

**Report on issues discussed at the weekly
Management Update meeting on June 9, 2014**

Commissioners present: Commissioners Sam Brentano and Kevin Cameron.

Others present: John Lattimer, Jan Fritz, Gloria Roy, Scott Norris, Bruce Armstrong, Barb Young, Jeff White, Jolene Kelley, Sara McDonald, Don Russo, Sheriff Jason Myers, Rod Calkins, Pamela Hutchinson, Lisa Miller, Tamra Goettsch, Richard Minaker, Caron Galvin-Price, Peggy Mitchell, Camber Schlag, and Lynne Coburn as recorder.

Guests: Dave Bielenberg, East Valley Water District board chair; Duane Eder, East Valley Water District board director; Cyndi Astley, Mid-Willamette Valley Community Action Agency Deputy Director.

INFORMATIONAL

East Valley Water District Update

East Valley Water District (EVWD) Board Chair Dave Bielenberg discussed EVWD's surface water storage facility project. He explained that in the early 90s the Oregon Water Resources Congress directed EVWD to find an alternative water source for crop irrigation and that EVWD had settled on a surface water storage facility. He said the proposed storage facility is a 12,000 acre foot reservoir located on Drift Creek at the intersection of Victor Point Road and Fox Road and that EVWD has been working on this particular project for six years. Mr. Bielenberg explained that the two limitations on the project which are the location of the county road and the capability of the watershed to fill and neither are an issue at this time. Mr. Bielenberg said once the "proposed final order" is issued for water rights, the matter will be open to public comment and EVWD is currently acquiring the environmental 404 permit. Mr. Bielenberg explained that distribution is a challenge and that EVWD would ideally like to have a pipeline system for better control, water quality, and management. He added that a pipeline system would also generate electricity. The other option is a surface water distribution system, but that would require a pump station and diversion structure. Mr. Bielenberg said that there has been some controversy about the project in the affected neighborhood and EVWD has redirected its communications plan to address the community's issues and landowners' issues separately. Commissioner Brentano said he supported the project when he first heard about it 10 years ago and that for people concerned about climate change, surface water storage would be an answer. He added that it might be a good project for Regional Solutions. Commissioner Brentano requested specifics about the opposition. Mr. Bielenberg said the opposition is being driven by landowners in the inundated area who do not want to see a mudflat at the end of summer. He said he has assured the landowners that the reservoir would rarely be dry. Mr. Bielenberg said the district's vision for financing would be one third state, one third federal, and one third local which would be EVWD. Commissioner Brentano asked for the estimated cost of the project including the pipeline. Mr. Bielenberg said \$40-\$60 million with the spillway being the most expensive part of the project. The 1,200 feet long, 70 feet high reservoir is estimated to cost \$12-\$20 million. He noted that the Drift Creek site

is an excellent location. Commissioner Brentano said he believes the county road should not be a limiting factor. Mr. Bielenberg said in the preliminary design the county road is not a limiting factor; however, it could be in the final design. Commissioner Cameron asked how many landowners and acres would potentially be affected. Mr. Bielenberg said in the inundated area, there are eight property owners and 250 acres. Commissioner Cameron asked how the 250 acres are currently being used. Mr. Bielenberg estimated that 80 acres are currently used for grass seed production, 50-60 acres for pasture, and the remaining acreage is timber and hillside. Commissioner Cameron asked what EVWD's biggest challenge is in the next three to six months. Mr. Bielenberg said getting access to properties to finish the studies. He said there is a path to get access, but it will cost EVWD time and money. Commissioner Cameron asked if there are any similar projects in the valley. Mr. Bielenberg said not irrigation projects and explained that Mt. Angel has an interest in obtaining groundwater from EVWD members and that the cities of Silverton and Mt. Angel have also applied for funds from the Water Resources Department for an aquifer storage and recovery (ASR) project. Commissioner Cameron asked about recreational opportunities. Mr. Bielenberg said EVWD is not looking at recreational opportunities due to liability concerns; however, if somebody wanted to take on the liability EVWD might discuss it.

Policy 208 Revision

Sheriff Jason Myers discussed revisions to Marion County Administrative Policy 208. He explained that a recent court decision determined that it was unlawful to hold an undocumented inmate at the "request" of Immigration Customs and Enforcement (ICE) and that Clackamas, Washington, Multnomah and Marion Counties had all decided not to use ICE holds unless ICE has a federal magistrate warrant. Sheriff Myers said to mitigate liability to the county the Sheriff's Office has implemented the policy changes and those changes include changing the name of the federal agency from the Immigration and Naturalization Service (INS) to ICE and to reaffirm ORS 169.530 that gives the authority to the Sheriff to keep federal detainees. Research and Policy Sara McDonald said the revised administrative policy is on Wednesday's board session agenda.

