

WASCO COUNTY BOARD OF COMMISSIONERS
REGULAR SESSION / AGENDA Wednesday, October 2, 2013
LOCATION: Maupin Elementary School Cafeteria
622 4th Street, Maupin, Oregon 97037

Public Comment: Individuals wishing to address the Commission on items not already listed on the Agenda may do so throughout the meeting; please wait for the current speaker to conclude and raise your hand to be recognized by the Chair for direction. Speakers are required to give their name and address. Please limit comments to five minutes, unless extended by the Chair.

Departments: Are encouraged to have their issue added to the Agenda in advance. When that is not possible the Commission will attempt to make time to fit you in during the first half-hour or between listed Agenda items.

NOTE: With the exception of Public Hearings, the Agenda is subject to last minute changes; times are approximate – please arrive early. **Meetings are ADA accessible.** For special accommodations please contact the Commission Office in advance, (541) 506-2520. TDD 1-800-735-2900.

5:30 p.m.

CALL TO ORDER

Items without a designated appointment may be rearranged to make the best use of time. Other matters may be discussed as deemed appropriate by the Board.

- Corrections or Additions to the Agenda
- Administrative Officer - Tyler Stone: Comments
- [Discussion Items](#) (Items of general Commission discussion, not otherwise listed on the Agenda) [Predator Control](#), [Enterprise Zone Funds Distribution Resolution](#)
- [Consent Agenda](#) (Items of a routine nature: minutes, documents, items previously discussed.) [Minutes: 9.24.2013](#)

5:30 p.m. [Wasco County Commission on Children & Families](#) – Scott McKay

6:00 p.m. [Southern Wasco County School District](#) – Ryan Wraught

6:30 p.m. [Wasco County Roads Public Hearing](#) – Wasco County Roads Advisory Committee

NEW / OLD BUSINESS
COMMISSION CALL / REPORTS
ADJOURN



WASCO COUNTY BOARD OF COMMISSIONERS
REGULAR SESSION
October 2, 2013

PRESENT: Rod Runyon, Commission Chair
Scott Hege, County Commissioner
Steve Kramer, County Commissioner
Tyler Stone, County Administrator
Kathy White, Executive Assistant

At 5:30 p.m. Chair Runyon opened the Regular Session of the Board of Commissioners with the Pledge of Allegiance.

Agenda Item – Wasco County Commission on Children & Families

Scott McKay, Chair of the Wasco County Commission on Children & Families (WCCCF) opened a meeting of the WCCCF and attended to housekeeping items for the WCCCF. He asked Youth Services Director Molly Rogers to address the progress of the Early Learning Hub and the future role of the WCCCF.

Ms. Rogers explained that the funding for the WCCCF ended in June of 2013. She reported that earlier today an RFA response for an Early Learning Hub for Gilliam, Wheeler, Wasco, Sherman and Hood River Counties; Sherman County has taken the lead and four counties have signed an IGA. Each County will have a spot on the panel with additional representation to be recruited from six community sectors including social services, early learning, health care, parents and educators. Sector selection will incorporate facilitation to ensure representation among the counties is equitable.

Mr. McKay asked when the group would learn if their RFA had been accepted by the State. Ms. Rogers replied that it should be by the end of October; a maximum of seven HUBs will be selected. Ms. Rogers said that our HUB is focusing on a maintaining the local voice that was heretofore provided by the WCCCF; the plan is to create local advisory committees. She pointed out that two such groups

have operated within Wasco County for the last few years – the P-3 group and the Early Learning Committee.

WCCCF Commissioner Prudence Amick asked if the State intends to include some rural representation in the first round of selections. Ms. Rogers responded that she believes that to be their intent.

WCCCF Commissioner Al Barton asked when the second round would be. WCCCF and County Commissioner Kramer answered that it would be in July of 2014.

Discussion ensued regarding the goal of the WCCCF and what role, if any, they could play in creating the advisory committee. It was noted that legislatively, the WCCCF disbands at the end of 2013.

Chair Runyon stated that he thinks the WCCCF had done a good job and is sure that at least some of their Commissioners will want to be involved; however, he does not believe there is enough information for the BOCC to take action at this time.

Chair McKay replied that if the State selects our RFA, an advisory committee will need to be formed by the end of November; he believes the WCCCF could have members involved in that. Commissioner Kramer interjected that he thinks the WCCCF should meet and have a discussion about their individual aspirations going forward. Chair McKay added that he believes the advisory committee should include lay members as he has found they bring a valuable perspective to the conversation.

Chair Runyon asked if the State had established protocol for the make-up and selection of an advisory committee. Ms. Rogers replied that there is protocol that outlines the minimum base components but does not limit membership; counties can build from the base to create an advisory committee.

Marni Malefyt, representing South Wasco County School District, came forward to thank the WCCCF for facilitating solutions to some of the issues being faced by their students and staff. She explained that two years ago a serious bullying problem had developed within the school district and staff was struggling to find resources and solutions to address the problem. She explained details of the

program that had grown out of a WCCCF meeting held in Maupin two years ago. As a result of the program they were able to diffuse the situation and work toward an environment in which bullying cannot flourish.

Commissioner Hege asked if the program curriculum purchased with grant funding was reusable. Ms. Malefyt said that it is and she plans to make it a permanent part of the curriculum.

Further discussion ensued regarding the issue of bullying and the benefits of the program. Commissioner Hege asked if there had been measurable results from the program. Ms. Malefyt replied that there is a pre- and post-test to document the shift in students' attitudes necessary to hold bullying in check.

Ms. Rogers said that she thinks it important to move toward making a decision on the best use of the volunteers' time. She suggested that the BOCC sunset the WCCCF and if members wish to continue their work through the ELC HUB they can approach the BOCC to be appointed. She observed that in 12 months the same opportunity will present itself though the formation of local a Youth Development board.

WCCCF Commissioner Bill Sheirbon said that if there is a need for the WCCCF they will continue to serve, otherwise they should be disbanded.

Commissioner Kramer pointed out that the WCCCF board is not fully represented at this meeting; he said it will be important to have that conversation with most or all of the WCCCF Board present. Chair Runyon suggested that a list of questions be developed that could be sent to the WCCCF members in advance of the meeting to help prepare them for the conversation.

Commissioner Hege said that he thinks it important that the makeup of the HUB advisory committee reflect the makeup of the WCCCF Board which is a well-rounded group.

Agenda Item – Southern Wasco County School District #29

Commissioner Hege asked Ms. Malefyt what the census is for the school. Ms. Malefyt responded that the population is increasing; the school has been opened to the Tribe which has brought in 20 students. She added that attendance from Tribal students can be spotty as they have to find their own transportation to and from school. A dwindling school population due to the loss of local industry

contributed to the decision to further open the school registration. She reported that one position had been cut at the elementary school and physical education has been cut to a half-time position. She said that class size is good with a lot of classes at 15 or 16 students; the largest class is 26.

Ms. Malefyt went on to say that they have been fortunate to receive grants from Google which has made them technology rich. She said they have a computer for just about every student, a robotics program and a 3-D printer. She feels they have a healthy school.

Emilie Williamson, an SWCSD kindergarten teacher, came forward to say that the elementary school enrollment has increased while staffing has decreased. She said that there are new families moving into the district. Sherry Holliday, former Wasco County Commissioner and former Mayor of Maupin, stated that there are a lot more low-income families in the area than 10 years ago. She reported that they have many more children being raised by grandparents and even great-grandparents.

Discussion List Item – Enterprise Zone Funds Distribution

Mr. Stone explained that at the last Board session a second Enterprise Zone Agreement with Design LLC had been approved; part of that agreement included an initial fee and annual fee which would be paid to the Enterprise Zone sponsors, Wasco County and the City of The Dalles. During the process, the City and County negotiated how those funds would be distributed. The initial fee came to a distribution for projects in the community; the annual fee to be a split between the City, the County and North Wasco County School District. All of this is outlined in the Resolution being considered by the Board.

City of The Dalles Manager Nolan Young thanked the County for their partnership. He said that the negotiating team had worked hard and the City of The Dalles supports the distribution as outlined by Mr. Stone.

Commissioner Hege directed attention to the last paragraph of the resolution and read the paragraph into the record:

“IT IS HEREBY FURTHER RESOLVED: That any funds distributed by Enterprise Zone Sponsor(s) shall be done through an IGA with the agency receiving funds. The IGA shall include provisions for regular review to ensure compliance with the

terms of the IGA; Enterprise Zone Sponsor(s) reserve the right to modify or terminate distribution at any time.”

He asked if that is also intended to cover the distribution of the annual funds among the City, County and School District; is it possible that that distribution will also be reviewed. Mr. Young replied that he believes that that has always been the intent; this allows the sponsors to mutually agree on changes. He said he believes accountability to be important. Commissioner Hege said he agrees on the intent of the negotiators and thanked Mr. Young for his confirmation.

{{{Commissioner Kramer moved to approve Resolution #13-018 in the matter of approving the distribution of Design LLC second Enterprise Zone Funds. Commissioner Hege seconded the motion which passed unanimously.}}}

Discussion List Item – Predator Control

Commissioner Kramer reported that he had no solid information to report; he asked that any citizen who has interest in predator control to please sign in so that he could contact them. One citizen stated that it is important as the ranchers cannot afford to lose livestock. Another citizen asked if predator control is part of the Sheriff’s budget. Mr. Stone responded that funds for predator control were cut two or three years ago and the Sheriff volunteered to try to maintain that within his budget, otherwise there would be no predator control in Wasco County. Mr. Stone went on to explain that the current concern is that APHIS will not indemnify Wasco County for APHIS actions during predator control activities in the County. He explained the danger would be that if, for instance, the APHIS predator control officer started a fire or injured a citizen while discharging his duties, Wasco County could be held liable. He said that the County had requested a change in the language to name Wasco County as an additional insured and indemnify and hold the County harmless; APHIS has refused.

Further discussion ensued regarding the cost of the service and use of funds. Mr. Stone encouraged the public to contact Dave Williams, State Director USDA APHIS Wildlife Services, to express their concerns.

One citizen reported that there are some sportsmen feral pig shooters who come in with helicopters and also get a lot of coyotes. Ranchers give them permission to hunt on their land. Commissioner Hege asked if it works. The citizen replied that last year 200 pigs and 400 coyotes were killed.

Chair Runyon called a recess at 6:35 p.m.

The session reconvened at 6:45 p.m.

Public Hearing – Wasco County Roads

Chuck Covert, Chair of the Wasco County Roads Advisory Committee (RAC), introduced committee members Sherry Holliday and Keith Mobley. Chair Runyon pointed out that Mr. Covert is a private citizen, not a Wasco County employee. Mr. Covert said that the RAC has made numerous presentations around the County to educate the public and gather feedback. He explained that the loss of timber receipts has caused a serious funding shortfall for Wasco County Public Works. He went on to review the Power Point presentation and Road Report included in the Board Packet. He emphasized that to preserve the road system 30 miles of road needs to receive maintenance each year; last year the road department was able to provide maintenance to 17 miles of Wasco County Roads. He explained that once a road drops below 70% of optimum condition, the costs to rehabilitate that road increase exponentially.

Mr. Covert went on to say that there are some County roads within the City of The Dalles Urban Growth Area (UGA); as the City has expanded they have not always taken responsibility for the roads within the expansion. Last year 3.5 miles were converted to the City of The Dalles; discussions continue regarding the remaining County roads within the UGA.

Mr. Covert outlined the proposed short-term and long-term solutions to the funding crisis.

Short Term Solutions:

1. Increase revenue by implementing fees for permits.
2. Increasing contract work for other agencies
3. Use the road reserve to balance the budget
4. Reduce the transportation system by transferring county roads within the UGB area to the city
5. Reduce certain materials and services such as paving, paint striping and blading

Long Term Solutions:

1. Implement a Vehicle Registration Fee
2. Implement a Transportation Impact Fee
3. Implement a County Road District
4. Combine the City and County road departments
5. Privatize the road department

A citizen began to express his displeasure with the idea of a transportation impact fee. Chair Runyon explained that the Board wants to hear from him and everyone else wishing to be heard. He went on to say that the process is to allow the RAC and staff to complete their presentation, hear introductory remarks from members of the Board wishing to speak and then open the floor to the public. Chair Runyon explained that the solutions being presented are ideas; nothing has been decided. He said the purpose of this evening's meeting is to continue a dialog with the public regarding the needs and issues surrounding the Wasco County public road system.

Chair Runyon asked Public Works Director Marty Matherly to explain the five Wasco County road districts. Mr. Matherly said that the districts were developed years ago and include The Dalles, Mosier, Dufur, Wamic and Antelope districts. The largest district is The Dalles, some of the smaller districts share crew with other districts for snow removal.

Chair Runyon asked if any other members of the RAC wished to add to the conversation. Mr. Mobley said that it was obvious to him from the beginning that things are changing and not for the better; things are going to get a lot worse unless something is done. He said we want to maintain our good roads and the ideas presented here are just that – ideas being presented to the Board of Commissioners. He added that we all use the roads and as he recalls the idea of an impact fee came from one of the cherry growers who recognized that the agricultural community uses the roads more and use heavy equipment. He concluded by saying that there are problems in executing an impact fee, but it is on the list for discussion.

Ms. Holliday stated that each member of the committee brings a unique perspective. She explained that her focus is emergency response; if emergency responders cannot get to their destination because the roads are not maintained

it is life-threatening. She said that she does not agree with every idea, but all the options need to be on the table. She encouraged the public to visit the county website for information.

Commissioner Hege said these are just ideas and the Board wants to hear from the public. He explained that every revenue stream will have to go to the voters for approval; none can be implemented just because the Board wants it – the voters are the ultimate deciders.

Commissioner Kramer thanked the RAC for their work; he said they are good people who have generously given their time in seeking a solution to the funding crisis. He said he agrees with both Commissioner Hege's and Chair Runyon's comments.

Larry Ashley from Bakeoven asked that if any of the ideas come to a vote would it be to the entire County. Commissioner Hege replied that it would depend upon how it is put together. For instance, if there is a tax district the bulk of the people who live in The Dalles would probably not support being taxed unless some of the money went to City road maintenance since most of their roads are maintained by the City.

Mr. Ashley asked how the percentages would go. Mr. Matherly said that funds raised by a County taxing district would go to county roads including those that are maintained by the County but are in the City.

