

**RECORDED**

**DEC 1 6 2016**

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**Clatsop County Board of Commissioners  
Regular Meeting  
November 9, 2016**

Chair Scott Lee called the meeting to order at 6:00 pm., in the Judge Guy Boyington Building, 857 Commercial Street, Astoria, Oregon. Also present were Commissioners Sarah Nebeker, Lisa Clement, and Lianne Thompson and Dirk Rohne.

Staff Present:

Cameron Moore	County Manager
Heather Reynolds	County Counsel
Monica Steele	Budget & Finance Director

**AGENDA APPROVAL**

*Thompson made and Clement seconded a motion to approve the agenda. Motion carried unanimously.*

**PRESENTATION**

a. 1<sup>st</sup> Quarter Financials

Steele addressed the Board to report the 1<sup>st</sup> quarter financials for the fiscal year 2016-17. For expenditures, all funds as a whole are currently coming in as expected. For revenues the unaudited beginning balances for several funds came in slightly higher than the budgeted amounts which are a result of realized savings within the funds as well as increased revenues in the prior fiscal year. Steele showed a slide with the revenue collections of all funds for the 1<sup>st</sup> quarter. The General Fund has collected 14% of the budgeted revenues which is up slightly from the previous fiscal year primarily as a result of the 1<sup>st</sup> quarter timber revenues coming in higher this fiscal year in comparison to 2015-16. The unaudited beginning balance is approximately \$743,000 higher than projected in the current year budget and is a result of staff's diligence in conserving funds as well as revenues coming in slightly higher than anticipated. The majority of property taxes will be reflected in the 2<sup>nd</sup> quarter report. As of the 1<sup>st</sup> quarter, 73% of the budgeted amount of timber revenues in the General Fund was collected. The General Fund payroll for the 1<sup>st</sup> quarter is at 22.8% which is in line with where it should be at this point in the fiscal year. The slight increase in payroll over the previous fiscal year is a result of increased FTE, and a COLA increase. Overall, the General Fund is at 20.3% expended. The Commissioners expended \$612.00 in the 1<sup>st</sup> quarter. Negotiations with the nurse's union that came to conclusion following the adoption of the budget resulted in a salary increase greater than the amount budgeted; however, some vacancies in staff positions as well as new hires have resulted in those increases being able to be absorbed into the existing budget. The Household Hazardous Waste facility is still an ongoing construction project which staff hopes to have completed in the current fiscal year. The Roads Admin & Support org unit is running slightly above the 25% for the first quarter due to the one time annual insurance payment that was made at the beginning of the fiscal year and came in approximately \$2,300 higher than anticipated, staff will monitor this to see if savings can be realized in other areas to offset the increase. All other expenditures within the org unit are in line with where they should be at this point in the fiscal year. Road Maintenance & Construction is also slightly above the 25% percent mark which is a result of road oil and chemical purchases. The Equipment & Replacement Org Unit