Ambulance Service Area Plan Ordinance

Health Director Rod Calkins discussed a proposed ordinance amending the Ambulance Service Area (ASA) Plan. He explained that counties regulate ambulance services within their jurisdictions and that the ASA Plan describes regulation of emergency and non-emergency ambulance transport. Mr. Calkins said when the board passed a revision of the ASA Plan and the ASA boundaries in 2012 the board also granted ASA franchises on a five-year cycle. The board can adjust those boundaries once during that five-year cycle. He said the boundaries as stated in the text of the ASA Plan and ordinance are correct; however, the geographic information system (GIS) maps that describe the ASA boundaries and coordinates need to be corrected. Mr. Calkins explained that the ASA Plan GIS discrepancies between Salem Fire Department/Metro Rural Ambulance and Marion County Fire District #1 ASAs were discovered when Salem Dispatch updated their map data and that the ordinance is needed to amend Appendix #1 of the ASA Plan which is the ASAs and city limits map. He presented a large map of Royalty Drive NE as an example of a discrepancy being corrected. Mr. Calkins recommended that

the ASA Plan and Appendix #1 be amended so that the correct ambulance would be dispatched to a call. Commissioner Brentano asked if either Salem Fire Department or Marion County Fire District #1 is disputing anything in the amendment. Mr. Calkins said both agencies accept the ASA Plan amendment. Commissioner Cameron asked if the board is updating the map (Appendix #1) to reflect the tax base and show where an ambulance is being dispatched. Mr. Calkins said yes, but clarified that it not quite so simple because the ASA boundaries and fire service boundaries differ. He said Salem Fire Department provides fire suppression to the entire City of Salem, but some of the city's ambulance service is provided by Marion County Fire District #1 Ambulance Service. He said that the Salem Fire Department would like to provide ambulance service in the city limits, but that would pose revenue problems for Marion County Fire District #1. Mr. Calkins added that he is currently working on the issue of outside ambulances coming into the county and initiating runs.

FY 2014-15 Health Department Fee Setting

Rod Calkins said that statute requires that the Marion County Health Department receive board approval for any public health and behavioral health fee changes and that many of the Health Department's services are funded by outside resources. He explained how a previous capitation model resulted in a downward spiral of capitation and that the County Directors Association for Mental Health and State Mental Health brought in healthcare consultant Dale Jarvis to set up a formula to calculate the cost of services. He said both entities were agreeable to Mr. Jarvis' formula and it was used to set Marion County's fees which began an upward spiral because the county was not being paid the cost of the service that was anticipated to match the need. He noted that the environmental health restaurant inspection fees are not included in this fee cycle. Senior Administrative Services Manager Ryan Matthews reviewed the Marion County Health Department Fee Setting Comparison chart (Attachment A) and explained the methodology used for setting fees that are based on the FTE number in the budget and the hourly rates of Health Department practitioners. Mr. Matthews said the county is not able to charge Medicaid or other providers more than what it costs the county to provide a service and that the county wants its fees to reflect the actual cost as best it can for private insurance reimbursement negotiations. Mr. Calkins added that the fee changes are scheduled for action at Wednesday's board session. Commissioner Cameron noted that the average fee increase looks to be 7-10 percent and asked if the changes were mainly due to labor costs. He also asked for information regarding provider classifications outside the 7-10 percent range. Mr. Matthews said the changes are driven by the cost in the Health Department's budget and the majority of that budget is personnel costs. Commissioner Cameron referred to the Marion County Health Department Fee Setting Comparison Chart (Attachment A) and asked if there were market rate adjustments for the Public Health Nurse Practitioner, Public Health Nurse 3, and Public Health Nurse 2. Mr. Matthews said there were market reviews for those positions. The public health nurses received a two-step increase and the nurse practitioner received a three-step increase. Mr. Calkins said nurse practitioner costs are escalating and explained that a bill in the legislature (House Bill 2902B) requires that a nurse practitioner be paid the same rate as a physician when performing the same work as a physician.

