

**02-3-16**

Judge Shaffer called the regular Gilliam County Court meeting to order at 10:03 a.m. The meeting was held at the Gilliam County Courthouse in Condon, OR. Present were Judge Steve Shaffer, Commissioner Michael Weimar and Commissioner Dennis Gronquist. Absent: None.

#### IN THE MATTER OF ROAD MASTER STAFF REPORT AND AIR BASE DISCUSSION

Gilliam County Road Master Dewey Kennedy was present to give his quarterly staff report and to resume discussion of repair and maintenance of the Air Base roads. Kennedy reported that the Road Department had finished grading for the season. The Crusher has been moved to the Ajax pit. The generator was sent to Portland for repairs. Winter weather has made crushing difficult, but the past couple of weeks have been more productive.

Kennedy informed he had worked with Commissioner Gronquist and Leanne Durfey on the Cedar Spring Road agreement with Waste Management.

Road Department has removed the old concrete slab in front of the Road Shop. The old water line has been repaired and the pad prepped for the contractors. Crews did the backfill, grading and compaction work under the new ware house. The contractors have also been slowed by the weather. The exterior of the main shop is erected and the contractors have moved indoors. In addition to the interior crews still need to build the lean-to roof.

Road crews have been able to keep roads plowed and sanded through recent storms.

Between storms road crews finished the Base Line Road cut-and-fill at Harper's corner on January 14<sup>th</sup>. The road was opened to traffic on January 25<sup>th</sup>. Crews started removing the old road surface and began stockpiling the asphalt for recycling on January 27<sup>th</sup>. There is still a little finish work that needs to be done, but the public loves the new road. While the Road Department still has equipment on Base Line Road they plan to take out 3 bad dips in the road.

The Road Department helped the City of Arlington and the Nazarene Church with a storm water project. The City of Arlington didn't have large enough equipment to do the work. Crews removed three feet of damaged culvert, installed a six foot concrete manhole and replaced the damaged pipe. There is still a small amount of grouting left to do.

Kennedy informed he had a discussion with Judge Shaffer regarding the Association of County Engineers and Surveyors (OACES) intention to create an Intergovernmental Agreement with counties. They are hoping to get 10 of the 36 counties to sign the agreement. Kennedy informed he has not been to an OACES meeting lately because there hasn't been anything on the agenda that pertains to Gilliam County. Kennedy will be attending an upcoming Eastern Oregon Department of Road Masters meeting.

Kennedy intends to look into replacing the last of the old graders, a 1992 Cat 140G which has logged 12,400 hours.

Kennedy informed he had done some additional work on a cost estimate for repair work on roads at the Air Base, but said he has encountered problems getting cost estimates on asphalt. Companies are reluctant to give an estimate on work that is three or four months out due to volatility in the oil markets. Kennedy is looking into using recycled asphalt or asphalt made with additives. Kennedy said his rough estimate for road improvements at the Air Base is \$80,000-\$100,000 to tear out the old asphalt, grade and prep the roads and cover that with four inches of asphalt hot mix. Judge Shaffer asked Gramson how many homes are located at the Air Base. Gramson said there are 26 homes, 16 of which are currently occupied. There was a general Court discussion of options going forward. Will the County do the work, do nothing, or share responsibility with the Air Base on the road improvement project. Gramson said when he first approached the Court he was hoping for some road maintenance for the second entrance to the Base and an approximately 100 foot stretch of road just beyond the first entrance. Commissioner Gronquist asked Kennedy to work up a scaled back proposal. Kennedy said a partial repair approach would be difficult given the age and condition of the asphalt. Kennedy said he would work up another proposal by the next Court meeting.

#### IN THE MATTER OF CONDON DAY CARE

Kennedy asked the Court what Condon Child Care is expecting from the Road Department in an in-kind donation for their new facility. There was a general Court discussion about an appropriate scope of work that the Road Department could be expected to contribute. The Court agreed Commissioner Weimar and Kennedy should meet with Jennifer Bold to discuss the scope of work.

