

Board of Commissioners
January 3, 2018

Present: Commissioner Steve McClure
Commissioner Jack Howard
Commissioner Donna Beverage

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

Public Comments

Partition Plat

Jeff Hsu, Baggett-Griffith & Blackman, presented a partition plat for the Powder Valley Water Control District. This is for a dedication of D Street; it is not being constructed now but it is part of the transportation plan for potential future development in North Powder.

Commissioner Beverage asked if this was on a truck route. Mr. Hsu stated that it is an agricultural field; it is inside the city limits but outside the Urban Growth Boundary. If North Powder were to expand, this action would allow a road to be constructed at the location.

Commissioner McClure asked if there were any planning implications. Mr. Hsu stated that this process included the County Planning Department instead of the City. The property belongs to the Powder Valley Water Control District; a portion of it is being sold to the rural fire district.

Commissioner McClure moved approval of the partition plat for the North Powder Water Control District as presented. Commissioner Howard seconded. Motion carried unanimously.

Eastern Oregon Film Festival (EOFF)

Bob Kavanaugh, Union County Chamber of Commerce Executive Director, 1210 Adams Avenue, stated that the Eastern Oregon Film Festival takes place in La Grande every year. It is a major draw for the entire county and it received a national award for Coolest Film Festival. It has positively impacted local businesses and drawn people from outside the area to the region.

Christopher Jennings, 1707 Oak Street, La Grande stated that the event is entering its ninth year. Films shown at the event are nationally recognized as being top notch. It has been successful with regional and statewide outreach. Oregon Public Broadcast's State of Wonder broadcasted the event live last year; this opened communication with the media industry on the west side of the state. One of his goals is to foster the film industry in the area. He works with the Governor's office and Oregon Film to build resources and infrastructure for the event, as well as production in the area. This is a volunteer-run organization that relies on membership and business sponsorships. It has had very little government support. They want to grow the program through education programs in partnership with Eastern Oregon University. The event is now housed downtown at a space called HQ that can be used for live music and showings. The event fosters economic impact and cultural quality of life; they want it to become sustainable and a destination tourism

event for this area. It is a struggle to fundraise and get enough volunteers to operate the event. He is unable to maintain as much volunteer work as he has in the past and other volunteers are experiencing burn out. They are seeking partnerships with the County, City of La Grande, and EOU that would enable them to hire staff and help drive economic development and grant writing.

Jim Whitbeck, 1400 B Avenue, La Grande, stated that he owns Blue Mountain Outfitters and serves on the Union County Chamber of Commerce Board of Directors. There are advantages to sponsoring EOFF; his target demographic has a strong overlap with the festival and it is more than a cultural event. People come to his store that wouldn't otherwise be there. There are tourism benefits as well; it brings in people from outside the county. The event also adds to the quality of life. Union County does not have enough cultural representation and EOFF has a unique value. There is a lot of volunteer work that goes into the event and they are running against the limit of what the community can provide. Bringing more visibility to the festival would help them get past that to increase local support and bring in more people from outside the area.

Mr. Kavanaugh stated that The Chamber of Commerce, La Grande Main Street, city councils, and the business community support this whole heartedly. The draw is immense and there is a lot of confidence in the local artist community. It is meeting a need from within and from outside the area. He stated that he plans to include the EOFF as a line item in the next budget proposal for the Chamber of Commerce.

Commissioner Howard stated that he was interested in data that would show how much money is available for investing and a time frame that would work best to hire a part-time employee; Mr. Jennings stated that he would send more data to the Commissioners. Commissioner Howard asked Mr. Jennings if he had discussions with Shelley Burgess, the Union County Administrative Officer; Mr. Jennings stated that he had not done that yet but would follow up. Commissioner Howard stated that he was completely supportive of the concept; he would like to see a proposal before the budget cycle begins and know what it would cost in staffing to ensure sustained funding.

Commissioner McClure asked what kinds of film are featured at the festival. Mr. Jennings stated that films are emergent individual cinema that are also shown at the Sundance Film Festival and South by Southwest. EOFF is considered a high end B regional festival. They typically see films that have also been submitted to other festivals, so it is within the first group of people that get to see these films. Festival programming is typically for 18 and older, but there is potential to have programming for younger people in the future. Last year there were 40 short films and 20 feature films, including some that were available online only. They have partnered with the Granada Theatre and additional screenings were offered at the HQ venue and the Liberty Theatre/Stage Door.

