

BOARD OF COMMISSIONERS

MINUTES OF THE BOARD SESSION – Regular Session

Wednesday, March 04, 2009
Marion County Courthouse Square

9:00 a.m. Board Session
Senator Hearing Room

PRESENT: Commissioner Patti Milne, Commissioner Janet Carlson and Commissioner Sam Brentano. Also present were Jo Stonecipher as legal counsel and Kim Hulett as recorder.

PUBLIC COMMENT

None.

CONSENT

BOARD OF COMMISSIONERS

OLCC APPLICATIONS – Recommend Approval

AMF Beverage Company, Salem
Bethany Market, Silverton
Courthouse Athletic Club, Salem
Hubbard 76 Station, Hubbard
Pilot Travel Center #386, Brooks
Plaid Pantry #168, Salem
Plaid Pantry #41, Salem
Schroeders Guest House, Salem
Silver Inn Tavern, Salem
The Freeloader, Salem
Toads Brooks Grocery & Deli, Brooks
Tobaccoville USA, Salem
US Market #108, Salem
Woodburn Dragstrip Beer Concession, Woodburn
Zen Den, LLC, Salem

BUSINESS SERVICES – HUMAN RESOURCES

Approve a recommendation to uphold the pay range of senior planner, public works.

FINANCE

Approve renewal of a lease with Community Sun Gardens for use of county property at the juvenile/health complex through December 31, 2009.

HEALTH

Approve amendment #69 to receive \$313,736 from the Department of Human Services for the financing of community mental health, developmental disability and addiction services.

Approve amendment #71 to receive \$308,000 from the Department of Human Services for the financing of community mental health, developmental disability and addiction services.

Approve amendment #72 to remove \$138,470 from the intergovernmental agreement with the Department of Human Services for the financing of community mental health, developmental disability and addiction services.

Approve a contract with Pelton Project for the additional amount of \$281,868.40 for residential treatment services.

PUBLIC WORKS – ENVIRONMENTAL SERVICES

Set a public hearing for April 1, 2009, to consider raising rates for commercial medical waste collection within Marion County.

PUBLIC WORKS – PLANNING

Receive hearings officer's decision granting partition, case #P08-17, Hart, Clerk's File #5610.

Receive appeal of hearings officer decision denying conditional use, case #CU08-46, Levy, Clerk's File #5611.

Reschedule a public hearing to consider appeal for zone change, case #ZC08-05, Fultz, Clerk's File #5597 and partition, case #P08-78, Fultz, Clerk's File #5596 from March 18, 2009, to March 25, 2009.

TAX COLLECTOR

Approve an order authorizing a property tax refund of \$16,960.82 to Barnes-Mission Street, LLC.

Approve an order authorizing a property tax refund of \$43,920.54 to Lynx Communications Group, Inc.

TREASURER

Approve an order distributing revenues from ORS Chapter 530 timberlands.

MOTION: Commissioner Carlson moved approval of the consent calendar. Seconded by Commissioner Brentano; motion carried. A voice vote was unanimous.

ACTION

BOARD OF COMMISSIONERS

1. Consider approval of a resolution authorizing the county to join in litigation to be filed by Forest Trust Land Counties challenging the Board of Forestry's management of the forest trust lands. – Jo Stonecipher

Jo Stonecipher, legal counsel, reported this is a request from Clatsop, Tillamook and Douglas Counties to approve a resolution authorizing the county to join in litigation to be filed by Forest Trust Land Counties challenging the Board of Forestry's management of the forest trust lands. She said there is some concern that these lands, which were deeded to the state, with an understanding that they would be managed for the benefit of the counties, are not being managed to maximize the income in a sustainable way. The income is actually being reduced from these lands and other things are being emphasized that the counties don't believe was intended in the original grant. These major counties have hired outside counsel. Given Marion County's interest it is comparatively small in this matter. There are approximately 650,000 acres of forest trust land and 18,000 acres are in Marion County. This request to approve the resolution would allow Marion County to join in this lawsuit and Ms. Stonecipher would be representing the county in this matter. She said to some extent this is solidarity rather than a major county interest, but litigation is not instituted without the approval of the board.

Commissioner Milne confirmed that this is similar to what we have done in the past. She said that while the 18,000 acres is insignificant in comparison, it is nonetheless important to Marion County.

