Union County Board of Commissioners August 25, 2010

Present: Chairman Mark D. Davidson

Commissioner Steve McClure Commissioner R. Nellie Hibbert

Call to Order

Chairman Davidson called the meeting to order at 6:01 p.m. with all three members present.

Potential Wind Energy Ballot Referral Hearing

Chairman Davidson opened the hearing for public testimony in regards to placing an advisory question on the November ballot concerning whether the Commissioners should take a position for or against the Antelope Ridge Wind Farm Project. Chairman Davidson stated that the Commissioners have already held two public hearings regarding this topic and due to the amount of people at this meeting he is requesting that individuals who have not testified at a previous hearing testify first. If there is remaining time after these individuals have testified, testimony will be taken from individuals who have already done so. Commissioner Davidson reminded the audience that they need to be polite and respectful of each other and that outburst, applause, arguing, exclamations, etc. will not be tolerated. Testimony will be limited to whether the question regarding the Antelope Ridge Wind Farm should be put on the ballot.

Teresa Brain, 1612 Oak Street, La Grande, thanked the commissioners for holding the hearing because they have been very well attended and needed. She urged the Commissioners to put this topic on the ballot because people need to be heard and some people were able to come to the hearings but there are many who were not able to attend. This is an important decision that will affect the county for years to come and it's not reversible. For that reason alone it should be put on the ballot and every person should have the chance to make their individual voice heard, regardless of whether they feel comfortable testifying at the hearing or not.

Evelyn Merriman, PO Box 678, Union, stated she supports the advisory vote regarding the wind tower project on Craig Mountain. Everyone should have a voice no matter what opinion they hold. The results of the vote will let the whole community know the majority of the opinion, which is the basis of our country. She believes holding a vote will make the end result of the question easier to accept.

Larry Knowles, PO Box 947, La Grande, stated he is ambivalent about the support and does not think it is a necessary ballot. He resides in La Grande and feels there are other ways to spend the taxpayer's money and we certainly need the industry here. He is very concerned about how we are going to replace the

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Boardman Coal Fire Plant when it ceases operations and feels very positive about the wind industry. This industry is our future and we have lots of resources in this valley which can be a positive influence on alternative energy.

Karl Swanson, 1510 Adams Ave., La Grande, doesn't feel we need to put this on the ballot. In 2007 his business, the Royal Motor Inn, had their best year and he feels that it's because the windmills were being constructed.

Sushil Kumar, 2400 Adams Ave., La Grande, stated he owns the Quail Run Inn and he feels this should be put on the ballot and that we should get the opinion of each and every individual but at the same time, a long time ago when he saw a sign that stated "no windmills, please save the valley" the thought that came to his mind was the valley is made up of people and we, the people, are all merely surviving and working hard to stay. If the people do not have enough resources to survive here, they will move from this valley. Therefore, he supports the windmills.

Arla June Ruthren, 84547 Weis Rd., Milton-Freewater, is a member of the Blue Mountain Alliance and is here in support of putting this on the ballot. Everyone should have a voice and opinion and this is moving way too fast. Milton-Freewater started out with a few windmills and is now being enclosed. No city should have to take on this responsibility. A lot of the electricity from the windmills is going to California and Boise and we shouldn't have to support this. She drove over from Milton-Freewater detoured thru Elgin, Cove, Union and North Powder. Upon looking at the valley that her immigrants came through she saw markers that stated this area is historical and she doesn't want her ancestors to say "this is what they left us, these historical markers of wind turbines that are 400 to 500 feet." She urged that it be put on the ballot and that we think about our future.

Larry Morrison, 10705 Emily Drive, La Grande, stated he is a native of this area and he can see 26 wind turbines from his back windows, 8 of which are lit. He doesn't find them offensive. To him personally, the most dangerous thing he has met is being laid off from a family job with full benefits because of Union County economics. He thinks we're in a serious position where every dollar counts and feels it would be misadvised to have a vote.

Michael Becker, 807 F Ave., La Grande, supports the act of putting this on the ballot. This project is moving very fast and there is a lot of emotional testament to it on both sides of the matter. One of the things this country was built on was the vote. To proceed without a vote is disregarding the people who live here and we as a community should never stand for that.

