

Board of Commissioners Meeting
May 3, 2017

Present: Commissioner Steve McClure
Commissioner Jack Howard
Commissioner Donna Beverage

Commissioner McClure opened the meeting at 9:00 a.m. and the pledge of allegiance was given with all three commissioners present.

Public Comments and Concerns

Executive Session Public Comment

George Mead, 57744 Foothill Road, La Grande, asked why the executive session could not be scheduled after all open sessions during the meeting.

Shelley Burgess, Administrative Officer, stated that the scheduled executive session was relevant to the foreclosure property disposal agenda item. The schedule allows the commissioners to be informed prior to making a decision in the open session. When executive sessions do not contain related matter it is scheduled at the end of the open session.

Mr. Mead stated that the executive session could be scheduled at the beginning of the meeting.

Commissioner Howard stated that usually most Legislatures schedule executive sessions towards the end so that all major business is completed. He added that an executive session isn't generally scheduled at the end because it could look sneaky if there is action to be taken coming out of the session. Scheduling executive sessions at the beginning throws a monkey wrench when the meeting is advertised with a 9:00 a.m. start time but is not open to the public at that time.

MERA Trails Public Comment

Bart Barlow, 64302 Mt Glenn, Blue Mt. Single Track Trails Club, stated that this non-profit corporation worked with commissioners to set aside MERA and is the lead organization that builds trails on MERA. They represent equestrians, dirt bike riders, mountain bikers, and everyone else that likes single track trails. They are very proud of the international recognition that the trails have received, but those trails now have serious damage from horses. They are proposing to the MERA Advisory Committee to close the single track trails to equestrian use until further review and study. Over the last two Sundays, two and-a-half miles of trails have sustained \$5,200 damage by three horses. This kind of damage has not occurred in the past despite use by more than 100 bicyclists, pedestrians, hikers, and pets. There are twenty miles of MERA trails for equestrian use that are restricted to vehicles. At this point, the trail is not acceptable for use by trail runners, hikers, or bicyclists. They are currently building the first kids trail in Eastern Oregon without county or grant funds; it will be funded with corporation funds and donations at a cost of \$17,500. Other planned work for this year is estimated at \$40,000; if they have to pay for the trail damages, then it will eliminate the building of a new trail. They are actively pursuing information about who caused damage to the trails and will take legal action to recoup the money and fix the trails.

Commissioner McClure asked if this had been brought to the MERA advisory committee yet. Mr. Barlow stated that the meeting would be on the following Wednesday.

Commissioner McClure asked how they deal with wildlife. Mr. Barlow stated that wildlife and cattle do not create this kind of damage. Elk don't use the trails much; they go up and down the

mountain. This particular trail is bermed for bicyclists and trail runners, but the horses went right through the berms.

Foreclosure Public Comment

Linda Hansen, 2805 N. Cherry, La Grande, stated that her brother Randy Chandler's property is listed on the foreclosure list to be disposed. Their family has money to pay for the taxes owed and would appreciate the commissioners stopping the foreclosure process on his properties. If the process must continue, they requested more time to leave the property as he has owned the residence since 1989 and the shop since 1978. Ms. Hansen stated that Mr. Chandler's wife did not inform him of the foreclosure and thought she was doing the right thing by keeping it from him because of his poor health. Ms. Hansen stated that she was not aware of the situation until last week when papers were posted on the house. Mr. Chandler stated that his properties are located at 10204 West 4th Street and 10203 South D Street in Island City. Ms. Hansen stated that foreclosure would displace Mr. Chandler's family and his business.

Fire Department Public Comment

Irene Gilbert, Adams Avenue stated that there was a fire next to her business over the last week and thanked the police, fire department, and volunteers for doing an amazing job. She could hardly believe they were able to stop the fire and there was no damage or singeing to her buildings.

B2H Public Comment

Ray Randall, 765 Third Street, Union, stated that one of the committee's tasks was to solicit citizen comments and mold them into recommendations to the commissioners. Many of the comments were grounded in fact and supported by considerable research with the majority of comments not supportive of B2H. The committee could not ignore those comments or take a legitimately pro-B2H point of view. At the March 15 commission meeting, he voiced opposition to the consideration of reducing the B2H committee to a three-member executive committee. On March 19, he proposed that the nine-member B2H advisory committee meet by the end of March. One incentive was to see if the larger committee retained any ability to function as a group; the only response came from Chairman Ted Taylor and he would not call the meeting. He stated that he was never consulted on purging any of the committee members and found this public discussion to be distasteful. If the committee cannot resolve its issues discreetly by itself, then he sees no way forward. Mr. Randall recommended dismissing the B2H Advisory Committee.