Commissioner Brentano said he believes in solidarity. He added when there is no logging; those jobs are not being created.

MOTION: Commissioner Brentano moved approval of a resolution authorizing the county to join in litigation to be filed by Forest Trust Land Counties challenging the Board of Forestry's management of the forest trust lands. Seconded by Commissioner Carlson; motion carried. A voice vote was unanimous.

2. Consider approval of a resolution declaring intent to reimburse expenditures from the proceeds of tax-exempt obligations. – Jeff White

Jeff White, chief financial officer, reported that the county is currently involved in some facility renovation projects at the work release center and the courthouse. These involve window replacements, HVAC work and energy efficiency upgrades. The county has incurred approximately \$1 million in costs at this point and probably another million of our own funding will go into those projects with several million more yet to be financed. Mr. White said the county is currently looking at ways of funding, potentially through the issuance of bonds. The actual decisions have not been made yet, but it would be prudent at this time to pass this resolution because it confirms a date certain that any expenses the county has incurred and paid for with our own funds could be reimbursed back to the county through the debt financing. Mr. White stated that passage of this resolution doesn't require the county to use this alternative. He

add that certainly if the county chooses not to debt finance, this resolution would be void. He felt it was a good opportunity to get this approved and in place. Depending on what decisions are made in the future, the county could take advantage of this debt financing if it meets the county's needs.

Commissioner Milne confirmed the 60-day window and the importance of passing the resolution now. She reiterated that passing the resolution does not make the decision to go forward, but allows the county the opportunity. Mr. White said that the county has been incurring costs all year long, so by implementing the resolution now he can recover some of our costs. The county would not be able to recover all their costs for the year, but the longer we wait to approve the resolution the fewer costs can be recovered.

Commissioner Carlson said she thought it would be important to give a little background on this for the public. She said the work release center is not part of the courthouse repairs. The air quality is a problem at the work release center. Mr. White agreed there are some mold issues, some water damage that has filtered into the HVAC system and some roofing repairs needed.

Commissioner Carlson said we had the incident in the courthouse a few year ago and the repairs that were done were only to bring it back to its current state per the insurance company. There are things that are still wrong at the courthouse, such as the heating system and some of the windows needing to be replaced. Ms. Stonecipher added that the courthouse was not a remodel, but an actual restoration of what was lost or destroyed in the incident. Mr. White said the HVAC system is inefficient and very expensive for the county on the utility side.

Commissioner Carlson asked about the energy loans and wanted to know if they would still be pursued. Mr. White said it is his understanding that in order to get the energy savings financing through the Department of Energy, there is criteria that must be met and not all the projects meet all the criteria. He confirmed that the loans were still being pursued. Mr. White said that it is actually more beneficial to do bonds because the interest rates might be lower than the rates through the Department of Energy.

MOTION: Commissioner Carlson moved approval of a resolution declaring intent to reimburse expenditures from the proceeds of tax-exempt obligations. Seconded by Commissioner Brentano; motion carried. A voice vote was unanimous.

Commissioner Milne stated that this creates a placeholder should the county decide to use bonds. She added it's not really the intent to do this, but creates the opportunity to do it. She said it could be a very good time for the county to do this because rates are low. Ms. Stonecipher stated that the resolution form was provided by bond counsel, because bond counsel would be the one to ultimately give the opinion that the county was entitled if bonds were issued. This form was converted to county format and some changes were made consistent with what the county's project is.

Commissioner Milne asked Mr. White what kind of process he is looking at with regard to timing. Mr. White said he has met with some bond folks and has obtained an outline of what process the county would need to go through. He said he has had discussions with the bond folks regarding projects the county wants to do, if they are eligible and interest rates are low. Mr. White said that at this point it is in the hands of the facilities division who is exploring what

projects must be done, could be done, required to be done, or nice to be done. There are continuing conversations with the Department of Energy around what would qualify for those loans. The bonding or loan possibilities will be brought back to the board for approval.

Commissioner Milne stated the board is now convening as the Contract Review Board.

