

**Union County Board of Commissioners  
June 2, 2010**

Present: Commissioner Mark D. Davidson  
Commissioner Steve McClure  
Commissioner R. Nellie Hibbert

Call to Order

Chairman Davidson called the meeting to order at 9:00 a.m. with all three commission members present.

Public Comments & Concerns

Rick Robinson representative from Bagett Griffith & Blackman, presented a three page airport partition plat. This plat is coordinated with the vacation of Powers Road. The plat across the south line of parcel 2 was originally a 20 foot utility easement plat which was vacated and a different easement was created for a transformer on the west side. Also dedicated on the plat is a hammerhead that was constructed and approved by the planning department. After approval by the commissioners of the plat, property transfers will begin. **Commissioner McClure moved to accept the airport partition plat as presented. Commissioner Hibbert seconded. Motion carried unanimously.**

Elected Official, Department Head & Employee Comments

No comments or concerns were presented.

Consent Agenda

**The May 13 and May 20 claims journals, May 13 and May 20 Public Works claims journals were approved as presented on the consent agenda.**

Administrative Matters

AFSCME Negotiation Agreement

Shelley Burgess, Administrative Officer updated the Commissioners on the AFSCME negotiations. AFSCME union has voted and accepted the tentative agreement presented to them from the Commissioners. This contract will allow for a 3% cost of living increase for the fiscal year 2010-11 and an increase based on the US cities CPIW February, 2011 with a minimum 1% and maximum 4% for the fiscal year 2011-12. The employer will continue to pay 100% of the health and wellness benefit premium for employees and will cover 87.5% for a family of 2 or more with the employee being responsible for 12.5% through the form of payroll deduction. The county will continue to provide life flight membership for the employees each of the two years. This contract will conclude June 30, 2012. **Commissioner McClure moved approval of the AFSCME negotiation agreement for July 1, 2010 through June 30, 2012. Commissioner Hibbert seconded** and complimented Shelley on the great job she has done.

Commissioner Davidson concurred with Commissioner Hibbert. **Motion carried unanimously.**

#### Discretionary Grant Committee Funds

Shelley Burgess, Administrative Officer reviewed two applications requesting funding from the discretionary fund. Union County Economic Development Corporation (UCEDC) is requesting \$3,500 to develop a promotional video and updated website and links. Union County Fair Board is requesting \$3,000 for repairs to the fair office building. Commissioner Davidson feels that they're both good projects. The fair board has discovered that their office has lead based paint on it and this past April new rules were passed concerning handling removal of lead based paint by either scraping or pressure washing. The new rule states that if you pressure wash lead based paint you must capture, collect and properly dispose of all water and chips. Commissioner McClure stated that the Fair Board intends to encapsulate the lead paint, put siding over the paint, and then enclose the siding.

Commissioner McClure was concerned because UCEDC originally had requested \$5,000 in funds and the discretionary committee is only recommending they receive \$3,500. Commissioner Davidson explained that the committee members that were at the meeting would like to see UCEDC get sponsorship from the business community. Commissioner Davidson recommends that the Commissioners increase the funding to UCEDC to \$4,000 instead of the \$3,500. Commissioner McClure verified that they would approve the funding to UCEDC upon the contingency that they will get additional funding elsewhere. Commissioner Davidson has talked to the Fair Board President about the funding request and he is very appreciative of the recommendation. Commissioner Hibbert questioned whether the Fair Board will be requesting additional funds for this project in the future since they are doing this project in stages and the funding would only cover stage one. Commissioner Davidson verified that they would have that option. Commissioner McClure wondered whether they had any additional funding sources. Commissioner Davidson verified that the county is the only funding source he is aware of. Commissioner Hibbert agreed that the majority of their work is performed by volunteers.