#### IN THE MATTER OF ADDITIONS TO THE AGENDA

Mid-Columbia Council of Governments Budget Committee appointments.

NORCOR request for Community Counseling Solutions funds.

#### IN THE MATTER OF MID-COLUMBIA COUNCIL OF GOVERNMENTS

Judge Shaffer informed that Delene Durfey has been the Gilliam County appointee to the Mid-Columbia Council of Governments (MCOGG) Budget Committee, but she has decided not to serve another term. Gilliam County Transportation Director Marla Davies has expressed interest in replacing her on the budget committee.

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to appoint Marla Davies as Gilliam County's representative to the Mid-Columbia Council of

Governments Budget Committee for a one year term; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

#### IN THE MATTER OF NORCOR REQUEST FOR COUNTY SOLUTIONS FUNDS

Judge Shaffer informed that NORCOR has been working with Greg Wolf from Oregon Association of Counties to help identify and resolve inefficiencies at NORCOR. Hood River County committed to paying for 60% of Wolf's fee. The remaining 40% will be paid by Wasco, Gilliam and Sherman Counties. Hood River County paid \$9,850 up front to start the project. Their remaining balance is \$13,070. The portion shared by the three Counties amounts to \$5,093.33 each.

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to accept the request for funds from NORCOR in the amount of \$5,093.33 to County Solutions out of the Consulting line item; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

#### IN THE MATTER OF SUPPLEMENTAL BUDGET HEARING

Judge Shaffer asked the Commissioners their opinion on having a pre-budget work session. Members of the Court agreed to hold a Work Session the afternoon of March 2<sup>nd</sup> following County Court.

Judge Shaffer called the Supplemental Budget Hearing to order at 11:00 am. Gilliam County Treasurer Nathan Hammer presented his proposed Supplemental Budget Resolution No. 2016-02. Hammer informed there were five additions to the budget for a total of \$165,003. There were \$5,000 in grant funds the Planning Department didn't know they were going to receive; Family Services \$115,000 more in grant funds than they were expecting; there was a \$5,000 increase in the balance carryover to the Gilliam County Cultural Coalition; a \$20,000 increase to Community Development from the Mid-Columbia Council of Governments to fund the two Gilliam County Meal sites; and \$5,003 for a vehicle purchase. The Sheriff's Department took funds from 3 line items to create a new line item for the vehicle purchase. With no public input Judge Shaffer closed the Public Hearing at 11:06 am.

**Motion** by Commissioner Weimar, seconded by Commissioner Gronquist to adopt Resolution No. 2016-02, adopting the supplemental budget and making appropriations to fiscal year 2015-16: \$5,000 in grant funds from the Planning Department, \$115,000 from Family Services; \$5,000 increase in the balance carryover to the Gilliam County Cultural Coalition; \$20,000 increase to Community Development from the Mid-Columbia Council of Governments for the two Gilliam County Meal sites and \$5,003 for a Sheriff Department vehicle purchase for NORCOR work crews; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

## IN THE MATTER OF TREASURER/BUDGET OFFICER DEPARTMENT REPORT

Gilliam County Treasurer presented his department report. Hammer reported the County has not received any funds from WI Construction from the \$5.00/yard of concrete from the batch plant at Shutler Station as agreed upon beginning September of 2015. County Court Administrator Leanne Durfey said there was a provision in the draft that specified WI has 60 days to provide payment. Hammer said WI is still in arrears on their land lease. They haven't made a payment since December of 2014.

Hammer said he received a letter from the federal government informing the Liberty Theatre is in Chapter 11 bankruptcy proceedings. The balance on their loan is \$13,168.71 as of February 3, 2016. The other bankruptcy is Nana's Kitchen. The County is the only debtor on either property.

Hammer said Gilliam County will become the pass through funder to Mid-Columbia Council of Governments for the senior meal sites.

