



Court Agenda

December 7, 2016

1.0 Appointment Schedule:

- 1.1 9:00 a.m. Brad Baird – Anderson Perry & Associates – Biggs Service District Update/Water Project Engineering Invoices
- 1.2 9:30 a.m. Cindy Brown – 4-H and Healthy Living – Oregon State University Extension Office Update
- 1.3 10:00 a.m. Jessica Metta – Mid-Columbia Economic Development District – Sherman County Housing Incentive Proposal
- 1.4 11:00 a.m. Marnene Benson-Wood – Community Transit/Treasurer – Bus Barn Building and Property; Sherman County Investment Policy
- 1.5 11:30 a.m. Austen Martin – Letter of Support for Mid-Columbia Economic Development District Housing Loan Fund
- 1.6 1:00 p.m. Mark Coles – Road Master – Advertisement Wording/Possible New Hire
- 1.7 1:30 p.m. Jeff Holliday – Rufus City Administrator – North Sherman Fire Department Update
- 1.8 2:00 p.m. Molly Rogers – Wasco County Director of Youth Services – Potential Tax Options for Funding Northern Oregon Regional Corrections
- 1.9 2:30 p.m. Wasco Annex Kitchen Use
- 1.10 3:00 p.m. Carol MacKenzie – City of Wasco Mayor – Scott Canyon Truck Traffic
- 1.11 3:30 p.m. Executive Session in Accordance with ORS 192.660 (2) (i) Personnel

Additions to Agenda

- 1.11 3:30 p.m. Executive Session in Accordance with ORS 192.660 (2) (i) Personnel
- 2.8 Sherman County Noxious Weed List – Revised December 2016
- 3.8 Technology Survey

2.0 Action Items:

- 2.1 Senior Center Advisory Board Appointment – Sharon Chard

- 2.2 Sherman County RV Park – Upgrading Receptacles
- 2.3 Board of Property Tax Appeals Intergovernmental Agreement – Gilliam County/Sherman County
- 2.4 Ambulance Service Area Plan Advisory Committee Letter of Interest – Jerrilea Mayfield, Hayli Eiesland, Judy VonBorstel
- 2.5 Transportation of Veterans in Highly Rural Areas Grant Agreement 2016-2017
- 2.6 Consider Declaring as Holiday – Friday, December 23 and/or Friday, December 30
- 2.7 Biggs Service District Order Authorizing Biggs Service District to Provide Water in Addition to Sewer to Biggs Junction
- 2.8 Sherman County Noxious Weed List – Revised December 2016

3.0 Discussion Items:

- 3.1 2015 Department of Environmental Quality Material Recovery and Waste Generation Summary
- 3.2 North Central Education Service District/Frontier TeleNet Membership Withdrawal Letter
- 3.3 Sherman County Public/School Library Water Leak
- 3.4 2016 Oregon Federal Lands Access Program Grant Approval
- 3.5 Thank You Letter – ACB Huskies
- 3.6 Mass Gathering Policy
- 3.7 Commissioner Reports
- 3.8 Technology Survey

4.0 Consent Agenda:

- 4.1 Minutes of November 2, 2016
- 4.2 Claims – November 2016
- 4.3 Treasurer’s Report – October 2016

5.0 Future Agenda Items:

*If necessary, an Executive Session may be held in accordance with:

ORS 192.660 (2) (d) Labor Negotiations ORS 192.660 (2) (h) Legal Rights ORS 192.660 (2) (e) Property ORS 192.660 (2) (i) Personnel



**SHERMAN COUNTY COURT
REGULAR SESSION
SHERMAN COUNTY CIRCUIT COURTROOM**

MINUTES

December 7, 2016

Opened Court: 9:00 a.m.

Present: Judge Gary Thompson, Commissioner Mike Smith, Commissioner Tom McCoy, Commissioner-Elect Joe Dabulskis, Administrative Assistant Lauren Hernandez

A quorum was present. No news media was present.

Additions to Agenda

- 1.11** 3:30 p.m. Executive Session in Accordance with ORS 192.660 (2) (i) Personnel
- 2.8** Sherman County Noxious Weed List – Revised December 2016
- 3.8** Technology Survey
- 3.9** Weed District Meeting Update

