

**MINUTES**  
**UMATILLA COUNTY BOARD OF COMMISSIONERS**

Meeting of September 9, 2015  
9:00 a.m., Room 114, Umatilla County Courthouse  
Pendleton, Oregon

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

**County Counsel:** Doug Olsen

**Members and Guests Present:** Tamra Mabbott, Planning Director; Dave Price and Judy Price, Blue Mountain Alliance; J. R. Cook, Northeast Oregon Water Alliance; Paul Chalmers, Assessment & Taxation Director; Dan Lonai, Administrative Services Director; Wendie Kellington, attorney (via telephone)

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**CALL TO ORDER**

The meeting was called to order at 9:01 a.m. Chair George Murdock welcomed all and reminded those present that the meeting was a public forum. It is being recorded and minutes will be taken. Chair George asked Commissioner Givens to read letter from Ben Winters, Milton Freewater. It was a letter commendation for Bob Waldher.

1. Wheatridge Project Comments. Chair Murdock opened the public hearing on the Wheatridge Project. Staff report was given by Tamra Mabbott, Planning Director. Attorney Wendie Kellington was on the telephone.

Ms. Mabbott showed a map from applicant of the proposed wind farm on the monitor. Most of the farm is located in Morrow County.

The second map showed intra-connection corridor and substations in Umatilla County. It is a 500 mw project being submitted to EFSC for consideration with 292 turbines. The third map (created by Julie Alford, Planning Department) was a close up of zone overlay of project in both Umatilla and Morrow Counties. This map showed proposed transmission lines from information from UEC. However, the transmission line is not in the application. The applicant is asking EFSC to make the transmission line a condition of approval as part of permitting process.

This went before the Planning Commission on August 27 with testimony from public and applicant, but a UEC representative was not present. The Planning Commission gave unanimous support for legal analysis of Wendie Kellington suggestions. Ms. Mabbott reviewed the permitting process with EFSC, and noted the Board of Commissioners is a special advisory group to EFSC for this purpose. This allowed for public input to the process. The comment

deadline was August 31, but EFSC approved permission to extend the deadline to September 21. The Board can direct staff to prepare findings and comments to EFSC.

The Board's packet of information included a letter from EFSC's Sarah Esterton, draft minutes, legal analysis by Wendie Kellington, exhibits to the Planning Commission and public letters, Planning Commission packets, and flow chart for EFSC permitting process.

Ms. Mabbott summarized with a quote from Tammie Williams; ' we support wind power but the applicant does not meet county codes'. The applicant said that the transmission line is stand-alone project and therefore does not have to be permitted with turbines.

Commissioner Elfering asked if 'strawberry substation' was built. Ms. Mabbott advised no, they were conceptual. There may be a substation built by BPA on the corner of Edwards and Feedville Roads, but there is no application or correspondence on it. Property owners along proposed transmission line are very concerned.

Commissioner Givens asked Wendie Kellington if EFSC was not following with the appointed county advisory council. She replied that EFSC has interpreted its own standards and do not require a transmission line to be permitted with wind farm. As a matter of state administrative rule, a transmission line and farm must be permitted at the same time. On page 5 of her memo, it says that they must be one project and the State has made a mistake for the project to not require one permit for both. Umatilla County is doing its job following its codes and following approved farming practices impact standards.

Commissioner Givens said EFSC does not seem to be following the standards set out or the county code, and even by appointing the County Board of Commissioners as special advisory group. Ms. Kellington said EFSC is required to apply standards of the county, and if it does not, a goal exception is required, which is extraordinary -- EFSC would have a tough time doing that. The applicant has not provided enough information -- for EFSC to take exception. Ms. Mabbott advised on page 12 addresses balancing authority.

Ms. Kellington: In representing Umatilla County, four items are identified; 1. 292 additional wind turbines as adverse impact on farming practices. 2. Has applicant established components location of wind farm including substations, 3. Established transmission both in and out of project. 4. Has applicant established fire hazard plan. The Board role is to provide comments on the application and does it meet substantive applicable criteria.

