washington, DC 20515

(via email [walden.house.gov/contact-greg](mailto:walden.house.gov/contact-greg) and regular mail)

**Re: Assistance with U.S. Navy on Easements**

Dear Congressman Walden:

On behalf of Umatilla Electric Cooperative (UEC) and our members, we want to personally thank you for inviting Secretary of Energy Rick Perry and other stakeholders last fall to tour the McNary Dam and for your continued support for the Bonneville Power Administration. As you know, the dams are an invaluable resource in the Pacific Northwest and any proposal to privatize would have tremendous negative ramifications for electric cooperative consumers.

One comment that stood out in our discussion with Secretary Perry was his statement that if energy needs were not being met and the federal government was the obstacle, that his office could help work through those obstacles.

To that end, UEC has been working with the Navy on important easements and requests your intervention to assist in getting them processed with a definite timeline.

Background on Navy Avigation Easements

At the Naval Weapons Systems Training Facility (NWSTF) Boardman Bombing Range, the Navy holds avigation easements dating back to the 1970's encumbering properties approximately 7 miles to the east of the Bombing Range. These easements generally restrict property use 100' above ground elevation and they specifically limit overhead lines to 35' in height. This restriction essentially creates a blanket prohibition on development of electric transmission facilities in the area.

UEC developed two formal proposals and submitted paperwork for Navy consideration requesting the Navy to amend the easements to increase the height of the permitted overhead lines from 35' to 100' (the Wheatridge and Oregon Trail Substation easements, see attachment). We are aware of at least one other easement in the area where the Navy agreed to 125' of permitted overhead, so these UEC proposals are neither unprecedented nor complicated.

750 W. Elm Street • PO Box 1148 • Hermiston OR 97838

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Fax: (541) 567-8142

Toll Free: 800-452-2273

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#### Navy Response

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#### Request

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We understand that you and Senators Wyden and Merkley received a similar request from Morrow County for an expeditious decision for an easement in the green energy corridor on the Boardman to Hemingway Transmission Line Project ("B2H"). UEC worked on and supported that request as well. We were provided a copy of your joint response to Secretary Spencer of the US Navy requesting a response and a timeline within 14 days. UEC appreciates your support on that project and also request your assistance in escalating our request for the Wheatridge and Oregon Trail easements. We have made similar requests to Secretary Perry and Senators Wyden and Merkley.

Should you have any questions about this letter they can be addressed to Josh Lankford, UEC Manager of Engineering at 541-289-1528 or [joshua.lankford@umatillaelectric.com](mailto:joshua.lankford@umatillaelectric.com), or Alec Shebiel, UEC Government Affairs Director at 541-215-7835 or [alec.shebiel@umatillaelectric.com](mailto:alec.shebiel@umatillaelectric.com).

We look forward to your timely response.