Hammer has had some Gilliam County Small Business Loan inquiries. Revisions to the business loan policies and procedures are still in draft form. Gilliam County Court Administrator Leanne Durfey informed that has been the case since December of 2012 at the end of Judge Shaw's term. Durfey informed she emailed the red-lined revision to Member of the Court two or three months ago. Hammer said he would appreciate the Court taking action to resolve revision changes ahead of possible new applications.

Hammer asked the Court to consider having entities who will be asking for projects funded by SIP funds to present their projects to the Budget Committee ahead of May budget proceedings to help expedite the process. Judge Shaffer suggested that be a topic of conversation at the upcoming March Work Session. Commissioner Gronquist reiterated the need to determine the amount the Court is committed to put into savings from available SIP funds ahead of the May budget proceedings.

## IN THE MATTER OF GILLIAM COUNTY PUBLIC TRANSPORTATION

Gilliam County Transportation Director Marla Davies was present for an ongoing discussion of County transportation issues. Davies informed her department received \$45,000 Veteran's Highly Rural Transportation Grant (HRTG) for a second year and the grant is the same as last year's. Funds will become available retroactively to October 2015 once the Oregon Legislature releases funds. In the first quarter of fiscal 2015-16 Transportation logged 452 hours, 266 trips and just under 12,000 miles transporting County veterans. Transportation will be reimbursed \$8,015.77 in expenses. Transportation will be partnering with the Radar Base Veteran's Reunion and dinner in August. It will be open to all Gilliam County veterans. Davies informed the Veteran's Service Office said he could not provide County veteran's addresses. The new MD-1 van has arrived and she will be using HRTG funds to have the vehicle wrapped in graphics

that will illustrate the relationship between veterans and volunteers and how much Gilliam County Transportation appreciates them.

**Motion** by Judge Shaffer, seconded by Commissioner Gronquist to approve Gilliam County Transportation request to reapply for the Highly Rural Transportation Grant in the amount of \$45,000 for the medical transport of Gilliam County veterans; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

Davies informed that she had both a Special Transportation Board meeting and a Volunteer Drivers meeting. Both groups stressed the importance of having both Excess Volunteer Liability Insurance and Excess Accident Medical Insurance for County volunteer drivers. Davies thought it was unnecessary to offer Excess Automobile Liability Insurance for drivers who drive their own vehicles. The total for the remainder of the fiscal year would be \$360.52.

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to approve Gilliam County Excess Volunteer Liability Insurance and Excess Accident Medical Insurance for the remainder of fiscal 2015-16 in the amount \$362.52; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

Davies informed the Court that the Gilliam County/Safety Committee at their last meeting discussed applying for risk management incentive funds to pay for improved lighting at the Arlington and Condon bus barns and at the front and rear exits of the Gilliam County Courthouse. Davies asked the Court for permission to apply for a CIS Risk Management Incentive Grant for up to \$10,000. There is not grant match for the first \$5,000 and a 50% grant match for the second \$5,000.

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to approve the Gilliam County Transportation/Safety Committee application for a CIS Risk Management Incentive Grant for up to \$10,000 and for up to \$2500 in Gilliam County Court matching funds out of the Capital Projects line item to reach the \$10,000 grant potential; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

#### IN THE MATTER OF EXECUTIVE SESSION ORS 192.660 (2) (e) (g)

Judge Shaffer declared the meeting to be in Executive Session pursuant to ORS 192.660 2 (e) Real Property Transactions and (g) Trade Negotiations. Separate minutes were taken and will be filed in the office of the County Clerk.