Mr. Whitbeck stated that EOFF feedback reflects that programming is top notch nationally, and its cultural component brings in filmmakers that get a local experience and know what this area is about and has to offer.

Commissioner Beverage asked for more information about the HQ venue. Mr. Jennings stated that the HQ venue was rented for the purpose of housing after party activities, and then it turned into a three year lease with new ideas. Despite initial zoning conflicts, it is now cleared to hold events and workshops. Commissioner Beverage asked if the lease was self-sustaining. Mr. Jennings stated that HQ is a personal endeavor and his business, Cold Coffee Media, is the lease holder. The lease is paid through subcontracting work, media, creative projects, and live music events. EOFF does not contribute funds towards the lease at this point; the EOFF board will determine at some point if it fits within the operation plan. He stated that it is another example of the philanthropy surrounding the festival.

Commissioner Beverage asked if EOFF has talked to the Art Center to combine efforts. Mr. Jennings stated that EOFF had worked with the Arts Center for many years and it was determined that the two organizations differed creatively. He added that it was not in EOFF's best interest to be consumed by a larger organization in order for it to maintain its unique edge. Mr. Jennings stated that they continue to work together on other projects in the community. EOFF, as a 501(c)3 nonprofit organization, seeks to stabilize the organization and become sustainable.

Commissioner Beverage asked how EOFF engages with EOU. Mr. Jennings stated that EOU has sponsored and advertised the festival. Last year, they worked together to bring in a novelist and higher paid artists out of Portland; they also engaged with EOU English and Writing students. He is looking for opportunities to engage EOU Media students and offer accredited workshops.

B2H Public Comment

Charlie Gillis, 601 N Avenue, La Grande, stated that there was an article in the Baker Herald lauding Baker County Commissioners' efforts on behalf of landowners in regards to B2H. He distributed an email he sent last October requesting Union County to provide the same services to local residents. He submitted a copy of an advertisement from the Baum Smith law firm addressing land owners that might be affected by B2H; he believes that firm is using Union County for their person gain. He stated that Baum Smith is the County's legal counsel and if Union County were to have attorneys assisting County property owners, it would be a conflict of interest. He formally requested that the Commissioners detail some sort of public process so that local residents can know that the County Commissioners are looking out for the interests of land owners.

B2H Public Comment

Irene Gilbert, 2310 Adams Avenue, La Grande, stated that she had concerns about the B2H project. She stated that Idaho Power (IP) is not being honest with the public or the landowners. IP has said that PacifiCorp and Bonneville Power Administration are their partners, but they are only partners in that they agreed in obtaining siting for the transmission line, not the construction of it. The Energy Facilities Siting Council (EFSC) has not determined that IP's application is complete. She is concerned about IP leading landowners to believe that it is time to sign on for payments. IP publicized the Record of Decision as if it was a big deal, but it only affirmed what they decided the year before.

She is concerned that a group like the Commissioners is the only resource of information for property owners in Union County. She asked the Commissioners what they think about IP telling landowners that it doesn't matter how the County is zoning their land. She quoted a court decision document as example; "the County's comprehensive plan was acknowledged in the 1990s to comply with goal four does not shield the County from the obligation at ORS 197.646(1) and (3) to apply subsequently amended and adopted goal four rules until the county incorporates those amendments into its comprehensive plan. Because the goal 4 rule was amended in 2008 and 2011 to provide a prioritized list of data sources, a county must consider when determining whether land is forest land subject to goal four." She stated that it is saying that while Union County talks about the current prevailing use, that is not what IP should be paying in terms of rights to have the transmission line go across private land. If land is forest land, there are legal decisions that say that if a land owner goes through the process of having them take their land there is a minimum amount of payment that the land owner is supposed to get. It includes the timber that would have been able to be grown on that land, regardless of whether or not they are growing timber. In eastern Oregon, forest land on average creates 20 cubic feet of growth per acre per year; that would equal 240 board feet of timber. In five years, a landowner with an acre of land would have made over 1,000 board feet of timber; receiving \$300 for that is not a good price. Landowners should be getting at least \$300 per acre every five years for the growth of timber they could have had; she doubts that IP is telling them that. The court cases say that the developer is supposed to be paying landowners for the loss of the surrounding timber and landowners need to know that. Landowners need someone advocating for them and educating them. Union County citizens need help from the Commissioners.

