

Board of Commissioners Meeting
February 16, 2011

Present: Commissioner Steve McClure
Commissioner Mark D. Davidson
Commissioner William D. Rosholt

Call to Order

Chairman McClure called the meeting to order at 9:00 a.m. with all three Commissioners present.

Public Comments

Herbicide Bid Award

Richard Comstock, Public Works Director, came to the Commissioners to bring a bid recommendation for herbicides. There was a bid received that was considered non-compliant. There were three bids received which were from Wilbur-Ellis for the amount of \$178,717, Crop Protection Services for the amount of \$184,826 and Aligar Vegetation Specialists were the applicants that were non-compliant. He recommended that the bid be awarded to Wilbur-Ellis in the amount of \$178,717. **Commissioner Davidson moved approval to award the bid to Wilbur-Ellis as presented. Commissioner Rosholt seconded. Motion carried unanimously.**

Consent Agenda

The January 13 and 20 claims journals; and the January 12 and 19 Public Works claims journals; and the January 5 Board of Commissioners minutes were approved as presented on the consent agenda.

Appointment to NEOHA

Court Order 2011-12, In the Matter of Appointment to the Northeast Oregon Housing Authority Board of Directors, was presented for consideration. This Court Order would appoint Commissioner Rosholt to replace the former Commissioner Hibbert on the Board. **Commissioner Davidson moved approval of Court Order 2011-12 as presented. Commissioner Rosholt seconded. Motion carried unanimously.**

Appointment to Planning Commission

Court Order 2011-15, In the Matter of Appointment to the Union County Planning Commission, was presented for consideration. Shelley Burgess, Administrative Officer, explained that Gust Tsiatsos has resigned from his position on the Planning Commission leaving an unexpired term. John VanSchoonhoven and Albert Jed Farmer's terms have expired. John has indicated that he is not interested in serving on the Commission any longer. There are applications to fill the three slots. The applications received are from Darrin Larvik, Charles Sarrett, Jed Farmer and Michael McInnis. **Commissioner Davidson moved approval of Court order 2011-15 appointing Jed Farmer to the term which expires in**

2012 and Charles Sarrett and Darrin Larvik to the terms which expire in 2014 to the Union County Planning Commission. Commissioner Rosholt seconded. Motion carried unanimously.

Appointment to Budget Committee

Court Order 2011-16, In the Matter of Appointment to the Union County Budget Committee, was presented for consideration. Shelley explained that John Bozarth was appointed last year to the budget committee for a term to expire December 31, 2012 and since he has been elected to a position on the La Grande City Council it is necessary to replace him on the Budget Committee. David Jensen, Kirk Achilles, Kyle McAndie, and William Lindsley have applied for the position. **Commissioner Davidson moved approval of Court Order 2011-16 appointing Kyle McAndie to the Budget Committee. Commissioner Rosholt seconded. Motion carried unanimously.**

Appointment to Transient Tax Discretionary Committee

Court Order 2011-17, In the Matter of Appointment to the Transient Tax Discretionary Fund Advisory Committee, was presented for consideration. Shelley explained that there are several terms that have expired on the Committee so the appointments need to be updated. Also, last year when the funding allocation for the Transient Room Tax were made, the discretionary fund committee was revised to no longer have a position for Union County Tourism but now have a position for the new Joint Tourism Promotion Committee. The appointments suggested for the Transient Tax Discretionary Fund Committee are Mark Davidson as the Union County Commission representative, Dave Campbell as the La Grande Downtown Development representative, Bill Whittemore as the UCEDC representative, Janie Carmen as the Tourism Promotion Committee representative, and Joe Garlitz as the Small City representative. **Commissioner Rosholt moved approval of Court order 2011-17 as presented. Commissioner Davidson seconded. Motion carried unanimously.**

Appointment to Commission on Children and Families

Court Order 2011-14, In the Matter of Appointment to the Union County Commission on Children and Families, was presented for consideration. This Court Oder will appoint Commissioner Rosholt to replace former Commissioner Hibbert as the County representative on the Commission on Children and Families Board of Directors with a term to expire on December 31, 2015. **Commissioner Davidson moved approval of Court Order 2011-14 as presented. Commissioner Rosholt seconded. Motion carried unanimously.**

Appointment to Northeast Oregon Economic Development District

Court Order 2011-18, In the Matter of Appointment to the Northeast Oregon Economic Development District Board of Directors, was presented for consideration. This Court Order would appoint Jim Lundy as the Small City representative and Warren Gilstrap as the Private Sector representative.