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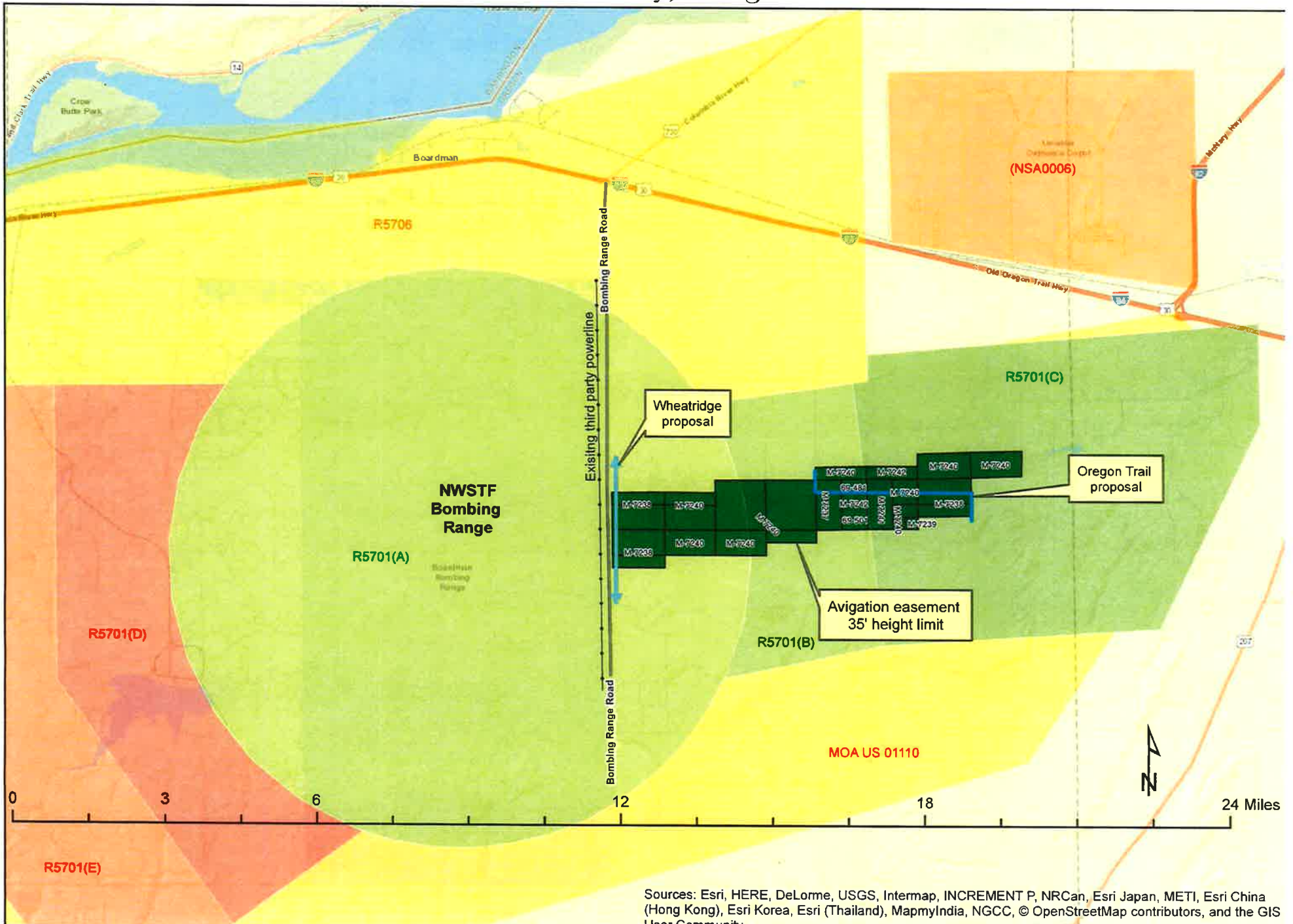


Robert Echenrode  
General Manager and CEO  
Umatilla Electric Cooperative

cc: Officer Peacher, US Navy (via email)

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# Morrow County, Oregon



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February 12, 2018

U.S. Senator Jeff Merkley  
313 Hart Senate Office Building  
Washington, DC 20510

U.S. Senator Ron Wyden  
221 Dirksen Senate Office Bldg.  
Washington, D.C., 20510

(Sent via email and postal mail)

**Re: Assistance with U.S. Navy on Easements**

Dear Senators Merkley and Wyden:

We understand you both have been instrumental along with Congressman Walden assisting Morrow County with the Boardman to Hemingway Transmission Line Project ("B2H") in asking the Navy for a response and timeline for an important easement in the green energy corridor. We were provided a copy of your joint response to Secretary Spencer of the US Navy requesting a response and a timeline within 14 days. Umatilla Electric Cooperative (UEC) worked on that request and appreciates your support. We have a similar request for assisting UEC with two important easements that have run into delay. (See attachment).