Mr. Ashley said that he hates to see the roads deteriorate; gravel roads are hard on rigs and snow removal is important for school buses and emergency response.

Betty from Antelope said that Antelope is a big district and Bakeoven Road, the major route for medical services, sometime does not get plowed until 10:00 or 11:00 a.m. She said that she thinks Bakeoven should be designated as a major road.

Lonny Brown from Bakeoven/Pine Grove asked how much it costs to maintain a gravel road. Mr. Matherly responded that it costs an estimated \$400 per mile. Mr. Brown said that there are two roads in Bakeoven that each serves only one

ranch. He expressed his opinion that those roads should be turned over the perspective ranch owners for maintenance.

Mr. Brown said most farmers who haul their own product don't pay a mileage road tax.

Commissioner Hege asked if the mileage tax is more than the gas tax. Mr. Brown responded that it is considerably more.

Chair Runyon asked Craig Snodgrass, who had signed up to speak, if he wanted to say anything. Mr. Snodgrass responded that others had covered his question.

Chair Runyon asked Mr. Brown that if it were the road to his ranch the County said it would no longer maintain, would it be acceptable to him. Mr. Brown said that if he gained control of the road, it would be acceptable to him. He said that another alternative would be to pay the rancher at a lesser rate to maintain the road.

Chair Runyon asked Jim McNamee, who had signed up to speak, if he wanted to say anything. Mr. McNamee said he did not have anything at this time.

Don Holmes stated that on his end of the county there is a man with a truck but nothing happens; the County won't let him do that much and he just drives around in a truck all day. He said they won't let him run a chain saw because there is not someone with him.

Chair Runyon suggested that it may be time to redefine job parameters.

Mr. Brown stated that the County used to have two people in each area doing snow removal – one did paved roads and the other gravel roads. Now, the County has just one who concentrates on paved roads in his area and everything else has to wait.

Shane said that the County should consider some half-time people for snow removal; they are less expensive and many of the farmers who are less busy in the winter already have equipment.

Hal Lindell from Tygh Valley asked what the County gets from the landfill trucks. Mr. Stone replied that all that money comes into the general fund which supports

the road department administratively. He explained that if that money is redirected to the road department, another service will have to be cut.

Shannon Lindell from Tygh Valley said that it is obvious that there is a problem that needs to be fixed; a long-term solution is what is needed.

Chair Runyon observed that even if workers are allowed back into the woods, the infrastructure does not exist to mill the lumber – the mills are gone along with a lot of the milling workforce.

Mr. Ashley asked if money could be saved in equipment replacement. Mr. Matherly explained that Public Works had not been buying any equipment and their fleet of vehicles was aging. He said that last year they set aside funds for a dump truck and had an opportunity to purchase used equipment from Lane County; they were able to get two dump trucks and a grader for less than what had been budgeted for one dump truck. Chair Runyon added that equipment sharing is also an option Public Works has exercised; that keeps them from having to purchase equipment for occasional use.

Mr. Ashley said that he thinks the State does not drop their blade to plow County roads they traverse to reach State roads but the County will drop their blade on State roads they traverse to reach County roads.

Ms. Holliday said she was happy to see that the negotiations with Google went well. She noted that some of the money has not been allocated and wondered if some of that might go to roads.

Commissioner Hege responded that the initial fee has been designated for projects; the Board did not allocate the annual fees because they will not start before 2015. He said they have discussed an allocation to roads but that decision will be made when the funds become available. Chair Runyon added that an \$85,000 per year bond is being paid off; that is money that will go back into the budget.

Commissioner Hege said that if the County is dropping their blade on State roads they happen to travel, he is disheartened that the State will may not be doing the same. He added that he thinks the Board would like to be part of that conversation.

Commissioner Hege asked Ms. Lindell if she was aware of any short term solutions that had been tried unsuccessfully. Ms. Lindell replied that she was not, but thinks that using the contingency fund is not a good idea; that money needs to stay in place.

Commissioner Hege explained that there are actually two funds. One fund is the road reserve which is basically an emergency/disaster fund; the other is the beginning fund balance which at one time was \$2 million and has been being gradually spent down. He pointed out that if they continue that practice, it will eventually be spent out.

Mr. Ashley asked how much of the State gas tax comes back to the County. Mr. Matherly responded that 25% of the pie gets distributed among Oregon counties.

An unidentified citizen asked what other counties are doing. Mr. Matherly said it varies; all the other counties are struggling as well. He added that Wasco County is one of the counties in the lead looking for solutions. Commissioner Hege said that Tillamook County just passed a bond in May for \$15 million for 10 years of road improvement – there roads were in such bad shape, road preservation was no longer an option.

Mr. Ashley stated that Jefferson County roads are in bad shape and they have let some go back to gravel roads.

Mr. Stone responded that that is why Wasco County is trying to get in front of the problem; the County has been spending down road beginning fund balances to maintain roads which is not sustainable. He asked Mr. Matherly to confirm that we have only a year or so. Mr. Matherly said that if we don't get this year's federal funding, there will be some problems in level of service. He added that funds will run out in a year or two; if we stay as we are, roads will deteriorate and the cost curve will get steeper.

Lowell Foreman of Antelope suggested that some of the more heavily used roads could be toll roads to raise funds for maintenance. He asked if any surplus equipment could be sold.

Road Superintendent Don Ulhalde responded that equipment is surplussed annually through a process that requires Board of County Commissioners' approval. The surplussed equipment is sold at auction and money returned to the Road Department.

Mr. Foreman asked how he could get a copy of the presentation and report. Mr. Matherly gave him copy and stated that the report could be found on the County website.

Chair Runyon asked if anyone else would like to speak. He said the Board appreciates the public input. He assured those present that no decisions have been made and ultimately, it will be the voters who decide. Mr. Covert added his thanks for the public participation.

Robin Moats, Mayor of Antelope, said that most of the citizens of Antelope go to Madras to conduct business and get news; they don't get The Dalles radio stations and read the Madras Pioneer rather than The Dalles Chronicle – it is difficult for them to know what is happening in Wasco County. She stated that she did not know about this meeting until today. She said she was glad to see the Board have a meeting in South Wasco County and although faced with a difficult decision, she appreciates the County's proactive approach.

Chair Runyon responded that this is a process and while they cannot make everyone happy, the Board wants to hear from everyone. Mr. Uhalde agreed, adding that it was refreshing to hear the rural county opinion – they value the roads and their voice should be heard.

Chair Runyon closed the public hearing at 8:09 p.m.

Chair Runyon adjourned the session at 8:10 p.m.

Chair Runyon re-opened the session at 8:11 p.m.

Consent Agenda – 9.24.2013 Special Session Minutes

Commissioner Hege said that on page 3 of the minutes, information is missing regarding the taxes that will be paid by Design LLC. He noted that the way the sentence reads now it appears that \$480,000 is all the taxes that will be paid when that is actually the amount estimated to come into Wasco County's budget;

the total amount of taxes that Design LLC will pay is an estimated \$3.5 million.
Ms. White said she would modify the sentence for clarity.

{{{Commissioner Hege moved to approve the Consent Agenda with corrections to the 9.24.2013 minutes. Commissioner Kramer seconded the motion which passed unanimously.}}}

Chair Runyon adjourned the session at 8:16 p.m.

Summary of Actions

Motions Passed

- Approve Resolution #13-018 in the matter of approving the distribution of Design LLC second Enterprise Zone Funds.
- Approve the Consent Agenda – 9.24.2013 Special Session Minutes as corrected.

WASCO COUNTY BOARD
OF COMMISSIONERS



Rod L. Runyon, Commission Chair



Scott Hege, County Commissioner



Steve Kramer, County Commissioner

**WASCO COUNTY BOARD OF COMMISSIONERS
REGULAR SESSION
OCTOBER 2, 2013**

DISCUSSION LIST

ACTION AND DISCUSSION ITEMS:

1. [Predator Control](#)
2. [Enterprise Zone Funds Distribution Resolution](#)

Discussion Item
Predator Control

- [No documents have been submitted for this item – RETURN TO AGENDA](#)

Discussion Item
Enterprise Zone Funds Distribution Resolution

- [Memo](#)
- [Resolution #13-018 Approving the
Distribution of Design LLC Second
Enterprise Zone Funds](#)

MEMORANDUM

TO: BOARD OF COUNTY COMMISSIONERS
FROM: KATHY WHITE
SUBJECT: FUNDS DISTRIBUTION RESOLUTION
DATE: 9/26/2013

BACKGROUND INFORMATION

At the 9.24.2013, BOCC Special Session, the Board moved to approve the Rural Enterprise Zone Long Term Agreement with Design LLC. Resolution #13-018 outlines the distribution of funds from that agreement and outlines basic terms for distribution agreements.

IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON
IN AND FOR THE COUNTY OF WASCO

IN THE MATTER OF APPROVING)	
THE DISTRIBUTION OF DESIGN LLC)	RESOLUTION
SECOND ENTERPRISE ZONE FUNDS)	#13-018

WHEREAS, on September 24, 2013, Wasco County Board of Commissioners approved the Rural Enterprise Zone Long Term Agreement with Design LLC; and

WHEREAS, the agreement included an initial fee of \$1,200,000 to be paid to and shared by Wasco County and the City of The Dalles; and

WHEREAS, the agreement included an annual fee of \$800,000 to be paid to and shared by Wasco County and the City of The Dalles for up to 15 years for each year the new facility covered by the agreement is receiving a property tax exemption; and

WHEREAS, Wasco County and the City of The Dalles have reached a mutual agreement as to the distribution of the Enterprise Zone fees; and

WHEREAS, it is understood that funds distributed by the Enterprise Zone Sponsor(s) under this program are not guaranteed for the full 15 years.

NOW, THEREFORE, THE WASCO COUNTY BOARD OF COMMISSIONERS DOES HEREBY RESOLVE: That the initial fee of \$1,200,000 shall be distributed as follows:

1. \$484,464 to Mid-Columbia Fire & Rescue (MCFR) for projects intended to correct deficiencies in the community's fire insurance rating
2. \$100,000 to Northern Wasco County Parks & Recreation District for a number of projects that will benefit the community
3. \$425,845 to Wasco County for retirement of the Discovery Center infrastructure debt
4. \$129,691 for retirement of the City of The Dalles Union Street undercrossing debt
5. \$60,000 to Columbia Gorge Regional Airport for projects which may include a federal match for runway/taxiway improvement, water improvement, or completion of the Airport Industrial Park; and

IT IS HEREBY FURTHER RESOLVED: That the distribution of the \$800,000 annual fee shall be distributed as follows:

1. 35% (\$280,000) to Wasco County
2. 35% (280,000) to the City of The Dalles
3. 30% (\$240,000) to Northern Wasco County School District 21 which will be determined in an Intergovernmental Agreement between the zone

sponsors (Wasco County and the City of The Dalles) and the school district; and

IT IS HEREBY FURTHER RESOLVED: That any funds distributed by Enterprise Zone Sponsor(s) shall be done through an IGA with the agency receiving funds. The IGA shall include provisions for regular review to ensure compliance with the terms of the IGA; Enterprise Zone Sponsor(s) reserve the right to modify or terminate distribution at any time.

DATED this 2nd day of October, 2013.

WASCO COUNTY BOARD
OF COMMISSIONERS

Rod L. Runyon, Commission Chair

Scott C. Hege, County Commissioner

Steve Kramer, County Commissioner

APPROVED AS TO FORM:

Eric J. Nisley
Wasco County District Attorney

**WASCO COUNTY BOARD OF COMMISSIONERS
REGULAR SESSION
OCTOBER 2, 2013**

CONSENT AGENDA

1. [Minutes](#)

a. [9.24.2013 Special Session Minutes](#)



WASCO COUNTY BOARD OF COMMISSIONERS
SPECIAL SESSION
September 24, 2013

PRESENT: Rod Runyon, Commission Chair
Scott Hege, County Commissioner
Steve Kramer, County Commissioner
Tyler Stone, County Administrator
Kathy White, Executive Assistant

At 8:30 a.m. Chair Runyon opened the Regular Session of the Board of Commissioners with the Pledge of Allegiance.

Discussion Item – Cultural Trust

Corliss Marsh came forward to provide the annual update for the Wasco County Cultural Trust Coalition. She explained that at this time of year the local Coalition receives money from the State. This year the Coalition will receive \$8,000 which they will make available for grants. She asked the Board to assist her in spreading the word and directing potential applicants to their web site:

www.wascoculturaltrust.org.

Ms. Marsh explained that the State formed the Trust to dedicate money to the arts. They raise money through donations and the sale of specialized license plates. The goal is to build a fund of \$4 million. The State retains a percentage of the money and distributes the remaining money to non-profits and counties. The fact sheet included in the packet outlines how \$11,000 in grant money was distributed by the Wasco County Cultural Trust Coalition last year.

Finally, Ms. Marsh told the Board that individuals can donate money to any non-profit arts, heritage or humanities organization and match that donation with a donation to the Trust; the match money donated to the Trust will be a tax credit for Oregon income taxes. More information is available on their website.

Chair Runyon asked Ms. White to add a link to the Trust website to the County's homepage.

Agenda Item – Corrections Plan & IGA

Community Corrections Director Robert Martin explained that the biennial Community Corrections Plan is required by the State in order for local Community Corrections departments to obtain State grant funding. He pointed out that the plan is for two years but the funding is for one year to be renewed at the end of the first year of the plan. At the end of the first year, Community Corrections will submit another budget summary for the second year of funding. In addition to the Plan, the County is required to submit a letter approving the plan from the Local Public Safety Coordinating Committee and a resolution from the Board of County Commissioners adopting the plan (included in Board Packet.) Intergovernmental Agreement #4828 between the State of Oregon and Wasco County outlines the responsibilities of the County and the State for the execution of the grant.

Commissioner Hege asked if any of these funds can be applied to the cognitive plan for NORCOR. Mr. Martin replied that it depends on the arrangement he is able to make with a provider and the costs associated with that; there may be some room that. He expressed his hope that the reinvestment money from a separate funding stream will be available for that and other services.

Commissioner Hege asked Mr. Martin to explain further. Mr. Martin stated that the County should receive \$124,000 in Reinvestment Plan money to be used for programs that will reduce recidivism and thus reduce the need for new prisons over the next 10 years. The funding for two years will be paid in one lump sum.