Reward & Reminder – Tobacco Prevention Program

Substance Abuse Prevention Program Coordinator Lisa Miller discussed the Reward and Reminder education program. Ms. Miller explained that the Reward and Reminder program is an evidence based, population-level program that uses positive reinforcement to discourage tobacco retailers from selling tobacco to minors. She said the program has been proven to reduce the sale of tobacco to minors in many states and has been used effectively in the community in past years. Ms. Miller described the program which involves youth volunteers visiting tobacco retailers and attempting to purchase tobacco products. She said clerks who are in compliance receive a reward notice and clerks not in compliance receive a gentle reminder. Ms. Miller said that over the last couple of year's tobacco sales to minors has significantly increased; however, the number is currently declining and that with the Reward and Reminder program the county hopes to reduce tobacco sales to minors even more. She said the goal is to make contact with all the tobacco retailers in the county. Commissioner Brentano referred to the Tobacco Sales Rates to Minors graph (Attachment B) and asked why the county's rate seems to fluctuate biannually to match the state's rate. Ms. Miller said that the graph's data is based on state level data and that the Health Department has not been able to make a connection between the two. Ms. Miller said that in 2013 the Oregon State Police started their program that cites retail clerks for non-compliance, but sale rates have still not dropped much. Commissioner Cameron noted that the Reward and Reminder program is strictly for the retail clerk and asked if notification is sent to a retail owner/operator. Ms. Miller answered yes and explained that clerks are immediately notified and then a follow-up letter is sent to the retail outlet's owner/operator informing them of the visit and results.

HOME Youth and Resource Center, Day Shelter

Community Services Director Tamra Goettsch discussed allocating Oregon Department of Education Youth Investment funds to Mid-Willamette Valley Community Action Agency (MWVCAA) (Attachment B). Ms. Goettsch introduced Mid-Willamette Valley Community Action Agency Deputy Director Cyndi Astley. Ms. Astley explained that Northwest Human Services' HOST program no longer provides emergency shelter for minors and that the loss of those beds has had a negative impact on service providers. She said MWVCAA started working with the service providers including local law enforcement, Health Department, Juvenile Department, Community Services, and Salvation Army to reestablish an emergency shelter for minors which is, by federal law, immediate and up to 21 days. She said the partners were able to align services and immediately begin to cover the needs of minors between the hours of 7am and 7pm, and then began working to establish support for the hours between 7pm and 7am. Ms. Astley said the Salvation Army has donated a house to serve as the emergency shelter and the utilities have been donated; however, funding for shelter staff is still needed. She said MWVCAA is applying for a \$200,000 Health and Human Services (HHS) grant that is renewable for three years, Department of Human Services (DHS) grant which is Runaway and Homeless youth dollars that MWVCAA currently holds, but realigning with the overnight shelter instead of MWVCAA's HOME Youth and Resource Center, and submitting two grants to the Oregon Youth Development Council. She said if MWVCAA receives all the funds, six staff would be hired to run the evening services. Ms. Astley said that Marion County's funds would be allocated to the HOME Youth

and Resource Center which would allow MWVCAA to move and hold federal Community Service Block grant funds to match the other grants and start hiring staff. She said the HOME Youth and Resource Center sees 700-900 unduplicated youth a year and the emergency shelter would be for minors at night, which are mainly law enforcement pick-ups and drop-offs. Ms. Astley said that within the 21 day period MWVCAA would be working with system partners to reach out to the family for family reunification, reaching into the school district to get kids reconnected with schools, and looking at the family dynamic to mitigate future runs. Ms. Goettsch noted that the information is an update and that the item would not come before the board. Deputy County Administrative Officer Jan Fritz asked if the funding is carryover from the current biennium. Ms. Goettsch said yes and explained that with the new model of allocation the Youth Development Council controls the resources out of the Oregon Department of Education and Marion County might not receive any funding depending on what is submitted and where the funds are allocated. Ms. Goettsch said staff is trying to ensure that the funds the county currently has are truly invested in Marion County youth and give Marion County the best opportunity to maintain a system that has been developing well. Mr. Lattimer asked about Juvenile's involvement. Ms. Goettsch said Juvenile is partnering with the grant writers, but will not receive any of the resources. Ms. Astley said HOME Youth and Resource Center works with the Juvenile Department when there are minors that have warrants or performing restitution and judges are seeing HOME Youth and Resource Center as a positive place to do restitution. Commissioner Cameron asked for the location of the donated facility. Ms. Astley said the house is located on Water Street NE off of Front Street NE and is on the Salvation Army's main property. Commissioner Brentano said he questions what these type of programs do for the community and if they actually encourage homelessness, runaways or attract youth from other areas. Ms. Astley explained that the HOME Youth and Resource Center has received commission money through Children and Families Commission for years for runaway and homeless youth services and that MWVCAA works with local law enforcement to locate the youth and then reaches into the family to prevent a future run. As far as return on investment, if MWVCAA can keep kids and families whole we will have time for our officers to do other things. She added that many of the youth are first time runners and it is a very small investment to prevent future runs. Ms. Astley added that the emergency shelter is to triage that system. Commissioner Brentano said he likes the sound of that a lot better, but just to say come to Marion County and the county will take of you, he will probably never buy into that. Ms. Goettsch noted that there are only six beds in the emergency shelter and it will not meet the entire community need of serving homeless youth. She said being very intentional about the staffing capacity and looking at how Marion County can perfect getting families reconnected and youth reconnected to school because those are what helps these youth be successful going forward.