Commissioner Hibbert wanted to know who would be making the video for UCEDC. Commissioner Davidson stated it's a local company named Valley Video Services. **Commissioner McClure moved approval of the Discretionary Fund Committees recommendations for \$3,500 to the Union County Economic Development Corporation for the promotional video with the caveat that they find additional funding and \$3,000 to Union County Fair for repairs to the fair office building. Commissioner Hibbert seconded.** Commissioner Davidson proposed a friendly amendment to raise the funding for the video to \$4,000. Commissioner McClure asked if he felt that would be appropriate and if so then yes that would be fine with him. Commissioner Davidson stated that he felt it was appropriate and they would still be required to

raise \$2,500. Commissioner Hibbert's only concern was whether the committee that came up with the recommendations would be fine with the Commissioners increasing the amount of funding to UCEDC. Commissioner Davidson assured her that they would be fine with the decision if the Commissioners decided to do so. Based on that Commissioner McClure **increases the amount of funding to UCEDC to \$4,000. Commissioner Hibbert seconded. Motion carried unanimously.**

Public Hearing – Community Development Block Grant Application

Lisa Dawson , Executive Director for Northeast Oregon Economic Development District (NEOEDD), presented an application for a community development block grant to the Commissioners. Ms. Dawson stated that NEOEDD is asking the county to apply for a Community Development Block Grant (CDBG) that will support the microenterprise program which is a classroom based training for business owners. The classroom training will be provided in Baker, Union and Wallowa counties. Union County would be the branch applicant and will contract with NEOEDD to provide services for the tri-county area. Lisa summarized the statistics of the last microenterprise class provided in Union County. There were 10 participants with only 2 fitting in the low and moderate income criteria with the other 8 above that level. 3 had been in business for over 10 years and were working on improving business and increase income levels while the others were exploring businesses. The definition the State of Oregon uses for this program of a micro-entrepreneur is a business that has 5 or fewer employees with one being the business owner. That will be the target for providing services and then in order to qualify for funding for the program they must be low or moderate income. They have set a rate of \$2,500 per low/moderate income that is assisted through the program as the maximum payment. The grant amount is \$37,500 which could provide assistance to 15 low/moderate income businesses for at least the 10 hour portion of the 21 hour class. Commissioner McClure asked what the life of the grant is. Lisa stated that it is a one year grant and they are planning on offering 2 business planning classes in each county. Commissioner McClure asked what their funding source was prior to this. Lisa explained that the primary funding source was the CDBG grant but in the past a city on the west side was the applicant. This year the NEOEDD feels they have enough experience to administer the grant without assistance from the west side. Commissioner McClure asked Shelley how many CDBG grants the county may administer at one time. Shelley reported that they can have two CDBG grants active at the same time and the county is currently closing one out with Community Connections and are not eligible to be the applicant on that particular grant this year due to requirements that counties take turns applying.

Commissioner Hibbert stated that it sounds like a good program and she is especially pleased to hear the class will be offered twice in each county. She feels that this is certainly a good way to retain businesses. Lisa commented that it is great to see existing business owners take the class.

The hearing was then closed to further public comments.

**Commissioner McClure moved approval of Resolution 2010-07, In The Matter of Union County Applying For a Regional Micro-Enterprise Assistance Program with Union County as Lead Applicant. Commissioner Hibbert seconded. Motion carried unanimously.**

Renewable Energy Application Review

Howard Butts, 69873 Summerville Rd. and Nancy Van Sickle, 110 18<sup>th</sup> Street, La Grande, presented the applications recommended for funding from the Renewable Energy Committee. Howard explained to the Commissioners that Devin and Debra Cornford are requesting \$5,000 for a wind generator that they have installed with out of pocket expenses paid totaling \$5,500. Nancy gave a copy of the billing proof from OTEC. The Cornfords have installed a separate meter that shows the full kilowatt hours generated and reports that in April they generated 13,068 kilowatt hours.

An application was also received from Steve Bartells for a 2100 watt system he installed in his business, Bubbles Laundry. The projected cost for this system is between \$14,000 and \$15,000 and the committee is recommending \$2,000 allotted to Mr. Bartells for this project.

Howard also wanted to remind the commissioners that the renewable energy committee will be requesting \$5,000 from the budget this year to put towards expenses incurred while advertising and setting up fairs. Commissioner Davidson explained to Howard that the request would be brought up during the budget hearings.