{{{Commissioner Hege moved to approve Resolution #13-017 in the matter of adopting a community corrections plan; designation of representative to administer the community corrections plan and to apply for Department of Corrections funding. Commissioner Kramer seconded the motion which passed unanimously.}}}

{{{Commissioner Kramer moved to approve Intergovernmental Agreement #4828 between the State of Oregon and Wasco County. Commissioner Hege seconded the motion which passed unanimously.}}}

Agenda Item – Enterprise Zone Agreement

Chair Runyon explained that staff would present background information before the floor is opened for public comment.

Mr. Stone stated that several weeks ago the County was approached by Design LLC, the local operating subsidiary for Google, to negotiate a second enterprise zone agreement for an expansion. He explained that this is a separate and distinct agreement from the first enterprise zone agreement; we are in year eight of the first agreement. Through the negotiation process an agreement has been reached for a \$1.2 million payment up front with \$800,000 annual payments for the 15 year life of the agreement. Commissioner Hege, Mr. Stone, City Manager Nolan Young and City of The Dalles Mayor Steve Lawrence comprised the negotiating team for Wasco County and the City of The Dalles.

Commissioner Hege emphasized that this agreement is separate and distinct from the first enterprise zone which expires in seven years. The value of the first enterprise zone investment will go on the tax rolls in 7 years. This year the value of the investment is \$477 million which is down considerably from the original \$1.29 billion. The law has changed as to how it is assessed; it is no longer a utility but is classified as an industrial zone. He stated that we cannot know what its value will be in seven years; but if, for example, it was valued at \$200 million, it would generate approximately \$480,000 in County taxes.

Commissioner Hege went on to say that the initial project fee of \$1.2 million covers the time between when the agreement is struck and when the annual fee begins; he anticipates the annual fees will begin in 2015. He said he anticipates that the initial fee will go to projects: \$400,000 to Mid-Columbia Fire and Rescue, \$100,000 to Parks and Recreation, \$425,845 to retire the Discovery Center bond, some money to retire City of The Dalles debt for the Union Street underpass and some money for airport development. He noted that the retirement of City debt will free some additional funding for Parks and Recreation.

Commissioner Hege compared the agreed upon annual fee of \$800,000 to the current top ten taxpayers in Wasco County for tax year 2012:

Union Pacific Railroad Co.	\$499,101.84
BNSF Railway Co.	\$429,626.75

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Northern Wasco County PUD	\$334,148.23
CenturyLink	\$312,449.25
Gas Transmission NW Corp	\$252,133.53
Metropolitan Life Insurance Co. (Fred Meyers)	\$241,295.42
Oregon Cherry Growers Inc.	\$221,204.51
Home Depot USA Inc	\$177,557.43
Oregon Telephone Corp.	\$152,551.47
Orchard View Farms	\$147,163.58

He stated he has been asked if the annual fee is fair and pointed out that the annual fee is 60.3% higher than what is currently being paid by the highest taxpayer in the County.

Mr. Stone interjected that he anticipates the distribution of the annual fee will be 35% to Wasco County, 35% to the City of The Dalles, and 30% to North Wasco County School District; the intent is for those figures to remain in place but that is a negotiation that will take place between the County and the City.

Commissioner Hege said that the agreement contains a lot of boiler plate language from the State; most of the negotiations focused on the initial and annual fees. Mr. Stone added that Google will be required to have a minimum of ten new jobs; they added many more than that in their initial zone and he is hopeful they will do the same this time.

Commissioner Hege stated that ten jobs may seem like a low number but it is a minimum. They currently have 150 total employees, 82 of which are Google specific. The size of the planned expansion is 200,000 square feet which is nearly as large as the current facility.

Chair Runyon asked if the \$1.2 million will be paid by the end of this year. Mr. Stone responded affirmatively. Chair Runyon asked if the annual payments are set to begin in 2015. Mr. Stone replied that 2015 is an estimate.

Chair Runyon explained that Mr. Stone has briefed each of the Board members throughout the process. Chair Runyon stated that he had not been pleased with the amount of the original enterprise zone agreement from Google and thanked the negotiating team for their hard work to get a fair amount from Google for the second enterprise zone project; what they have done is more than what other

counties are receiving for their enterprise zones. He added that while the agreement does not allow the City or County to dictate who is hired to build the new facility, both are encouraging Google to use local vendors/contractors whenever possible.

Commissioner Hege agreed saying that that very issue had been discussed during negotiations and he believes Google is committed to that. He added that both the City and County need to continue to encourage that. Chair Runyon added that the Board will take every opportunity to press that point.

Chair Runyon read aloud the letter submitted from Gary Nichols (included in the Board Packet). He said that they have already covered his concerns about the number of jobs. In Mr. Nichols' letter he also mentioned the need for audits. Chair Runyon stated that there are audits throughout the agreement. City Manager Nolan Young explained that the first audit is required at year five and every year following that; Google has to show that for at least one year the average wage being paid is 150% of the average wage in the City of The Dalles. City Planning Director Dan Durrow will be certifying the audits.

Chair Runyon read aloud and email from Wy'East Resource Conservation and Development Executive Director Robert Wallace (included in the Board Packet). Commissioner Kramer read a letter he received from Jack Henderson, Superintendent Dufur School, expressing concern that the funds would be going only to the North Wasco County School District.

Chair Runyon observed that they haven't covered the fact that these moneys can only be spent in the enterprise zone. Commissioner Hege explained that every business has a tax code area; this project is in a current tax code area with many taxing districts. If Google were just paying taxes those funds would stay in the tax code area. When the first agreement ends, their taxes on that investment will stay in the tax code area. He explained further that if, for example, a wind energy project was developed in South County, the taxes from that would stay in that tax code district which would not include entities in northern Wasco County. He concluded by saying that it may be possible to facilitate some discussions between southern Wasco County schools and Google for grant funding.

Chair Runyon opened the floor for public comment.

Mike Betrand of The Dalles came forward and said that some of his questions had already been answered. He said that his research had revealed numbers that were lower than those outlined by Commissioner Hege. Commissioner Hege said without further exploration he cannot know why the numbers are different but that he suspects the numbers Mr. Betrand has reflect only the property holdings. What Google currently pays taxes on is the value of the land and some of the buildings but not all of their holdings.

Mr. Betrand asked what the fee in paragraph 2 is called. Mr. Young responded that it is the annual enterprise zone fee and has nothing to do with a franchise fee. Further discussion ensued regarding how much of the language in the agreement came from the State. Mr. Betrand asked about the language on page 3, section K where it states Google gets a credit of 62.5% of the annual payroll. Commissioner Hege explained that it is language that allows the State to provide incentive; some of that money is rebated back to the County and City – last year the City and County split \$60,000. Chair Runyon added that the language has to be part of the agreement in order for the State to be able to give that money to the County and City.

Mr. Betrand stated that Google is a \$200 billion company with stock selling for \$887 per share. He said that he believes they should be paying much more and shouldn't be given a break. He said that fear that they would go elsewhere if not given a deal here is unfounded.

Chair Runyon responded that it was a risk the County had not been willing to take. Mr. Betrand said that the money not paid by Google will have to be made up by the population of Wasco County. He added that NWPUD pays \$700,000 in franchise fees. Chair Runyon explained that franchise fees are separate and paid to the City; the franchise fees will rise if the expansion goes in.

Clarence Williams of Portland, Oregon came forward saying he is a member of Local 29 and wanted to highlight the importance of using local labor for construction. He said that typically 60-75% of construction labor on projects of this size is brought in from elsewhere; not only is that temporary, but local workers pay taxes and support local businesses while outside laborers send most of their money home.

Heather Thompson of The Dalles, read a prepared statement: I still have hard feelings because of the nondisclosure agreement in '06. (inaudible) This time around, the rural enterprise zone negotiating team expects us to believe this is the best deal we could get. I believe you were overmatched. Bill Gates hit the panic button when he saw Design LLC building the cloud computing facility. The operating value of the company has gone up 975% since its initial public offering in 2004. Their market capital, according to Bloomberg Report, was \$224 billion in 2012. Now here we are presented with another agreement; each scoop of the prize clearly measured out to parts of the community that are starving for economic support. Our biggest corporate citizen will not contribute to the expansion of the public library because the building cannot be made into a (inaudible) building. Like many things, the library building was here before Design LLC got here. Reading is fundamental to the use of the utility they are building but they won't volunteer financial contribution to the community drive to expand the children's section of the library. It is stomach churning to witness the leaders of various departments, agencies and districts come down and say thank you for what I think of as watery gruel. This agreement is disappointing because I believe we could have gotten a lot more. Who's to say this corporate citizen won't pack their carpet bags and walk away after 15 years? Then we'll be left with another potential for a redevelopment zone. Thank you.

Bill Carrey of The Dalles came forward to say that he likes enterprise zones but has never seen them used twice for the same organization. He said that he believes there is a real need for a tax base in the County and when you enter into these agreements you shift the tax load to the rest of the population. He said he has heard that the City wants to pass a bond for a pool, that the City and County need funding for road maintenance, and the school district is in need – he believes this should come before the electorate because they are the ones that have to support what is being given away.

Joan Silver of The Dalles said that although she volunteers throughout the community, she is here as an individual only representing her own opinion. She thanked the negotiating team saying she thinks they did an excellent job. She added that enterprise zone negotiations are very complex; you have to take the time to study this and recognize the difficulty communities have in attracting business. She concluded by saying she has faith that Google will stay.

Debby Jones of The Dalles came forward to say that she thinks it is important to become educated. She said she appreciates the diverse opinions and knows that everyone wants what is best for our community. She said she believes we are not losing anything but rather creating the potential for greater gains in the future. She added that she has seen other businesses flirt with locating here only to never materialize. She concluded by saying this is a good start on the future – we are giving some in the beginning to get more in the future.

Chair Runyon reminded everyone that the ten jobs and \$200 million investment are minimums. Mr. Wilson stated that he believes they will hire some permanent employees locally but management will come from another community.

Commissioner Hege said that he believes the positions added will be largely operational since Google already has a management team in place – these will be the kind of jobs local citizens can obtain and will not be minimum wage jobs. He said the team had asked where the current Google employees live – 80% live in the Gorge. He pointed out that the Google manager was working for the local ESD when hired to manage Google. He shared that the team had had many discussion that the goal is to hire local people. He believes that will be truer in this phase since in the first phase they had to bring in very technical people to get the facility started.

Chuck Covert of The Dalles said that the City has broken down where the annual fees will go and asked if the County has done the same. Commissioner Hege replied that the County feels it is a little early to make that determination; the annual fee will not begin before 2015 which allow time for exploration and public discussion.

Chair Runyon agreed adding that the County cannot predict circumstances in 2015 and needs to wait to see what challenges they face when the funds become available.

Donny Lewis asked if his property taxes would go up 3% this year. Commissioner Hege said that in most cases it is the state law that causes the value to rise based on a very confusing formula.

Mid-Columbia Fire & Rescue Chief Bob Palmer said that the Fire District will benefit from the enterprise zone and they are appreciative of that. He explained

that the community's ISO rating has regressed which affects insurance rates in the District. The additional funding will help the district raise the ISO and as a result insurance rates should be reduced. He reported that the District plans a remodel to accommodate more staff, fund a student volunteer program and retire a debt for a training tower. He concluded that it would always be nice to have more, but he trusts that the negotiators did their best.

Sylvia Loewen of The Dalles thanked the Commission for allowing an open discussion. She stated that she had attended last evening's City Council meeting which was very structured and did not allow for as much public discourse.

Chair Runyon replied that the Board has worked hard to encourage the public to come join in an open discussion; it is important that people don't feel intimidated. Chair Runyon went on to say that he had served on the Port as had Commissioner Hege who had also been the Port's Executive Director. Chair Runyon said that during his time at the Port he saw a lot of companies send scouts but it would not result in a new business in the area; while there is a gamble that Google will leave, he does not believe they will. He added that Google can go anywhere for this expansion. While there are benefits and drawbacks, he is pleased to see the numbers go up. As far as the community, he stated that he believes Google's contribution to the community has been understated. He said that the Library Director has reported that Google has done a lot for the library; they have also helped with the Fire District, School District and local college.

Commissioner Hege noted that there hasn't been anything discussed today that wasn't battled out in negotiations. For those opposed to subsidies in any under any circumstances, there is probably no persuading them that this is good for the community; however, he believes that the negotiating team did well compared to other deals that have been made. He pointed out that the PUD gives a lower rate to their largest users because it is easier to serve them than to serve the residential user. He reminded everyone that the annual fee is larger than what is being paid by the largest taxpayer; while some might think it is not enough, he wants people to know that the team worked hard on behalf of the community. He added that it was definitely possible for Google to expand elsewhere; he learned through outside sources that during the process Google was looking at other communities in the region – they need an expansion in this area but it didn't have

to be in Wasco County. He said that if a deal had not been made that worked for Google, they could have gone elsewhere.

Commissioner Kramer observed that he is the newest member of the Board and wants to address the teamwork displayed within the community. He stated that he trusts the team; they worked hard for the community and their decision should be respected and honored.

{{{Commissioner Kramer moved to approve Resolution #13-016 in the matter of approving a second enterprise tax abatement agreement with Wasco County and Design LLC. Chair Runyon seconded the motion which passed unanimously.}}}

Mr. Young asked if they would also be approving the distribution of both the annual and initial fees. Commissioner Hege replied that he does not believe the County has the current numbers. Mr. Young said he would be sure to get the current numbers to the County.

Chair Runyon called a recess at 10:07 a.m.

The session reconvened at 10:20 a.m.

A brief discussion ensued regarding the need to formally approve the Tax Abatement Agreement. While the Resolution contains language approving the agreement, it was decided that it would be best to approve it separately.

{{{Chair Runyon moved to approve the Enterprise Zone Tax Abatement between the City of the Dalles, Wasco County and Design LLC. Commissioner Kramer seconded the motion which passed unanimously.}}}

Discussion Item – CIS Play or Pay
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Mr. Stone explained that this is under the Affordable Care Act; the County will have to make a determination of full-time employees. Commissioner Hege noted that the County has policies defining what is full-time. Mr. Stone responded that the Act carries it's own standards for determining full-time employment. The agreement says that CIS can contract with a partner group to analyze their member companies to determine full-time/part-time employment. There is no

cost to the County. Once the determination has been made, CIS will provide the services outlined in Exhibit A of the agreement:

1. An estimate of the cost for the Member to "play," in other words, to offer insurance to eligible full-time, variable-hour, seasonal and temporary employees.
2. An estimate of the cost to "pay," in other words, to pay penalties for not offering "affordable" coverage or for not offering coverage to all who are eligible under the PPACA, and
3. An estimate of the potential subsidies for which some of your employees may be eligible through Cover Oregon (healthcare exchange).

