

Union County  
Board of Commissioners Meeting  
February 3, 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

Economic Development Strategic Plan

Mike Sanford, Union County Economic Development Corporation Executive Director, 102 Depot, La Grande, came to the Commissioners to talk about the strategic plan that was developed for Union County. The process was started last Spring. A steering committee was developed with representatives from every community in the County. There have been partners that have participated in developing the plan who have said they would be leads on the sixteen strategies that were selected. The UCEDC Board has asked Mike to come and make presentations to the partners and ask for their endorsement of the plan and their commitment to help in the strategies that they agreed they would help with. Union County said they would be the lead in Energy Development and Value Added Forest Products. **Commissioner Hibbert moved that Union County would support the Union County Economic Development Corporation Strategic Plan as presented and take the lead on the two issues as designated. Commissioner McClure seconded. Motion carried unanimously.**

Consent Agenda

**The December 31, January 7, 8, 14 and 21 claims journals; and the December 31, January 6, 13 and 20 Public Works claims journals; and the May 27 Budget Meeting Minutes, May 27 Solid Waste Budget Meeting Minutes and the November 4 Board of Commissioners minutes were approved as presented on the consent agenda.**

ETOB Testing Agreement

Shelley Burgess, Administrative Officer, explained that Union County received a proposal for an Equal to or Better Testing for the County retirement program. She received an engagement letter and statement for proposal from the Mercer Company to perform an Equal To or Better Testing on the County's retirement plan. This was something that the County had no previous knowledge of. She did some research by contacting AOC and also the PERS Board to find out why Union County didn't know about the testing requirement until Mercer's contact. The testing will cost between \$25,000 and \$30,000. The most recent document that she received was from the PERS Board that gave a summary of the process that led up to the testing. Unfortunately, Union County had been left off of the notification list otherwise the County would have had some information about this testing in 2008. It appears that

the County has no choice in doing the testing and the fees will not be reduced since the County had no knowledge of the testing and could not budget for the cost.

Commissioner McClure asked if this is because the County public safety employees are not in PERS so the County has to show they provide a retirement program that is Equal To or Better than the PERS program. Shelley stated that is correct. The previous statute required that a performance be done every 12 years or when a plan changed or when the PERS rules changed. There was a study done in 2005 so the County did not anticipate having another study done for a while, but there were some changes to the PERS rules.

Commissioner Hibbert asked if there will be no interest charges or penalties assessed to the County since there was no knowledge that this study had to be done and wasn't done sooner. Shelley explained that the PERS board didn't order the study until recently so the County is not behind in the study but the concern for the County was that other entities knew that it was coming up and were able to budget for the expenditure.

Commissioner Davidson asked how much the cost of the study was in 2005. Shelley stated it was about \$20,000. Commissioner Davidson asked if there is any justification to the amount of hours it costs to do the study. Shelley explained that Mercer gave her a list of the things they have to compare that are outlined in the Statute so they have demonstrated what it is they are doing and they base it on their hourly rate that they charge in the industry to come up with their estimate. Commissioner Davidson asked if the PERS Board issued a request for proposals to pick the firm that the County has to use. Shelley explained that by Statute the PERS Board selects their own actuary and the actuary they have selected for all of their purposes has to perform the study. Commissioner Davidson asked if the agency will have to be paid this fiscal year. Shelley stated that if they follow their timeline the PERS Board is wanting the study completed right away so she believes it will be in this fiscal year.

Shelley explained that there was \$10,000 budgeted for contractual services for some auditing work and that service is looking to cost \$2,000 so that will be some money that can be used toward the cost of the study. The rest of the funds will have to come out of the contingency.

Commissioner Hibbert asked Shelley if she had any idea how long each of the audits will take for the entities. Shelley stated that they have explained that it is not the number of employees it is the plan that takes the time to audit. Commissioner Hibbert asked if Union County was the only entity that didn't know about the study. According to PERS Union County was the only entity left off of the notification list. Commissioner Hibbert suggested that Union County be put at the last of the list of entities to have the study done so it may fall in the next fiscal year and it can be budgeted for. Shelley explained that the PERS Board deadline to have the study

done was January 29<sup>th</sup> but she can ask that Union County be the last entity to have the study preformed.