Commissioner McClure stated that it seemed that Baker County had conceded that the transmission line would be constructed. He stated that he has not made the conclusion that it will happen and intends to continue efforts towards placing the transmission line where it belongs. He objects to siting the transmission line within 4/10 mile of La Grande city limits. His advice to landowners would be to not engage with IP or sign anything at this point. He thinks that if IP is soliciting landowners to sell property at this point, it is the wrong message. Union County has not taken the same steps as Baker County for good reason.

Ms. Gilbert stated that she would like the County to send a letter to landowners that advises them not to sign anything.

Commissioner Howard concurred that 4/10 mile within city limits is not acceptable. He stated that the way the public is educated involves different degrees of government responsibility. Holding public hearings is one thing but distributing information about specific property owners' rights may not be within the strict purview of the Commissioners. He suggested Ms. Gilbert direct specific land use questions to the Union County Planning Director so that he can review it and then it would clearly be within the purview of County responsibility. He encouraged Ms. Gilbert to allow those concerns to work their way to the Commissioners so they can take specific actions. He does not expect that landowners will be informed in the way she suggested. He believes the view shed in this area should be protected. He asked that Ms. Gilbert give the Commissioners reasonable leeway and understand what they can or cannot do.

Ms. Gilbert stated that when she sent information about Section K to the Planning Director, because the County has not been applying that and has been looking at current use, it was not forwarded to the Commissioners. The problem with lack of notification from the County is that it leaves people more confused about their legal rights. It would be great if the Commissioners would send a letter to property owners telling them that it is premature to make decisions with IP until there is a site certificate. She is concerned about IP telling land owners to sign agreements now.

Commissioner Beverage asked Ms. Gilbert if Idaho Power was currently talking to land owners; Ms. Gilbert stated that was correct.

Commissioner Beverage concurred with the other Commissioners and stated that it is too early to sign agreements, but the County cannot tell land owners what decisions to make for themselves.

Ms. Gilbert stated that land owners need to know that the transmission line siting is not a done deal. She stated that IP says there will be no impact to property values with the line being within the view shed, but there are studies showing that it will impact property values. The studies that IP cites are from Portland and Seattle urban areas.

Commissioner McClure stated that Ms. Gilbert raised some interesting questions. The number of people that would build a home near a transmission line is questionable. Property owners need to protect themselves. Commissioner McClure stated that he has not seen a final application after revisions and the EFSC has not issued a final decision. He stated that sending letters to land owners at this point would be making a statement that the transmission line will be constructed.

B2H Public Comment

Jim Kreider, 60366 Marvin Road, La Grande, stated that Idaho Power (IP) specifically asked Oregon Public Utilities Commission (OPUC) for acknowledgement to begin construction of B2H to move forward to the Energy Facilities Siting Council. If OPUC does not acknowledge that segment, IP cannot move forward to build the line. IP's Integrated Resource Plan (IRP) was picked apart on technical failure issues by several organizations and agencies. IP responded to submitted comments with a 150 page document and appendix D to their IRP specifically validating B2H. He stated that he found confidential information that he cannot share showing that B2H is more expensive than IP has stated. His group has a retired Bonneville Power Administration transmission line engineer working with them. They believe they have three key points that would be seriously damaging to facts that IP has presented. The County can participate in the process on January 18 when comments from staff and final intervenor are due. On February 1, the OPUC will meet in Salem and hold an uncontested hearing and allow comments. On February 16, final comments are due from IP. Staff Recommendations are due March 15. Any comments should be made prior to March 15. OPUC takes staff comments seriously. His request to the OPUC is to not acknowledge the action item of acknowledging the beginning construction phases of B2H to the EFSC. He believes IP needs to go back and do a better job of cost analysis. He encouraged the Commission to write a letter to OPUC stating the County's position on B2H.

He stated that if B2H is built and transmission capacity is freed up on the 230kv line, it could mean that wind farms could use that capacity. Umatilla County had wind farms sited within one mile of residential neighborhoods; they had to create new land use laws to correct it. If B2H is built here, residential areas should be protected. He requested a mailing list of land owners that are within one mile of all four routes that are being considered for the B2H line; he would like to reach out to those land owners and inform them about the issues.

