

Board of Commissioners Meeting  
November 2, 2016

Present:                   Commissioner Jack Howard  
                                 Commissioner Steve McClure  
                                 Commissioner Mark D. Davidson

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

**Public Comments and Concerns**

**B2H Public Comment**

Irene Gilbert, 2310 Adams Avenue, La Grande, stated that any references to federally protected, threatened, or endangered species are being removed from the rules; the only protection that will occur will come from the EIS. She read an email from the B2H Advisory Committee Chair to its members discussing the removal of a recommendation from the committee from the commission agenda. The B2H Advisory Committee was established to bring recommendations generated by the community to the commission; her observation is that commissioners are working through the Planning Director to circumvent a decision on issues presented by the committee by simply having the recommendations withdrawn. This is not a transparent process, it is manipulation which only gives the appearance that the commissioners are willing to address issues brought forward by the committee. The committee's efforts to be proactive are determined to be premature even when based on solid data, such as documentation showing that BLM only intends to provide a 30 day comment period for their EIS. With a 30 day window to respond, putting off action should not be an option. She is challenged to understand why the commissioners would not want to state their support of protection of species at Ladd Marsh. She wants to know who spoke with the ODF&W to indicate that the EIS would include protection for these species. Why wouldn't the commission want to send a letter proactively stating that 30 days is not an appropriate time to respond when it is known that 30 days is all that will be offered?

Commissioner Davidson stated that he had not spoken to anyone about it.

Commissioner McClure stated that the EIS is scheduled to be released on November 18 and is currently at the publishers for printing; there is no way that new comments will go into that document. This is a public protest period, not a public comment period, as provided in statute.

Ms. Gilbert stated that if the county is concerned about the 30 day period and protecting federally protected, threatened and endangered species, sending the letter would put those concerns on the public record. She stated that Don Gonzales and the BLM have stated that they would entertain comments from the county and advisory committees at any time, so why was the letter withdrawn?

**Constituent Inquiries**

No constituent inquiries were reported.

**Elected Official, Department Head & Employee Comments**

**Grader Lease Purchase SN B9L00492**

Doug Wright, Public Works Director, 10513 N McAllister, Island City, stated that the county's 160M motor grader SN B9L000492 is in its fifth and final year of lease. Considering the low hours of use, excellent maintenance history, and recent sale of a spare grader, he recommends buying out the lease for \$175,000.

Commissioner Davidson asked for an explanation of the new motor grader Lease for the North Powder District to help understand how they relate to each other.

**New Motor Grader Lease Agreement – N. Powder District**

Mr. Wright stated that that North Powder motor grader lease is also in its fifth year and Western States is willing to purchase it back and begin a new lease. The annual lease payment for the new 140M3AWD motor grader would be \$29,376.75 with a 3.2% interest rate; he recommends going forward with this lease.

Mr. Wright stated that the county has two motor graders under leases that will soon expire. He would like to purchase the Union District motor grader lease; it has low hours, has been a good grader without problems and he expects to keep it for ten years. It makes sense to sell the North Powder motor grader back to Western States and enter into a new lease since that equipment has had troubles. The replacement would be used in the North Powder District where the operator is on the road by himself most of the time. The reliability and safety of North Powder equipment is important.

Commissioner Davidson asked how many graders the county would have. Mr. Wright stated that there would be five graders with no spare; the spare was limited in use and was higher in hours.

**Commissioner McClure moved approval of the purchase of the Motor Grader Lease SN B9L00492. Commissioner Davidson seconded. Motion carried unanimously.**

Mr. Wright stated that a second motor grader is coming up for lease in the Imbler District in March 2017. He would like to secure a lease agreement for this equipment with an annual payment of \$29,376.75 at 3.2%. Delivery would take place in March; approval now would save some time and allow Western States to order the equipment now.

Commissioner McClure asked if the request was for approval of two motor graders purchases; Mr. Wright stated yes. Commissioner Davidson asked how many 6-wheel drive graders the county would then have; Mr. Wright stated that the county would have five 6-wheel drive graders.