Commissioner Davidson asked why they are charging the City of Portland the same that they are charging Union County and Wheeler County. Shelley stated Mercer explained that the cost of the study is reviewing the plan not the number of employees the entity has.

Commissioner Hibbert stated that she believes there is no room to not do the study based on the Statutes.

**Commissioner McClure moved to enter into an agreement with Mercer to do an ETOB study for PERS. Commissioner Hibbert seconded. Motion carried unanimously.**

Appointment to the Grande Ronde Model Watershed Board

Court Order 2010-11, In the Matter of Re-Appointment to the Grande Ronde Model Watershed Board of Directors, was presented for consideration. Norm Cimon's term has expired and he is willing to continue to serve. This Court Order would re-appoint Norm Cimon to the Grande Ronde Model Watershed Board of Directors.

**Commissioner McClure moved approval of Court Order 2010-11 as presented. Commissioner Hibbert seconded. Motion carried unanimously.**

Bid Exemption for Airport Runway Extension Project

Resolution 2010-01, In the Matter of Exempting from Competition an Award to Modify an Irrigation System and Related Activities in Relation to the Acquisition of Real Property for the Airport Runway Extension Project, was presented for consideration. This Resolution has been prepared by legal counsel under the rules for the local contract review board. It follows the policy and ordinance that the County has adopted for public contracting. This was requested by the property owner and was negotiated in the sales agreement. **Commissioner Hibbert moved approval of Resolution 2010-01 as presented. Commissioner McClure seconded. Motion carried unanimously.**

Copy Machine Lease Proposals

Shelley Burgess, Administrative Officer, presented the Commissioners with a copy machine lease proposal. This machine is for the Commissioners office. The current machine is a Xerox and the lease on the machine has been up and it is being leased on a month to month basis. There were three quotes obtained for a new machine. Shelley recommended a four year lease with Ryder Brothers for a Xerox 7232. This machine is similar to the current machine with a couple of exceptions which are that it does include a scanner and makes color copies. The new machine is actually a savings from what is being paid on the current machine. This machine is the least costly of the three that were quoted. **Commissioner Hibbert moved approval of the copy machine lease proposal as recommended. Commissioner McClure seconded. Motion carried unanimously.**

MERA Update

Commissioner Davidson stated that since the Commissioners had the special session about the MERA Trails Unit timber purchase Forest Capital has extended the deadline for the letter of commitment to purchase the timber until Monday, February 8, 2010 at 5 pm. Legal Counsel was contacted to develop a counter proposal to the local interest group. The counter proposal essentially states that the County would enter into agreement with the local interest group if they supplied the funds necessary to purchase the timber. The County would hold the timber under the County's title. The County would agree to manage it under the Goals, Criteria, and Objectives that were adopted on January 7, 2010. The price would be set by the random lengths lumber index February 28, 2010 and closing would be March 30, 2010. The local interest group would be required to supply \$25,000 in the form of a cashiers check to be used as an earnest money down payment. If they were not able to supply the balance of the funds prior to closing then that money would then be forfeited to Forest Capital.

Commissioner McClure asked if Commissioner Davidson had any discussion with the interest group. Commissioner Davidson stated that their agent, John Collins, came and met with him yesterday prior to the final draft of the counter proposal. Commissioner Davidson relayed the pertinent points of the proposal to him and he was waiting for the Commissioners to finalize and approve the proposal.

**Commissioner McClure moved approval of the agreement to provide funding for the purchase of the timber deed for the Mt. Emily Trails Harvest Unit between Union County and Local Interest Group. Commissioner Hibbert seconded. Motion carried unanimously.**

Ordinance Adopting Rules for Public Health Inspections – Public Hearing

Ordinance 2010-01, In the Matter of an Ordinance Adopting Rules for Conducting Administrative Hearings for Public Health Inspections Delegation from the State Health Division, was presented for consideration. This is the second reading of Ordinance 2010-01. The Ordinance was read by title only. **Commissioner McClure moved approval of Ordinance 2010-01 as presented. Commissioner Hibbert seconded. Motion carried unanimously.**

Adjournment

The meeting was adjourned at 10:05 a.m.

Respectfully Submitted,

Ashley Wilhelm  
Department Specialist