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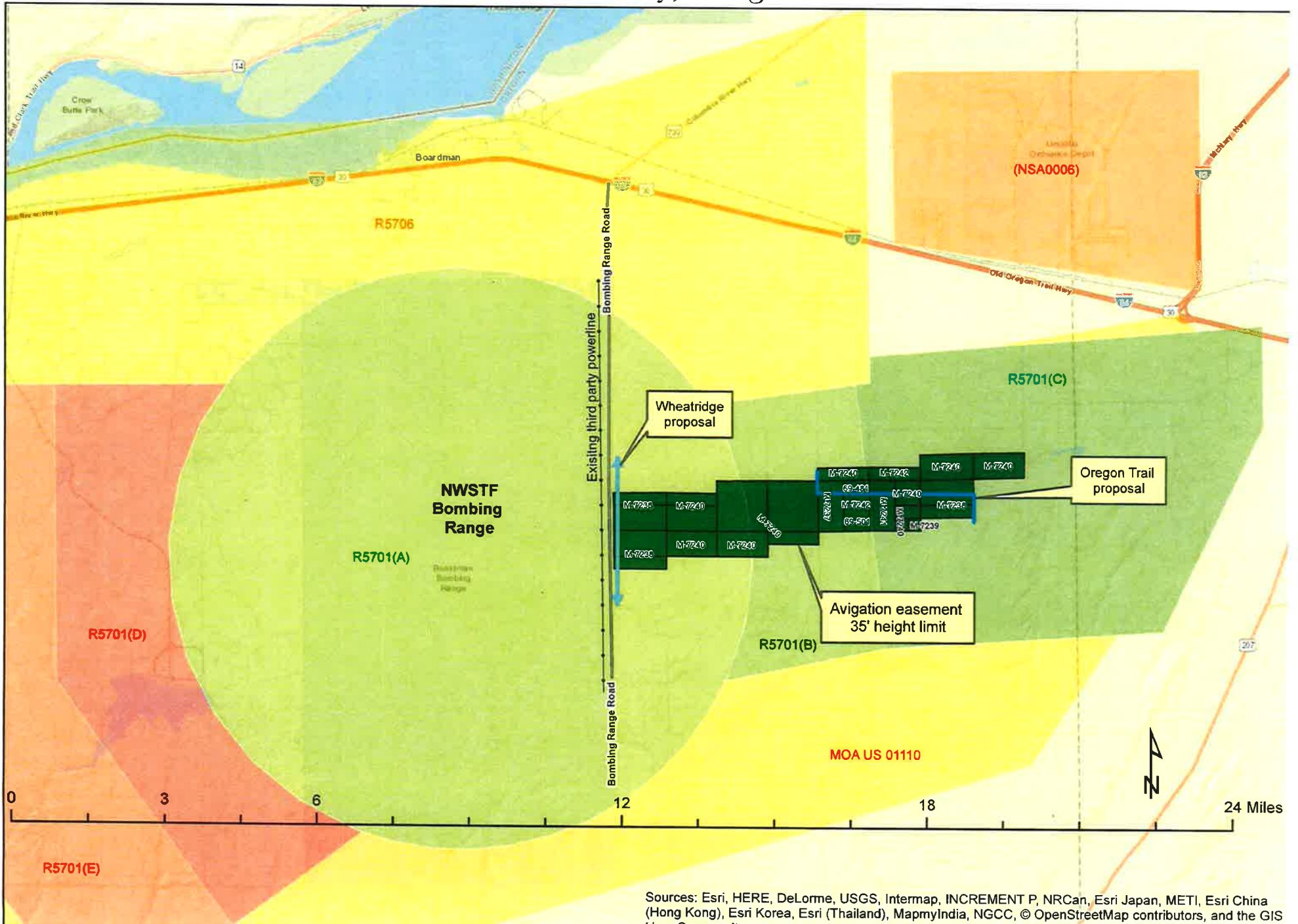


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