Steve Summers, 802 Miller Dr., La Grande, submitted a copy of a petition in support of the windmills and against putting it on the ballot. He thinks there is a landslide of people in Union County that are in support of the windmill project.

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Jim Myron, 640 N. 9th, Union, would like to see this topic come before all the people in Union County because of its impact. It's very important that people have input into this because there is a proposed third wind turbine project called the Magpie Project which would be developed in the High Valley/Cove area and possibly a fourth project which would install wind turbines from Elgin to Wallowa. If all these projects are developed the entire valley will be affected.

Sarah Watson, 451 W. Chestnut, Union, thinks the potential for a negative impact as a result of this kind of development on the City of Union, in particular, and the county as a whole merits putting this on the ballot and asking residents if they support or oppose the development of this or any other wind sites in Union County.

Betty Gray, 68814 Hill Lay Ln., Union, informed the committee she lives in the middle of the Elkhorn Valley Wind Farm and likes the turbines. The wind farm certainly helped the economy and created jobs. She doesn't mind the noise of the turbines, what little there is, and thinks it's a great benefit for the county financially.

Commissioner Davidson stated that at this time County Counsel, Brandon Eyre, would like to address the audience regarding a matter that was brought up at a previous meeting. Attorney Eyre explained that at the last meeting he was asked whether he had represented Horizon in the past and hesitated to answer due to an ethical responsibility. At this time there is no conflict in his representation of the county in regards to the Antelope Ridge Wind Farm.

A letter received from local attorney, Janie Burcart, was read into the record by Administrative Officer Shelley Burgess. In the letter Attorney Burcart stated that neither the Oregon Constitution nor Oregon Statutes authorize a county to place an advisory question on the ballot. Commissioner Davidson asked Attorney Eyre to review the letter and present a legal opinion at the September 1st commission meeting.

Holly Shroyer, 52477 Lampkin Ln., North Powder, lives in close proximity to the current wind turbines and has family that works under them all the time. Most of the towers are slated to go on private property so this should be a private property issue. She stated that legal procedures are being followed and this should not be put on the ballot because, as previously stated, the Commissioners have no legal authority, will cost the taxpayers money, and the building will go forth no matter the outcome. Someway we have to produce the energy we desire and take.

Billie Jo Boothman, PO Box 3253, La Grande, asked that it not be put on the ballot because this is a private property issue and the county needs the income

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and work. The wind turbines are renewable energy and the valley has enough wind to provide energy whether it is to Oregon or another state.

Lezlie Posey, PO Box 109, Union, stated she is against putting this issue on the ballot, is in favor of the windmills, and feels that as property owners it should be our decision.

Ken Brock, 1010 Benton Ave., La Grande, is opposed to the measure going on the ballot. The wind turbines bring in tax dollars, support to schools, and family wage jobs. He was laid off from Boise Cascade and has since been hired by Horizon, along with other local residents.

Jakob Jederberg, 1701 Conklin Ln., Cove, stated he is opposed to this matter going on the ballot because it is a waste of money and he feels that the wind turbines are an asset to Union County economy. He grew up in Union County and has watched his friends have to leave the area to find employment. He wants to see a future for his family here.

Brenna Tyler, PO Box 513, Union, expressed that she doesn't think this should be put on the ballot and that she supports the wind towers. She has friends that have lived where mountain tops have been cut off and men risked their lives to go to work in the mines. Wind towers are a progressive change that may eliminate the terrible situations that sometimes occur to miners. With the progression of wind energy, dams will be removed, and although not perfect, wind towers are progressive and something new that may work better then previous energy means. If it doesn't work out, the wind towers can be turned off and disassembled.

J.D. Standley III, 803 Spring Ave, La Grande, stated he opposes this going on the ballot. His family homesteaded here in 1865 and he has seen classmates leave the area due to the lack of jobs. He wants to take advantage of renewable resources rather than using coal or oil. It's been stated that it will hurt the county tourism, but he doesn't see a large amount of tourism occurring.

Krystle Gore, 2222 Jefferson, La Grande, is opposed to this going on the ballot because this industry brings in jobs that support the families who support our community.