FY2013-14 Third Supplemental

Senior Budget Analyst Richard Minaker presented the third supplemental budget for fiscal year 2013-2014 (Attachment C). Commissioner Cameron requested specifics on the Public Safety Team fund transfer. Mr. Minaker said there is the community corrections fund which is probation and parole, the general fund which is primary patrol personnel, and then there is the Traffic Safety Team which has its own fund.

He said all three funds are contributing money to a capital improvements fund to consolidate the money for a mobile data upgrade. Commissioner Cameron confirmed that the capital improvements fund is going back into public safety. Chief Financial Officer Jeff White said the third supplemental budget will be publicly noticed and brought back to a board session for adoption the same day as the fiscal year 2014-2015 budget. Commissioner Cameron confirmed that the third supplement budget is the final budget adjustment for fiscal year 2013-2014.

DEQ Access Approval to 140 Palmer St, Mt. Angel

Property Specialist Caron Galvin-Price discussed the status of two gas stations on the county's November tax foreclosure list. She explained that the gas stations are located in the cities of Stayton and Mt. Angel and that the county normally sells gas stations in "as is" condition; however, at a recent conference she attended she learned that special funding is available through the Department of Environment Quality (DEQ) for the removal of underground storage tanks. She said both stations have underground tanks and staff has moved forward with the proposal to remove the tanks. Ms. Galvin-Price said she has contacted both cities about the tank removals and the cities have asked the county to proceed. She added that the properties would be much easier to sell without the tanks. Ms. Galvin-Price said staff is going forward with DEQ to remove the tanks and if there is contamination DEQ will take care of it. Ms. Galvin-Price said DEQ needs access to the Mt. Angel property and she is presenting an access agreement so that the project can move forward. She said the item will be on the board session consent calendar on Wednesday. Jeff White said DEQ is paying for the entire removal. Ms. Galvin-Price added that DEQ will try to recoup their costs from the prior offenders. Commissioner Brentano said it is a great opportunity to reduce county liability and improve livability in both Stayton and Mt. Angel. Commissioner Brentano noted that both properties are owned by the same people. Mr. White said this is a good return on sending staff to training.

Property Update - Tax Foreclosed, 799 N. 2nd St, Woodburn

Ms. Galvin-Price discussed a foreclosed property in Woodburn that will require a writ of assistance. She explained that neither Woodburn Code Enforcement nor herself have been able to contact the occupants and that numerous steps have been taken to make contact including a letter and door hanger translated in Spanish. Mr. White said once the county gets the writ of assistance and shows up on the property, whoever is there will have to be evicted. Commissioner Brentano said he agrees with using a writ of assistance. Commissioner Cameron confirmed that the entire process has been documented.

Fiber-Fab, LLC, EDAB Grant Update

Economic Development Manager Don Russo discussed a revision to Fiber-Fab, LLC's EDAB grant. He explained that the Board of Commissioner approved six EDAB grants this fiscal year and that five of the six grant have been paid out. He said the sixth grant is Fiber-Fab, LLC who was approved for a \$35,000. Mr. Russo explained that Fiber-Fab, LLC has developed an alternative method to increase production that is less expensive and involves hiring more employees working on the primary production line rather than building a second production line. He said Fiber-Fab, LLC has successfully tested the alternative method and are revising their project.

Mr. Russo said that instead of a \$500,000 project it is approximately \$200,000. Fiber-Fab, LLC still wants to use the Marion County grant for assistance in their ventilation system and noted that Fiber-Fab, LLC would still be adding nine jobs. Commissioner Cameron confirmed that EDAB's board recommended approval of the revised project and that the Board of Commissioners had approved the original contract.

ACTION

CONVENE CONTRACT REVIEW BOARD

Commissioner Brentano convened the Contract Review Board.