Commissioner Howard stated that his trust factor goes down when he hears comments about confidential information and it makes him doubt and question it because it is not a part of the record, and he believes that statement represents the PUC as well. In listening to PUC staff, his sense was that PUC is not interested in short term discussions about renewables. He is concerned about Mr. Kreider's posture talking about alternative energy as cost factoring for the B2H project; he does not believe that will be allowed to be a material factor. He believes land use violations are the strongest argument. He does not think it would be effective to write letters just to talk about people being upset about the line. The County can state concrete facts showing the impact of the line, including interference with the view shed. That is something the County has to fight for. The County cannot fight for renewal energy arguments just because he happens to support them. He believes that OPUC will reluctantly and concretely acknowledge the IRP in the near future. He does not think the County is in a posture to write a letter right now. He would like to see the discussion surround very specific issues of what Mr. Kreider wants the County to do in terms of specific arguments, with a concentration on land use and mitigation.

Commissioner McClure concurred with Commissioner Howard. He stated that a study showing the impact of B2H to property values would be helpful; just saying that people are unhappy with the line is not enough.

Mr. Kreider stated that the land use and land value issue is not an OPUC issue, it is an EFSC issue. He stated that his group is making concrete arguments. Idaho Power hired the Associated Press to come after his group and named them directly in a press release; they are taking his group seriously. As for confidentiality, in order for his group to participate they have to sign a binding agreement that trade secrets will not be shared, including the cost of the transmission line. An administrative law judge was trying to shake loose the excel spreadsheet at a hearing last week; the first tab was released but the others were not because IP claimed that it modeled their economic formula for RFPs to build transmission lines. If he can make a case to the public showing real numbers and facts then they can show that the transmission line is much more expensive than IP says it is, therefore making another portfolio lower risk, lower cost, and more viable.

Commissioner Howard appreciated all the work Mr. Kreider had done and felt that his suggestion about appraisals was brilliant and a concrete argument. There have been some changes in terms of opening assessor records working with names being expunged; that was two or three years ago and it is still simmering in how to release them. Under current ORS, partnering with a third agency to release a mailing list would put the County in a difficult posture. It is something that can be explored, but it may be a barrier.

Commissioner Beverage stated that she appreciated Mr. Kreider's work and added that the Commissioners and Planning Department would be working on Article 52 regarding wind farm siting.

Consent Agenda

Commissioner McClure moved approval of the consent agenda, which included Claims Journals from December 7, 14, 20, and 21. Commissioner Howard seconded. Motion carried unanimously.

Elected Official, Department Head & Employee Comments

No comments were offered.

Administrative Matters

4-H & Extension Service District Lease Agreement with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR)

Shelley Burgess, Administrative Officer, stated that the Commissioners would be acting in their capacity as the Board of Directors for the 4-H & Extension Service District. This lease agreement is between the 4-H & Extension Service District and the Confederated Tribes of the Umatilla Indian Reservation for office space in the Ag Services building at 10507 N McAllister Road. This is a five year lease for 2,080 square feet and the cost is \$15.30 per square foot, with a total of \$33,354 per year. They are the current tenants and this is a renewal of the current lease.

Commissioner McClure asked if the lease provided for parking outside the building. Mrs. Burgess stated that parking is not addressed in the lease agreement.

Commissioner McClure moved approval of the 4-H & Extension Service District Lease Agreement with the Confederated Tribes of the Umatilla Indian Reservation. Commissioner Howard seconded. Motion carried unanimously.

Court Order 2018-01, Selection of Newspaper

Mrs. Burgess stated that the Commission designates an official newspaper for its obligation for published notices of tax foreclosures and other public notices. This court order would designate The Observer as the official newspaper for Union County for the 2018 calendar year.

Commissioner McClure moved approval of Court Order 2018-01. Commissioner Howard seconded.

Commissioner Howard asked if there was a bidding process in the selection of an official newspaper and if there was an estimated cost. Mrs. Burgess stated that ORS require that the newspaper be of general circulation within the county; The Observer is the only publication that qualifies. The Nickel would not qualify since it is not a subscription that is generally circulated. The cost of publications are based on space required and the number of ads published.