CONTRACT REVIEW BOARD

3. Consider approval of an order granting a special procurement exemption to allow the extension of existing specific countywide contracts for fiscal year 2009-10. – Peggy Mitchell, Jeff White

Peggy Mitchell, contracts compliance analyst, reported that this request is for an exemption to allow the finance department to exempt four contracts that will be due for expiration on June 30, 2009. Normally, the procurement process would be started approximately two-to-three months before the contracts expire in order to complete requests for proposals or quote processes. Ms. Mitchell said that the first contract is for audit services (this is in the final year of a five year contract with the current provider). The second contract is for a countywide solicitation for laboratory services that the health, juvenile and sheriff's departments use. The third contract is for banking services that is used by the treasurer's office. The last contract was for business card printing services. Ms. Mitchell said that in addition to trying to move forward and do the solicitations for these four contracts, the finance department is also very involved in the McBee project. She said they have some priority issues with the critical timeline for doing the solicitations for the four contracts and the work with the McBee project.

Ms. Mitchell said that the finance department is prioritizing the McBee project ahead of the four solicitation contracts and requests that the board approve an exemption. This will allow her to extend those four contracts for an additional year. When part of the McBee project is finished in the fall of 2009, then the work will begin on new solicitations for the new contracts.

Jeff White added that the largest contract is the audit contract and the one that would consume the most time. Not only is there a time issue as well as a resource issue for going through the process, but also the McBee project is in the middle of changing over the chart of accounts. The changing over the chart of accounts involves the accounting side of the department. The projected completion of the McBee project for this fall would be in the middle of the fiscal year that is going to be next audited. He felt that it would add a layer of difficulty for a new auditor to come in and try to understand what the county had going and the changes that have been made to the system. Once the change is implemented in the fall and finished out this fiscal year with the current auditor then both come together next spring. There would then be time to go through the request for proposal process, solicit for new auditors and finalize the chart of accounts.

Commissioner Carlson said she didn't have a problem with this exemption. She recognized there are overriding circumstances at this time. She asked if they had thought about changing the cycles on some of these contracts. She realized there was value for contracts to end on the fiscal year, but that the department would always be in budget cycle. Ms. Mitchell said it was something they could look at. Her busy time of the year usually begins in May through July and August. She added a good portion of her contracts do coincide with the fiscal year. It does put a lot of pressure on the county as a whole to try and get contracts solicited, approved and in place.

MOTION: Commissioner Brentano moved approval of an order granting a special procurement exemption to allow the extension of time to allow existing countywide contracts for audit, banking, business card printing and laboratory services for fiscal year 2009-10. Seconded by Commissioner Carlson; motion carried. A voice vote was unanimous.

Commissioner Milne closed the contract review board.

PUBLIC WORKS - PLANNING

4. Consider approval of adoption of administrative ordinance granting zone change/comprehensive plan amendment, case # ZC/CP08-07, Krivoshien, Clerk’s File #5607. – Joe Fennimore

Joe Fennimore, planning, explained that this an application to change the zone from acreage residential (AR) to commercial (C) and to change the comprehensive plan designation from rural residential (RR) to commercial (C) and to take an exception to statewide planning goal 3, (agricultural lands) on a .43 acre parcel located at 5957 Mt. Angel Highway NE, Silverton.

The hearings officer held a public hearing on this application on October 22, 2008. On January 5, 2009, the hearings officer issued a recommendation to grant the request subject to conditions. The board held the required public hearing on the matter on February 11, 2009, and granted the request. Notice of adoption of this administrative ordinance was made on February 18, 2009, and is back to the board today for final consideration and adoption.

MOTION: Commissioner Carlson moved to approve the adoption of the administrative ordinance granting the zone change/comprehensive plan amendment, case #ZC/CP08-07, Krivoshien, Clerk’s File #5607. Seconded by Commissioner Brentano; motion carried. A voice vote was unanimous.

**PUBLIC HEARING
9:30 a.m.**

None.

Commissioner Milne read the calendar.

Commissioner Milne adjourned the meeting at 9:50 a.m.

Attachments: Agenda

ABOVE MINUTES APPROVED

If you require interpreter assistance, an assistive listening device, large print material or other accommodations, call 503-588-5212 at least 48 hours in advance of the meeting. TTY 503-588-5168.

Si necesita servicios de interprete, equipo auditivo, material copiado en letra grande, o culaquier otra acomodacion, por favor llame al 503-588-5212 por lo menos 48 horas con anticipacion a la reunion. TTY 503-588-5168 Marion County is on the Internet at: www.co.marion.or.us