Consider Waiver of Minor Informality

Contracts and Procurement Manager Peggy Mitchell said there was a discrepancy in a bid award and reviewed the public contracting rules that allow the commissioners to review the proposals in question and allow the bids to be accepted. She introduced Contracts Compliance Analyst Camber Schlag who presented the discrepancy (Attachment D). Both bids contained a minor informality relating to the addressing of the envelopes containing the bids.

MOTION: Commissioner Cameron moved that the Contract Review Board waive the minor informality of the bids and accept the bids. Seconded by Commissioner Brentano; motion carried. A voice vote was unanimous.

Commissioner Cameron suggested that when these minor discrepancies occur the county send a letter to assist businesses with the bid process.

ADJOURN AND RECONVENE MANAGEMENT UPDATE

Commissioner Brentano adjourned the Contract Review Board and reconvened the Management Update meeting.

COMMITTEE ASSIGNMENT UPDATE

Jan Fritz said the Committee Assignment Update agenda item was added at the board's request.

Commissioner Brentano said that Salem-Keizer Area Transportation Study (SKATS) wants to take the federal urban aid boundary out to Brooklake Road. He explained that federal funds means bringing Brooklake Road up to federal standards and although there are a lot of problems the county does not want to have to develop to federal standards.

Commissioner Brentano said that he attended the Mid-Willamette Valley Area Commission on Transportation (MWACT). MWACT is recommending some non-highway programs for Connect Oregon funding including a train loading area out of Dallas that would help move agricultural materials to the Port of Portland.

Commissioner Cameron said he attended the Chamber of Commerce Public Policy meeting on Thursday and the subject was medical marijuana dispensaries. He said there was question about what the City of Salem is going to do regarding

their six month moratorium on medical marijuana dispensaries and there was a strong recommendation from a councilor elect and councilor to extend the moratorium to a year in order to get the details right. Commissioner Cameron said proponents in attendance noted that the legislature totally supported the medical marijuana dispensaries and he reminded the group that the public never voted for the dispensaries. The committee is having a Rail to trails public policy meeting next month and the county needs to be in attendance to represent the other position.

Commissioner Cameron said he attended the Marion County Fair Board meeting on Thursday night.

COMMISSIONERS' UPDATE

Commissioner Brentano said he attended a Salem Historic Landmarks Commission meeting regarding Salem Hospital's proposal to demolish an Oregon School for the Blind building for a parking lot and park. He said he is in favor of the proposal because the Oregon School for the Blind building itself has no historical significance, although the site does and that does not change with a new or related use.

Commissioner Brentano said the City of Keizer is going to have a round-about at Verda Lane and Chemewa Road.

Commissioner Cameron said he spent the night at a fire station last week and was educated about the difference between the fire service area and ambulance service area.

Commissioner Brentano said he received a note from Sara McDonald regarding the new United States Environment Protection Agency (EPA) rules for reducing emission of carbon dioxide. He explained that it could potentially affect the county and the county will have to watch to make sure it does not bleed into the county's garbage facility. Commissioner Cameron said that a recent newspaper article stated that all the old coal plants being retired only amount to 4 percent of the total CO2 emitted last year. That will not even make a dent. Commissioner Brentano said rule 10-39, 10-37 trying to limit personal use of automobiles into MPO primarily with the idea that it will cut greenhouse gas. Then they admit or tell well we know that this is not the source, but it is the one we could get at. The real source is businesses and residences. I watch for things that do not accomplish anything that will foul up our lives and our economy.

- Attachments:
- (A) Marion County Health Department Fee Setting Comparison chart
 - (B) Justification for contract between Marion County and Mid-Willamette Valley Community Action Agency
 - (C) Waiver of Minor Informality
 - (D) Contract Review Board Discrepancy

Marion County Health Department Fee Setting Comparison



Provider Classification	FY 2013-14 Hourly Rate	FY 2014-15 Hourly Rate	\$ Increase / (Decrease)	% Increase / (Decrease)
Public Health Nurse Practitioner	\$346.76	\$373.24	\$26.48	7.6%
Public Health Nurse 3	\$313.10	\$348.07	\$34.97	11.2%
Public Health Nurse 2	\$298.75	\$329.36	\$30.61	10.2%
Health Educator 3 (HIV)	\$287.95	\$316.11	\$28.16	9.8%
Behavioral Health Psychiatrist / Physician	\$304.36	\$302.07	(\$2.29)	-0.8%
Behavioral Health Nurse Practitioner	\$212.69	\$210.41	(\$2.28)	-1.1%
QMHP	\$163.44	\$164.15	\$0.71	0.4%
QMHA	\$148.49	\$152.13	\$3.64	2.5%
Mental Health Nurse	\$163.22	\$166.59	\$3.37	2.1%
Drug Treatment Associate	\$141.79	\$150.71	\$8.92	6.3%
Drug Treatment Case Manager	\$150.04	\$147.01	(\$3.03)	-2.0%
Peer Support Specialist	\$136.81	\$137.66	\$0.85	0.6%