Commissioner Davidson moved approval of Court Order 2011-18 as presented. Commissioner Rosholt seconded. Motion carried unanimously.

Court Order Refunding Personal Property Tax

Court Order 2011-13, In the Matter of Refunding Real or Personal Property Tax, was presented for consideration. This Court Order will refund property taxes in the amount of \$1130.90 to Shawn Phillips and \$5,607.11 to La Grande Station Inc. c/o Phillips Edison and Company. **Commissioner Davidson moved approval of Court Order 2011-13 as presented. Commissioner Rosholt seconded. Motion carried unanimously.**

Court Order Adopting Fees for Clerks Office

Court Order 2011-08, In the Matter of Adopting a Fee Schedule for the Union County Clerk's Office, was presented for consideration. Shelley explained that it has come to the attention of the Clerk that there was a need to up date the fees. These are the fees that are allowed to be charged for election services. They are authorized under ORS 205.320 and OAR 165.20050 for the printing of official ballots, sample ballots, absentee ballots and test ballots will be the direct cost based on printing charges. For personnel the board member chairman and the temporary part-time would all be at the current minimum wage. The mileage for supplies delivery and the election boards to pick up and deliver ballot boxes is at the current IRS rate at the time of the service. **Commissioner Davidson moved approval of Court Order 2011-08 as presented. Commissioner Rosholt seconded. Motion carried unanimously.**

UCEDC Contract

Shelley Burgess, explained that the County received a proposal from the Union County Economic Development Corporation to provide economic development services for the County for the remainder of the fiscal year since Commissioner Rosholt was performing some of those duties prior to his election. That position is not being filled on the County staff so there was a proposal from UCEDC to perform some of the services for the County. The amount that they proposed is \$10,468. They did give a suggested work plan of what they will be working on for the County.

Commissioner Davidson moved approval of the work plan and agreed upon price of \$10,468 to UCEDC to provide Economic Development services through the end of FY2010-11. Commissioner Rosholt seconded. Motion carried unanimously.

Commissioner Davidson thought that this is an efficient and cost effective way to consolidate the entities and provide the services that are necessary.

Solid Waste Matters

Household Hazardous Waste Disposal and Transportation RFP Award

J.B. Brock, Emergency Services Coordinator, brought a recommendation from the Household Hazardous Waste Committee to accept the proposal of Clean Harbors as the transportation and disposal contractor for the Household Hazardous Waste program. In accordance with the County policy the Solid Waste District received three qualifying proposals. There was one from Clean Harbors, one from PSC and one from Veolia. Based on the criteria in the RFP the proposals were scored and ranked. Clean Harbors came out ranked the highest.

Commissioner McClure stated that initially the County was going to try and piggy-back on another contract that was out there. Every one of the contracts had special conditions in them that didn't make any sense for the County. The State has the paint recovery program now and the initial estimates had paint running through the system but it won't be going through there now. Clean Harbors will provide the training that has to be done.

Darrin Larvik has worked at three other facilities to familiarize himself with the process.

Commissioner Rosholt asked if Clean Harbors is a local company. J.B. stated that they are an Oregon company that is based in Clackamas. There are only three companies in the area within four or five states. Primarily the two that have been involved locally have been PSC and Clean Harbors. He explained that Clean Harbors has the State contract as well. J.B. also explained that they tried to write some flexibility into the contract for the contractors themselves to give them the flexibility to make changes and make the program work.