SUMMARY OF ACTIONS TAKEN

Motion by Commissioner McCoy, second by Commissioner Smith, to enter into Biggs Service District Board of Directors.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the following engineering invoices for the Biggs Service District Water Improvements Project: invoice 58657 for \$1,228.75; invoice 58658 for \$5,000; invoice 58659 for \$2,981.76; and invoice 58660 for \$4,013.26.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to exit out of Biggs Service District Board of Directors.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the Employee Transfer Agreement between Sherman County and Oregon State University for the purpose of transferring Cindy Brown to Oregon State University effective December 29, 2016.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the Sherman County Investment Policy (revised October 2016) as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to approve writing a letter of support for Austen Martin's application to the Attainable Housing Development Revolving Loan Fund with Mid-Columbia Economic Development District and authorize Judge Thompson to sign.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to surplus the list of equipment provided by the Road Master, including a 1983 Sweepster, a 1955 blue water trailer, a 1969 Frueheau belly dump trailer, and a junk shed from the property purchase for the Scott Canyon project and to offer the sweeper for free to the City of Moro.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to enter into executive session in accordance with ORS 192.660 (2) (i) Personnel.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to re-appoint Sharon Chard to the Senior Center Advisory Board for a three-year term to expire December 31, 2019.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to approve an Intergovernmental Agreement between Sherman County and Gilliam County for Sherman and Gilliam County Tax Assessors to provide the independent assessment services necessary to assist

Sherman and Gilliam County Board of Property Tax Appeals in the performance of their functions.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to appoint to the Sherman County Ambulance Service Area Plan Advisory Committee for a term of four years to expire January 1, 2021: Jerrilea Mayfield, representing Moro; Hayli Eiesland, representing Grass Valley; and Judy VonBorstel, representing Kent.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the Transportation of Veterans in Highly Rural Areas Grant Agreement for Sherman County in the amount of \$45,000 for the grant period of September 15, 2016, through September 14, 2017, and authorize Judge Thompson to sign.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to declare as a holiday for county employees Friday, December 23, 2016, and Friday, December 30, 2016.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to adopt the Order in the Matter of Amending the Order Dated May 1, 1991, Establishing the Biggs Service District to Allow the Addition of Water Service as Well as Sewer Service.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the Sherman County Noxious Weed List as revised December 2016.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to declare the leaking library roof an emergency and to approve Judge Thompson to coordinate getting the roof fixed.

Vote: 3-0

Yes: Smith, McCoy, Thompson
No: 0
Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the minutes of November 2, 2016, as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson
No: 0
Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the Claims for the month of November 2016 as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson
No: 0
Abstain: 0

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the Treasurer's Report for the month of October 2016, as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson
No: 0
Abstain: 0

1.0 Appointment Schedule

1.1 9:00 a.m. Brad Baird – Anderson Perry & Associates – Biggs Service District Update/Water Project Engineering Invoices

Present:

Motion by Commissioner McCoy, second by Commissioner Smith, to enter into Biggs Service District Board of Directors.

Vote: 3-0

Yes: Smith, McCoy, Thompson
No: 0
Abstain: 0

Commissioner McCoy explained Sherman County Court is the governing body for the Biggs Service District, and the court enters into Biggs Service District, which is a separate entity than County Court.

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the following engineering invoices for the Biggs Service District Water Improvements Project: invoice 58657 for \$1,228.75; invoice 58658 for \$5,000; invoice 58659 for \$2,981.76; and invoice 58660 for \$4,013.26.

Vote: 3-0

Yes: Smith, McCoy, Thompson
No: 0
Abstain: 0

Braid Baird, Anderson Perry & Associates, submitted an email update on the water system improvements project and asked the court to verify the funding amount request for the United States Department of Agriculture (USDA) application. The county will contribute \$512,100. The Budget Committee set aside \$1 million for the project, so the remainder can be used to pay down the loan if necessary. The remaining \$1.6 million needed to fund the project will come from a USDA grant and loan.

Judge Thompson explained the Biggs Service District water project is necessary because water currently comes from separate, private-owned wells. Public health has expressed concern over the fact that Biggs does not have properly treated water. Biggs is an economic hub in Sherman County, and the current water system is a health liability. Last week, a water pump went down, and a boil water notice was issued. Businesses were shut down for several days due to this. Commissioner Smith explained of the three wells supplying water, one is fed by a spring, which is dangerous. Public health has expressed it will require each business to have a separate treatment plant in their business if the water system improvement project does not move forward. Fire suppression is also an issue, and the water project will help with this. While businesses will pay more for rates, insurance fire ratings will lower. The county will look into purchasing one or two of the existing wells to use as back-up wells to the new water system. The new water tower will be placed behind Jack's Minimart. Fire hydrants will be placed every four hundred feet. Depending on when funding is secured, the project should start next year and will hopefully be complete by December 2017.

The court verified the funding amount, including a USDA loan of \$1,100,000, a USDA grant of \$500,000, and district contribution of \$512,100, totaling \$2,112,100.