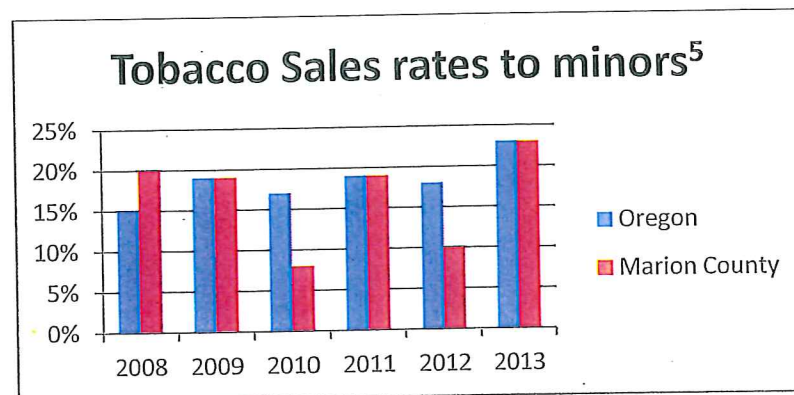


05/09/14

Reward and Reminder Fact Sheet

Reward and Reminder is positive reinforcement program which aims to reduce illegal sales of tobacco, perceived access to tobacco, and tobacco use prevalence rates. It is an evidence based, population-level program targeting whole communities. It is designed to promote the community norm of not selling tobacco to minors by using rewards for doing the right thing. Youth and adults visit stores and attempt to purchase tobacco, when the clerk refuses to sell to a minor they are “rewarded” with a small gift. If the clerk attempts to sell tobacco to a minor the clerk is handed a “reminder” to check IDs. No citations are issued.

- Most people start smoking as youth. According to the Centers for Disease Control 9 out of 10 smokers starting smoking before the age of 18 years.¹
- Studies have shown that if access to tobacco is consistently harder to get, kids are less likely to become addicted^{2,3,4}
- The program has been proven in Oregon, in Wyoming, and in Wisconsin to reduce sales to kids by 40%.^{2,3,4}
- Using youth volunteers accompanied by an adult, the program rewards people who don't to sell tobacco to kids, and reminds those who would, to do the right thing.
- The program gives the youth a chance to make a difference in their community
- The program goal is to visit every store in Marion County one time in the next 18 months
- Stores will be notified of the program starting and offered educational material.
- If rate of retailers selling to minors exceeds 20% in consecutive years, Oregon could be at risk for losing federal funding for drug, alcohol and tobacco prevention and treatment.



1. U.S. Department of Health and Human Services. **Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General**. Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, Office on Smoking and Health, 2012 [accessed 2014 Feb 14].
2. Biglan, A., Henderson, J., Humphreys, D., Yasui, M., Whisman, R., Black, C., & James, L. (1995). Mobilising positive reinforcement to reduce youth access to tobacco. *Tobacco Control*, 4, 42-48.
3. Biglan, Anthony. Ary, Dennis. Yudelson, Howard. Duncan, T. E. Hood, Donald. (1996). Experimental evaluation of a modular approach to mobilizing antitobacco influences of peers and parents. *American Journal of Community Psychology*, 24(3), 311-339.
4. Biglan, Anthony. Ary, Dennis. Koehn, Virginia. Levings, Debra. et al. (1996). Mobilizing positive reinforcement in communities to reduce youth access to tobacco. *American Journal of Community Psychology*. 24, Oct 1996, 625-638.
5. State of Oregon Synar visits and Oregon State Police visits.