Butch La Farge, Western States Company, Lewiston, Idaho, stated that he had done a lot of planning, research, and budgeting on the motor graders. Approving the purchase for March delivery would secure the current purchase price and interest rate; waiting to make the purchase would result in a higher lease payment as it would be for a 2017 motor grader.

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Commissioner Davidson asked for an estimate of the increased cost if the county waited until March to approve the lease. Mr. La Farge stated that characteristically, equipment prices go up about 1%, which would result in the lease payment in the low \$30,000s range. Nothing would be accomplished by waiting, except to defer it for four months and have the same conversation then. It would be the same model, equipped the same, and with the same repurchase option; the only difference would be a 2016 model versus a 2017 model at a higher cost.

Commissioner McClure asked if this lease was anticipated in the budget process; Mr. Wright stated that Public Works has \$260,000 in capital and knew that the leases were coming up and would need to be covered in the budget.

Commissioner Davidson stated that the lease would start in March in the same fiscal year. Mr. Wright agreed and added that all the leases are in the budget. Commissioner McClure stated that the leases would not change the budget.

Commissioner Howard agreed that there might be some savings with the interest rate and purchase price. He asked if there might be a difference in how services might be provided between the 2016 and 2017 models. Mr. La Farge stated that there would be no change in the model for several more years.

**Commissioner McClure moved approval of two separate lease agreements for new motor graders; one for immediate delivery and one for delivery in March 2017 with annual lease payments of \$29,376.75 per grader. Commissioner Davidson seconded.**

Commissioner Howard asked if the Imbler bid could be brought back in December while securing the purchase price and interest rate; Mr. La Farge stated that if the commission would like him to come back in December he would be happy to do that.

**Roll Call on lease agreements for two motor graders: Commissioner Davidson, yes. Commissioner McClure, yes. Commissioner Howard, no. Motion carried.**

Livestock Annexation Petition Hearing

Scott Hartell, Planning Director, 1001 Fourth Street, La Grande, stated that the Clerk's office received a petition for annexation into Union County Livestock District #1 from landowner Joel Rice. Mr. Hartell presented a staff report indicating that he deemed the application to be complete in accordance with ORS 607 and requested consideration of Court Order 2016-29 to declare the commission's intention to hold a hearing on the petition for annexation.

Commissioner Davidson asked if the application for annexation would only apply to cattle and horses; it seemed like a difference from previous annexations. Mr. Hartell stated that was correct; the Union County Livestock District #1 was created by the Oregon Department of Agriculture in 1927 and has included the class of cattle and horses since then. Commissioner McClure requested a copy of the document establishing the district; Mr. Hartell stated that he would provide it to the commissioners.

**Commissioner McClure moved approval of Court Order 2016-29.**

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Mr. Hartell stated that a date and time would need to be set for the Court Order. The hearing was set for December 7, 2016 at 10:00 a.m. in the Misener Room.

**Commissioner Davidson seconded the motion to approve Court Order 2016-29.**

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

B2H Update

Mr. Hartell stated that the B2H Advisory Committee Chair requested to remove the item from the agenda.

Consent Agenda

**Commissioner Davidson moved approval of the Consent Agenda, which included minutes from the October 19 Board of Commissioners Meeting and Claims Journals for October 19, 20, 26, and 27. Commissioner McClure seconded. Motion carried unanimously.**

Administrative Matters

Court Order 2016-36, Appointment to Union County Budget Committee

Shelley Burgess, Administrative Officer, stated that Bob Coulter was appointed to this committee two years ago and his term is scheduled to expire December 31, 2016. Mr. Coulter has been an active member of the committee, is eligible to serve an additional term and would like to continue serving. His new term will expire December 31, 2019. Mrs. Burgess read the Court Order 2016-36 in its entirety.

**Commissioner McClure moved approval of Court Order 2016-36. Commissioner Davidson seconded. Motion carried unanimously.**

Court Order 2016-35, Transferring Outstanding Checks

Mrs. Burgess read Court Order 2016-35 in its entirety and explained that it comes from the Treasurer. Outstanding checks from the Justice Court amount to \$198.78 and the total from the Clerk's Office is \$7.00. Mrs. Burgess stated that the Treasurer makes every effort to contact the parties that have outstanding checks before turning the funds over to the State.

