

Approved
7/5/2017

GEORGE MURDOCK
LARRY GIVENS
BILL ELFERING

MINUTES
UMATILLA COUNTY BOARD OF COMMISSIONERS
Meeting of March 15, 2017
9:00 a.m., Room 130, Umatilla County Courthouse
Pendleton, Oregon

Commissioners Present: Chair Larry Givens, Vice-Chair Bill Elfering and Commissioner George Murdock

County Counsel: Doug Olsen

Members and Guests Present: Dave Price, Blue Mountain Alliance; Bill Miller, Sheriff's Search and Rescue; Bob Hall, Pendleton; Tom Fellows, County Public Works Director; Tommy Brooks, UEC attorney - Cable Huston LLP; Robert Echenrode, GM & CEO of UEC; John Lankford, UEC Engineer; Dan Lonai, Administrative Services Director; Robert Pahl, CFO; Tamra Mabbott, Planning Director; Bob Waldher, Senior Planner; Paul Chalmers, Assessment & Taxation Director; Dr. Fred Maiocco, Hermiston School District Superintendent

CALL TO ORDER

The meeting was called to order at 9:00 a.m. Chair Larry Givens welcomed all.

Pledge of Allegiance was led by Commissioner Murdock.

Chair Givens reminded those present that the meeting is a public forum. It is being video and audio recorded and minutes will be taken. Comments will become part of the meeting record. If persons wish to speak before the Board, please come to the podium, identify yourself and state where you live for the record.

Awards/Correspondence/Recognition. None.

Minutes of Previous Meeting. Commissioner Elfering moved to approve the Board meeting minutes of 3/8/17. Seconded by Commissioner Murdock. Carried, 3-0.

Additions to Agenda. None.

Public input for those items other than on agenda Chair Givens advised this is the time for public input and recognition of visitors.

Robert Hall, 866 NE 3rd St., Pendleton. He has been a Umatilla County resident since 1977. He is here to support solar power farm that UEC wants to build on the land it purchased. He feels solar power is a great contributor for alternate form of energy.

Presentations

Doug Olsen advised a representative from Hermiston School District will make their presentation at 10 a.m.

Business Items:

1. **Records Copier Purchase.** Dan Lonai, Administrative Services Director, presented. The Records office copier is about five years old; funds for a new color copier are available from the Clerk's

archive fund (non-General Fund) and he requests approval to use part of those funds for the purchase. The old copier would move to Elections (rather than to the Milton-Freewater office like he had originally planned). **Commissioner Elfering moved to approve purchase of a Canon copier in the amount of \$5,364. Seconded by Commissioner Murdock. Carried, 3-0.**

2. Sheriff Reserves Vehicle Purchase. Bill Miller, Reserves Coordinator at the Sheriff's Office presented for the purchase of a vehicle for the Reserves. Funds are available through their trust fund. This vehicle has become available through the Forest Service. The 2011 Chevrolet Tahoe is totally equipped for law enforcement at a cost of \$12,000 plus \$600 in fees. In response to Commissioner Elfering's question about the number of Reserves vehicles, Mr. Miller advised it is usually 6 or 7 and up to 12. One vehicle is going out of service and will be stripped down to go to auction. **Commissioner Murdock moved to approve purchase of a vehicle as outlined. Seconded by Commissioner Elfering. Carried, 3-0.**
3. Harris Park Vault Toilet Purchase. Tom Fellows, Public Works Director, presented. Grants were received from Wildhorse Foundation and from Oregon Parks for purchase of a vault toilet from CXT Incorporated in the amount of \$16,565.63. Notice of grant award was received from Oregon Parks so they can move forward with purchase and installation. It will be about 45 days from order to delivery and should be early enough to be done by open season at the park. **Commissioner Elfering moved to approve purchase of a vault toilet as outlined. Seconded by Commissioner Murdock. Carried, 3-0.**
4. Land Use Hearing – UEC Application. Public Hearing was called to order by Chair Givens at 9:12 a.m. This is for Text Amendment #T-16-067, Umatilla Electric Co-Op is applicant/owner. He asked for any abstentions, biases of conflict or ex parte declaration. None were heard. He went through a summary and checklist, staff report first; testimony must be directed to the criteria in proper detail. He asked for the staff report. Bob Waldher, Senior Planner, began. He summarized the request by UEC and he referred to the staff memo giving details of the Planning Commission recommendation after their hearing.