Motion by Commissioner McCoy, second by Commissioner Smith, to exit out of Biggs Service District Board of Directors.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

1.2 9:30 a.m. Cindy Brown – 4-H and Healthy Living – Oregon State University Extension Office Update

Present: Cindy Brown, Brian Tuck

Cindy Brown, 4-H and Healthy Living, explained she tried to go full-time with Oregon State University in the spring. The legal documents were an issue, as OSU and Sherman County differ in policy, so the matter was dropped. Now that Sandy Macnab, OSU Extension, is going to retire in full, OSU recognizes the need for an OSU employee in Sherman County. A new agreement has been written and has minimized some of the legal issues Will Carey, County Counsel, had with the previous agreement. Cindy will continue to work four days a week. Brian Tuck, Regional Administrator for the Mid-Columbia Region, will serve as county leader until an agricultural extension agent for Sherman County is hired. An OSU employee is needed in the county so OSU funds can flow into the county. Currently, OSU sends \$24,000 to the county for Cindy's position, and the county contributes \$25,000. This will continue, only the county will send funds to OSU for Cindy's position.

The original agreement had issues with transferring of accrued vacation and sick time and also had issues with PERS liability. Judge Thompson discussed the new transfer agreement with Will. OSU will not change the PERS language because it affects Cindy's seniority for retirement. OSU agreed to cover the cost of transferring sick leave. County counsel gave Judge Thompson approval of the new agreement.

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the Employee Transfer Agreement between Sherman County and Oregon State University for the purpose of transferring Cindy Brown to Oregon State University effective December 29, 2016.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

1.3 10:00 a.m. Jessica Metta – Mid-Columbia Economic Development District – Sherman County Housing Incentive Proposal

Present: Jessica Metta

Jessica Metta, Mid-Columbia Economic Development District (MCEDD), explained the court has expressed interest in encouraging the development of new rental housing. She presented a draft rental housing incentive program proposal. One option is a program that contributes up to \$5,000 per housing unit as an incentive for developers to create rental housing units in Sherman County. Another option is a short-term loan program that offers low or no-interest construction loans to developers of rental housing that do not qualify for traditional funding. Commissioner McCoy stated there is still the possibility of a housing partnership between the county, Mid Columbia Producers (MCP), and the school district. Commissioner Smith explained Sherman County has approximately \$280,000 of SIP funding set aside for workforce housing. This has been used to give bridge loans for construction. MCEDD received \$1.9 million for attainable housing funding. Sherman County is able to use that funding along with workforce housing funding to help fund housing projects. One application for the attainable housing fund at MCEDD has been received from Sherman County.

Jessica asked if the county would like the program to be used only for building new units or if it could also apply to rehabbing existing structures. The court would like to see new units. There are funds available for citizens through Sherman Development League and United States Department of Agriculture grant funds for housing rehabilitation. The county would like to be flexible with the funding, and the program can reflect that funds are for new construction, but any project not fitting the guidelines can be brought to court for discussion. Each funding decision can be made on a case-by-case basis. Commissioner McCoy stated he would like to cap the program initially at \$30,000, and all requests for funding must be run by MCEDD and the court before the project is built. The court agreed, and the program will be considered a pilot program for rental housing. Commissioner McCoy expressed concern that the rental units will not serve his intent, which is to provide a place for new employees coming to the county to live and stated there should be a time limit on how long a unit can be rented by the same occupant. Commissioner Smith cautioned placing too many restrictions on the program may discourage its use, and the county wants to encourage housing. The county will start with encouraging rental housing and then move to encouraging more housing stock. Judge Thompson explained Sherman County workforce housing SIP dollars are for workforce housing, which is defined as housing for people moving into the county for work in the area. This does not have to apply only to rental housing.

Commissioner-Elect Dabulskis stated he noticed the draft program stated the funds are not to be used for vacation homes. Jessica explained the applicant would have to agree to keep the unit as a long-term rental for at least a five-year period. Commissioner-Elect Dabulskis asked how many people per year want to move to Sherman County. Judge Thompson estimated in the last five years, at least twenty households have been turned away due to lack of housing. Businesses such as the wind farms, MCP, Azure Standard, and the county are affected by lack of housing for employees.

Jessica summarized the incentives would apply to new construction, but projects not fitting the guidelines can be brought to court for review. Eligibility of the program was discussed, and the court expressed it does not

want to fund housing projects for non-profit entities. The court may be open to funding non-profit housing if the non-profit entity is willing to pay property taxes to allow the county to recoup the funding dollars to redistribute and encourage more housing. Jessica clarified the incentive would be a direct contribution to the developer upon completion of the units or a subsidized interest rate equivalent to \$5,000. The court agreed. The loan program could offer low, no-interest construction loans to serve as bridge loans while building housing to be repaid as soon as the house is developed so a traditional mortgage can be applied for. The county would require the applicant to be approved for a permanent take-out loan through a federally-insured financial institution upon completion of construction. It is possible for an applicant to use both the loan and the direct contribution, as both serve different purposes.