Elected Official, Department Head & Employee Comments

Fund Exchange Agreement 32126

Doug Wright, Public Works Director, stated that this was the fund exchange agreement for improvements to various roads in Union County. If approved, Union County would trade \$296,252 in Federal funds for \$278,476.88 in State funds. Commissioner McClure stated that State funds can be used more effectively and the county does this each year. Mr. Wright agreed and added that funds are project-dedicated or equipment-dedicated.

Mr. Wright stated that the county should work to streamline the process with ODOT; this would allow funds to automatically flow to the county. Getting the agreement approved and executed is held up as it must pass through many hands, which also holds up the funding for projects.

Commissioner Howard moved approval of Fund Exchange Agreement 32126. Commissioner Beverage seconded.

Commissioner Howard asked if the county's legal counsel had reviewed the agreement. Mr. Wright stated that counsel never reviews this type of agreement.

Roll Call: Commissioner Beverage, yes. Commissioner Howard, yes. Commissioner McClure, yes. Motion carried unanimously.

Commissioner McClure thought that the issue of streamlining the process should be taken up at a NEACT meeting.

Commissioner Howard asked Commissioner McClure if there had ever been any substantive changes to this type of agreement during his time as a commissioner. Commissioner McClure stated that the only question that comes up is whether or not the State will have enough money to make the exchanges, but that limit has never been reached.

Commissioner Beverage asked if other counties had fund exchange agreements; Mr. Wright stated that counties across the board have these agreements. Mr. Wright stated that since every county goes through this process, it creates a bottleneck of paperwork at ODOT, Salem, and the Attorney General's office. He thought that there ought to be an easier process with a boiler plate agreement.

Commissioner Howard asked if there would be an incentive to delay the approval based on unknown State funding. Mr. Wright stated that this agreement falls under the Federal calendar year and added that the State determines how much money is available to exchange and then allocations are made to counties in January or February.

Commissioner Howard asked if that happened this year since the 2016 budget had not yet been approved. He wondered if the Federal budget cycle would continue to be delayed for years to come. He thought they were prorating the transportation and HUD money. Mr. Wright stated that this funding was approved last October.

Consent Agenda

Commissioner Howard moved approval of the Consent Agenda, which included Claims Journals from April 12, 13, 19, and 20. Commissioner Beverage seconded. Motion carried unanimously.

Administrative Matters

Appointment to the Hospital Facility Authority, Court Order 2017-21

Shelley Burgess, Administrative Officer, stated that approval would reappoint two current members to the Hospital Facility Authority. Wyatt Baum has completed one three-year term; the bylaws allow for two terms and the recommendation was to reappoint him for a second term. Michael Jaeger completed one term after being appointed mid-year and has served less than three years; the recommendation was to appoint him for a full three-year term. Terms for Mr. Baum and Mr. Jaeger would be effective immediately and expire April 30, 2020.

Commissioner Howard moved approval of Court Order 2017-21.

Commissioner Beverage asked for more information about the Hospital Facility Authority. Commissioner McClure stated that in State statute there is a provision for hospital authorities that allows for tax-free status when it borrows money. The hospital wants to maintain this authority so

that they have the opportunity to borrow more money in the future on a tax-free basis. It has not been used in a long time and is just a place holder for potential needs in the future.

Commissioner Beverage seconded the motion to approve Court Order 2017-21. Motion carried unanimously.

Natural Resources Advisory Committee, Amended Resolution 2017-07

Mrs. Burgess stated that the commissioners previously adopted Resolution 2017-07, which created the committee. At subsequent meetings and through discussions, there was support to add an environmental representative position; this amended Resolution would do that.

Commissioner Beverage moved to approve Resolution 2017-07 as amended. Commissioner Howard seconded for the purposes of discussion.

Commissioner Howard noted that some of the language in Resolution 2017-17 and Court Order 2017-20 were different. Mrs. Burgess stated that the Resolution establishes the committee and the Court Order appoints members into representation categories; conflicts could be corrected on the Court Order.

Commissioner Howard had continuing concerns about attempts to intrude local jurisdiction on the Federal processes. He was concerned about having the chairmanship assumed by a member of the Board of Commissioners because it seems to be unnecessarily biasing the outcomes and any recommendations made by the committee to the Board. He thought it would be a better practice not to have a County Commissioner chairing this particular committee.