In addition, Tamra Mabbott, Planning Director, handed out an updated map (just received that day). The location (on Highway 730) involves high value farm ground. There was discussion about industrial lands and farm ground. Brandon Seitz prepared a map for consideration. Administrative Rules govern this application. Standards were met. Full discussion was had at the Planning Commission hearing. One map showed UEC territory and another showed industrial land. About 2,000 acres are developed. There are about 320 acres that UEC could use for industrial – solar development for renewable energy. An 80-acre parcel they acquired from the Port several years ago is the subject. There are no water rights on the piece and an existing transmission line is located there. The Rule says there is a 12-acre limitation for this type of development or the applicant needs an exception.

Chair Givens noted similar issues have come up with windmills. Now it is solar. He agreed with Ms. Mabbott's comment that we are in a conundrum at this time.

He noted the process to follow: proponents will testify first, then the opponents, then time for rebuttal. Commissioner Murdock noted his major question about the land is it is not being taken out of agricultural production. Ms. Mabbott responded no, it is not agriculturally productive land.

Proponents

Tommy Brooks, Cable Huston attorneys, does land use work for UEC. His address is 1001 SW 5th Ave., Portland. He handed out a summary of the request for the Goal 3 exception. He also noted Robert Echenrode, UEC's CEO and General Manager is also available to answer questions. Mr. Brooks referred to an aerial photo (p. 3) of his handout. It is about changing the rule about use – the question is since it is farm land, are there reasons to treat it not as farm land? This particular parcel they feel is to better meet local and state goals. The map depicts an existing BPA transmission line (pink line); the blue line is location where it is believed PacifiCorp will put their line. The yellow bar is the portion with a potential water right, which has not been used for a long time. Solar development won't undermine the rest of the farm protections as required by Goal 3. The next photo shows there are a lot of rocks on the property and thus not necessarily high value farm land.

Even though this land with water might be productive, it is not now and has not been for a long time. It also is not likely to be farm land due to condition of soils and no water. This is a wide open place close to transmission lines for good connect to the power grid. Alternatives were considered as well as economic and other factors. They also looked at the long-term factors of environmental, social, economic and energy. The last criteria is compatibility with other adjacent uses – solar meets this criteria.

This is the best piece of parcel after all consideration – they believe that has been met. In response to Commissioner Elfering's question about how many megawatts of power is expected with a new solar panel, Mr. Brooks (and Mr. Echenrode) advised it is roughly 6 acres per MW. Mr. Brooks added the solar panels would have to stay some distance from transmission lines as there can be no casting of shadows. A Conditional Use Permit will be needed at each piece; there will be smaller packages at a time. A major consideration is that it is near an existing UEC transmission line for connection; this is a big cost savings and makes a solar project feasible. Commissioner Murdock noted a consideration for him is the cheaper the land, the more it is not considered high value farm ground.

Chair Givens pointed out a big need of farm ground would require water. Question for staff, without water rights, is farm ground still high value and not reduced? Ms. Mabbott answered, correct, as the property is designated AVA (overlay. High value is 1 and 2 and this property is 5.

Chair Givens referred to the map of the PacifiCorp line, in blue on map, are they planning on having connectivity to UEC's project? Robert Echenrode, 750 W Elm, Hermiston, UEC's CEO, responded it is a 230 kv line from McNary station into Washington with no current or anticipated plans to connect this solar piece to their line. In response to Chair Givens' question if the solar project will allow an increase in total power grid (combo of UEC, PacifiCorp and BPA), Mr. Echenrode advised he did not feel qualified to answer that question, engineering-wise; however, contractually, it may not be possible. Discussion turned to the Hermiston Irrigation District and their canal in proximity to the subject area; Mr. Echenrode advised that would be part of a use permit in the future.