Commissioner Howard asked if it would make sense to reach out to The Nickel or Northeast Oregon Business Journal. He stated that he would appreciate Mrs. Burgess inquiring if those publications would have any interest.

Roll Call on Court Order 2018-01: Commissioner Howard, yes. Commissioner McClure, yes. Commissioner Beverage, yes. Motion carried unanimously.

Court Order 2018-02, Appointment of Budget Officer

Mrs. Burgess stated that this court order would designate Shelley Burgess, the Administrative Officer, as the Budget Officer for FY2018-19. **Commissioner McClure moved approval of Court Order 2018-02. Commissioner Howard seconded. Motion carried unanimously.**

Court Order 2018-03, Appointment to the Natural Resource Advisory Committee

Mrs. Burgess stated that the County advertised indicating that a last round of applications for vacant positions for the Natural Resource Advisory Committee would be accepted. Irene Gilbert applied to fill the Small Woodland and Hard Rock Mining position; this court order would appoint her with a term to begin immediately. The committee is for a specific purpose so the term date would end once planning is completed. **Commissioner McClure moved approval of Court Order 2018-03. Commissioner Howard seconded for the purpose of discussion.**

Commissioner Howard stated that it had been his policy to abstain regarding this particular committee. His concern about this appointment is whether or not Ms. Gilbert's involvement with anti-B2H groups in any way qualifies or disqualifies her for membership.

Commissioner Beverage stated that Ms. Gilbert would be allowed to tell the Commission about her interest in serving on the committee. Commissioner Howard stated that it was a narrow question regarding whether or not Ms. Gilbert's B2H position would qualify or disqualify her for the position.

Ms. Gilbert stated that the committee is specific to Bureau of Land Management land and its utilization, not private property. Her involvement with B2H has been in regards to private property owners' rights, not Federal land.

Roll call on Court Order 2018-03: Commissioner Howard, abstain. Commissioner McClure, yes. Commissioner Beverage, yes. Motion carried.

Court Order 2018-04, Appointment to the Northeast Oregon Economic Development Board of Directors

Commissioner McClure moved approval of Court Order 2018-04. Commissioner Howard seconded for the purpose of discussion.

Commissioner Howard wondered if Bob Kavanaugh was the best appointment for the public sector representation. He stated that while he has heard about progress at the Chamber, he

is still concerned and would abstain on this vote today. He thought it would be interesting to take another month to consider other applicants unless this appointment is pressing.

Commissioner McClure made a motion to table the matter for one month. Commissioner Howard seconded.

Commissioner Beverage stated that she would like to have discussion on the matter. She stated that Kristin Dollarhide, who was the Union County Chamber of Commerce Executive Director at the time, was serving on the NEOEDD board. She moved out of the area and left her position at the Chamber; NEOEDD is requesting that the vacant position be filled by the current Union County Chamber of Commerce Executive Director, Bob Kavanaugh.

Commissioner McClure asked if other counties appoint their Chamber Directors to the NEOEDD Board. Commissioner Beverage stated that all of the Counties' Chamber Directors are on the NEOEDD Board. Commissioner Howard did not think that Baker's Chamber Director was on the NEOEDD Board. Commissioner Beverage stated that she thought that they were because they attend all the meetings. Commissioner Beverage stated that the NEOEDD Executive Director, Lisa Dawson, feels it is important to have Mr. Kavanaugh on the board because of the economic development focus and his position at the Union County Chamber of Commerce.

Commissioner McClure called for the question of the motion to table the appointment to the NEOEDD Board of Directors. Commissioner Howard seconded. Roll Call: Commissioner Howard, yes. Commissioner McClure, yes. Commissioner Beverage, no. Motion carried.

Roll Call to table the NEOEDD Board appointment for one month: Commissioner Howard, yes. Commissioner McClure, yes. Commissioner Beverage, no. Motion carried.

Next Meeting and Location

The next regular Commission meeting is scheduled to take place at the Joseph Annex Building on January 17, 2018 at 9:00 a.m.

Adjournment

Commissioner Beverage adjourned the meeting at 10:15 a.m.

Respectfully Submitted,

Lorcinda Johnston
Sr. Dept. Specialist II