William Faulkner, 1501 Columbus St., Elgin, would like to see this on the ballot. It's the only accurate way to measure the countywide support for this industry. On another note, if California wants wind energy they should build windmills in California. Energy produced in our valley should go towards making county residents more self-sufficient.

Travis Stitzel, 69988 Chadwick, Cove, stated he does not want this to be put on the ballot because our economy is horrible and we need something to help us. Union County Board of Commissioners August 25, 2010 Page 5 of 12

Dave Alexander, 1007 Jasper, Cove, explained that it is his understanding that this would be a non-binding vote, which means it's an opinion concerning private property issues. He has lived in this valley for a long time and has seen jobs start here and eventually be pushed out. He's heard the argument that if this electricity is going to California they should build wind turbines there, but what about our power, it must be coming from someone else's area.

Scott Phares, 650 Cedar St., Elgin, does not think it's necessary to put this on the ballot. Our county needs jobs and this project provides family wage jobs. He is in support of the Antelope Ridge Wind Project.

Levi Morrison, 380 E. Beakman, Union, stated he does not support this on the ballot. He thinks the wind industry is a great opportunity for our youth. He came from a local business, grew up in Union County, and started working for Horizon with no experience. He now has a great job that has given him a lot of opportunities. His job has taken him to lots of small towns and where these jobs have allowed local kids to stay in the community.

Jessica Howard, 60028 Hwy. 203, Union, is against putting this on the ballot, because she believes this is a private property issue. She is also for the jobs that it will bring in.

Mariah Phifer, 60028 Hwy. 203, Union, stated she is against this being on the ballot and supports the windmills. She understands that change is hard and that a lot of people don't like to accept it and bring change in but the world is constantly changing and we need to find an efficient way to keep up with it. Wind turbines are not beautiful to look at but the idea and possibilities they present are positive. The current economic crisis does not look hopeful, but she supports the wind industry and the hope and opportunity that it could bring to her generation and generations to follow.

Doug Kinsley, 56770 Lowell Rd., Union, explained that he is against putting this on the ballot because it's basically a property right issue. He also supports the windmills because the county needs the jobs and revenue they provide.

Jed Farmer, 64884 Little Creek Ln., Union, stated he is for putting it on the ballot and feels the County Commissioners should take a position. The Siting Council's decisions are not quantitative or analytical but rather based on a series of subjective opinions on whether the proposed project meets Oregon Administrative Rules. In some cases the Project Officer presents a subjective opinion while in others they present alternatives to the Siting Council. The Siting Council then bases there subjective opinion on what is presented. The opinion of the County Commissioners on whether the county as a whole is for or against the project is important and will have an impact on the Siting Council's decision.

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Anne March, 206 Main Ave., La Grande, is in favor of putting it on the ballot and sees this as an information gathering tool. We deserve to know the opinion of the majority of the residents living in the valley. It is her understanding that it will only cost the county the expense of printing ink to put this on the ballot. Commissioner Davidson stated that it will cost that and a small fee for programming the clerk's machine but he has been unable to get a definitive price of how much it will cost. Ms. March said she believes that although the vote is nonbinding it will be valuable for the people at the state level who will be making the final decision.

Kevin March, 206 Main Ave., La Grande, would like to see it put on the ballot because we're a democracy. He understands the property right arguments presented but feels that if he burns garbage his neighbors downwind should have a say in it.

Dylan Wolff, 1604 1st, La Grande, stated he is against putting this on the ballot because we already have a Siting Council established and they have heard all the arguments for and against this matter. He also thinks it's a property rights issue.

Michele McCoy, 63173 Dry Creek Ln., Summerville, has lived here for 36 years and thinks that the wind mills will not be an attribute to the valley. She is concerned about the health effects they will have on people and animals and is especially concerned about the wind mills being owned by foreign investors. She would like to see this topic on the ballot so the people of the county can have an input.

Johnny Kennon, 1045 N. 5th St., Union, stated the voters have already spoken by electing you to your positions. Therefore, he does not support this going on the ballot and encourages the Commissioners to vote in favor of the project.

Margaret McLean, North Powder, supports wind power and does not want this topic to go on the ballot. She thinks it is wrong to put it to vote because it is private property, will create jobs, and be good for the county.