Commissioner Murdock asked Ms. Mabbott about parcels of this size not being in production, to which she responded farmers would take advantage of any land for production. This land is not a corn field or a wheat field or potato field. It is "scrub" ground.

Chair Givens asked for any other proponents. There were none.

Opponents

Dave Price, 80488 Zerba Road, Athena. He testified at the Planning Commission meeting and wanted to be sure the document he presented there is part of the record today. He represents Blue Mountain Alliance today. He is not against development of solar power. The issue today is the exception of Goal 3 as it relates to the EFU, AVA and high value farmland. There is a significant chunk of property in the county that is under that designation. A lot of land does not have water rights. The point is the fact there is no current water right does not automatically eliminate property from high value farmland. In addition, a lot of this type of land is in the county and there are other parties in solar business looking for areas to lease. It is important to note, did the property meet criteria in the past and does it meet criteria today? Yes it does. The concern by Blue Mountain Alliance is the property may well be suited to the project; the point is we are running into a collision of existing laws and mandates in conflict with EFU land goals to protect that land for the future. He urged the Board to carefully consider the decision. This project would create about 20% of the alternative power goal mandate of renewable energy. What is done today will have impact on what comes in the future. He referred to legislation considerations coming in the near future. He doesn't believe it is a good idea to tinker with the law while at the same time considering a Goal 3 exception.

There were no questions; no other opponents; and no state agencies to comment. Ms. Mabbott pointed out Mr. Price's testimony is in the packet (pgs. 59-60). Chair Givens appreciated the Planning Commission's review and consideration. This Board must carefully consider farm land, people moving in, in particular in the west end of Umatilla County. There are a lot of pressures on our land and farm ground. He felt the Board needs to go on a case-by-case basis as done today.

Chair Givens asked for rebuttal. Mr. Brooks came back to the podium. There are big policy issues, but this application is looking at just these facts and this parcel. There is no precedent since this is the first. After this initial consideration, it will include looking at items piece by piece in the future.

Commissioner Murdock appreciated the comments. Again, it would be different for him if it was a cornfield or a potato field; if so, it wouldn't be warmly received by him. If we are going to have solar power, he feels this parcel is a good start. Chair Givens closed the public hearing at 10 a.m.

Commissioner Elfering posed a question to staff: if this parcel is high value, is it by virtue of the AVA; if not, would it be considered high value? Ms. Mabbott responded it would not be considered high value (see Mr. Waldher's report, p. 83 regarding different soil types). Commissioner Elfering noted the importance of protecting our farm lands. This particular piece has not been farmed, there is no water and it is marginal type soil. Is this highest and best use? He felt solar is a good use for it. He appreciated Mr. Price's comments and noted this is the mechanism for going through a Goal 3 exception process.

In response to Chair Givens question about how soon UEC is looking to develop a solar project, Mr. Echenrode advised it would be over a series of years; there is a mandate to fill the property by 2025. In addition, there will be other sites as distributed around their system and this property may not be fully developed. UEC is now in the planning phase; in three years or so they would come back for a Conditional Use Permit.

Motion was made by Commissioner Murdock to admit the new documents provided today from Cable Houston (Tommy Brooks) and by Mr. Price. Seconded by Commissioner Elfering. Carried, 3-0. Chair Givens closed the public hearing and the record at 10:05 a.m.

Commissioner Elfering moved to approve the Goal 3 exception application and allow the exception. Seconded by Commissioner Murdock. Carried, 3-0. Chair Givens thanked all for presentations today. More and more building is occurring throughout our communities. In response to a question about UEC potentially utilizing building roof areas for solar generation, Mr. Echenrode advised UEC encourages all types of rooftop solar; however, it doesn't necessarily count since it is "before the meter" and some places are not applicable unless they are within UEC territory. Mr. Hall commended the commission and commented about how exciting and challenging for the future to develop solar and other alternative power.