Once a structure for approvals and terms is decided, the program can be promoted. Applicants will meet with MCEDD's loan fund manager and be provided with alternate funding options. The application will be submitted to MCEDD, and a recommendation will be made to the loan board. The court will be notified of approved projects for fund distribution from the county to the recipient. Once MCEDD administration and contract rate options are determined and guidelines and policies are in place, the program can move forward.

1.4 11:00 a.m. Marnene Benson-Wood – Community Transit/Treasurer – Bus Barn Building and Property; Sherman County Investment Policy

Present: Marnene Benson-Wood

Marnene Benson-Wood, Community Transit, presented the revised Sherman County Investment Policy. The Oregon State Treasury Fund Board identified eight suggestions to enhance the policy, but those suggestions were not clearly labeled or listed. The changes are not a requirement. The only change Marnene made was to erase item 4.2 on page ten regarding the investment of bonds.

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the Sherman County Investment Policy (revised October 2016) as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Marnene asked if the county has property available for building a new bus barn. Community Transit would like to begin this project in the next year. The new barn should have five to six bays, restrooms, and a wash facility for the vehicles. The barn would fit on a 100x100 lot. If any expansion is needed in the future, a larger lot will be needed. The existing barn will continue to be used. The current bus barn does not have a vehicle washing facility, as it has no sewer or water service. Commissioner Smith suggested looking into purchasing the land next to the existing bus barn to expand the facility and add water and sewer service. This would be up to the land owner. No grant funding can be applied for until the location of the new bus barn is identified. Marnene will inquire about the possibility of the county purchasing land next to the bus barn.

1.5 11:30 a.m. Austen Martin – Letter of Support for Mid-Columbia Economic Development District Housing Loan Fund

Present: Austen Martin

Austen Martin, resident of Moro, explained he is trying to receive a housing loan through Mid-Columbia Economic Development District (MCEDD) and needs a letter of support from the County Court. He cannot turn in his application without the letter. MCEDD has reviewed Austen's housing plan to build two duplexes on his

property for use as rentals. The ideal rent will be in the \$700-725 range. When this plan was presented to the court at the end of 2015, it did not pencil out. Now, Austen has more equity in the land where the rentals will be constructed. There is potential Austen could receive \$20,000 of rental housing incentive funds, \$5,000 for each rental unit. If the project qualifies, the payment will be made upon completion. The rental housing incentive program is still in development but will be in place soon. MCEDD will evaluate the proposal to make sure it is viable.

Motion by Commissioner Smith, second by Commissioner McCoy, to approve writing a letter of support for Austen Martin's application to the Attainable Housing Development Revolving Loan Fund with Mid-Columbia Economic Development District and authorize Judge Thompson to sign.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

1.6 1:00 p.m. Mark Coles – Road Master – Advertisement Wording/Possible New Hire

Present: Mark Coles, Roger Whitley

Mark Coles, Road Master, explained the traditional advertisement for Road Department positions state a Commercial Driver's License (CDL) is required. He suggested if this wording is changed, the hiring pool could be broadened. The new applicant would be required to obtain a CDL in a reasonable length of time. Many individuals have valuable talents not as teachable as driving large equipment. Obtaining a CDL can become part of the probationary period requirements. Mark would like to advertise for the position early so a candidate can be hired before February. The court approved of hiring for the position early so an employee can be found and trained before spring. Mark will double check the budget has the funds to accommodate this.

Mark presented a list of equipment to be declared surplus, including a 1983 Sweepster, a 1955 blue water trailer, a 1969 Frueheau belly dump trailer, and a junk shed from the property purchase for the Scott Canyon project. The City of Moro has expressed interest in the sweeper. The water trailer has a leak that cannot be repaired. The dump trailer is in poor condition and can no longer be used.

Motion by Commissioner Smith, second by Commissioner McCoy, to surplus the list of equipment provided by the Road Master, including a 1983 Sweepster, a 1955 blue water trailer, a 1969 Frueheau belly dump trailer, and a junk shed from the property purchase for the Scott Canyon project and to offer the sweeper for free to the City of Moro.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

Mark reported the Road Department performed work at the end of Starvation Lane. The Department of Environmental Quality had issues with the slope of the road. Water collected and was trapped. The slope was changed so water will run off and not collect. Mark is currently working on finding documentation for Starvation Lane in preparation for work regarding the Federal Land Access Program Grant. The road documents will be turned over to Tennyson Engineering so surveying can begin. Grant funds will be available in 2018 or 2019.