Tim Sheehy, 60185 High Valley Rd., Union, stated he would like it on the ballot and the biggest argument on why it should be on there is the amount of people who have shown up to testify and want their voice heard. The property rights arguments is somewhat shot down by the fact that wind power is a heavily subsidized business and is unable to stand on its own. Wind towers are a public issue because they are funded by tax dollars. The bottom line is whether the Commissioners want to remain ignorant of what the people in the county want. This is a big issue and will change Union a lot. Whether the Commissioners have a say in this project, which he doesn't believe, there is additional projects planned that they may have a say in.

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Rae Anderson, 61163 Stonehaven Ln., La Grande, explained that it's his understanding that the developer gets 80% of funding through federal grants and state taxes; therefore it's not just a private property issue but also a public funding issue. If this is true wouldn't it be morally right to let the taxpayers vote on this issue?

Tom Price, 4315 Old Wingville Rd., Baker City, stated he owns land on Craig Mountain and agrees that this is a private property issue. But just like the landowners who want to put these on their property he believes it's his right to protect the value of his property, which neighbors the proposed site. This should be put on the ballot so we can have the full value of everyone's input.

Sandy Knowles, 10505 W. 4th, Island City, is against putting this issue on the ballot and supports the wind mills.

Danny Hummel, 72591 Yarrington, Elgin, left prior to giving his testimony.

Maureen Kelly, 61062 Stackland Rd., Cove, stated she would like this issue on the ballot because it's obviously controversial and everyone should have a say since this will affect the whole valley.

Dan Kelly, 61062 Stackland Rd., Cove, believes this should be on the ballot. It is his impression after reading the editorials in the Observer that people have been very articulate and cogent on both sides and have made good arguments both for and against. But whether or not the topic should be put on the ballot does not seem to have that same balance of equality and believes it is not really fathomable to not put it on the ballot.

Judy Price, 43215 Old Wingville Rd., Baker City, expressed her concern with the way Horizon and Wind Wave proceed as if they already have the green light to develop this project. They have begun conducting surveys to widen the exit at Ladd Canyon, placing underground cable where the proposed site of the office will be, and improving the roads at the base of the mountain for future use. It makes her feel like she has no voice in the issue although it's her tax money paying for this, therefore, she supports putting it on the ballot.

Nate Jacob, 66924 Miller Ln., Union, supports not putting it on the ballot and is in favor of wind power. As a business owner he has already seen the positive impact. As a member of the Union Rural Fire Protection District Board he believes that the wind power will have a positive financial impact on local fire protection.

Brian Miles, 1703 Chelsea Ct., La Grande, left prior to testifying.

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Dianne Jones, 165 E. Chestnut St., Union, stated her family chose to come to Union County over 30 years ago because of the scenic qualities so she supports putting this issue on the ballot.

Donna Rainboth, 1368 Antles Lane, Cove, left prior to testifying.

Janet Dodson, PO Box 187, North Powder, wants her name added to the list in support of putting an advisory measure on the upcoming ballot and as an opponent to the Antelope Ridge Wind Turbine Project. As a property owner she believes that the negative impact on our scenery, health and culture greatly outweigh the short financial or employment gain from this project or any other projects of this magnitude. She also commented that Powder Valley residents do not want to see or hear wind turbines.

Wendy Benjamin, 1077 Birch St., Elgin, stated she would like to see it put on the ballot because of the environmental impact this has on the community. Blue Mountain Heritage Trail has plans to incorporate Union County in their project and the wind turbines would cause a detour.

Jim McIver, 6965 Antles Lane, Cove, believes that because we live in a democracy it's the least we can do to see how the county feels about the issue. This issue will forever change the appearance of the landscape and has undetermined environmental consequences. Putting it on the ballot gives the Commissioners and State the county's opinion on this issue.

Mike Gooderham, 61946 Blackhawk Trail, La Grande, doesn't think it should be put on the ballot and if people have pros and cons they need to make comments to the proper entity, the Department of Energy Siting Committee at the State level.