The report will be provided to the Member within approximately 3-4 weeks following submission to TPG of the required census data. The Member will receive a customized report and a conference call with Member, TPG and CIS staff to review the results.

Mr. Stone explained that basically they will analyze the County's employee base, who qualifies and not, and how much it will cost. Commissioner Hege pointed out that the County will have to pay more money for health insurance as a result of this.

{{{Commissioner Hege moved to approve the CIS Employer Responsibility ("Play or Pay") Analysis. Commissioner Kramer seconded the motion which passed unanimously.}}}

Consent Agenda – 9.18.2013 Minutes

{{{Commissioner Hege moved to approve the Consent Agenda. Commissioner Kramer seconded the motion which passed unanimously.}}}

Discussion

Discussion ensued regarding the "On Hold" items appearing at the bottom of the Discussion List. There was some concern that although the listing is intended to keep items in mind that may be future projects or take a long time to resolve, the public perception may be that no movement is being made at all. Commissioner Hege stated that whether the listing remains or not, the Board needs to have

some way to be reminded of the items. Mr. Stone asked Ms. White to explore other methods to provide the Board with reminders.

Planning Department Appointments

Chair Runyon reminded everyone that the Planning Commission appointments had been discussed at the 9.18.2013 Board Session; the Board was unanimous in their support of the Planning Commission Advisory Committee's recommendation to appoint the two alternates to fill the vacating positions on the Commission.

{{{Commissioner Hege moved to approve Order #13-131 in the matter of the appointment of Andrew Myers to the Wasco County Planning Commission. Commissioner Kramer seconded the motion which passed unanimously.}}}

{{{Commissioner Hege moved to approve Order #13-132 in the matter of the appointment of Taner Elliot to the Wasco County Planning Commission. Commissioner Kramer seconded the motion which passed unanimously.}}}

Commission Call

Commissioner Kramer stated that and the next session he would provide an update regarding Predator Control. He reported that the ELC is moving forward and will meet Monday at 9:30 a.m. He announced that he has completed County College and will graduate with his class of 18 at the opening of the AOC Fall Conference.

Commissioner Hege stated that the AOC Regional meeting will take place next Thursday. An agenda has not yet been published; he encouraged the Board members to submit any topics they would like to see on the agenda. He noted that House Bill 1526 has passed on the House side.

Mr. Carrey came forward and expressed his discontent about circumstances in the urban growth area. He feels the residents of the urban growth area do not have representation for regulations being passed by the City that affect their lives. He complained about the haphazard nature of roads improvement in the area and the lack of maintenance for many of the roads that have been improved. He explained that run-off from improved roads deteriorates the unimproved roads. He also noted that roads have been vacated by the County so the City could absorb them, but that does not always happen.

Commissioner Hege explained that if the County does not vacate the roads and the City annexes the area into the City, the County would have to retain responsibility for roads that would be in the City.

Mr. Stone added that residents in the urban growth area have representation on the Board which determines the joint management agreement between the City and the County. Mr. Carrey said he thinks the agreement needs to be changed.

Chair Runyon said that they have had a joint meeting concerning roads with the City. Mr. Stone suggested that the County host the next joint meeting to allow for more public comment.

Mr. Carrey related that he has some property that had a wagon trail right-of-way; it was vacated in 1979. He stated that when he checked recently he learned that it was now the continuation of a road, but he was never notified. He wanted to know how they could do that without notifying the landowner.

Commissioner Hege encouraged Mr. Carrey to speak to Dan Boldt or Marty Matherly at the Road Department. Mr. Carrey replied that he has already begun that conversation.

Chair Runyon adjourned the session at 10:57 a.m.

Summary of Actions

Motions Passed

- **Approve Resolution #13-017 in the matter of adopting a community corrections plan; designation of representative to administer the community corrections plan and to apply for Department of Corrections funding.**
- **Approve Intergovernmental Agreement #4828 between the State of Oregon and Wasco County.**
- **Approve Resolution #13-016 in the matter of approving a second enterprise tax abatement agreement with Wasco County and Design LLC**

- **Approve the Enterprise Zone Tax Abatement between the City of the Dalles, Wasco County and Design LLC.**
- **Approve the CIS Employer Responsibility (“Play or Pay”) Analysis.**
- **Approve the Consent Agenda (Minutes for the 9.18.2013 Regular BOCC Session).**
- **Approve Order #13-131 in the matter of the appointment of Andrew Myers to the Wasco County Planning Commission.**
- **Approve Order #13-132 in the matter of the appointment of Taner Elliot to the Wasco County Planning Commission.**

WASCO COUNTY BOARD
OF COMMISSIONERS

Rod L. Runyon, Commission Chair

Scott Hege, County Commissioner

Steve Kramer, County Commissioner

Agenda Item
**Wasco County Commission on Children &
Families**

- [No documents have been submitted for this
item – Return to Agenda](#)

Agenda Item
Southern Wasco County School District

- [No documents have been submitted for this item – Return to Agenda](#)

Agenda Item
Wasco County Roads Public Hearing

- [Roads in Wasco County Presentation](#)
- [Public Input Questionnaire](#)
- [September 4, 2013 RAC Report](#)
- [Press Release](#)

Your Roads

The Future, Some History, and
Alternatives
For Wasco County

June 19, 2013

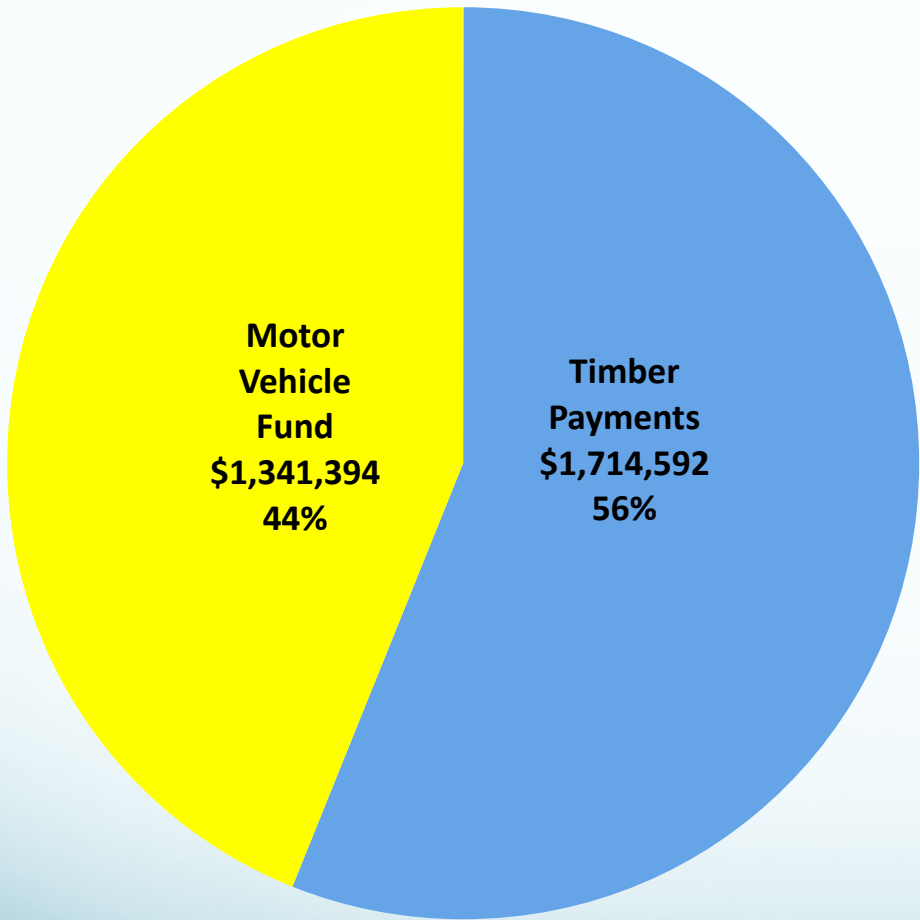
The Future . . .

- Maintain the current service level?
- Reduce the service level?
- Improve the service level?
- How good are the roads now?
 - What made them as good as they are?
- Requirements for service levels
 - Adequate funding
 - Adequate number of workers
- Timing – how long do we have?
- Current developments
 - Budget cuts – Federal and State
- Need to know history to predict the future

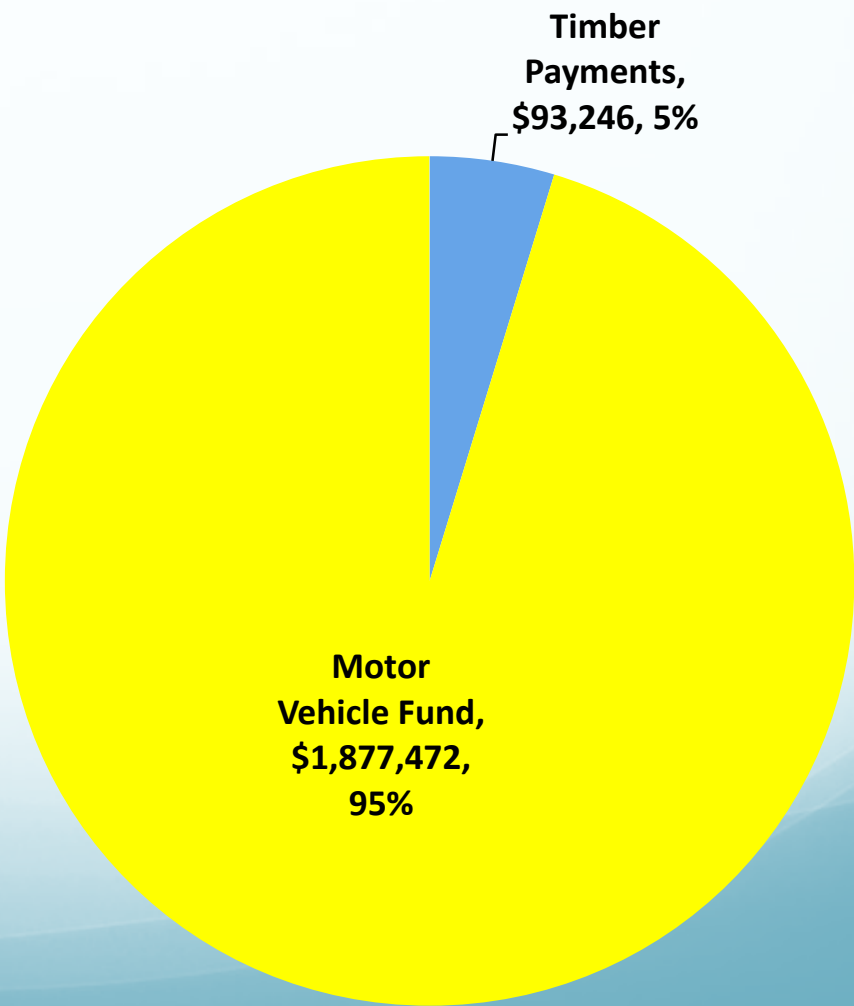
Short history. . .

- Road revenues 2000-2006: \$3.75 million – “Safety Net” period.
 - Roads are funded primarily by:
 - State motor vehicle fund – (gas tax and vehicle registration)
 - Federal forest receipts
 - PROPERTY TAXES DO NOT GO TO THE COUNTY ROADS!!!
- In 2007 elimination of “Safety Net” - expected shortfall of over a million dollars.
- Plan developed to offset shortfall:
 - Reduction in materials and capital expenditures.
 - No funding to Emergency Road Reserve.
 - Reduction in personnel - loss of 7 full-time and 2 part-time employees.
- Since 2007 “Safety Net” has been extended three times, but at reduced levels
- In 2013 last extension of “Safety Net” has expired.
- Road revenue for 2013-2014: \$2.5 million
 - Shortfall of **\$1.25 million**