#### IN THE MATTER OF WASTE MANAGEMENT

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to approve the new Gilliam County Host Fee and Cedar Springs Roadway agreements with Waste

Management to take effect March 1, 2016 for the duration of 9 years and 10 months; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to approve the renewal of the Gilliam County Chemical Waste agreement with Waste Management effective March 1, 2016 for the duration of 9 years and 10 months; Discussion: Commissioner Gronquist clarified the reason for the 9 years and 10 months was due to a one year time difference between the Host Fee agreement date and the Conditional Use Permit date; Vote: Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

#### IN THE MATTER OF PORT OF ARLINGTON COUNTY GRAIN LAB PROPOSAL

Port of Arlington Board Chairman Ron Wilson was present to resume discussion of the Port of Arlington's proposal to assume operation of the Gilliam County Grain Quality Lab. Wilson distributed a handout to Members of the Court explaining supplemental budget changes the Port is proposing to fund Grain Lab operations through the remainder of fiscal 2015-16. Wilson stressed the supplemental budget uses only Port of Arlington funds. Wilson said he wanted to assure the Court that the Port of Arlington is serious in assuming the management of the Lab and will have more information to present to the Court when he and Port Manager Peter Mitchell return to Court on February 17<sup>th</sup>. Commissioner Gronquist said his major concern remains that the County will continue funding the Lab, only through the Port of Arlington. He also expressed concern that the Port's proposal relies heavily on Mitchell's brother Dennis. Commissioner Gronquist said his concern had nothing to do with the fact that Dennis Mitchell was Peter's Mitchell's brother, it was simply the fact that the Court had previously turned down a proposal proposed by Dennis Mitchell. Wilson said the Port's proposal does rely heavily on Dennis Mitchell. He informed the Dennis Mitchell will be looking to recruit the testing of orchard fruits, various grains and processed baked goods. Commissioner Gronquist stressed the importance of coming to the Court on the 17<sup>th</sup> with detailed information. He said the Court would be willing to move into Executive Session if Mitchell felt uncomfortable giving details in a public meeting. There was a general Court discussion of obtaining Economic Department of Administration (EDA) approval for the Port to lease the Lab. Both Commissioner Gronquist and Judge Shaffer said they felt that the Port's proposal fell within the scope of what an approved use would be and did not feel the need to wait for official EDA approval to turn management of the Lab over to the Port. Commissioner Gronquist said he was reluctant to make a commitment to making a three year lease commitment to the Port at this time. He felt that decision could be revisited at the end of the first year. Wilson agreed that was reasonable. Wilson was hopeful they would be able to turn the Lab around within the first six months to a year. Commissioner Weimar said he would like to see first, second and third year budgets and projections to show that the Lab will not continue to be subsidized by the County. Wilson distributed a Lab Fee Schedule and said he thought the prices were low and there was room to raise testing fees. Judge Shaffer said that in November of 2014 the Lab Mid-Columbia Grain

Producers uses thought that the Grain Lab's rates were actually high. Judge Shaffer asked Wilson how much of the \$1.8 million in cash the Port has on hand are funds the Port has received from the Army Corp. of Engineers? Wilson said they had received \$1.2 million from the Army Corp. to remove the pilings. Wilson said the Port is currently in the bid process for the access road and that if everything progressed on time, \$1.2 million for the scope of work would be tight. Members of the Court thanked Wilson and said they looked forward to seeing him in two weeks.

#### IN THE MATTER OF THE CONSENT AGENDA

**Motion** by Commissioner Weimar, seconded by Commissioner Gronquist to approve the January Claims pending review; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

#### IN THE MATTER OF ASSESSOR DEPARTMENT SUCCESSION PLANNING

Gilliam County Assessor Dave Messenger and Gilliam County Appraiser Chet Wilkins were present for a conversation with the Court regarding Messenger's retirement plans. Messenger informed that as of June 30, 2016 he is retiring from Gilliam County. Messenger said he hoped the Court would entertain appointing Wilkins to serve out the remainder of his term beginning July 1, 2016. Messenger also asked the Court for permission to enable the succession process by hiring a new Appraiser ahead of his retirement to help facilitate the transition. Messenger said ideally they would advertise for the Appraiser position in February, interview in March and have the new hire on board by April. Commissioner Weimar asked if there were any funds in the Assessor's budget to fund a new hire in the fiscal 2015-16 budget. Messenger said there is not. County Court Administrator Leanne Durfey said there is a part time help line item in the current budget of \$7,000; of which \$600 has been spent. After a brief Court discussion it was determined that the Court would need to find \$9,500 to fund a three month Appraiser starting salary. Commissioner Weimar asked Messenger why if he knew he was going to retire he didn't make a provision in his budget for a salary overlap. Messenger said his original plan was to serve out the remainder of his term, but that proposed legislative changes in PERS in the current legislative short session forced him to move up his timeline. Messenger said he has had a great career in his 35 years serving Gilliam County.