Brian Grimshaw, 805 M Ave., La Grande stated he opposes putting this on the ballot and would like to remind people that in the 2008-09 tax season Union County collected \$350,000 from the Antelope Ridge Wind Farm. This amount made up 9.3% of Union County's tax base. It would be a silly decision to deny having this kind of development in our area because it brings jobs and keeps people in the City of Union.

Ulysses Cabugos, Adams Ave, La Grande, feels it is a waste of time to put this on the ballot and thinks we should start putting up windmills right now.

Ray Randall, 765 S. 3rd, Union, doesn't see what the problem is for putting this on the ballot. The cost is an insignificant amount and he thinks the problem is really whether or not the people of Union County can be open minded or close minded.

Susan Speers, left prior to testifying.

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Jane Spears, left prior to testifying.

Stephen Donnell, 2505 East L Ave., La Grande, explained that the final decision of approval for the wind farms is made by the energy siting council. We had the same situation with the Mt. Emily Recreational Area. He thinks that the county should have 2 or 3 meetings where the public can debate in front of the commissioners and then use the results from those meetings to present a position to the energy siting facility.

Michael O'Connor, Box 525, Union, is wondering why you would not put this on the ballot and seek to know the consensus and ideas of the people that are being represented. There seems to be an assumption that if this goes to vote that the project would be opposed. As representatives of Union County it would be appropriate and necessary to know the mood and thoughts of the people represented. He has been talking to Union County residents including landowners who would benefit from the wind farm and when questioned about how their property rights are being assailed or diminished they are unable to give an answer, which makes you think that maybe the property rights are being enhanced through the conditional use process. Landowners are receiving additional rights by being allowed to use their agriculture land for an industrial setting. The property rights issue is actually a distraction and there are many other bigger issues that should be worked out regarding this development.

Charlie Gillis, 601 N Ave, La Grande, questioned Commissioner Davidson on whether he was able to verify if there was a conflict of interest in the Elkhorn SIP process. Commissioner Davidson commented that he has made some inquiries into that and the firm of Mautz, Baum, O'Hanlon did not represent the county during that process. Mr. Gillis requested a copy of the letter submitted by Attorney Janie Burcart that was put on the record earlier in the meeting.

Willard Bertrand, 1493 N. College, Union, agrees with Attorney Eyre's opinion that was printed in the Observer regarding the wording of the ballot measure. He has had the pleasure of putting ballot measures before the City of Union and has found from being in a governing position that a ballot measure takes advantage of allowing people to work out their personal opinions among each other and often leads to a resolution. Putting topics on ballots allow peoples opinions to develop in a nice, proper, respectful manner. The ballot language should definitely not put the county in a position where they are forced to take legal or other actions that may not be appropriate. It is his conclusion that more than one measure concerning this should be put on the ballot in order to gather all the information needed because this topic has several issues. By using the voting process as a means for people to develop a consensus the public will be more comfortable with the outcome.

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Gordon Hellyer, 575 N. Cove St., Union, explained that if you drive the Columbia Gorge you see windmills all the way from Arlington to The Dalles. We are wasting our time by trying to control industries that come in here, and should be spending our time getting the timber industry going. He is definitely in support of putting it on the ballot.

Arthur Bingaman, 1412 Jackson Ave., La Grande, stated that if we send the power from the windmills to Boise the dams will need to produce less power which should give us a price benefit on our electricity as consumers.

Andrea Ausmessen, Cove, remarked that she loves the blinking lights on the wind towers. She agrees that everyone has an opinion but when Wal-Mart was built no one asked the taxpayers opinion. If we allow this to go on the ballot will we be voting on all businesses that want to create jobs?

Elizabeth Peava, 575 N. Cove, Union, wants to see it put on the ballot because this allows people to express themselves or vote the way they want to privately.

Gene Erwin, 1202 Cedar, La Grande, approves the windmills and does not want this put on the ballot. He sees it as an attempt to micromanage the people we elected to manage the county business. Whether the majority votes for or against the windmills he would like to see the Commissioners recommend to the siting council that the revenue from the windmills be handled by the SIP system. This will allow the revenues to not diminish as the windmills depreciate.