**2000-2012 Average Revenue –
Motor Vehicle Fund and Federal
Timber payments**

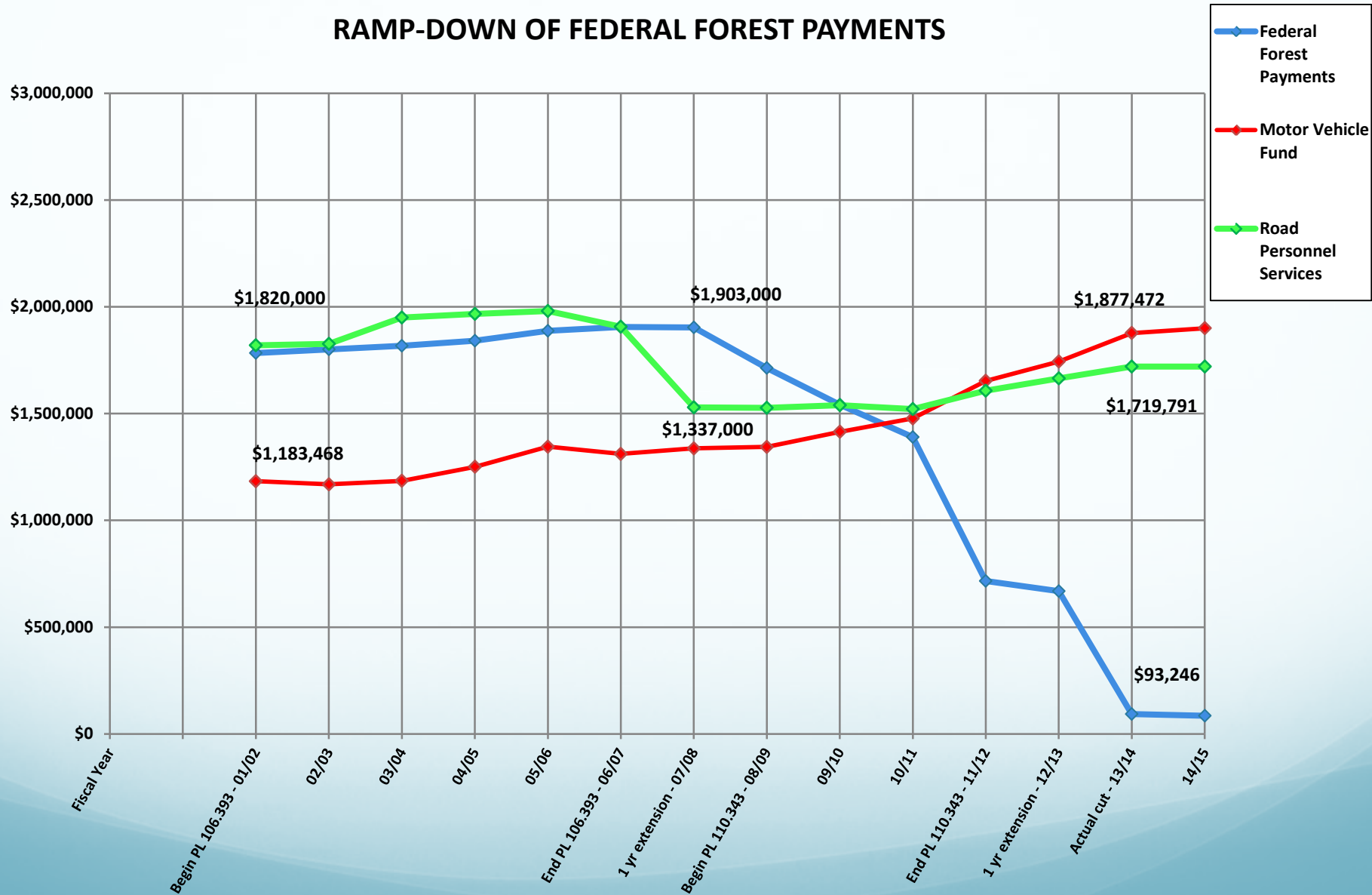


**2013 Projected Revenue – Motor
Vehicle Fund and Federal Timber
payments**



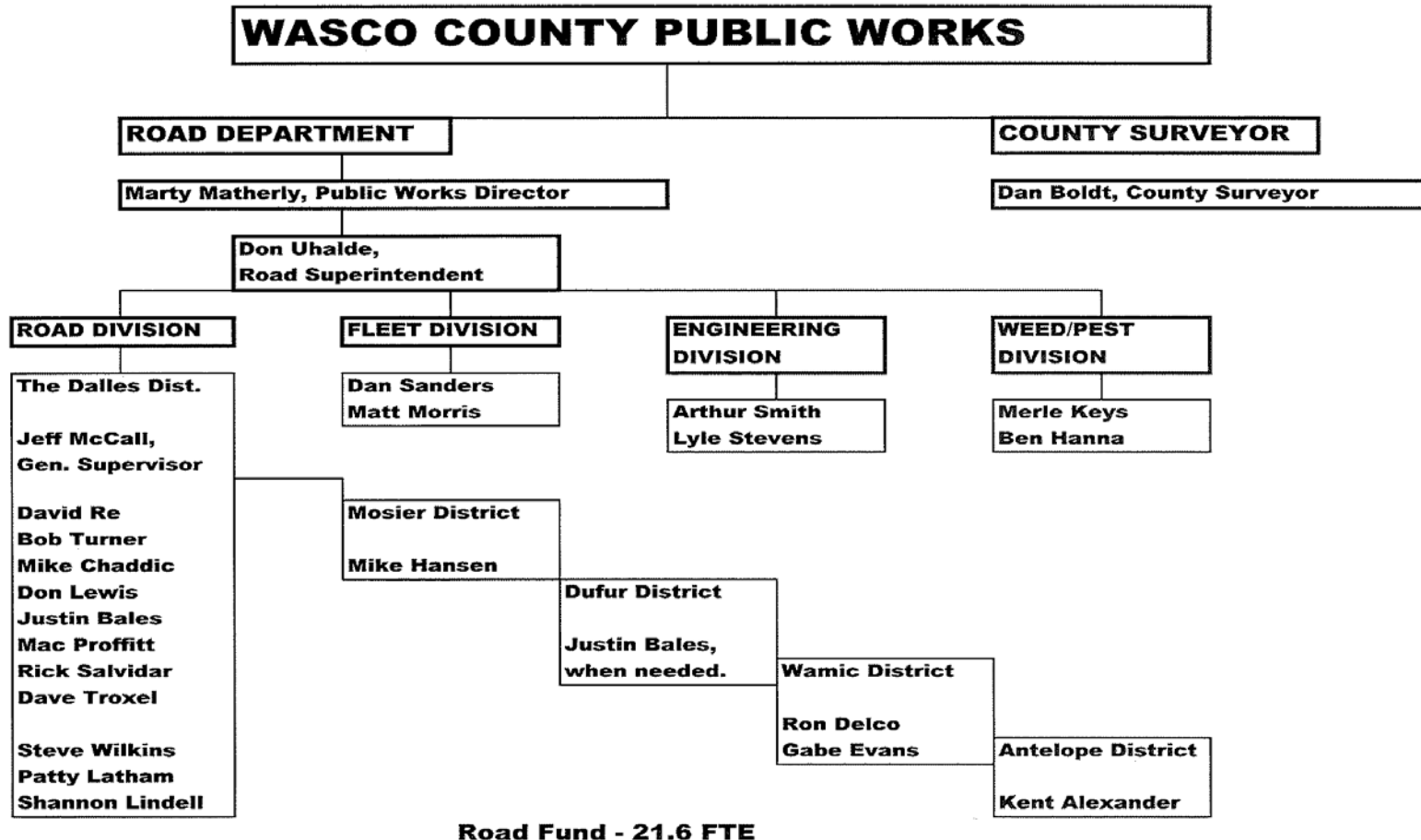
Road Revenue & Personnel Services History

RAMP-DOWN OF FEDERAL FOREST PAYMENTS



Public Works Department

Positions & People

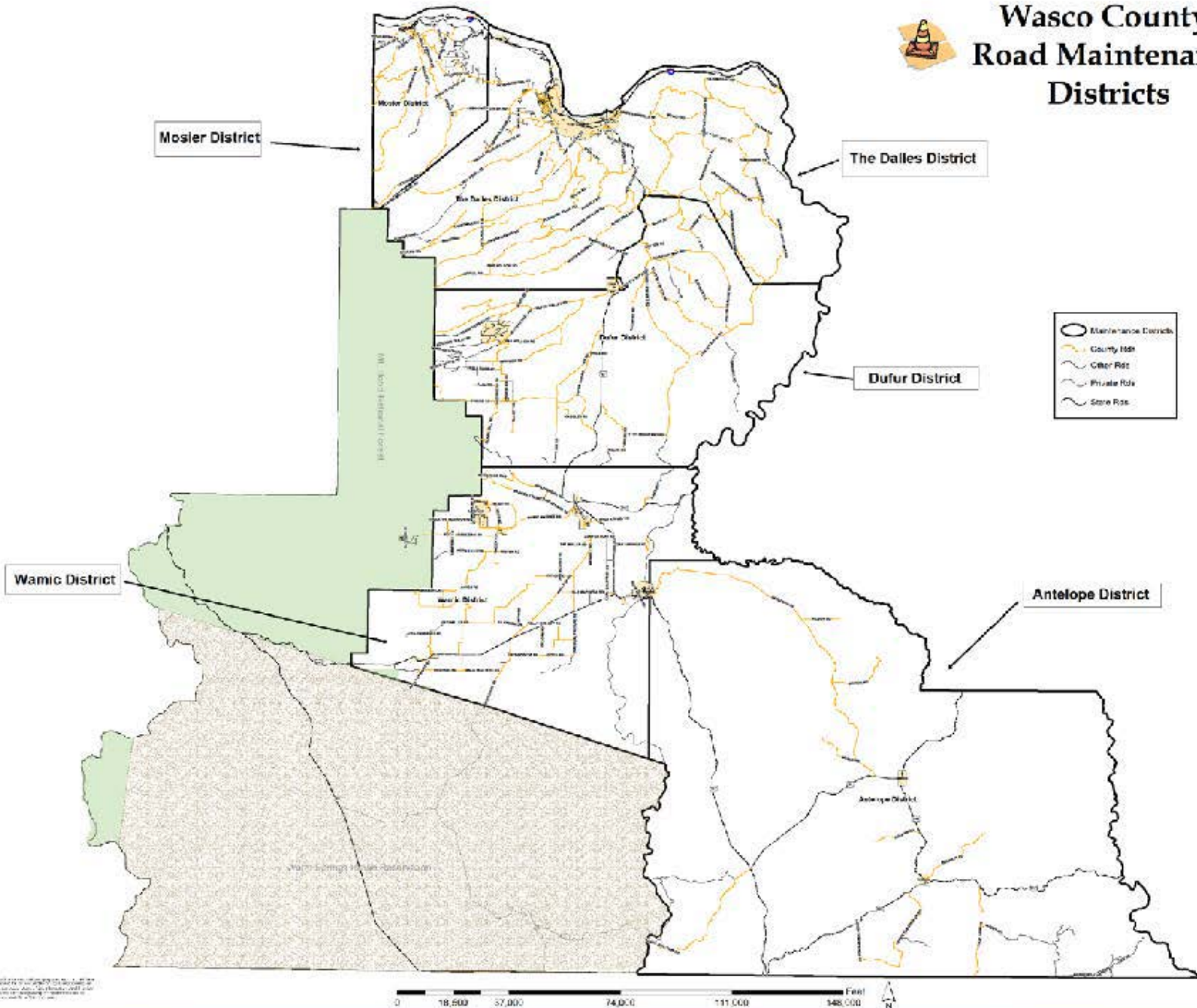


Public Works Department

What do those 21.6 people do?

- Wasco County is the 6th largest county in Oregon containing over 2,300 square miles.
- The Public Works Department is responsible for maintaining:
 - 700 Miles of county roads
 - 400 miles are gravel roads
 - 300 miles are paved roads
 - 120+ Bridges
 - 1000+ Culverts
 - 5000+ Signs
 - Snow removal, ditch cleaning, brush cutting, and much more...

Wasco County Road Maintenance Districts



Wasco County Roads

Five (5) Maintenance Districts

- The Dalles – 252.71 miles (127.45 paved and 125.26 gravel)
- Mosier – 67.17 miles (15.42 paved and 51.75 gravel)
- Dufur – 148.62 miles (60.28 paved and 88.34 gravel)
- Wamic – 129.03 miles (53.02 paved and 76.01 gravel)
- Antelope – 71.58 miles (26.17 paved and 45.41 gravel)



THE DALLES - ROAD MAINTENANCE DISTRICT

Road Name	Surface Type and Mileage			
Mill Creek	Paved	6.28		
Wrentham Mkt	Paved	6.82	Gravel	2.16
Emerson Roberts			Gravel	5.23
Fifteenmile Rd to Kelly C-O	Paved	10.61		
Fifteenmile Rd to Emerson Rbts	Paved	5.10		
Roberts Market Rd			Gravel	7.78
Benson Rd			Gravel	2.28
Columbia Hall Rd			Gravel	0.35
Company Hollow			Gravel	2.49
Davis Cut-Off			Gravel	0.82
Doane Rd			Gravel	0.62
Dry Hollow	Paved	3.32		
Dutch Flat			Gravel	2.71
E 16th	Paved	0.14	Gravel	0.27
E 10th	Paved	0.16		
F 12th	Paved	0.23		
Endersby Cut-Off			Gravel	2.12
Fivemile Rd	Paved	3.35	Gravel	1.75
Dry Hollow Lane	Paved	0.72		
Freebridge Rd			Gravel	1.83
Fulton Rd			Gravel	1.16
Jananese Hollow Cut-Off			Gravel	1.60
Jananese Hollow	Paved	3.78	Gravel	2.93
Jewell Rd			Gravel	3.69
Kelly Cut-Off	Paved	2.57		
Kloan Rd			Gravel	1.58
McCoy Rd			Gravel	3.84
Obrist Road West			Gravel	1.76
Obrist Road			Gravel	3.90
Old Dufur Rd North	Paved	2.11	Gravel	0.05
Old Moody Rd	Paved	0.30	Gravel	6.07
Old Dufur Rd South	Paved	0.13	Gravel	2.34
Orchard Rd	Paved	1.85		
Pine Hollow Rd			Gravel	7.23
Pleasant Ridge	Paved	3.97	Gravel	10.18
Skyline Rd	Paved	3.58	Gravel	12.20
Fremont St	Paved	1.75		
Bret Clodfelter Way	Paved	0.62		
Steele Rd	Paved	3.11		
Threemile Rd	Paved	4.64	Gravel	7.42
Upper Eightmile Rd			Gravel	5.97
Walston Grade			Gravel	1.69
Olney Rd	Paved	0.86		
Wrontham Cut-Off			Gravel	1.10
Dolan Rd			Gravel	1.16
Remington Rd			Gravel	0.52
Emerson Loop	Paved	10.71		
E 13th	Paved	0.49		
Eightmile Rd	Paved	3.86		
Lower Eightmile Rd	Paved	11.15		
Upper Fivemile Rd			Gravel	7.98

THE DALLES - ROAD MAINTENANCE DISTRICT (Continued)

Road Name	Surface Type and Mileage			
Lambert St	Paved	0.87		
F 18th	Paved	0.33		
View Point Dam Rd	Paved	0.70		
Morton St	Paved	0.16		
Richmond St	Paved	0.23		
W 13th	Paved	1.11		
Browns Creek Rd	Paved	3.56		
W 10th	Paved	2.12		
Cherry Heights Rd	Paved	6.06		
Anderson Way			Gravel	0.26
Rowena Ferry Rd	Paved	0.97		
Sevenmile Hill Rd	Paved	5.85		
Snipes St	Paved	0.51		
Upper Mill Creek			Gravel	4.26
Rowena River Rd	Paved	0.26		
Chenoweth Creek Rd	Paved	3.09	Gravel	3.18
Chenoweth Loop	Paved	0.58		
Sandlin Rd	Paved	0.78		
River Rd	Paved	2.06		
Knob Hill Rd	Paved	0.30	Gravel	0.53
Discovery Drive	Paved	0.79		
Walnut St	Paved	0.31		
Myrtle St	Paved	0.05		
W 8th	Paved	0.64		
W 9th	Paved	0.05		
Verdant St	Paved	0.14		
Pomona St	Paved	0.20		
Hostetler St	Paved	0.56		
W 7th	Paved	0.42		
Cascade St	Paved	0.15		
Kingsley St	Paved	0.12		
Emerson St	Paved	0.11		
W 13th	Paved	0.34		
Irvine St	Paved	0.30		
Oak St	Paved	0.10		
Maple St	Paved	0.20		
Murray Drive	Paved	0.15		
Whitman Court	Paved	0.07		
Starlight St	Paved	0.10		
Sunflower St	Paved	0.14		
Hi-Land Court	Paved	0.06		
Pine St	Paved	0.10		
Lockwood St	Paved	0.10		
Wells Rd			Gravel	1.13
Archery Rd			Gravel	0.34
Sandy St	Paved	0.12		
Fiberta St	Paved	0.05		
W 14th	Paved	0.18		
	Paved	127.45	Gravel	125.26
TOTAL MILES:				252.71