Commissioner McClure stated that they built the building with room to store the items. The items cannot be kept for more than six months so there will need to be transfers at least twice a year.

Commissioner Rosholt asked how often the other two Counties will transport their items to the facility in Union County. J.B. explained that they will come on an as needed basis. They are able to store the products for 90 days before they have to transfer to the facility.

Commissioner Davidson moved to award the contract for Household Hazardous Waste disposal and transportation to Clean Harbors Environmental Services as presented. Commissioner Rosholt seconded. Motion carried unanimously.

FY 2009-10 Audit Report

Mike Poe, Seydel, Lewis, Poe, Moeller and Gunderson, came to the Commissioners to give a report of the FY 2009-10 audit that was done by his firm on Union County. He explained that a financial statement audit is not looking at every transaction of the County. They use sampling techniques and risk models and also focus on the County procedures. If they identify that there is a potential risk they spend more time testing that area than they will with a low or no risk area.

Commissioner McClure asked what examples are of high risk areas for Union County. Mike stated that travel, fuel, cell phones and visa cards are high risk in all entities. Commissioner McClure asked about cash that is handled at the Golf Course and Airport. Mike stated that they try to test it but it is a difficult area to test. A pure cash transaction doesn't have anything to audit until there is paper created. They have talked about what checks and balances are in place to know that the transaction gets into the computer out at the Golf Course. There is a top of the line computer system there that can track everything. The weakness is that if someone comes in and pays \$20 for a round of golf and whoever is at the cashier doesn't ring it in the transaction technically didn't take place. Once it is rung in then there is a trail and they do look at the revenue to verify that it is somewhat close to the money that is being turned over to the County. There is some exposure in the property taxes but there are a lot of controls in that office because there is one person that calculates the bills and another person collecting it.

Mike explained that page 3 through 8 is written by Shelley and is the County's chance to explain the activities of the organization, why the budget went up or down, and why revenue didn't meet expectations. There are set guidelines that have to be followed but there is some room in there to put managements view of the financial statements. The presentation of the audit is meant to show the public how much tax money it is taking for these different categories of services. The fund financial statements are based on the historical view of governments. There are no fixed assets or depreciation. The long term liabilities are not located there because it is just the cash plus the current receivables that the County has minus the payables. That is why there is deferred income which represents there are receivables but they won't come within 60 days so they are deferred. They wouldn't affect the fund balance carry over number. Page 12 reconciles the difference between the fund presentation and the presentation of the net assets. Page 13 is the income statement based on the same method of accounting. Page 14 reconciles the fund income statement to the statement of activity. Page 15 is the proprietary funds and they have always been presented on the equity method so there is no reconciliation of net assets because proprietary funds are kept on the full accrual basis because they are business type funds. Mike explained that fiduciary funds are funds that are held for someone else and are not really the County's. The big thing in there is property taxes. Every entity that

the County collects taxes for is a fund and then there are a few agencies that the County holds money for them in the fiduciary funds. From page 43 to the end of the report are not required by accounting standards but are required by the State of Oregon under the minimum standards. He stated that in the very back there are some additional reports that are required by the Federal Government.

The findings are in the back of the report under the Federal reporting. There is a significant deficiency for the timing and accuracy of the reporting of the Federal expenditures. That has been in the audit in the past and the system has drastically improved. Part of the problem is that the system was not implemented until the middle of the year. The information that is being gathered on the Federal expenditures needs to be tied to the general ledger revenue and expenditures at the end of the year. The other deficiency was related to a pass through grant with Community Connections. They had mistakenly gotten rid of some of their data so they couldn't test that the expenditures were proper. Overall, the County has come a long way. The expectations of the public and the County standards and auditing standards have drastically increased and will continue to do so. The County's procedures are a lot tighter and better. He thinks that if the Federal program keeps being a focus it will be a lot better.

Adjournment

The meeting was adjourned at 11:27 a.m.

Respectfully Submitted,

Ashley Wilhelm
Department Specialist