Management Update Presentation Notes
June 9, 2014

The third supplemental budget increases the total budget by **\$5,594,398**. Twelve funds have changes to their total budget. Eight funds have only reallocations between categories. If you will turn to page 2, I will review the highlights of each fund in order. If you have any questions about specific funds after I am finished we can go to the detail. I will state all amounts to the nearest thousand dollars.

pp. ⁹10-14 The **General Fund** total budget will increase by \$4,000 due to a transfer in from the Children and Families Fund. The Clerk's Office is shifting \$7,000 from Materials and Services to Capital Outlay to purchase a flat bed scanner. The Community Services Department personnel services budget is increased by \$17,000 to avoid projected over-expenditures. The North Marion Justice Court is reallocating \$2,000 from Materials and Services to Personnel Services to avoid a potential over-expenditure. The East Marion Justice Court is allocated additional General Fund support of \$10,000 to cover potential over-expenditures in personnel services (\$5,000) and materials and services (\$5,000). The Sheriff's Office is decreasing personnel services and increasing Materials and Services contracted services \$125,000 for inmate hospital costs. Non-Departmental contingency is being reduced by \$120,000 in order to set up a special payment in the form of an operating loan for the same amount to the Marion County Housing Authority, and is further reduced by \$23,000 to cover shortfalls in Community Services and the East Marion Justice Court.

p.15 The **Building Inspection Fund** has no change in total budget. Personnel Services is increased \$24,000 to avoid any potential over-expenditure and \$10,000 is added for computer monitors used to review electronic plans; contingency is decreased by \$34,000.

p.16 The **Capital Improvement Projects Fund** budget will increase \$139,000. The total resource increase is comprised of the following transfers in: \$20,000 transfer in from the Community Corrections Fund, \$112,000 from the Traffic Safety Team Fund, and \$7,000 from the Sheriff Grants Fund. Capital Outlay is increased by \$151,000 by utilizing the transfers in plus a \$12,000 reduction in Contingency. \$131,700 will be used to increase the budget for the Sheriff's Office mobile data system and \$19,000 is allocated to purchase X-Ray security equipment at the county jail.

p.17 The **Central Services Fund**, Board of Commissioners' Office, will receive a transfer of \$9,000 from the General Fund to be allocated to personnel services to cover the lump sum leave payoff of a retired commissioner.

p.18 The **CH2 Redevelopment Fund** has no change in total budget. However, there are major shifts between categories. Utilizing savings, Materials and Services Contracted Services are decreased by \$675,000 and Capital Outlay is decreased by \$650,000. The resultant total \$1,325,000 is reallocated to Transfers Out to the Facility Renovation Fund for the Parking Garage Construction Program.

p.19 The **Children and Families Fund** has no change in total budget. There is a \$4,000 transfer out to the General Fund to cover a portion of Community Services General Fund personnel costs; contingency is reduced in order to make this transfer.

p.20 The **Community Corrections Fund** budget will increase \$20,000. State Department of Corrections grant funds will be allocated contracted services for housing subsidies under the Alternative Incarceration Program. In a separate action, contingency is reduced by \$20,000 in order to fund a transfer out to the Capital Improvement Projects fund for Probation and Parole's share of the mobile data upgrade project.

p.21 The **County Schools Fund** budget will increase by \$319,000 from Secure Rural Schools Title II funding not anticipated earlier in the budget process. . The funds will be distributed to county school districts in accordance with state statute requirements.

p.22 The **Courthouse Square Remediation** budget will not increase but it will have major category shifts. Capital outlay is increased \$250,000 and there is a \$950,000 transfer out to the Facility Renovation Fund for allocation to the Courthouse Parking Garage Renovation project. Contingency is reduced \$1,200,000 to fund these items.

p.23 The **District Attorney Grants Fund** budget will increase by \$145,000 due to an increase in intergovernmental grant funds. \$19,000 is allocated to personnel services to fund a Deputy District Attorney 1 hire March 31 to staff the intergovernmental agreement with the Oregon State Hospital. \$9,000 is allocated to materials and services for various purposes; the balance is allocated to ending fund balance to carry over to next fiscal year.

p.24 The **Environmental Services Fund** has no change in total budget. \$20,000 is taken from contingency and reallocated to contracted services to pay the public works fund for road maintenance work at the North Marion Recycling and Transfer Station.

p.25 The **Facility Renovation Fund** will increase by \$2,275,000. The increase is from a \$950,000 transfer in from the Courthouse Square Remediation Fund and a \$1,325,000 transfer in from the CH2 Redevelopment Fund. These amounts are savings in the transfer out funds that are allocated to the Courthouse Parking Garage Construction Program.

p.26 The **Fleet Management Fund** budget will increase by \$14,000 as a result of an accident settlement for a totaled Health Department vehicle; the settlement funds plus \$6,000 removed from contingency will be used to purchase a replacement vehicle.