MOSIER - ROAD MAINTENANCE DISTRICT

Road Name		Surface Type and Mileage		
Behrens Rd	Paved	0.74	Gravel	1.22
Carroll Rd	Paved	1.71		
Mosier Creek Rd	Paved	2.46		
Digger Rd			Gravel	1.10
Dry Creek Rd	Paved	2.45	Gravel	3.07
Godbersen Rd			Gravel	9.60
Hood River Rd			Gravel	2.24
Huskey Rd	Paved	1.85	Gravel	5.55
Marsh Cut-Off	Paved	0.89		
Morgensen Rd			Gravel	1.53
Proctor Rd			Gravel	1.60
Root Rd			Gravel	0.89
State Rd	Paved	5.19		
Vensel Rd			Gravel	4.24
Wilson Rd (Mosier)	Paved	0.13	Gravel	3.65
Wyss Rd			Gravel	3.26
Osburn Cut-Off			Gravel	2.40
Ketchum Rd			Gravel	8.68
Catron Rd			Gravel	1.39
Gibbons Rd			Gravel	0.22
Stevenson Rd			Gravel	0.10
Davenport Rd			Gravel	0.50
Elder Rd			Gravel	0.21
	Paved	15.42	Gravel	51.75
TOTAL MILES:			67.17	

DUFUR - ROAD MAINTENANCE DISTRICT

Road Name	Surface Type and Mileage			
Dufur Valley	Paved	12.02		
Tygh Ridge			Gravel	5.73
Boyd Loop	Paved	4.72		
Adkisson Rd	Paved	1.05	Gravel	3.52
Easton Canyon	Paved	2.24	Gravel	4.64
Long Hollow	Paved	6.60		
Center Ridge	Paved	2.78	Gravel	7.93
Rail Hollow	Paved	2.45	Gravel	5.12
Old Tygh Rd	Paved	5.51		
Clark Mill Rd			Gravel	3.72
Fargher Rd			Gravel	3.44
Fax Rd	Paved	0.62	Gravel	4.68
Friend Rd	Paved	7.71	Gravel	3.26
Bolton Rd			Gravel	0.86
Hastings Ridge			Gravel	5.31
Heberlein Rd			Gravel	3.61
Old Hix Rd			Gravel	4.20
Hulse Rd			Gravel	0.50
Mason Rd			Gravel	3.29
Logging Gully			Gravel	1.56
Kingsley Rd			Gravel	2.41
Burtner Rd			Gravel	1.42
Steuber Rd	Paved	0.15	Gravel	5.80
Miller DePriest Rd			Gravel	1.76
Pole Rd			Gravel	1.53
Springer Mill Rd			Gravel	0.69
Taylor Grade			Gravel	0.79
South Valley Rd	Paved	3.12		
Ward Rd	Paved	2.78		
Winslow Rd			Gravel	5.78
Wolf Run Rd			Gravel	3.93
Ramsey Creek Rd			Gravel	1.52
J. Hix Rd			Gravel	1.34
Dufur By-Pass Rd	Paved	0.64		
Dufur Gap Rd	Paved	7.89		
	Paved	60.28	Gravel	88.34
TOTAL MILES:			148.62	

WAMIC - ROAD MAINTENANCE DISTRICT

Road Name	Surface Type and Mileage			
Wamic Mkt	Paved	6.16		
Earl Crabtree Rd			Gravel	1.20
Back Walters Rd			Gravel	2.45
Batty Rd			Gravel	0.82
Campbell Lane			Gravel	1.00
Claymior Lane			Gravel	1.95
Price Rd	Paved	0.29	Gravel	1.89
Dodson Rd	Paved	2.30	Gravel	1.52
Driver Rd			Gravel	1.48
East Wapinitia Rd			Gravel	4.96
FA Morrow Rd	Paved	2.52		
Endersby Cut-Off			Gravel	1.01
Fairgrounds Rd	Paved	3.11		
Fred Ashley Rd	Paved	1.11	Gravel	0.55
Jake Davidson Rd	Paved	0.23		
Kelly Cut-Off (Pine Grove)			Gravel	1.64
Kelly Springs Rd	Paved	0.38	Gravel	2.76
Muller Rd			Gravel	1.00
Natural Pasture Rd			Gravel	2.68
Oak Springs Rd	Paved	1.93	Gravel	1.19
Old Wapinitia Rd			Gravel	7.81
Paulson Rd			Gravel	1.21
Rock Creek Dam (Cody) Rd	Paved	3.97		
Ross Rd	Paved	2.74		
Conroy Rd			Gravel	0.97
Shadybrook Rd	Paved	3.08	Gravel	0.65
Smock Rd	Paved	6.79	Gravel	2.69
Threemile Rd (Wamic)			Gravel	1.31
Val Miller Rd			Gravel	0.78
Victor Rd			Gravel	11.39
Walters Rd	Paved	0.99	Gravel	2.26
Ted Endersby Rd	Paved	2.38		
White River Rd			Gravel	4.24
Woodcock Rd			Gravel	2.31
Reservation Rd	Paved	4.60		
Badger Creek Rd			Gravel	1.83
McCorkle Grade			Gravel	2.74
Delore Rd			Gravel	1.40
Stockton Rd			Gravel	1.00
Tygh Valley Rd	Paved	2.45		
Ditch Rd			Gravel	2.32
N Pine Hollow Access Rd	Paved	0.36		
S Pine Hollow Access Rd	Paved	0.92		
Juniper Flat Rd	Paved	6.71		
		53.02		76.01
TOTAL MILES:			129.03	

ANTELOPE - ROAD MAINTENANCE DISTRICT

Road Name		Surface Type and Mileage		
Bakeoven Rd	Paved	24.94		
Bennett Rd	Paved	0.31	Gravel	4.74
Cold Camp Rd			Gravel	6.22
Hinton Rd			Gravel	5.71
Muddy Rd			Gravel	1.50
Rooper Rd			Gravel	2.34
South Junction Rd	Paved	0.57	Gravel	9.83
Upper Tub Springs	Paved	0.10	Gravel	5.79
Wilson Rd			Gravel	2.61
Lower Tub Springs	Paved	0.25	Gravel	6.67
	Paved	26.17	Gravel	45.41
TOTAL MILES:			71.58	

Maintaining Our Roads



Dufur Valley Rd - 2012



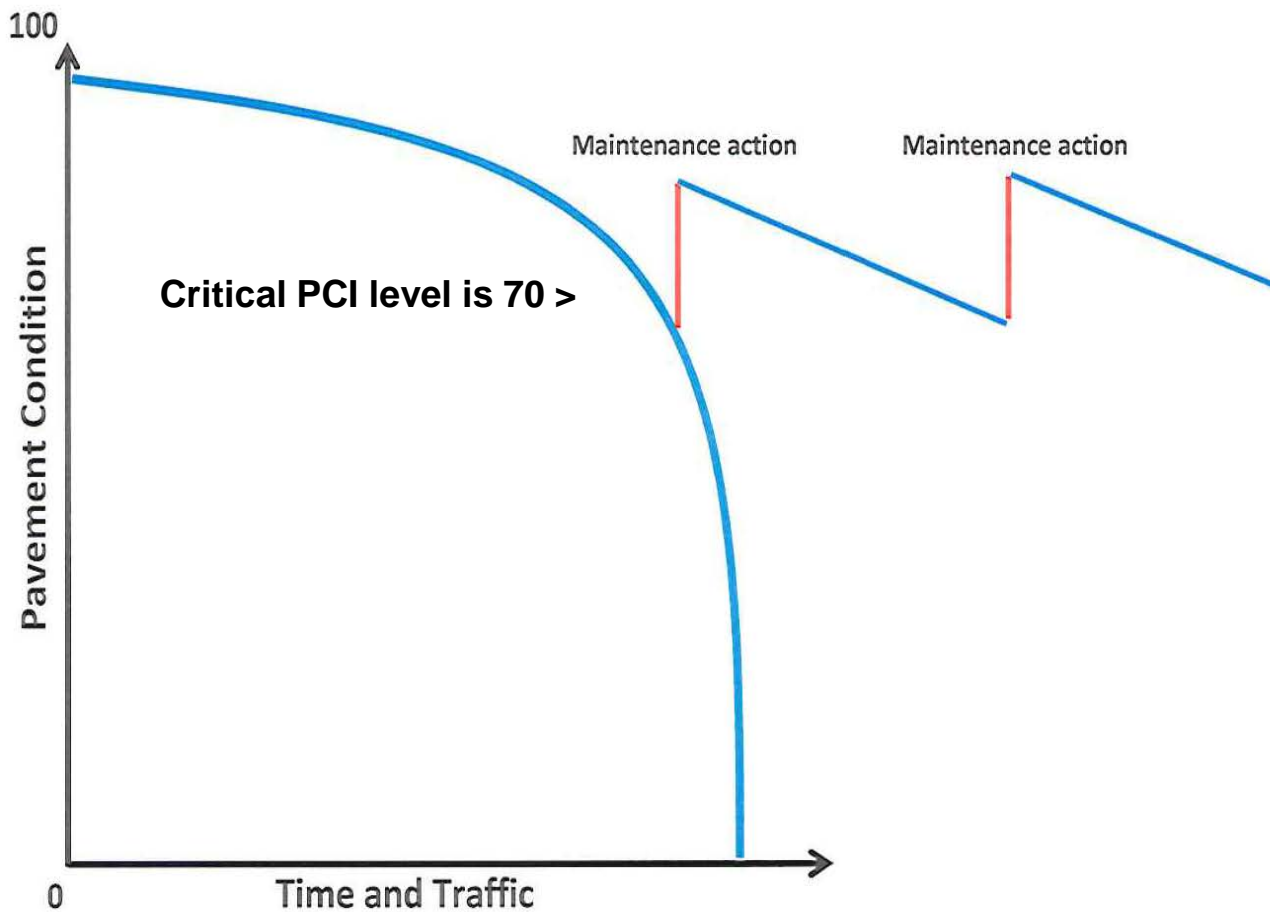
7 Mile Hill Rd - 2012

Pavement Preservation Program

- A strategy of cost effective maintenance activities to preserve paved roads.
- Includes: patching, crack sealing, chip sealing, asphalt overlays, etc.
- Wasco County adopted a formal program in 1993.
- The goal is to keep paved roads in “very good” condition.
 - Pavement Condition Index (PCI) of 85 to 70
- During “Safety Net” period:
 - Average PCI was 85
 - 30 to 40 miles of road were maintained each year
- Now (2013):
 - Average PCI has fallen to 80 and continues to drop
 - 17 miles of road are scheduled to be maintained

Pavement Lifecycle and Pavement Preservation

Pavement Condition Index (PCI)



PCI	RATING
100	Excellent
85	Very Good
70	Good
55	Fair
40	Poor
25	Very Poor
10	Failed
0	

Pavement Preservation Costs



Pavement Preservation costs per mile of road:

- | | |
|------------------------------------|-----------|
| • Maintenance (Chip Seal) | \$25,000 |
| • Rehabilitation (Asphalt Overlay) | \$150,000 |
| • Reconstruction | \$500,000 |

Preservation Costs v. Replacement Value

(Pay me a little now or pay me a lot later)

Total replacement value of Wasco County buildings - **\$30 million**

Compared to:

- Total replacement value of Wasco County paved roads - \$150 million
- Total replacement value of Wasco County gravel roads - \$50 million
- Total replacement value of Wasco County bridges - \$50 million
- Grand Total - **\$250 million**
- Most valuable asset in Wasco County: The Transportation System!

Doing the Same with Less

has already been done!

- **Hard choices** need to be made:
 - Reduce service levels
 - Reduce the road system size
 - Cuts in materials and services
 - Cuts in personnel
 - Maintain service levels
 - Emergency Road Reserve
 - Replace lost revenue

Reduce Service Levels

- Reduce **Road System** size
 - Transfer all the county roads within the UGB to City of The Dalles
 - Saves \$35,000 in yearly maintenance costs
 - Saves \$250,000 in future pavement preservation costs over 10 years (\$25,000 per year)
 - Vacate some county roads
 - Hard to quantify savings
- Estimated Total Saved: \$60,000
- \$1,250,000 less \$60,000 still leaves a \$1,190,000 shortfall

Reduce Service Levels

- Cuts in **Materials and Services**
 - Eliminate pavement preservation
 - Reduce gravel road maintenance on 200 miles of road
 - Reduce paint striping
 - Reduce vegetation management
 - Reduce general road supplies
 - Reduce fuel consumption
- Estimated Total Saved: \$450,000
- \$1,190,000 less \$450,000 still leaves a \$740,000 shortfall

Reduce Service Levels

- Cuts in **Personnel Services**
 - Eliminate all over-time pay
 - Eliminate all seasonal workers
 - Lay-off four (4) road specialists
 - Lay-off two (2) road supervisors
 - Lay-off one (1) engineer
 - Lay-off one (1) mechanic
 - Lay-off one (1) part-time secretary
- Estimated Total saved from 9 lay-offs (2007) - \$600,000
- \$740,000 less \$600,000 still leaves a \$140,000 shortfall

Maintain Service Levels

- Use Emergency Road Reserve to pay for yearly road maintenance.
 - Not a long term solution
 - Reserve will run out – 2 years of funding
 - No funds available when an emergency does occur
 - 1996 flood
 - 1995 flash flood

Maintain Service Levels

- **Replace Lost Revenue**
 - Restore federal funding – very unlikely
 - Utilize our federal forests again – great idea, won't happen for many years. Wasco County General Fund – budget problems of their own.
- Approve new funding to replace lost revenue
 - County Gas Tax?
 - County Vehicle Registration Fees?
 - County Service District for Roads?
 - Road Bond?
 - Other?