Roll Call on Resolution 2017-07: Commissioner Beverage, yes. Commissioner Howard, abstain. Commissioner McClure, yes. Motion carried.

Appointment to the Natural Resource Advisory Committee, Court Order 2017-20

Mrs. Burgess stated that the county had advertised for applications several times; there were not enough applications to fill all slots, but enough for eight positions. Applicants include Buck Fullerton (Timber Industry), Lindsay Warness (Timber Industry Alternate), Jon Paustian (Oregon Department of Fish and Wildlife), Chris Heffernan (Ranching or Grazing), JB Brock (Emergency Services), Brian Clapp (Weed Control), Samantha Bernards (Weed Control), Lois Barry (At-Large), and Frank Mason (At-Large).

Commissioner Beverage moved to appoint everyone who had applied in the positions of representation as they applied. Commissioner Howard seconded for the purposes of discussion.

Commissioner Howard stated that his objections to Court Order 2017-20 were the same as his objections to Resolution 2017-07.

Roll Call on Court Order 2017-20: Commissioner Beverage, yes. Commissioner Howard abstain. Commissioner McClure, yes. Motion carried.

Buffalo Peak Golf Course Advisory Committee

Mrs. Burgess stated that at the last Commissioners' work session there was a consensus to schedule interviews with BPGC Advisory Committee candidates; this item will be placed on a future agenda for consideration.

B2H Public Input Process

Mrs. Burgess provided a staff report regarding the B2H Advisory Committee and the B2H Public Input Process (attached.)

Commissioner Beverage stated that she reviewed the history of committee meetings and noted that they made good recommendations that the Commissioners forwarded to the relevant parties.

Commissioner Beverage made a motion to dissolve the B2H Advisory Committee.

Commissioner Beverage thanked the committee for doing their job. When the 30-day window for comment is available, evening meetings and opportunities for public comments are important and that time will need to be used wisely.

Commissioner Howard declined to second the motion.

Commissioner McClure seconded the motion to dissolve the B2H Advisory Committee.

Commissioner Howard asked if the Union County Planning Department had a recommendation for the longevity of the B2H Advisory Committee and a position on whether or not it had served its purpose. Mrs. Burgess stated that a formal opinion had not been sought but felt the Commissioners had that discussion at previous meetings and work sessions. Commissioner Howard stated that was fair.

Commissioner McClure stated that in his discussions with Scott Hartell, Union County Planning Director, Mr. Hartell indicated that he had no problem dissolving the committee and thought that the process to respond in a timely fashion would be affected if it had to go through the committee before commissioners. Commissioner McClure thought that the commissioners needed to step up and hear from the public directly; it makes more sense than having a committee between them and the public.

Commissioner Howard thought it was unfortunate to lose what could have been an effective voice of closer participation with experts that had invested almost two years of their time. Having an executive committee would help alleviate some argument about dissolving the B2H committee. He stated that it is unfortunate to dissolve the committee without a written recommendation from the Planning Department and the B2H Chair. Having the committee would aid in discussions and further the ability to get input from the public.

Commissioner McClure stated that dissolving the committee does not preclude anyone from sharing their opinion with the commission and encouraged the public to do so. The committee process was cumbersome and slow at best.

Commissioner Howard asked if the motion encouraged the commission to hold additional meetings in the evening. Commissioner McClure stated that public comment time would be available at every regular commission meeting and the commission would hold one evening meeting for B2H.

Roll Call on dissolving the B2H Advisory Committee: Commissioner Beverage, yes. Commissioner Howard, no. Commissioner McClure, yes. Motion carried.

La Grande Mavericks Tax Exemption Request

Mrs. Burgess stated that the commissioners reviewed the tax exemption application from the La Grande Mavericks at the last meeting, at which time the commissioners requested a written report from Union County Tax Assessor Cody Vavra. May 4 is the deadline to make a decision to approve or deny the application.

Commissioner Beverage noted that there was some discussion at the last meeting to review other local organizations' bylaws that have property tax exemptions. Mrs. Burgess stated that the advice she received is that this is an exclusive application and the commissioners should review it based on the statutes. Other applications that come up for renewal would then also be reviewed with the same guidelines. Commissioner McClure noted that one argument presented was that Stampede and Stockshow have exemptions, but not the Mavericks. Mrs. Burgess stated that the understanding was that it is up to the Mavericks to look at the bylaws from other organizations and not for the commission to review.