Presentation of Hermiston School District. Dr. Fred Maiocco, Superintendent, advised today's presentation is provided for information only. He provided hand-outs to the Board as approved by the Secretary of State's office as being impartial and fair. The proposed Hermiston School District bond of \$104 million is placed on the May 16 ballot. He provided history. In 2008 HSD asked for a \$69.9 million bond, which added capacity for about 600 new students. All promises were made and delivered. There were incremental increases each year scheduled for bond indebtedness, delivering at a tax rate less than anticipated. He referred to subject elementary schools – old schools needed upgrading. About 450 students served, modular were added, at the end serving about 500. Now serving about 650 students, but more children are coming and more modular has been added. The old hospital adjacent to West Park Elementary was removed. Other pictures were shown in handout with new specifications achieved as to each school. Dr. Maiocco noted the importance of partnering with the community to create a hub for youth and community activities. Example, full-size gyms were built for multi-use throughout the entire year. Regarding Kinnison Field, it was built following completion of the bond program (built after the '08 bond was done). They utilized an E-rate grant program for the Kinnison Field (a reimbursement grant and coupled with private fund raising it is debt-free and without taxpayer dollars) -- a very exciting project.

Dr. Maiocco added HSD is a partner for economic development in the region, which ties in to their mission. By attracting the public to the facilities, HSD can be an economic development partner throughout the county. They are about 75% self-sufficient in construction in the county with local business and contractors participating. He noted the high school has new solar panels to help with efficiencies. The project has saved more than \$800,000 in operating costs. In turn, it keeps teachers and the community healthy. They had an economic impact study – the only high school in the country. External use of the facilities generated over \$7 million in 2013 (third parties with events not related to the school district; i.e. youth basketball tournaments). They are looking to add softball tournaments and more. This also creates jobs, the study found.

Regarding the proposed in 2017 bond, if approved, benefits would "build on past accomplishments". HSD continues to grow between 100 to 150 students each year; 1.9% growth on an annual average basis; the second fastest growing school district in the State. He referred to concept drawings – one is a prototype for Highland Elementary. Design improvements include limiting visitor entrances to the school office, which is relocated for less disruption to classrooms. The new location is off Theater Lane to the North and covers about 19 acres. HSD owns the property with a lot of growth there. The City will require paving all the way to 10th Street and to the plat location. Highland Hills Elementary will be replaced and the current school will be demolished only after completion of new school (just like Sunset and West Park were previously).

There will be significant changes proposed to the high school. He referred to handout, which showed a 400 seat expansion for career and technical education. He went over expansion specifics; some items are not a part of the bond – they are "dreams" or placeholders for the long-term. He pointed out all information presented today is

accessible on their website. All current fairgrounds property will be used completely by the HSD. Safety and security is paramount; moving from 35 exterior doors to 15. He talked about tax impacts and the economic projected impact shows a 79% return on investment over 10 years.

Dr. Maiocco encouraged spreading the information – today is a starting place. Responding to a question from Chair Givens, Dr. Maiocco said they now are set up for collegiate level competition. However, housing is a central issue for those moving to the area. But the addition of a hotel has helped with attracting youth events. Commissioner Elfering commented about the pride in Hermiston schools. And comment was about reusing the old hospital property and opening the hospital at a better more open location (11th Street).

Dr. Maiocco thanked the Commissioners for their partnership on many issues. In particular, the CARE Program provides wonderful service at the HSD.

When all schools improvements are done, the level of services at this time will be sufficient; however, it won't solve all deferred maintenance or getting all students out of modular classrooms as there is continued growth.

In response to a question from Commissioner Elfering about OSAA reclass, Dr. Maiocco advised Hermiston High is moving to 6A class in Oregon and competition mainly in the Mt. Hood Conference primarily with Portland area schools and perhaps Bend. That would mean no local competition. That proposal is unacceptable. With more travel important instructional time is lost – not only for students, but also some teachers. They are petitioning the OSAA to leave the 6A class and at the same time applying to WSAA. At this time, the holdup is OSAA. Peter Weber, Executive Director is being asked to please “let them go”. The best competition is across the Columbia River in Washington. Commissioner Murdock noted he has submitted a letter to WIAA encouraging them to consider the allowance for HSD. It would be 9 schools in the Tri-Cities and Walla Walla. WIAA will only give permission if OSAA gives approval. It would be a tremendous benefit to resolve the issue Hermiston is facing.