1.7 1:30 p.m. Jeff Holliday – Rufus City Administrator – North Sherman Fire Department Update

Present: Jeff Holliday

Jeff Holliday, Rufus City Administrator, informed the court North Sherman Fire Department now encompasses Rufus. The equipment in Rufus is dilapidated except for the engine. Some of the equipment has been replaced, but at this point, the district would like to build a new station and purchase new equipment and is looking for loans. Before seeking out other funding sources, the district asked Jeff to approach the court to inquire about a line of credit through the county. The district would like one million dollars over a ten year period. No grants have been researched for the project. Commissioner McCoy stated such a large loan would need to be run through the Budget Committee, and many projects are already in progress with current funding. Jeff stated the project may require \$500,000 up front. Two trucks have been replaced, but before replacing high priority items, a building is needed to protect the equipment. There may be funds available to contribute to this project, but a formal proposal needs to be presented to the Budget Committee. Funding for the project could be given in phases. The fire district will meet with Tennyson Engineering to discuss the project. The goal is to have the building completed by next winter. Commissioner Smith suggested the district work with Mid-Columbia Economic Development District to find grants for the project. Brief discussion was held about SIP funding. After SIP funding tapers off, the windmills will be assessed and added to the Sherman County tax roll. North Sherman Fire Department offers fire protection to Biggs, and options were brainstormed to support this effort, including making hoses available and the use of volunteer fire fighters. The new water system will greatly improve fire protection.

1.8 2:00 p.m. Molly Rogers – Wasco County Director of Youth Services – Potential Tax Options for Funding Northern Oregon Regional Corrections

Present: Molly Rogers, Amber DeGrange, Carol MacKenzie

Molly Rogers, Wasco County Director of Youth Services, presented an overview of funding for Northern Oregon Regional Corrections (NORCOR). Molly explained she was acting as a staff person for the NORCOR Board. NORCOR has been struggling with funding for the past six years. Member counties have been in different financial situations. The current operating budget is non-sustainable, though it looks better now than it did in the past. The budget continues to fluctuate, and steady funds need to be maintained as NORCOR moves forward.

Sherman County contributes \$200,000 per year for the juvenile and adult sides combined. When NORCOR was built, it was by a bond. The bond was paid by member counties over a period of twenty years. The last payment of the bond came out in this year's property taxes. Instead of a building bond, NORCOR would like to go out for a permanent tax rate and would like to do so now when property owners are used to seeing a NORCOR line item on their taxes. Molly presented a pro/con list about the tax and asked the court to review the benefits and costs. She explained no action will be taken at present time, but the NORCOR Board would like to know if it should continue to the next level of research regarding the tax.

Commissioner McCoy asked if the counties had to take out a tax together or if a county could take out an individual tax or levy to support NORCOR funding. Molly explained NORCOR is a local taxing district, so if a permanent tax is passed, all four counties will be taxed. The tax would have to be approved by the majority of the electors of the NORCOR subdivision even if the majority of one or more of the voters in a county voted against the measure. If individual counties wanted to implement a public safety levy, they could do so separately. The difference between a tax rate and a levy is a levy has a 3-5 year time limit. The tax rate option would be permanent.

Discussion was held about the procedure for if a member county collects more through a tax or levy than their NORCOR payment amount. A levy would cover most of Sherman County's NORCOR bill, and the rest would be taken from the General Fund. Other counties may collect more than their NORCOR payments. The NORCOR Board has discussed two options. One is to go for a permanent tax rate not above what is currently being assessed. The tax rate would be consistent in all member counties, and would be about 26¢ per thousand. The NORCOR Board will need to discuss what is to be done if counties collect excess funds, and a policy will need to be created to address the procedure if a surplus happens. The second option is to base the tax rate off of a maximum amount, though this does not take inflation into consideration. The permanent tax rate could be designed not to exceed \$1.3 million. As assessed values go up, the rate would lower because the do-not-exceed rate would be \$1.3 million. The \$1.3 million would be assessed equally over the member counties. Commissioner Smith stated it is important to figure out how to return excess funds back to tax payers so they are not overpaying.

The court expressed Sherman County does not prefer to participate in the tax or levy, but if the county must participate to make funding work for Wasco and Hood River County, it is willing to join in. Commissioner McCoy explained Wasco and Hood River County struggle with funding, which puts NORCOR's existence in an unstable position. NORCOR is very valuable to Sherman County, and the best way to support it is open and secure funding.

Molly explained although a levy may see compression, a NORCOR permanent tax may not feel compression. However, the tax rate could be the cause for compression in other taxing districts. Molly suggested if districts feel compression, the Board of Commissioners in each county could start dialogue about making up the difference through general funds. Commissioner Smith stated this could lead to a supplanting issue.