p.27 The **Health Fund** budget will increase \$2,334,000. The major revenue increase is restored state funding of \$2,292,000 for adult residential services that had been expected to be transferred to Coordinated Care Organizations. Federal revenue of \$67,000 for a federal incentive for electronic medical record upgrades. The new revenue plus a \$597,000 reduction in contingency is primarily allocated to a \$2.5 million pass-through funding for Developmental Disabilities family support and adult residential services, and \$200,000 to capital outlay for tenant improvements and data connections for a new Beverly Avenue office.

p.29 The **Non-Departmental Grants Fund** budget will increase by \$306,000. Unanticipated Secure Rural Schools Title I and II funds received will be allocated \$163,000 to materials and services for pass through funds for Bureau of Land Management forest improvement projects recommended by Resource Advisory Committees, and \$143,000 is allocated to ending fund balance to save for future county search and rescue activities in expectation of no FY 14-15 Title I funding.

p.30 The **Public Works Fund** budget will increase by \$10,000. Revenue of \$10,000 was received as a reimbursement by the Lottery Distribution Fund Good Neighbor project for work on the Elam Pathway Project. Contingency is reduced by \$112,000 and a number of materials and services accounts are increased, notably \$50,000 for payment to Business Services for additional services provided by Business Services at the Public Works Silverton campus and \$31,000 for capital outlay for an additional survey scanner.

p.32 The **Self-Insurance Fund** total budget will not change. \$800,000 is taken from contingency and re-allocated to liability claims expense in anticipation of settlement of current claims.

p.33 The **Sheriff Grants Fund** budget will increase by \$19,000. As is usual for special revenue funds, there both increases and decreases in the kinds of revenue; a notable increase is \$16,000 from a contract with the City of Donald for patrol services. Contingency is reduced by \$59,000. Personnel services is increased by \$50,000 of which \$36,000 is to cover the full cost of a Concealed Handguns Support Service Technician and \$14,000 to cover City of Donald contract overtime pay. There a number of decreases and increases in materials and services, with a net increase of \$22,000.

p.35 The **Surveyor Fund** total budget will not change. Contingency will decrease \$5,000 and reallocated to software and equipment for the GNSS Global Positioning System receiver work station.

p.36 The **Traffic Safety Team** total budget will not change. Contingency is reduced \$112,000 to reallocate to transfers out to the Capital Improvement Projects Fund for Traffic Team share of the mobile data upgrade project.

Contract Review Board
Marion County Public Contracting Rules
Discretionary Action Form

Solicitation Name: Furnishing and Applying Type II Slurry Seal on Various Marion County Roads, Contract 2014-701

Date/Time of Closing: 2:00 PM June 3, 2014
Department: Public Works

Solicited under MCPCR Section 40 Public Contracts for Construction Services

Issue:

Public Works issued an Invitation to Bid for Furnishing and Applying Type II Slurry Seal on Various Marion County Roads on May 15, 2014. The ITB closing deadline was June 3, 2014. The two bids received in response to the ITB were delivered and received on time prior to closing. In preliminary review by the Department Contract Specialist, it was discovered that both bids contained a minor informality relating to the addressing of the envelopes containing the bids. The minor informality is as follows:

The Invitation to Bid section 00120.45 specified that the envelope be "...plainly labeled "Bid for Furnishing and Applying Type II Slurry Seal on Various Marion County Roads, To Be Opened By Authorized Personnel". The name and address of the Bidder shall be included on the outside of the sealed envelope." Both bidders failed to follow these instructions.

Blackline, Inc. failed to include their firm's name and address on the outside of the envelope, and to include the phrase "To Be Opened By Authorized Personnel." Intermountain Slurry Seal labeled it "Sealed Bid Type II Slurry Seal Bid, Bids June 3, 2014."

If the County waives this minor informality, both Bidders become eligible for consideration for award. If the County does not waive this minor informality, both bidders would be declared non-responsive and the Public Works Department would be required to re-solicit bids for the project, which is both expensive and time consuming. Also, the bidding pool for these services typically only includes these firms plus one or two others, so additional bids will most likely not be obtained as a result.

The County shall not allow an offeror to correct or withdraw an offer for an error in judgment. Prior to the award of the contract, if the County discovers certain mistakes in an offer after opening, the County may take action on the mistakes. Pursuant to Marion County Public Contract Rules Section 40-0350, the County may waive, or permit an offeror to correct, a minor informality. A minor informality is a matter of form rather than substance that is evident on the face of the offer, or an insignificant mistake that can be waived or corrected without prejudice to other offerors.

Solicitation Discrepancy Request for:

- Waiver of minor informality (matter of form over substance)
- Permit correction of clerical error (transcribing error - extended price/unit price)
- Permit offeror to withdraw offer (substantial detriment to bidder if accepted)