1 has not yet purchased any of the budgeted equipment therefore expenses are well below the 25%  
2 mark. The Road District Budget is above the 25% mark because the funds that are available to  
3 transfer each quarter are transferred up to the amount budgeted into the General Roads Fund.  
4 Most of the remaining funds within the county are below the 25% amount for the 1<sup>st</sup> quarter,  
5 which is a result of many of these funds having budgeted contingencies. Those funds that are  
6 significantly above the 25% mark are a result of transfers that occurred in the 1<sup>st</sup> quarter to close  
7 out the fund or as in the case of the Debt Services fund a result of budgeted loan payments.  
8 Overall, funds continue to be in line was budgeted, and those that are running higher will  
9 continue to be monitored for other areas where savings may be realized. Through the 1<sup>st</sup> quarter  
10 due to some unanticipated costs associated with the settlement of the DA Union contract and an  
11 increase in grant funding that requires a county match, budget adjustments have been made in the  
12 amount of \$102,600. This reduces the budgeted \$1,989,400 contingency to \$1,886,800. Steele  
13 told the Board that funds were appropriated to do an update to the county's existing Long-Term  
14 Financial Plan. In August, county staff distributed an informal request for proposals to five firms.  
15 The county received proposals back from two firms as well as a letter from one firm stating that  
16 they were not in a position at this time to provide the requested services. Moore and Steele  
17 reviewed the proposals and based on the information provided they selected the firm Talbert,  
18 Korvola & Warwick, LLP (TKW) to provide the services. Staff will be bringing a contract to the  
19 Board in the near future of a not to exceed contract with TKW in the amount of \$35,050.  
20 Thompson said she is very curious about the Long Term Financial Plan and asked Steele what  
21 the timeline is for the progress of the review. Steele said they hope to bring the contract to the  
22 Board in January and are looking at a six month timeline. Thompson asked if there would be a  
23 broader participation in the development of the plan. Steele said the county's current plan has  
24 served the county well so TKW will be reevaluating the existing plan and making  
25 recommendations for improvements. Steele said the Board will be updated on a regular basis  
26 throughout the process. Moore said it is important to note that the current plan is working very  
27 well and it is accomplishing most of the county's goals. Thompson said she has concerns herself  
28 about the services that the county is delivering and is looking for a way to improve those  
29 services. Thompson asked if the Board would have input and Steele answered yes.

30

31 **BUSINESS FROM THE PUBLIC**

32 Carolyn Eady, 1990 S.E. Sheridan, Astoria. Eady said she is not interested in closing down the  
33 logging industry and knows it is an important part of the local economy. Eady gave the Board a  
34 copy of an article regarding the Linn County class action lawsuit. Eady has come to the  
35 conclusion that the lawsuit is a blatant attempt by a large forest industry to gain access to the last  
36 remaining state forest and have the state taxpayers pick up the tab. Eady said the money that  
37 Clatsop County could receive from this lawsuit is not free money and the timber companies have  
38 the most to gain. Edie said if the Board doesn't opt out they will be liable for legal costs.

39

40 Helen Westbrook, 2860 Log Bronc Way, Astoria. Westbrook said the Linn County lawsuit  
41 argues that money for trust counties was the primary focus of the 1941 legislation that was  
42 developed to let the State accept ownership from the counties of the burned and logged over  
43 forest lands. The Linn County lawsuit says the forest trust counties understood the phrase  
44 "greatest permanent value" to mean the greatest potential to generate revenues for counties and  
45 their local districts. Westbrook stated that Linn County said neither they nor the other class  
46 members consented to the greatest permanent value rule but Westbrook said they did consent.

1 Westbrook said there was an advisory committee that was formed by the Department of Forestry  
2 to prepare the draft language on the purpose of the forest land and the concept of the greatest  
3 permanent value. The advisory group, including county commissioner representatives, worked  
4 on a draft and accepted testimony for more than a year. The draft was sent to the Board of  
5 Forestry who then held public hearings on the proposed draft language. Westbrook gave the  
6 Board letters written by Lincoln, Tillamook, Benton and Clackamas Commissioners in support  
7 of the draft plan. Westbrook also shared the Linn County Board of Commissioners Resolution  
8 supporting the Forest Management Plan that first implemented the 1998 Greatest Permanent  
9 Value language. Westbrook said that the idea that somebody pulled a fast one on the county and  
10 wasn't involved in the Greatest Permanent Value process is disingenuous.

11  
12 Susana Gladwin, 82316 Hwy 103, Seaside. Gladwin asked the Commissioners to opt out of the  
13 Linn County lawsuit. Gladwin said if Clatsop County wins the suit then state forestry will be  
14 caught in a lawsuit that demands increased cutting. Gladwin said increased cutting will be  
15 damaging to streams which will lead to lawsuits from environmentalists. Gladwin said there is  
16 huge income generated to the county and it is not just from cutting trees. Gladwin hopes that  
17 Clatsop County opts out of the lawsuit.