The value of the permanent tax rate is it affirms the ongoing support and commitment to NORCOR. It would provide consistency during local economic changes. It would also give the opportunity to codify the 50/40/5/5 funding formula in the tax measure. The tax shows commitment to public safety and would decrease general fund obligations to allow counties more funding discretion.

Molly summarized the court expressed it was not excited about pursuing a tax on citizens for NORCOR, but if a tax will give Wasco and Hood River County an easier way of paying for NORCOR and make the funding and operating budget more palatable, the court would support it. The tax is not ideal, but it would promote the importance of consistent budgeting and funding for NORCOR. Commissioner Smith stated changing the bond payment into a tax payment won't change the amount property owners have already been paying, so this is the best of the options presented. The court would like to see a more formal proposal from the NORCOR Board. If the tax rate is pursued, the NORCOR Board would like it to be ready for the May election. Sherman County cannot count on SIP funding after the funds begin to decrease, and planning on making the NORCOR budget sustainable is a smart option. It is important to find funding that can be secured beyond SIP funding.

1.9 2:30 p.m. ~~Wasco Annex Kitchen Use~~

1.10 3:00 p.m. Carol MacKenzie – City of Wasco Mayor – Scott Canyon Truck Traffic

Present: Carol MacKenzie

Carol MacKenzie, City of Wasco Mayor, stated she has received a number of complaints about the semi-truck traffic driving up Scott Canyon since the road was improved. Many trucks drive through the stop sign where the highway turns into Clark Street. Carol would like to see a sign that says to reduce speed ahead. She would like a sign a ½ mile before the stop sign and a ¼ mile before the stop sign signaling a 25mph speed zone. Trucks either speed through the stop sign or come to a screeching halt when they see it. Carol suggested a flashing light

stop sign. Oregon Department of Transportation has rules that must be followed when adding road signs. Judge Thompson will speak with Mark Coles, Road Master, about who has the authority to change speed signs and the process to do this.

Carol asked if the City of Wasco could make it through the first five years without having to put a huge amount of money into the Wasco Annex if the city took over the building. She asked if the proposed \$50,000 per year over the next six years could be invested and build up interest. Commissioner McCoy replied that money would be designated for the operation of the building. Carol explained the city does not have enough money in the treasury to run the building. In the past, the court proposed spending up to \$250,000 for a new roof and new paint for the building and then providing \$50,000 per year to the City of Wasco to cover operating costs until the end of SIP funding. Carol does not believe grants can be awarded for the operating cost of the building, just the restoration of the building. It is possible to get grants to help cover the cost of lowering the operating costs, such as grants to help upgrade the heating systems or windows. Mid-Columbia Economic Development District would be a good resource to help find grants. Commissioner McCoy stated the city will likely have to spend money to keep the annex open after SIP funding, but hopefully the operating cost can be lowered to a sustainable amount. If the city began to spend more than it wanted to on the building, it could sell the building to recoup costs.

1.11 3:30 p.m. Executive Session in Accordance with ORS 192.660 (2) (i) Personnel

Motion by Commissioner Smith, second by Commissioner McCoy, to enter into executive session in accordance with ORS 192.660 (2) (i) Personnel.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

The court discussed a letter of complaint received about a county employee.

2.0 Action Items

2.1 Senior Center Advisory Board Appointment – Sharon Chard

Motion by Commissioner McCoy, second by Commissioner Smith, to re-appoint Sharon Chard to the Senior Center Advisory Board for a three-year term to expire December 31, 2019.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

2.2 Sherman County RV Park – Upgrading Receptacles

Judge Thompson explained the RV Park does not have proper hook-ups for the modern RVs that stay at the park. Seven Peaks Electric provided a quote on updating the receptacles to update the service to more amps. The quote offers two options. One is to replace five 30amp receptacles with five 50amp receptacles for a total of \$650.20. The second is to dig up five 30/20amp pedestals and replace them with five 50/30/20amp receptacles, including digging, installation, and permits, for a total of \$7,995. Seven Peaks recommended replacing the entire pedestal to give more options at the RV park. The court would like more information about the difference between the two options and will request an explanation from Seven Peaks about why upgrading the entire pedestal is the recommended option.