Decision Time

- If action is not taken **soon** road conditions will continue to worsen and we will lose our investment in the road system.
- Bad roads will mean:
 - Reduced safety
 - Increased wear & tear on vehicles
 - Severe negative effects on the economy
 - Impacts to commuters
 - Impacts to agriculture
 - Impacts to commercial hauling
 - Impacts to potential wind farms or other prospective business investments.

Decision Time

- Deep cuts to both materials and personnel will **devastate** the county road system, yet still not eliminate the entire funding shortfall.
- New revenue is a must, if we are to adequately maintain the County road system: \$1.25 million dollars per year.

What do you think?

- Do you have some thoughts on what we should do?
 - If yes, please complete and return the handout
- Would you support some form of new revenue dedicated to our roads, including a fee or tax?
 - If yes, what would be the best form of revenue?
- Are you willing to volunteer to help in a campaign to protect our roads?
 - If yes, please complete and return the handout

WASCO COUNTY ROADS - Questionnaire

*How long have you been a resident of Wasco County? _____ Years.

*Do you live on, or own property along a Wasco County Road? _____ Yes/No

*Rate the importance of the following services to you:

1. Very Important

2. Somewhat Important

3. Not Important

_____ Maintenance of Gravel Roads

_____ Maintenance of Paved Roads

_____ Snow removal

*Rate how strongly you would support the following alternatives:

1. Strongly Support

2. Somewhat Support

3. Not Support

_____ Reduce or eliminate gravel road maintenance

_____ Reduce or eliminate paved road maintenance

_____ Convert failing paved roads to gravel

_____ Vacate certain county roads

_____ Transfer certain county roads

_____ Utilize our Federal Forests again

_____ Add new road revenue

*Rate how strongly you would support some form of new fee or tax dedicated to Wasco County Roads?

Please rate on a scale of 1-10

1. Strongly Support

5. Somewhat Support

10. Not Support

1

2

3

4

5

6

7

8

9

10

Are you willing to help in the Wasco County Roads campaign? If so, please fill in the blanks:

Name: _____

Address: _____

Telephone: _____

E-mail: _____

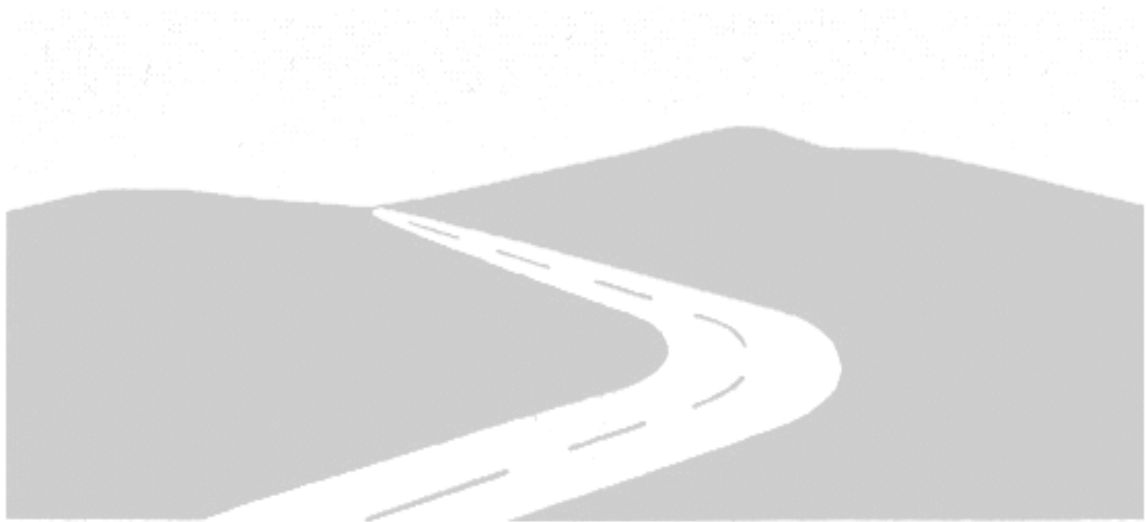
Thanks for being here!

- And thanks for caring about our roads.
- Do you have questions for us?
- If you have a question later, please contact:

Chuck Covert	3819 Columbia View Dr. The Dalles, Oregon	541-993-1011 - Cell 541-296-8277	NAPATD@gorge.net
Sherry Holliday	Box 51 Maupin, Oregon	541-980-3998 - Cell	Hollidays@centurytel.net
John Fulton	3865 Fifteen Mile Rd. The Dalles, Oregon	541-993-5845 - Cell 541-298-5845	fultonjohn@charter.net
Keith Mobley	P.O. Box 537 Dufur, Oregon	541-993-2086 - cell	mobley@ortelco.net
Ken Polehn	2690 Three Mile Rd. The Dalles, Oregon	541-993-2006 - cell	kenpolehn@gmail.com
Dan Crouse	2454 Japanese Hollow The Dalles, Oregon	541-980-7208 - cell	jdcrouse@gorge.net
Dave Cooper	2260 Dry Hollow Rd. The Dalles, Oregon	541-288-6771 - Cell 541-296-5969 or 541-296-5684	cooperorchards@gmail.com
Paul Kuehnl	1925 Paradise Ridge Rd. Mosier, Oregon	541-478-3522	lindykuehnl@yahoo.com
Dennis James	3605 Japanese Hollow Rd. The Dalles, Oregon	541-993-0761 - Cell	
Phil Kaser	4965 Fifteen Mile road The Dalles, Oregon	541-298-1091	
Marty Matherly	2705 East 2nd Street The Dalles, Oregon	541-980-3969 - cell 541-506-2640	martym@co.wasco.or.us

WASCO COUNTY ROAD ADVISORY COMMITTEE COUNTY ROADS REPORT

September 4th, 2013



WASCO COUNTY

PUBLIC WORKS

WASCO COUNTY ROAD ADVISORY COMMITTEE

COUNTY ROADS REPORT

BACKGROUND

In January of this year the Wasco County Road Advisory Committee was convened to help formulate recommendations to address the fiscal conditions in the road department resulting from the loss of federal payments. The RAC was charged with developing and investigating several goals and to bring their findings and recommendations back to the Board of Commissioners.

HISTORIC FUNDING AND CURRENT FUNDING

Since 2000, the federal “Safety Net” program made payments to timber counties after logging on the federal forests was sharply curtailed due to environmental concerns. The “Safety Net” payments represented nearly 60% of all road department revenue.

In 2007, the program began to expire and the “Safety Net” payments were greatly reduced. The road department developed a plan to offset the declining revenue: Reductions in materials and capital expenditures, no additional funding to the emergency road reserve, and reductions in personnel which included the loss of seven full-time employees and two part-time employees.

In 2013, the “Safety Net” program ended. The road department has continued to streamline and make cuts or reductions where possible. Even after those actions, the department is still facing a significant shortfall. The amount of new funding needed to replace the lost federal timber payments and to adequately maintain the county transportation system is \$ 1.6 million dollars per year. In order to reinstate the road department’s capital improvement program, the amount needed would be approximately \$1.9 million (see attached Exhibit A).

THE TRANSPORTATION SYSTEM

The road department is responsible for maintaining almost 700 miles of county road throughout five maintenance districts. 400 miles of road are gravel and 300 miles are paved. The transportation system also includes over 120 bridges, 1000 culverts and 5000 signs. Maintenance work includes chip sealing the paved roads, placing rock and blading the gravel roads, ditching, brush cutting, paint striping and snow removal.

WHAT IS HAPPENING TO THE SYSTEM

The road department has maintained their pavement preservation program, but at a reduced level due to significant increases in the costs of materials. During the “Safety Net” period the overall system PCI was 85 and 30 to 40 miles of paved road were maintained each year. The current system PCI has fallen to 80 and continues to drop and the department can only afford to maintain about 15 to 18 miles each year.



The department is also struggling to maintain their system of gravel roads. Cost increases and manpower restrictions have dictated that gravel roads are now bladed only twice per year and new rock is added only when absolutely necessary.

The current maintenance resources are not keeping up with the increasing costs and the needs of an extensive and complex transportation system. The reductions that were made in 2007 were based on the materials and personnel needed to safely maintain the road system for a short period of time. Further cuts and reductions have extended the work crews too far and the department is losing ground every year.

GOAL 1 – EDUCATE THE PUBLIC

The RAC was charged with building public awareness about the road department and its funding issues. A power point presentation was created and the strategy was to schedule meetings with as many special interest groups, service clubs and other organizations throughout the county as possible. To date, the RAC has held 19 meetings and presentations. The various groups and organizations included:

Wasco County Board of Commissioners	Dufur City Council
KIHR Radio - Mid-Columbia Today	The Dalles Senior Center
Kiwanis	Lion's Club
Governmental Affairs	Rotary Club
KODL Radio – Coffee Break	Maupin City Council
Juniper Flat Fire Board	Y 102 Radio
Wasco County Republican Party	Badger Irrigation District
Pre-Harvest Lunch Meeting	Maupin School Board
Power Breakfast Meeting	Dufur School Board
Mt Hood NF – Barlow District Ranger	

The RAC also put on a display booth during the week of the Wasco County Fair. The display included the power point presentation and several photos showing examples of county road maintenance and projects. Copies of the road questionnaire were also made available at the display.

GOAL 2 – RECEIVE PUBLIC COMMENT

The second goal of the RAC was to gauge public comment and use that information to help define acceptable service levels for the county roads. A road questionnaire was developed and distributed (see attached Exhibit B). The committee received back over a hundred surveys and the following information was found:

51% rated the maintenance of gravel roads as very important, with 53% stating they would not support eliminating or reducing gravel road maintenance.



72% rated the maintenance of paved roads as very important, with 68% stating they would not support eliminating or reducing paved road maintenance.

56% said that snow removal was very important and only 8% rated snow removal as not important.

There is also support to transfer certain county roads to the city; 47% strongly support and 43% somewhat support the idea.

Most significantly, 51% of the respondents stated they would support some kind of new fee or tax for county roads. In fact, 58% would strongly support new road revenue, while only 17% would not support new road revenue.

In our opinion, the results of the questionnaire clearly show that the public views the county roads as a critical asset that needs to be maintained. It also shows that a majority of the public would support some kind of new fee or tax to support the county roads:

WASCO COUNTY ROADS QUESTIONNAIRE

TOTAL RESPONSES: 112

AVERAGE LENGTH OF RESIDENCE: 35

LIVE/OWN PROPERTY ON COUNTY ROAD: 68%

RATE THE IMPORTANCE OF THE FOLLOWING SERVICES:

MAINTENANCE OF GRAVEL ROADS	<u>51%</u>	1. Very Important	<u>42%</u>	2. Somewhat Important	<u>7%</u>	3. Not Important	100%
MAINTENANCE OF PAVED ROADS	<u>72%</u>	1. Very Important	<u>26%</u>	2. Somewhat Important	<u>2%</u>	3. Not Important	100%
SNOW REMOVAL	<u>56%</u>	1. Very Important	<u>36%</u>	2. Somewhat Important	<u>8%</u>	3. Not Important	100%

RATE HOW STRONGLY YOU WOULD SUPPORT THE FOLLOWING:

REDUCE/ELIMINATE GRAVEL ROAD MAINT	<u>13%</u>	1. Strongly Support	<u>34%</u>	2. Somewhat Support	<u>53%</u>	3. Not Support	100%
REDUCE/ELIMINATE PAVED ROAD MAINT	<u>6%</u>	1. Strongly Support	<u>26%</u>	2. Somewhat Support	<u>68%</u>	3. Not Support	100%
CONVERT FAILING PAVED ROADS TO GRAVEL	<u>18%</u>	1. Strongly Support	<u>52%</u>	2. Somewhat Support	<u>30%</u>	3. Not Support	100%
VACATE CERTAIN COUNTY ROADS	<u>34%</u>	1. Strongly Support	<u>44%</u>	2. Somewhat Support	<u>22%</u>	3. Not Support	100%
TRANSFER CERTAIN COUNTY ROADS	<u>47%</u>	1. Strongly Support	<u>43%</u>	2. Somewhat Support	<u>10%</u>	3. Not Support	100%
UTILIZE OUR FEDERAL FORESTS AGAIN	<u>82%</u>	1. Strongly Support	<u>14%</u>	2. Somewhat Support	<u>4%</u>	3. Not Support	100%
ADD NEW ROAD REVENUE	<u>58%</u>	1. Strongly Support	<u>25%</u>	2. Somewhat Support	<u>17%</u>	3. Not Support	100%

RATE HOW STRONGLY YOU WOULD SUPPORT A NEW FEE OR TAX FOR ROADS:

AVERAGE RATING: 51%

Strongly Support
Somewhat Support
Not Support

GOAL 3 – SHORT TERM SOLUTIONS

The third goal of the RAC was to explore short-term funding solutions. The following options were considered:

1. Increase revenue by implementing fees for permits
2. Increasing contract work for other agencies
3. Use the road reserve to balance the budget
4. Reduce the transportation system by transferring county roads within the UGB area to the city
5. Reduce certain materials and services such as paving, paint striping and blading

Here are the RAC's findings on each of these options:

1. Increase revenue by implementing fees for permits – Oregon law does not allow counties to charge for utility permits. A fee could be collected for approach road permits and special event permits. The revenue from these new fees is estimated to be about \$6,500 per year. That estimate is based on a \$100 approach permit fee and a \$250 special event permit fee. These are the average permit fees used by other counties around the state. Moderate Recommendation
2. Increasing contract work for other agencies - Performing additional contract work could raise added revenue. The current amount of contracted work results in an average of \$25,000 per year. However, each hour spent on contract work is one less hour spent maintaining the county system. This decision could also put the county in a position where it would be competing against private companies for certain work. The current amount of contract work is being managed to the benefit of both the county and the other agencies. It might be difficult to add further work without jeopardizing county road maintenance and the existing contracts. Moderate Recommendation
3. Use the road reserve to balance the budget – The reserve will eventually run out and then there will not be any funds available for emergencies like the flood of 1996. Small amounts of the reserve could be used to help buy time until a long term funding solution is found. The road reserve would need to be drawn down by approximately \$350,000 per year. Moderate Recommendation
4. Reduce the transportation system by working with the City of The Dalles to transfer the remaining county roads within the urban growth area – This solution would be a one-time deal. The actual savings is somewhat hard to quantify. The maintenance cost for the 15.5 miles of county road in the UGB is estimated to be \$35,000 per year. There would also be an estimated savings of \$250,000 in future pavement preservation costs over the next 10 years - \$25,000 per year for a total estimated savings of \$60,000. We would need to negotiate an acceptable transfer process with the city. There is evidence of public support for transferring these county roads. Strong Recommendation