Commissioner McClure stated that the Tax Assessor's recommendation is to deny to the property tax exemption application from the Mavericks. Mrs. Burgess stated that the belief is that the Mavericks have not satisfied the requirements as outlined in statute.

Commissioner Howard stated that if the Mavericks bring new information of change and simply state that they will change a policy then it may not mean that the policy had actually changed. He hopes they will take this as a platform for next year and review their bylaws.

Mrs. Burgess stated that applications are accepted on an annual basis. Cody Vavra, Tax Assessor, stated that applications are due April 1 and there is also a late filing opportunity.

Commissioner Howard asked if the commission could take no action on the matter. Mrs. Burgess stated that if the commission took no action then it would be outside of the statutory timeframe allowed. Commissioner Howard thought it might be a tenable position because if the Mavericks opted to pay a late filing fee and resubmit an application and there was no formal vote today, then it would be more consistent. He didn't think the commissioners were required to take a vote. Mr. Vavra stated that the Mavericks would need to submit a new application since this application had already been accepted and dated. Commissioner Howard thought that applications could be accepted April 1 and forward. Mr. Vavra stated that there is a cut-off date with a late filing fee. Mrs. Burgess stated that the statute requires that within 60 days of the application being turned over, it shall be granted or denied and written notice given to the applicant. If the commission makes a decision at this meeting, she would notify the applicant of the decision and their appeal rights. They would have the opportunity to reapply if conditions change. Commissioner Howard stated that the statute language is "shall" and so the commission must make a decision.

Commissioner Beverage moved to deny the tax exemption application from the La Grande Mavericks.

Commissioner Howard asked if Commissioner Beverage would be willing to amend her motion to include a provisional denial. Commissioner Beverage stated that the applicant could reapply next year. Commissioner Howard stated that his interpretation of the statute is that it calls for denial or approval, but does not say what type of denial or approval. If the applicant chose to come back in, he would rather be on record of waiting for more information rather than taking a vote now and being asked to change it 30 days later. He would only second the motion if he could give a provisional denial.

Commissioner McClure asked about the deadline to make a decision. Mrs. Burgess stated that statute indicates that within 60 days the application shall be granted or denied; May 4 is the deadline.

Commissioner McClure stated that the application would need to be denied or accepted and the commission could not make a provisional decision. Commissioner Howard stated that if Commissioner McClure was making a ruling from the Chair that it is not under the rules to have a provisional denial, then he would accept that ruling and not second the motion. Commissioner McClure stated that there was no time for the commission to make a provisional denial.

Commissioner McClure seconded the motion to deny the application.

Commissioner McClure encouraged the applicant to continue their efforts to meet the criteria for a property tax exemption.

Commissioner Beverage stated that commission would like the La Grande Mavericks to be eligible for property tax exemption like other organizations, but they would need to change their bylaws to fit within the statute.

Roll call to deny the application from the La Grande Mavericks for property tax exemption: Commissioner Beverage, yes. Commissioner Howard, no, with an explanation that he could not support something that may turn into a reinterpretation of a decision a few days later for lack of due diligence on the commission's part. Commissioner McClure, yes. Motion carried.

Veterans Restorative Care Center

Brian Cole (President, Building Communities, 17507 Deer Park Loop, Baker City) and Michael Keyes (Dyne Aquaculture, 338 Long Bay Way, Star, Idaho) made a presentation about plans for a Veterans Restorative Care Center (VRCC) at the Hot Lake Springs location. Partners include the Warrior Bonfire Program, Hot Lake Springs, Dyne Aquaculture, and Northwest University of Natural Medicine.

Mr. Keyes stated that the Dyne Aquaculture proceeds from this facility would be used to fund and operate the VRCC. A hydroponics operation is planned to take place first, with the addition of tilapia and potentially other warm water fish later. They expect to create temporary and permanent jobs during the construction phase and operational phases. Veterans would be brought in locally and from around the country to receive services.

Mr. Cole stated that the project partners are top notch and involved for the right reasons. His purpose is to help raise \$42 million to complete the project over three phases from various funding sources and grants. They are seeking a positive endorsement of the project, as well as a financial commitment, from the commission. He stated that he saw the county's role was to contribute to professional services; that budget is \$100,000 and any contribution towards it would be helpful.

Commissioner Beverage asked if the property had been acquired from the current owners. Mr. Keyes stated that there was a purchase agreement in place.