Marcella Pratt, 69407 Craig Lp., Summerville, would like to see this put to an advisory vote because this is an educated process and we need to look at all issues, both pro and con. An advisory vote necessitates the wind tower companies to divulge all the details, including the environmental issues. Developing the wind towers will result in a fundamental, irreversible change to the region. Many residents in the Elgin area and Wallowa County don't have all the information and are unaware that there is talk about wind towers being developed there next. As for this being a property rights issue, as a property owner you do not have the right to abuse your neighbor's settings and damage their property values. The Constitution gives us the right to not feel threatened by changes that we do not agree to.

Donna Royal, 56727 Ramo Flatt Rd., Union, would like this topic on the ballot.

Linda Boettcher, Union, stated she would like this on the ballot and after listening to the testimony realized that approximately 80% of the people who spoke for the windmills are landowners or business owners who have something to gain from them. She thinks the solution would be for Horizon, instead of paying separate landowners, pay all landowners and tax payers in Union County.

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JD Standley expressed some concerns and rebuttals regarding previous testimony. He is a business owner and feels if there are steady jobs here people will come and raise their families and spend their money and time locally. Everyone should get a vote but is concerned that local industries are closing and we are not allowing new industries to be established. 80% of the people who spoke against the windmills are not natives, do not have kids here and are retired. As a community we need to start thinking about creating jobs that will keep young people here.

Bonnie Dunn, 550 W. Lincoln, Union, receives her income from social security and spends her money locally. She is concerned about the windmills affect on wildlife and birds and would like to protect them from losing anymore of their natural habitat. She has spoken to a realtor who informed her that with her property being so close to Craig Mountain the value will depreciate and will become harder to sell. She would like to see this put on the ballot.

Brad Wales, 68592 Kerns Loop, Cove, summarized that he feels it's such a shame that an international company can come and get millions of state and federal dollars rather than those monies be given to counties to develop their own, less controversial industries. It's also a shame that these companies can divide a county. He feels strongly that this should be on the ballot.

Bob Joseph, 440 E. Birch, Union, commented that he raised his kids in Union and receives his income from social security but if he wants to open a landfill in his backyard he wouldn't be allowed to. Years ago Lady Bird Johnson raised heck about all these billboards going up in scenic areas and they were removed. All these jobs that this company is creating, only 10 or 20 will be continuous, the rest are construction workers who will leave the area once the work is done.

Commissioner Davidson closed the hearing to public testimony and informed the audience that at the next Board of Commissioners meeting which will be held on September 1, Attorney Eyre will present his legal opinion concerning the letter from Attorney Burcart and the Commissioners will reach a decision regarding putting this issue on the November ballot. Written testimony regarding this subject will be taken until that meeting.

Administrative Matters

Oregon Department of Transportation Agreement

Shelley Burgess, Administrative Officer, presented the Commissioners with Agreement #26446, Oregon Jobs and Transportation Act of 2009 Local Agency Agreement for Fund Distribution Pierce Road Improvements between Union County and the State of Oregon Department of Transportation. The State of Oregon will reimburse Union County \$5,000,000 through the JTA of 2009 Program Fund to widen and pave Pierce Road. This Agreement will become effective immediately and terminate on December 31, 2014. **Commissioner**

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McClure moved approval of the Oregon Jobs and Transportation Act of 2009 Local Agency Agreement for Fund Distribution Agreement #26446 between the State of Oregon Transportation Department and Union County in the amount of \$5,000,000 for improvements to Pierce Road. Commissioner Hibbert seconded. Motion carried unanimously.

Household Hazardous Waste Trailer Bid Award

J.B. Brock, Emergency Services Officer, explained that Union County Solid Waste District is the lead agency for the Household Hazardous Waste Project. Union County previously released a request for proposals for a household hazardous waste mobile unit. Two agencies submitted qualifying proposals, Three Feather Manufacturing and City Garbage Service. City Garbage Service was the lesser of the two at \$11,765 while Three Feather Manufacturing proposed \$13,600. It is recommended that the bid award go to City Garbage Service. Commissioner McClure moved approval of the bid award to City Garbage Service for \$11,765 for a Household Hazardous Waste Mobile Unit. Commissioner Hibbert seconded. Motion carried unanimously.

Adjournment

With no further business the meeting was adjourned at 7:48 p.m.

Respectfully submitted,

Kylee J. Ingerson Department Receptionist