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to accept Assessor Messenger's resignation effective June 30, 2016; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

**Motion** by Commissioner Gronquist, seconded by Commissioner Weimar to appoint Chet Wilkins to serve out the remaining six months of Assessor Dave Messenger's term; Shaffer – Yes; Gronquist – Yes; Weimar – Yes; **Motion carried.**

Commissioner Weimar asked if the Court could budget for Messenger to come back on a part time basis to further help facilitate the department transition.

#### IN THE MATTER OF RUTE FOUNDATION SYSTEMS

Judge Shaffer reported there is nothing new to report on the Gorge Training Facility project. They are still waiting on the Columbia Basin Electric Co-op (CBEC) Board to decide whether to pursue a Purchase Power Agreement (PPA). Judge Shaffer reported he has an upcoming meeting with CBEC General Manager Tommy Wolff and land owner Gary Wilde to get a project update. Judge Shaffer has been stressing in discussions with RUTE CEO Doug Krause the importance of putting together a business plan and on detailing the commitment of locating a manufacturing facility in Gilliam County. Krause is working with Representative Greg Smith on the business plan for the manufacturing facility plan. Once that is completed the County will be able to pursue the Economic Development Administration grant and obtaining Work Force Development funds to help offset the cost of construction. Judge Shaffer informed that Krause has been a little reluctant to put forth a business plan the manufacturing facility plan. Krause would like to see the Turbine project further along first and Judge Shaffer said he would like to see the business plan a lot further along. Energy consultant Brian Skeahan is also working with Krause on the PPA and will likely be the person representing Gilliam County in that process.

#### IN THE MATTER OF COURT MEMBER REPORTS

Commissioner Weimar reported he attended a Community Action Program of East Central Oregon (CAPECO) meeting. They are going over their Articles of Incorporation and Bylaws to ensure they are current. Commissioner Weimar informed he had a meeting with Mid-Columbia Council of Governments (MCCOG) and learned that MCCOG's central food bank is closed due to food safety concerns. This doesn't affect Gilliam County food banks since those are affiliated with CAPECO. Judge Shaffer added that the safety of the facility itself was the real problem. Commissioner Weimar said MCCOG is still slowly working on adopting a Plan B transfer process, but it remains slow moving. MCCOG is still looking for someone from Gilliam County to be a budget committee member. Commissioner Weimar is no longer Vice Chair of the Executive Committee. Gilliam County's new representative is Denise Ball. On February 23<sup>rd</sup> there will be an all-day strategic planning meeting. Judge Shaffer said that MCCOG eliminated the position who was the interface with Gilliam County seniors. MCCOG/ Area Agency on Aging (AAA) Marvin Poole didn't want to continue to participate in AAA because he thought the Coordinated Care Organization (CCO) was not supportive enough of seniors. Judge Shaffer said he wanted it on the record that it is AAA who has not been supportive of seniors. Gilliam County has transferred Transformation Grant dollars to Community Counseling Solutions (CCS) funds to send a counselor to Summit Springs once a month



for group counseling to help address any mental health issues that seniors are having. The counselor also tries to attend the senior meals sites once a month. Judge Shaffer said he spoke with MCCOG Executive Director Bob Frances and told him that he and Poole needed to come to County Court to tell the Court how they propose to address Gilliam County's growing senior population.

Judge Shaffer wanted it on the record that he met with Melvin Pattee and learned there was a County Road bond measure that passed in the 1950's that was intended to pave roads in Gilliam County in three different locations. Pattee said the locations were never addressed and he wanted to know what happened to those bond funds.