**Commissioner McClure moved approval of Court Order 2016-35. Commissioner Davidson seconded. Motion carried unanimously.**

Resolution 2016-14, Transferring Appropriated Funds

Mrs. Burgess read Resolution 2016-14 in its entirety. She stated that the commission received a request from the Elgin Health District for financial assistance in support of their efforts to construct the Elgin Health Clinic on October 19, 2016; a motion was approved to provide \$50,000 towards that project. The expenditure was not included in the budget adopted for fiscal year 2016-17. This action would authorize the transfer of \$50,000 from the General Fund Special Accounts Contingency to General Fund Special Accounts Special Grants.

**Commissioner McClure moved approval of Resolution 2016-14. Commissioner Davidson seconded. Motion carried unanimously.**

**AOC Forest Management Subcommittee Representative Nomination**

Mrs. Burgess stated that there will be a meeting at the annual AOC conference at which each county needs to have a designated elected Commissioner serve as a voting representative.

Commissioner Davidson stated that the voting delegate is for the election of a District representative; Union County is in District 6, which includes eleven other counties. This collective group of counties will elect a voting representative for District 6; it is to participate in that election, not to become a member of the board. If the commission chooses not to designate a representative, it can vote by letter. The Chair of this committee consists of three people: Union County Commissioner Davidson and Josephine County Commissioner Hare as Co-Chairs of the Public Lands and Natural Resources Steering Committee, and the Association of O&C Counties President, Columbia County Commissioner Tony Hyde.

Commissioner Davidson stated that he would already be in attendance at the meeting and would be happy to serve as Union County's voting delegate. Commissioner Howard stated that it is nice to have volunteers.

**Commissioner McClure nominated Mark Davidson to serve as the AOC Forest Management Subcommittee Representative. Commissioner Howard stated that the commission could waive the rule and allow Commissioner Davidson to make a second for himself. Commissioner Davidson seconded. Motion carried unanimously.**

**Waste Pro Fee Adjustment Proposal**

Mrs. Burgess stated that the county has a franchise arrangement with Waste Pro for collection of waste in the unincorporated areas of Union County; the Commissioners will consider this item as the Board of Directors for the Solid Waste District. Under the agreement, the commissioners approved rates that Waste Pro would charge to their customers; Waste Pro is seeking an increase in rates. They have not increased their rates in ten years but there are some expected increased costs to them in the future. The Disposal Franchise Agreement with Baker Sanitary expired at the end of September; they have indicated that they will charge an increase of \$2 per ton. The Solid Waste District is currently accepting proposals from other landfills in the area to determine if Baker is the correct choice. When options were considered in the past, it made sense to stay with Baker Sanitary considering the cost of transportation and disposal to other sites. Waste Pro indicated in their proposal that one reason for a rate increase is due in part to the increase in the tipping fee at Baker Sanitary.

Commissioner McClure asked if the Larviks were the only owners with a franchise in rural Union County; Mrs. Burgess stated that Mr. George also has a portion of Union County as well. She stated that she had not received a rate increase request from Mr. George.

Mrs. Burgess stated that the Waste Pro franchise agreement does not expire for a number of years; they are asking for an amended fee structure under the existing franchise agreement.

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Darin Larvik, Waste Pro, 3412 Hwy 30, La Grande, stated that the Baker Landfill ended the contract with Union County in September and raised disposal rates as of October 1; they were kind enough to cut the rate in half for one month, amounting to an additional cost of \$3,500 a month for Waste Pro. He is hoping for some relief with an approval of the proposed rates. Waste Pro's costs have increased 20% in the last ten years; they are requesting an 11% rate increase to customers. Waste Pro's operating costs have increased with higher prices of purchasing equipment, parts, licensing, and medical costs for employees. At the end of the day, the current cost of service for the average customer is \$12.50 every other week; after the proposed increase, it would be \$13.88 and with added disposal it would be \$14.11. He included some comparisons from other communities in his proposal and stated that it is hard to match because of varying services available.