5. OWRD Rules Comment. Tamra Mabbott presented. She and Bob Waldher drafted a letter of comments to submit to the Rules Advisory Committee regarding Walla Walla Subbasin Serious Water Management Problem Area to adopt new Administrative Rules. Groundwater well monitoring (flow meters) will cost \$2,000 to \$4,000 per well, an unfunded State mandate. They have encouraged OWRD to find funding to possibly offset those flow meter costs and Commissioner Elfering noted the legislature is looking to establish a fund through OWRD for assistance in monitoring wells. In the meantime, **Commissioner Elfering moved to submit the letter as presented and outlined. Seconded by Commissioner Murdock. Carried, 3-0.**
6. Planning Department Annual Report/Work Plan. Ms. Mabbott presented. She provided the 2016 summary of department activities and highlighted staff assistance per project/item. The on-site septic program was added in 2016. She noted she and Brandon Seitz work two days each week in Hermiston, which has been helpful to west-end citizens for planning information, research, permitting, etc.

She went on to talk about the 2017 work plan (which department staff review for comment and endorsement) and then submit to the Planning Commission -- in March this year (usually it is in January, however). Work continues on Highway 395 North, Plan4Health projects/activities and economic & community development. She pointed out the second annual Economic Summit is planned on April 25 with very positive feedback from the first year. Plus, there are continuing many activities from 2016. New this year is the Blue Mountain Regional Trail Concept - working with Walla Walla. Bob Waldher is taking the lead on that project.

Commissioner Elfering added that Tamra also spends a lot of time coordinating with him in economic and community development. **Commissioner Elfering moved to accept the Planning Department report. Seconded by Commissioner Murdock. Carried, 3-0.**

7. BOPTA Summary of Actions. Commissioner Murdock reported. At the BOPTA meeting yesterday, there were only two challenges out of 42,000 parcels in the County as assessed by the A&T Department, which is a dramatic decrease from past years. BOPTA Board and staff have been able to respond with no outside challenges. Regarding the BOPTA Chair, the desire is to have Don Daggett serve in that role since there are sometimes conflicts with Commissioner Murdock heading the committee. The recommendation was that Don Daggett would become the appointee by the Board of Commissioners whereupon he could chair the BOPTA as designee of the Commissioners. Mr. Olsen advised in October the BOPTA chair item will be before the Board for consideration. There will still be a 3-member Board and the commission pool is set by law. **Commissioner Murdock moved to accept the Summary of Actions by the Board of Property Tax Appeals and adopted Order No. BCC2017-025. Seconded by Commissioner Elfering. Carried, 3-0.**

8. Board Meeting Schedule. Mr. Olsen presented. There are two future meetings that lack a quorum and will need to be rescheduled. In place of the regular 3rd Wednesday April 19 meeting, a potential date is April 18 or Wednesday, April 26. After discussion, the preferred date was April 26, Wednesday, 10:30 a.m. immediately following the Department Directors' meeting (9 a.m.). In addition, there is no quorum for the May 17 meeting, so the alternate day suggested is Wednesday, May 23, 1:30 p.m. **Commissioner Murdock moved to approve alternate dates for the April 19 and May 17 Board meetings as well as approving the regular Board meeting schedule. Seconded by Commissioner Elfering. Carried, 3-0.**

There was no Executive Session.

Commissioner Reports.

Commissioner Givens and Commissioner Elfering will attend NACo/Western Interstate Region conference in Bend May 24-27.

Commissioner Elfering noted the BRAC office has set a date of 9/30/17 for transfer of property to CDA, but that date is still not binding at this time.

Meeting adjourned at 11:30 a.m.

Respectfully submitted,

Melinda Slatt

Executive Secretary
Umatilla County Board of Commissioners