Commissioner Hibbert stated that she feels both projects are worthwhile and would like feedback from the participants regarding the net return on these projects in 6 months. She feels that the wave of future will be seeing more of this and so the more we learn about renewable energy the more support it will garner. Nancy informed the Commissioners that the Cornfords have saved about \$700 since their wind generator was installed in December 2008. Howard said he has saved approximately 956 kilowatt hours since his project has been installed.

Commissioner Hibbert questioned how long it would take the Cornfords project to pay for itself. Nancy explained that the total cost of the project was \$55,000 and the Cornfords have received \$13,000 in tax credits to date. Howard stated that the payback is displacing and generating electricity. Commissioner Davidson said that by his calculations the Cornfords have paid \$13,000 out of the \$55,000. The remaining funds were covered by grants. It's his understanding that these projects are unable to stand on their own without grants and tax credits.

Commissioner McClure expressed concern about the economic development opportunity; the committee has been active for three years and has only seen three projects. Nancy stated that she thinks it's because the public is not aware of the opportunity and hopefully with additional funding the Renewable Energy Committee can start advertising this information. Howard explained that the project OTEC just completed concerning solar energy was installed by a Union County resident, thus helping Union County's economy. Howard feels that this concept needs to be supported because power is needed and used everywhere. Commissioner Davidson explained that his concern is that county revenues are shrinking while costs are increasing and grants are not becoming available, decreasing county monies. He does not feel that taking citizens property taxes and subsidizing projects that don't have a widespread community benefit, job creation or retention component is going to be an option. He suggests that the committee look over its criteria and consider making some changes that will require the projects to benefit the community. Eventually he sees revenue becoming so small that the county will have to start focusing only on core responsibilities.

Commissioner McClure asked Ken where he is installing the majority of his solar projects. Ken explained that he's doing a lot of work in Wallowa County and the Pendleton area. Both of these areas are supplemented mainly by the energy trust. Ken explained that energy trust funds come from a 1% fee that all customers of privately owned utilities, such as Pacific Power and PGE, pay. Nancy added that all private utilities are required to do a certain percentage of renewable energy projects. OTEC has looked into implementing an energy trust fund but that would require a 3% increase in fees for consumers.

Commissioner McClure expressed concern about the \$5,000 requested by the Cornfords. He suggests that the amount granted should be decreased to \$2,000. Commissioner Davidson agreed with Commissioner McClure because he would like to see the funds given to more projects. Commissioner Hibbert also agreed that it would seem more equitable with project cost versus what's left. Debbie Cornford stated that due to a mathematical error on her part the total owed is closer to \$20,000 rather than \$13,000 as earlier stated. She had missed some grants. Nancy explained to the Commissioners that they decided to grant more money to the Cornfords because it is producing more solar energy. Commissioner Davidson asked whether the selection amount was based on any ratios, such as amount produced. Nancy stated that they have put a \$5,000 max on monies granted to each project. Commissioner Davidson requested an explanation of the equation used for deciding the amount of money granted to each project. Howard explained that the grant covers a maximum of 20% of the system cost. Commissioner Davidson asked how that is related back to the output. Nancy explained that it's \$1 per kilowatt hours. Either way it's figured the amount was over the \$5,000 maximum. Commissioner Davidson noted that the project by Bubbles Laundry is listed as 2,100 watts. Nancy confirmed that saying that they capped that at \$2,000. Commissioner Hibbert stated that since there is

a formula in place she would like to keep it consistent. **Commissioner McClure moved approval of the Renewable Energy Committee recommendations to grant Devin and Debra Cornford \$5,000 for their wind generator and Bubbles Laundry \$2,000 for their 2100 watt system. Commissioner Hibbert seconded. Roll call: Commissioner McClure – yes; Commissioner Hibbert – yes; Commissioner Davidson – no. Motion approved.**

Adjournment

The meeting was then adjourned at 10:57 a.m.

Respectfully submitted,

Kylee J. Ingerson  
Department Receptionist