2.3 Board of Property Tax Appeals Intergovernmental Agreement – Gilliam County/Sherman County

Motion by Commissioner McCoy, second by Commissioner Smith, to approve an Intergovernmental Agreement between Sherman County and Gilliam County for Sherman and Gilliam County Tax Assessors to provide the independent assessment services necessary to assist Sherman and Gilliam County Board of Property Tax Appeals in the performance of their functions.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

2.4 Ambulance Service Area Plan Advisory Committee Letter of Interest – Jerrilea Mayfield, Hayli Eiesland, Judy VonBorstel

Motion by Commissioner Smith, second by Commissioner McCoy, to appoint to the Sherman County Ambulance Service Area Plan Advisory Committee for a term of four years to expire January 1, 2021: Jerrilea Mayfield, representing Moro; Hayli Eiesland, representing Grass Valley; and Judy VonBorstel, representing Kent.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

2.5 Transportation of Veterans in Highly Rural Areas Grant Agreement 2016-2017

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the Transportation of Veterans in Highly Rural Areas Grant Agreement for Sherman County in the amount of \$45,000 for the grant period of September 15, 2016, through September 14, 2017, and authorize Judge Thompson to sign.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

2.6 Consider Declaring as Holiday – Friday, December 23 and/or Friday, December 30

Motion by Commissioner McCoy, second by Commissioner Smith, to declare as a holiday for county employees Friday, December 23, 2016, and Friday, December 30, 2016.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

2.7 Biggs Service District Order Authorizing Biggs Service District to Provide Water in Addition to Sewer to Biggs Junction

Motion by Commissioner Smith, second by Commissioner McCoy, to adopt the Order in the Matter of Amending the Order Dated May 1, 1991, Establishing the Biggs Service District to Allow the Addition of Water Service as Well as Sewer Service.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

2.8 Sherman County Noxious Weed List – Revised December 2016

Motion by Commissioner McCoy, second by Commissioner Smith, to approve the Sherman County Noxious Weed List as revised December 2016.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

3.0 Discussion Items

3.1 2015 Department of Environmental Quality Material Recovery and Waste Generation Summary

The court reviewed the 2015 recycling collector data summary.

3.2 North Central Education Service District/Frontier TeleNet Membership Withdrawal Letter

Judge Thompson stated there may be some legal issues with North Central Education Service District (NCESD) withdrawing from Frontier TeleNet. The Frontier TeleNet Board has accepted the withdrawal, but there may be further steps needed for the separation. Frontier TeleNet is an ORS Chapter 190 entity and may need to reorganize. Instead of having Frontier TeleNet and Frontier Digital function separately, Frontier Digital may be added to Frontier TeleNet so it is all one entity. The legalities of this are in the process of being worked out.

3.3 Sherman County Public/School Library Water Leak

The library roof has started leaking from rain and not just snow melt. The roof needs to be sealed again. The county owns the building and is responsible for major repairs, so it will fund the repairs. The top of the library has visible cracks and needs to be repaired. Mary Lou, Library Director, will meet with Kirby Nagelhout Construction and report back the work needed to repair the roof. The original roofing company inspected the roof and reported the roof is fine, but the sealing of joints and gutters needs to be fixed.

Motion by Commissioner Smith, second by Commissioner McCoy, to declare the leaking library roof an emergency and to approve Judge Thompson to coordinate getting the roof fixed.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

3.4 2016 Oregon Federal Lands Access Program Grant Approval

The county received a Federal Land Access Program Grant for Starvation Lane. There have been issues with the excessive use of Starvation Lane by boaters. The county will receive approximately \$1.6 million. Starvation

Lane will still be considered primitive, but there will be passing lanes to accommodate more than one car at a time. The Road Department is working on clarifying the right-of-ways. The project will likely be started in 2018 or 2019.

3.5 Thank You Letter – ACB Huskies

The court reviewed a thank you letter from ABC Huskies.

3.6 Mass Gathering Policy

In July, a festival was held in Sherman County. The court was not enthusiastic about allowing the festival but could not deny it, as the current mass gathering ordinance allows any gathering under 250 people without a permit. This is mostly to accommodate for weddings and other similar events. The same festival would like to return to the county in July 2017. The festival uses propane sculptures and other fire displays. The court feels this type of festival should be prohibited during fire season. The court has communicated to the festival organizer that the court would be more open to the festival if the date was in the spring or late fall, but not during extreme fire danger season. Will Carey, County Counsel, will draw up a mass gathering ordinance that addresses fire danger, fire suppression, emergency precautions, and other points the current ordinance does not address.

3.7 Commissioner Reports

Commissioner Smith – Attended Association of Oregon Counties conference; met with many people; attended State Interoperability Executive Committee meeting; pulled for the grant to get to Frontier TeleNet that has been in progress for the last two years; Frontier TeleNet has accepted a grant for approximately \$264,000 and worked with Motorola to get parts needed; connects Frontier Digital to the state to communicate with state police officers and other state partners on the same system so they can scan each other and hear each other; also improves communications inside Wheeler County; Grass Valley City Hall is now hooked up to the fiber project; will get Day Wireless to light the fiber; attended Mid-Columbia Center for Living meetings; the building in The Dalles is going forward; Mid-Columbia Center for Living employee in the county is doing well and is very successful; got extra money from Greater Oregon Behavioral Health, Inc. last year to pay for equipment and employee here, but also is paying for a three day a week counselor at the school; mental health services at the school are greatly improved; working on the Regional Solutions paperwork for Wasco to Rufus fiber run; Frontier TeleNet has a Request for Quote in on that fiber run and is trying to see how to move forward to get things finished; phone calls and emails coordinating different boards.