Commissioner Davidson asked if the proposal comparisons referred to the City of Baker City or Baker County; Jason Larvik, Waste Pro, stated that it is the City of Baker City.

Mr. Jason Larvik stated that there is a different rate for services within the Urban Growth Boundary (UGB); they currently do not receive free yard debris service. The new proposal would include yard debris services for those customers with the same rate as La Grande citizens. Some customers have expressed disappointment that they have to pay three times the rate as La Grande citizens.

Commissioner McClure asked if these rates are for services provided in Union County's rural areas; Mr. Darin Larvik stated that was correct and added that they would add yard debris service to customers in the UGB in La Grande.

Commissioner Howard asked if rates were subsidized customers with less trash. Mr. Jason Larvik stated that no rate structure is perfect, but they are trying to make it more even. Mr. Darin Larvik stated that they review the true costs of services and try to make adjustments.

Commissioner Howard stated that it would be great to consider the proposal over the next month, but he realizes that Waste Pro is already taking a hit with increased costs.

Commissioner Davidson stated that sometimes it is better for consumers when rate increases are considered more frequently and when increases are smaller and easier for them to accept.

Commissioner Howard asked how long Waste Pro expects the new rates to remain. Mr. Darin Larvik stated that it depends on the economy; they try to plan for five years, invest in capital when they can and continue looking for efficiencies to keep costs down. Mr. Darin Larvik thinks having a dollar amount increase is better than bugging the commission every year for a 37 cent increase.

**Commissioner McClure moved approval of the Waste Pro Fee Adjustment Proposal.  
Commissioner Davidson seconded. Motion carried unanimously.**

U.S. Forest Service Rappel Base Lease Agreement

Mrs. Burgess stated that the commission approved a lease agreement for Rappel Base at an earlier meeting. Since then, the USFS contracting officer has changed. In the review by the new officer, they realized that the length of the lease was longer than the federal government allows; the maximum number of years they can contract for is 20 years. This agreement will maintain the original 15 year firm term, but the renewal is only for five years. The USFS will be required to enter into a new lease agreement after 20 years. The terms are the same; the first 15 years are firm term guaranteed rate so that the USFS is obligated to pay the county the full value of the lease, but not obligated to extend it. With this new agreement, the county's loan for construction of the Rappel Base would still be paid off in the first 15 years.

Commissioner McClure stated that it doesn't change the financial picture. It is important for the commission to move forward with the agreement so that the project can be financed.

**Commissioner McClure moved approval of the modified USFS Rappel Base Lease Agreement. Commissioner Davidson seconded. Motion carried unanimously.**

Commissioner Howard recessed the meeting until 10:00 a.m.

**PUBLIC HEARING: Good Road Legalization, Court Order 2016-33**

Scott Hartell, Planning Director, 1001 Fourth Street, La Grande, read Court Order 2016-33 in its entirety. A public hearing was held on September 21, 2016 to review an application to legalize a portion of Good Road and public testimony was taken. Mr. Hartell stated that there was a question about whether or not public testimony was opened on the record. It is known that public testimony was taken prior, but he thought it would be pertinent to open the hearing for public testimony and proceed to finalize the decision.

Commissioner Howard stated that the concern was whether or not he had formally closed the public hearing section of the meeting. He stated that he is presuming that the public meeting was open and that it will not remain open after this meeting.

Commissioner Howard opened the hearing for public comment. No testimony was offered and the public hearing was closed.

Mr. Hartell stated that Rick Robinson prepared a survey of the property, which was provided to the commissioners.

**Commissioner McClure moved approval of Court Order 2016-33, In the Matter of Legalizing a Portion of Good Road. Commissioner Davidson seconded. Motion carried unanimously.**

**Next Meeting and Location**

The next meeting is scheduled to take place on December 7, 2016 at 9:00 a.m. in the Misener Room at 1001 Fourth Street, La Grande.

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**Adjournment**

The meeting adjourned at 10:11 a.m.

Respectfully Submitted,

Lorcinda Johnston  
Sr. Dept. Specialist II