18  
19 **CONSENT CALENDAR**

20 *Thompson moved and Clement seconded a motion to approve the consent calendar. Motion*  
21 *carried unanimously.*

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24  
25 **BUSINESS AGENDA**

26 a. Authorize participation in MERS litigation  
27 Reynolds said eleven counties have filed suit against Mortgage Electronic Registrations Systems  
28 (MERS). Clatsop County has been asked to join the lawsuit. MERS was set up so banks could  
29 transfer properties between themselves without having to pay the county for the filing fees.  
30 Clatsop County had over 10,000 deeds filed since 2011 where MERS is the named beneficiary. It  
31 is believed a significant number of those loans have transferred owners during the last 5 years.  
32 Clatsop County was not paid and the people who owned the property didn't know who their  
33 mortgage holder was. The county is still getting MERS filings and the lawsuit would prevent that  
34 and require them to pay for the fees. The cost of joining the lawsuit is \$1500.00 as a retainer fee.  
35 Moore said the county may be missing between \$35000-70000 a year. *Nebeker moved to*  
36 *authorize participation in litigation against MERS and approve the Contingency Fee Agreement*  
37 *with D'Amore Law Firm and approve the Common Interest Privilege Agreement and Thompson*  
38 *seconded. Motion carried unanimously.*

39  
40 **COMMISSIONERS' REPORTS**

41 Thompson said she appreciates the members of the community who share their opinions and she  
42 plans to take these into account as the Board deliberates. Thompson said she participated in a  
43 rural trauma team development course at Tillamook hospital. Thompson said they are looking for  
44 ways to expand the capacity of global to organize and respond to catastrophic events. Thompson  
45 attended the Episcopalian Convention and discovered they have a disaster committee. All entities  
46 are willing to come together to address common concerns. Thompson spoke with Jeff Rusiecki,

1 Emergency Communications Manager, about having a comprehensive unified system of  
2 emergency communications response in the county. It would look at the infrastructure and what  
3 it takes to maintain services to all the entities in the county.  
4

5 Rohne attended a telephonic Northwest Senior & Disability Services meeting and learned they  
6 did not budget enough for PERS adjustments so they need to watch their budget so they can  
7 provide the best services with the money they have. Rohne attended the County's Farm and  
8 Forest Land Code Review, the planning staff hopes to use that review to look at residential  
9 agricultural areas and promote economic development on a small scale.  
10

11 Nebeker attended the Astoria Music Festival Board meeting and said they are struggling  
12 financially. This festival has grown in quality and capacity which attracts people from long  
13 distances. They are trying to figure out ways to do more fundraising. Sergey Antonov, a cellist,  
14 comes from the east coast to perform at the festival. This festival brings a great deal of revenue  
15 to the county.  
16

17 Clement met with Bruce Buckmaster from the Oregon Department of Fish & Wildlife Board to  
18 learn what has been happening. The Kitzhaber plan will be taking effect in 2017. Buckmaster  
19 believes that the plan won't happen and will ask for anyone to submit a better fishing method.  
20 Clement said Buckmaster could use a letter from the Board about Clatsop County's fishing  
21 industry.  
22

23 Lee toured the Emergency Operations Center along with Governor Brown. Tom Horning who is  
24 a Geologist briefed the governor. Northwest Oregon Housing Authority (NOHA) achieved  
25 funding for three renovations. NOHA is trying to get the note for Clatsop Shores which will  
26 make the trust fund whole. NOHA is now considering keeping Clatsop Shores particularly if the  
27 trust fund collateral can be released. The merger may be complete in January. Lee attended the  
28 CREST meeting and handed out the response from the CREST attorney to Aiken Blitz. Blitz is  
29 representing the City of Warrenton to not remove the Eight Street Dam.  
30

### 31 COUNTY MANAGER'S REPORT

32

33 Moore reminded the Board that in January will be the kick off of the Charter Review Committee.  
34 Applications are still being solicited from the public for the at large members and if the  
35 Commissioners feel comfortable they could begin making the appointments at the December 14<sup>th</sup>  
36 Board meeting. Moore is presuming the Board will hold interviews for the four at large seats.  
37

38 **ADJOURNMENT 6:49pm**  
39

40 Approved by,

41   
42 \_\_\_\_\_  
43 Scott Lee, Chairperson  
44