5. Reduce certain materials, personnel and services such as paving, paint striping and road grading – By eliminating pavement preservation, reducing gravel road maintenance on 200 miles, reducing paint striping by half, and cutting back on general road supplies; there could be an estimated savings of \$450,000 per year. However, with the department already struggling to maintain the roads, further cuts in materials, personnel and services would fundamentally be giving up on the transportation system. It would take many years of greatly increased funding with added manpower to repair the roads that were allowed to deteriorate. In addition, the public clearly stated that they were not in favor of eliminating or reducing road maintenance. Not Recommended

GOAL 4 – LONG TERM SOLUTIONS

The last goal of the RAC was to explore long-term funding solutions. The following options were considered:

1. Implement a Vehicle Registration Fee
2. Implement a Transportation Impact Fee
3. Implement a County Road District
4. Combine the City and County road departments
5. Privatize the road department

Here are the RAC's findings on each of these options:



1. Implement a Vehicle Registration Fee – The funds raised are generated by road users. Vehicle registrations are relatively stable over time. While gas taxes can fluctuate and have begun to decline as more fuel efficient vehicles are introduced, these new hybrid cars still utilize the roads and would be subject to the registration fee. The fee is simple to implement and administer as the DMV already collects and distributes the state registration fee. Revenues would be shared between the county and the cities. Strong Recommendation
2. Implement a Transportation Impact Fee – These funds would also be generated by road users. Farm vehicles and trucks weighing over 26,000 pounds are exempt from vehicle registration fees but their use contributes heavily to the wear and tear on the roads. The TIF could be based on tonnage hauled, to help recoup the actual impact from trips. At this time, there is no system in place to implement or administer the TIF. Strong Recommendation
3. Implement a County Road District – Would establish a permanent funding source for the transportation system. There are some concerns about competing with other property tax measures such as the community college and the park pool. The funds raised are not necessarily generated by the road users. Moderate Recommendation
4. Combine the City and County road departments - There have been a few suggestions that simply combining the existing road and street departments would allow the city and county to save money, yet still provide the necessary maintenance services.

However, those arguments presume cost savings through vague economies of scale and consolidation or elimination of duplicate equipment and personnel. There is also a general assumption that both

departments perform the same type of maintenance work and therefore could easily combine their services.

The City street department currently maintains over 80 miles of paved streets as well as alleys, pedestrian access ways, bicycle paths, triangle parks, sidewalks and street lighting. The department has 5 dedicated employees and shares several others for a total 7.5 FTE.

The County road department maintains almost 700 miles of road as well as 120 bridges, culverts, ditches and signs. The department has a total 21.6 FTE.

While the nature of the maintenance work is similar in some respects, each department also has very specialized and unique responsibilities. While both maintain paved roads and streets, city crews are also responsible for sidewalks, storm drains and street lighting. In contrast, the county crews must grade and shape gravel roads, maintain a drainage system of ditches and culverts, and perform bridge repairs.



The funding problem facing the county public works department was not created through overspending or overstaffing. Combining and then consolidating the city and county departments would not provide any budget relief, but would severely impact both. This new department would then also be facing the challenge of trying to administer, manage and prioritize for two specialized transportation systems. Not Recommended

5. Privatize the road department - There is a perception that privatization or out-sourcing work will allow governments to provide quality services at a much lower cost. However, audits and other reviews of state highway maintenance outsourcing programs have broadly shown that initial claims of projected cost savings and service benefits are at best, difficult to substantiate and at worst, vastly overstated:

In 2009 Oregon DOT contracted out the maintenance of an entire 10-30 mile segment of state highway for six years. The contract proceeded for two years, and because of higher costs, the Oregon legislature is currently working to terminate the contract as soon as feasible.

Cost overruns combined with hidden and indirect costs, such as contract monitoring and administration, make privatization more expensive than in-house services. The county would still be required to inspect and review all work to ensure it meets the contract quality and standards.

Additionally, there will be a loss of control and flexibility with outsourcing, as contracts must be written in very specific terms and many maintenance tasks may not be addressed or are subject to contract limitations and change orders. There are also strong concerns about how a private business would respond to emergencies or unforeseen circumstances.

The funding problem facing the county road department was not brought on by government waste or bureaucratic inefficiencies. Out-sourcing the department would not provide budget relief, but would in fact increase costs. Not Recommended

REPORT SUMMARY AND RECOMMENDATIONS

The Wasco County transportation system has been well maintained for many, many years. However, with the loss of federal forest payments, the county's ability to continue to sustain that level of service has ended.

The loss of revenue also reduces the county's ability to provide matching funds to help leverage federal-aid and/or grant money. Currently, these types of dollars are the primary source of funding for capital improvement projects.

Compounding the financial problems is the factor of increased cost of essential materials such as asphalt, fuel and rock. Those increases were placing a heavy strain on maintenance dollars even before the severe funding reduction.

Wasco County's roads are critical assets that assure the transport of goods to markets and people to places. Failure to maintain that asset will mean reduced safety and increased wear and tear on vehicles. Bad roads will also impact commuters, tourists, agricultural traffic and commercial haulers, which will have a severe negative effect on the local economy.

After several months of research, holding meetings, building public awareness and receiving comments, the Wasco County Road Advisory Committee makes the following recommendations:

1. Pursue new long-term funding sources to add \$1.6 million in revenue:
 - A. County Vehicle Registration Fee – Strong Recommendation
Counties can enact a vehicle registration fee in an amount not to exceed the current state fee of \$43 per year. A county vehicle registration fee could raise a significant amount of revenue depending on the fee level.
Revenues would be shared between the county and the cities
Research and begin development – September, 2013
Target: May, 2014 election
 - B. County Transportation Impact Fee – Strong Recommendation
These fees would be generated by road users
A transportation impact fee of less than 1% could generate several thousand dollars in revenue
Research and begin development – September, 2013
Target: November, 2013 report to the committee
 - C. County Road District – Moderate Recommendation
A county rate for \$1.6 million would be around \$0.90/thousand
A county rate for \$1.9 million would be around \$1.07/thousand
Research and begin development – September, 2013
Target: November, 2013 report to the committee

2. Professional assistance – Strong Recommendation

Authorize and fund the selection of a professional consultant to assist the committee in the initiation and implementation of a campaign that will increase the possibility of voter approval of any measure to be placed on the ballot.

Target: September, 2013 select professional – define and negotiate scope of work, fees and length of contract.

3. Transfer 15.5 miles of county roads in the urban area to the city of The Dalles – Strong Recommendation

Schedule another joint meeting with city and county officials. Begin discussions and/or negotiations for an acceptable transfer process.

Target: winter, 2013 meeting date.

4. Allow the road department to employ the following short-term funding solutions:

A. Charge fees for certain permits – Moderate Recommendation

Research and develop fee schedule – winter, 2013.

B. Expansion of cooperative efforts with other municipalities – Moderate Recommendation

Research and evaluate – winter, 2013.

C. Temporary use of the road reserve to balance the budget (contingent upon the failure of any ballot measure) – Moderate Recommendation

Evaluate during FY 2014-15 budget preparation – January, 2014.

The Road Advisory Committee **does not** recommend:

1. Further reductions in materials, personnel and services or deferring any maintenance that will allow road conditions to deteriorate.
2. Combining with the City of The Dalles street department.
3. Privatizing any portion of the road department.

EXHIBIT A

TARGET AMOUNT TO REPLACE FEDERAL TIMBER PAYMENTS

Sustainable, long-term funding needed to adequately maintain the county road system

	<u>1st Scenario</u>	<u>2nd Scenario</u>
Average Annual Budget Shortfall	\$350,000	\$350,000
Add back Capital Improvement Program	\$0	\$225,000
Add back miles of oiling	\$275,000	\$275,000
	13 miles of road	13 miles of road
	30 miles total	30 miles total
Estimated PCI	82 (+)	82 (+)
Paving cycle	10 - 15 years	10 - 15 years
Add back materials/services	\$100,000	\$100,000
rock, culverts, bridge supplies, paint, etc		
Add back personnel	\$325,000	\$400,000
	5 Full Time + 1 Part Time	6 Full Time + 2 Part Time
Add back Road Reserve	\$200,000	\$200,000
Add back equipment purchase	\$200,000	\$200,000
Add back Contingency/Grant funds	\$100,000	\$100,000
Inflation Factor	\$50,000	\$50,000
TOTAL FUNDS NEEDED:	\$1,600,000	\$1,900,000

WASCO COUNTY ROADS QUESTIONNAIRE

TOTAL RESPONSES: _____

AVERAGE LENGTH OF RESIDENCE: _____

LIVE/OWN PROPERTY ON COUNTY ROAD: _____

EXHIBIT B

RATE THE IMPORTANCE OF THE FOLLOWING SERVICES:

MAINTENANCE OF GRAVEL ROADS	_____	1. Very Important	_____	2. Somewhat Important	_____	3. Not Important
MAINTENANCE OF PAVED ROADS	_____	1. Very Important	_____	2. Somewhat Important	_____	3. Not Important
SNOW REMOVAL	_____	1. Very Important	_____	2. Somewhat Important	_____	3. Not Important

RATE HOW STRONGLY YOU WOULD SUPPORT THE FOLLOWING:

REDUCE/ELIMINATE GRAVEL ROAD MAINT	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support
REDUCE/ELIMINATE PAVED ROAD MAINT	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support
CONVERT FAILING PAVED ROADS TO GRAVEL	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support
VACATE CERTAIN COUNTY ROADS	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support
TRANSFER CERTAIN COUNTY ROADS	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support
UTILIZE OUR FEDERAL FORESTS AGAIN	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support
ADD NEW ROAD REVENUE	_____	1. Strongly Support	_____	2. Somewhat Support	_____	3. Not Support

RATE HOW STRONGLY YOU WOULD SUPPORT A NEW FEE OR TAX FOR ROADS:

AVERAGE RATING: _____	1. Strongly Support
	5. Somewhat Support
	10. Not Support

FOR IMMEDIATE RELEASE

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Wasco County Residents Support Maintaining Good Roads

- Wasco County Road Advisory Committee finds residents willing to support new road revenue -

THE DALLES, Ore. (September 4th, 2013) – A citizens report presented to Wasco County Commissioners has found that, in 2013, for the first time in decades, Wasco County’s roads are in danger of falling into disrepair.

In January 2013, the Wasco County Road Advisory Committee (RAC) was convened to help formulate recommendations to address the fiscal conditions in the road department resulting from the loss of federal payments. The RAC was charged with developing and investigating several goals and to bring their findings and recommendations back to the Board of Commissioners. What they discovered was overwhelming support of maintaining good roads, with over half of the participants willing to support a new fee or tax for county roads.

“ADD QUOTE FROM CHAIR OF RAC”

Until the timber industry declined in Wasco County, revenue of timber always helped maintain roads. In 2000, the federal “Safety Net” program began to make payments to timber counties after logging on the federal forests was sharply curtailed due to environmental concerns. In 2013, the “Safety Net” program ended. The road department has continued to streamline and make cuts or reductions where possible. Even after those actions, the department is still facing a significant shortfall. The amount of new funding needed to replace the lost federal timber payments and to adequately maintain the county transportation system is \$ 1.6 million dollars per year. In order to reinstate the road department’s capital improvement program, the amount needed would be approximately \$1.9 million.

The road department is responsible for maintaining almost 700 miles of county road throughout five maintenance districts. 400 miles of road are gravel and 300 miles are paved. The transportation system also includes over 120 bridges, 1000 culverts and 5000 signs. Maintenance work includes chip sealing the paved roads, placing rock and blading the gravel roads, ditching, brush cutting, paint striping and snow removal.

Citizen Survey Results Released

The Road Advisory Committee held a survey of over one hundred Wasco County residents, finding that:

- 51% of the respondents would support some kind of new fee or tax for county roads. In fact, 58% would strongly support new road revenue, while only 17% would not support new road revenue.
- 72% rated the maintenance of paved roads as very important, with 68% stating they would not support eliminating or reducing paved road maintenance.
- 56% said that snow removal was very important and only 8% rated snow removal as not important.
- There is also support to transfer certain county roads to the city; 47% strongly support and 43% somewhat support the idea.

After several months of research, holding meetings, building public awareness and receiving comments, the Wasco County Road Advisory Committee set out short term and long-term recommendations. Among these recommendations is the transference of 15.5 miles of county roads in the urban area to the city of The Dalles and new funding sources, such as a County Vehicle Registration Fee of \$43 per year. Among their chief concerns is to pursue new long-term funding sources to add \$1.6 million in revenue without putting too much extra burden on the taxpayer.

The Road Advisory Committee was also clear about strategies it does not recommend, such as further reductions in materials, personnel and services or deferring any maintenance that will allow road conditions to deteriorate. The RAC also discourages against the road department combining with the City of The Dalles street department as well as any privatization of the road department.

“Wasco County’s roads are critical assets that assure the transport of goods to markets and people to places. Failure to maintain that asset will mean reduced safety and increased wear and tear on vehicles. Bad roads will also impact commuters, tourists, agricultural traffic and commercial haulers, which will have a severe negative effect on the local economy,” the report finds.

Wasco County residents interested in preserving and maintaining the county’s good paved and unpaid roads are invited to join a new Facebook page at www.facebook.com/wascocountygoodroads.

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Wasco County Board of Commissioners Appearance Record

NAME	ADDRESS	CITY	STATE
✓ Gary + Vicki Ashley	90530 Baraboo	Maupin	OR
✓ Lanny Brown		Maupin	OR
✓ Craig Sadygo		Maupin	OR
✓ Jim McNamee		Antelope	OR
✓ Don Games		Antelope	OR
✓ Shane Games		"	"
✓ Hal Lindell			
✓ Shannon Lindell			
✓ Sherry Holiday			
✓ Lowell Foreman			

DATE: 10.2.13