Judge Thompson – Attended Association of Oregon Counties (AOC) conference; met with Community Renewable Energy Association at AOC; having some issues with the Public Utility Commission (PUC) being run by large electric companies; PUC decisions are not targeted towards small renewable energy; have Community Renewable Energy Association meeting this Friday to prepare for legislature meeting on the 15th on renewable energy and the economy of rural Oregon; Monday will meet with PacifiCorp after AOC meeting; they have a problem with our pushing for the 8% small community owned projects Renewable Portfolio Standard; attended the Biggs water project hearing; attended a Mid-Columbia Housing Authority meeting; issue is with low income housing; they can hand out many certificates, but the certificates are not doing good because no housing is available for certificates to be used.

Commissioner McCoy – Met with Nate Stice, Regional Solutions; attended a Community Action Council meeting; Coordinated Care Organization has given the clinic \$6,000 to put into afterhours call service; met with Economic Development Director of Oregon; attended a Soil and Water Conservation District meeting; attended a Senior Advisory Council meeting and met the new director; attended a library board meeting; haven't

progressed with internet hook up or roof; forty people came to the Mid-Columbia Economic Development economic development group in Sherman County; gave Sherman County economic development Power Point; met with Oregon State, Mary Corp, and Brian Tuck about Sandy Macnab's replacement; attended another Community Action Council meeting; attended a John Day Dam tour; attended the Biggs water project hearing; attended a Weed District meeting.

3.8 Technology Survey

The court has talked several times about having an independent technology company survey the county's technology. When this kind of survey was done at Mid-Columbia Council of Government, the results identified many weaknesses. Commissioner Smith stated it is important to have someone come in to review what the county is doing. There are many unknowns, and much of the county's technology has changed. In the past, concern has been expressed that bringing in a new technology provider to give a survey would send the wrong message to MicroSphere, current technology provider, and could jeopardize service. Commissioner Smith stated there should be no worries about losing a vendor due to a survey, and MicroSphere is doing nothing wrong. However, an independent review of the current system is needed, as one has never been performed in the county. A baseline understanding of our system and needs is needed from an outside source. A survey could identify problems in the system. The courthouse is hooked up directly to fiber, and it is necessary to identify network and security weaknesses. The court briefly reviewed the path of the fiber line for Commissioner-Elect Dabulskis.

3.9 Weed District Meeting

Will Carey, County Counsel, was present at the Weed District meeting to discuss if Right-to-Farm laws conflicted with Sherman County weed ordinances. Will explained the county's weed ordinances can be enforced, by court order if necessary. There may be up to a \$10,000 fine for violating weed ordinances. Canada Thistle and Skeletonweed are a nuisance in Sherman County.

4.0 Consent Agenda:

4.1 Minutes of November 2, 2016

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the minutes of November 2, 2016, as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

4.2 Claims – November 2016

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the Claims for the month of November 2016 as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

Abstain: 0

4.3 Treasurer's Report – October 2016

Motion by Commissioner Smith, second by Commissioner McCoy, to approve the Treasurer's Report for the month of October 2016, as presented.

Vote: 3-0

Yes: Smith, McCoy, Thompson

No: 0

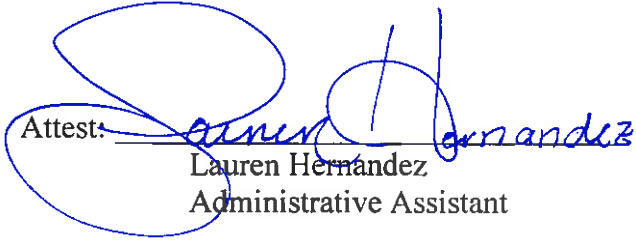
Abstain: 0

Being no further business before the court, the meeting was adjourned at 3:28 p.m.

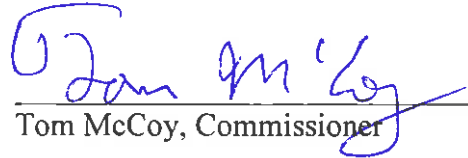
Sherman County Court



Gary Thompson, Judge

Attest:  Lauren Hernández
Administrative Assistant

Mike Smith, Commissioner



Tom McCoy, Commissioner