Commissioner McClure asked who would own the property. Mr. Keyes stated that the Warrior Bonfire Program would own it, which is registered as a 501(c)3 in Oregon.

Commissioner Howard stated that the request was for a letter of support and financial contribution for professional services. There was a consensus to provide a letter of support.

Commissioner Beverage stated that the financial request would need to be considered during the budget process. Mrs. Burgess stated that a letter of request would be very helpful.

Commissioner Beverage hoped that the project would move forward; it could be great for Veterans and Union County.

Commissioner Howard stated that he was glad that they were planning to establish the hydroponics operations first.

Lee Manuel, 66172 Hwy 203, thanked Union County and noted that Hot Lake Springs would not have been renovated without the help and encouragement of Union County and Commissioner McClure.

Commissioner McClure recessed the meeting and called it back to order.

Weed Program Presentation

Brian Clapp (Union County Weed Supervisor), Samantha Bernards (Tri-County CWMA), and Scott Schaefer (Wallowa-Whitman National Forest) presented an update on noxious weed control efforts in Union County by each entity. Discussion included types of weeds and control efforts, acreage, and funds expended in Union County, as well as private partnerships.

Executive Session

Commissioner McClure recessed the meeting for an executive session under ORS 192.660(2)(f) and then called it back to order.

Foreclosure Property Disposal

Mrs. Burgess stated that an approval from the commission was needed to set minimum bids for foreclosure properties that have been deeded to the county. This would allow the issuance of a court order to authorize the sale of those properties. She stated that there was one request from a previous property owner, as testified by Ms. Hansen earlier in the meeting, to repurchase two parcels on the list.

Commissioner Howard made a motion to sever the two identified properties from the list of foreclosure properties to be sold. Commissioner Beverage seconded. Mrs. Burgess identified the two properties to be severed from the list were Reference #146589, 10203 South D Street in Island City and Reference #4485, 10204 West Forth Street in Island City.

Commissioner McClure stated that the county wants to collect taxes and does not want to be in the lending business. He expected that the tax bill would be paid in full and the property titles would revert back to the previous owner.

Linda Hansen asked if there were fees to add to the tax owed. Mrs. Burgess stated that the total amount to repurchase the two properties would be \$10,363.14, which includes tax judgments, fees associated with the foreclosure process and the sale agreement. The county attorney would prepare a sales agreement to reflect those amounts.

Roll call to sever two properties identified as Reference #146589, 10203 South D Street in Island City and Reference #4485, 10204 West Fourth Street in Island City from the foreclosure list of properties to be sold at auction: Commissioner Beverage, yes. Commissioner Howard, yes. Commissioner McClure, yes. Motion carried unanimously.

Commissioner Howard made a motion to authorize the sale of two properties identified as Reference #146589, 10203 South D Street in Island City and Reference #4485, 10204 West Fourth Street in Island City to the previous owners under the terms and conditions discussed. Commissioner Beverage seconded. Motion carried unanimously.

Mrs. Burgess stated that the commission needed to set a minimum price for each property to be sold; suggestions were listed in Exhibit A, which were based on 125% of tax judgments. Commissioner Howard stated that he loved the formula, Commissioner McClure thought the suggested amounts were consistent, and Commissioner Beverage was fine with the amounts.

Mrs. Burgess stated that the two properties just severed would be removed from Exhibit A and other properties would be offered at a minimum price as listed.

Commissioner Howard waived the rule to allow the reading of Court Order 2017-22 by title only. Mrs. Burgess read Court Order 2017-22 by title only and explained that it would order the Union County Sheriff to sell property by public auction for the minimum price included with cash terms to be held in the Misener Conference Room following ORS 275.110. Once approved, the order will be turned over to the Sheriff's Office to conduct the auction.

Commissioner Howard moved approval of Court Order 2017-22 with the amendment to Exhibit A to exclude the previously severed properties. Commissioner Beverage seconded. Motion carried unanimously.

Mrs. Burgess stated that notification of pending sale would be provided to the list of interested parties and on the website. Commissioner McClure stated that the auction would need to be known publicly and easily found on the website. Mrs. Burgess stated that the publication in the Observer is a large ad and adjacent property owners would also be notified.

Next Meeting and Location

The next meeting is scheduled to take place on Wednesday, May 17, 2017 at the Joseph Annex Building.

Adjournment

The meeting adjourned at 12:15 p.m.

Respectfully Submitted,

Lorcinda Johnston
Sr. Dept. Specialist II