Judge Shaffer met with Representative Greg Walden when he was in Arlington on January 22<sup>nd</sup>. The major topic of conversation was Harney County and the occupation of the Malheur Wildlife Refuge. Judge Shaffer said Representative Walden made a great speech on the topic on the floor of the House of Representatives and encouraged the Commissioners to listen to it if they hadn't already. There was a general discussion of use of public lands.

Judge Shaffer reported on Tri-County issues. Heather Fit, the new Executive Director of the East Cascades Workforce Investment Board and Damian Rundberg made a presentation at Tri-County Court on January 27<sup>th</sup>. Judge Shaffer said he disagreed with their assessment that Gilliam County's future economic growth was in agriculture. Judge Shaffer has a conference call with them on February 4<sup>th</sup>. He plans to let them know he disagrees with their assessment. At Tri-County Court there was discussion of creating a Tri-County Casa Director. Gilliam and Wheeler counties are both currently without Casa directors. Judge Shaffer met with Four Rivers Early Learning Hub Coordinator Christa Rude. There was a performance component issue with Sherman County being the fiscal agent for Hub. Sherman County was concerned that by accepting that role they would be liable for the Hub's performance and didn't want to assume that liability. They are looking to turn the programmatic role over to the Mid-Columbia Education Service District. Frontier Telenet/WindWave Communications have signed a sole-source agreement with Sherman County for construction of a fiber backbone. In other government matters, Sherman County Judge Thompson will be retiring effective December 31, 2016. Morrow County has dropped their Juvenile judicial duties and there is rumor that Sherman County is considering doing the same.

## IN THE MATTER OF WI CONSTRUCTION CONCRETE SETTLEMENT

Jack Ingram and Gene Williamson with WI Construction were present to continue discussion on payment of concrete balance settlement between WI and Gilliam County and future use of the concrete batch plant at Shutler Station Industrial Park. Judge Shaffer suggested a six month timeline for payment of the concrete balance. Ingram would like to settle the payment as soon as possible, but was reluctant to adhere to a six month deadline due to market uncertainty for sale of the equipment. Ingram said he would be

willing to sign a six month deadline agreement, but intended to revisit the issue if the equipment hasn't sold in six months. Commissioner Gronquist asked what would happen if the equipment sold for less than Ingram was expecting. Ingram said he had sent photos of the crane to Coast Crane who felt they would be able to sell the crane for the projected price since the agricultural industry is starting to boom and the construction industry is starting to take off. Ingram has had one Kenworth truck on consignment at Hagerman's for six weeks and is intending to use those proceeds to pay off the low boy truck. WI and Members of the Court agreed to give WI six months to sell the equipment and to review the matter if the equipment hasn't sold by then. The Court said they understood WI is proceeding as expeditiously as possible. The Court next resumed discussion of a short term lease to WI for the batch plant. Ingram said the current offer on the table does not make financial sense for him. Commissioner Gronquist asked Ingram to make the Court an offer.

IN THE MATTER OF EXECUTIVE SESSION ORS 192.660 (2) (e) (g)

Judge Shaffer declared the meeting to be in Executive Session pursuant to ORS 192.660 2 (e) Real Property Transactions and (g) Trade Negotiations. Separate minutes were taken and will be filed in the office of the County Clerk.

IN THE MATTER OF THE NEXT COURT MEETING

The next Gilliam County Court meeting will be held on February 17, 2016 beginning at 10:00 a.m., at Gilliam County Courthouse in Condon. There will be a Gilliam County Court Work Session on February 17, 2016 beginning at 9:00 am.

It appearing to the Court there was no further business to be conducted at this time and not additional matters to be considered Judge Shaffer adjourned the meeting at 3:25 p.m.

GILLIAM COUNTY COURT

By \_\_\_\_\_

Steve Shaffer, Judge

By \_\_\_\_\_

Dennis Gronquist, Commissioner

By \_\_\_\_\_

Michael Weimar, Commissioner

*R. Weinstein/Recorder*