The applicant asks for a 6-year site certificate to build farm and transmission line separate. The Planning Commission determined the application did not meet county criteria.

Ms. Kellington referenced a September 2 memo, attachment 1, which states cumulative impacts standard. County cumulative impacts standard is embedded in farm impact standard to apply. Attachment 2 was a technical memo from Idaho Power, page 4 described capacity of transmission lines 230 kV can carry 300-500 MW. Attachment 3 from application notes the project does not have adverse impact but a fire department cannot do high elevation rescue at the

top of a turbine. The Planning Commissioner was very concerned about fire danger and wants more information from the application for a better plan for fighting turbine fires.

Ms. Kellington continued with cumulative and direct impact standards. She showed a map of existing and proposed wind farms in this area, all requiring transmission. The Planning Commission was concerned that cumulative impact analysis was not done by the applicant. The Planning Commission also noted that conceptual locations of substations and transmission lines did not meet county criteria. They recommended the Board of Commissioners adopt the memo noting how the applicant does not comply with county substantive criteria and should be denied. Commissioner asked Ms. Kellington and Ms. Mabbott to write these findings.

Ms. Mabbott explained what happens next at EFSC. The applicant can amend its application or start over with a transmission line and impact study done. Chair Murdock says they have a memo that Umatilla Electric Co-Op is not coming through Umatilla County. These were read at the Planning Commission meeting by Jerry Reitmann and are in record. Ms. Kellington advised that UEC could do imminent domain and take land where they wanted. Commissioner Elfering asked questions of Ms. Kellington about UEC saying it would not exercise imminent domain and would talk to farmers first, and the transmission line would go through Morrow County (this is not a commitment and the application still does not have transmission). Commissioner Elfering said that no matter what UEC says, it is not part of the application and is irrelevant. Commissioner Murdock wanted a copy of the letter of response from Board of Commissioners to UEC.

**Commissioner Givens moved to add a Board of Commissioners letter to UEC into record. Commissioner Elfering seconded, 3:0 approved.** Ms. Mabbott advised the Board would also have to adopt the rest of the packet into record. Ms. Kellington asked the Board to adopt findings and approve forwarding to EFSC.

Commissioner Givens said they did not have a complete application but the State disagreed. Ms. Kellington advised EFSC is not required to consider an incomplete application; that is what the next hearing is about.

Chair Murdock asked for Public Comment: Dave Price, Blue Mountain Alliance, 80488 Zerba Rd, Athena. He commended the county on involving legal counsel of Wendie Kellington, which has cleared up lots of issues for the general public. There is a lot of talk of insufficient information on the application, that it does not comply. He submitted written comments to the Planning Commission. They are most concerned about lack of transmission line with the application, they learned a lot from the last time they went through this. Mr. Price also discussed the 6-year site certificate request, this shows how conceptual the entire application is. He recommends that the Board of Commissioners suggest that it not be allowed. Over an extended period of time, there are many changes that happen and this should not be allowed. If they run out of time in the normal time allowed, an applicant can go through the amendment process just like every other project. He also talked about sub 1 uses from the state code, and the flexibility is reduced by going that way.

Commissioner Givens asked what the county time limit is, to which Ms. Mabbott responded there is a 2-year extension. Discussion continued – what if there was not definition of utility facility including transmission, and transmission is related supporting facility? Commissioner Elfering asked what is the process for extending a permit? Ms. Mabbott said it is just cause. EFSC has approved all extensions. Ms. Kellington said 6 years was extraordinary. Ms. Mabbott added it allows a developer to raise revenue for building but leaves landowners in limbo for that long. Mr. Price said 6 years showed lack of viability and feasibility.

Public testimony by J.R. Cook, NE Oregon Water Association, 3750 Marshall Dr., Pendleton. Renewable resource energy pits landowners against each other -- those that have it against those who do not. NOWA wrote a letter to EFSC about the danger of unplanned transmission lines through high value ag land, but the State has not done anything to date. NOPWA supports the Board of Commissioners and its stance of protecting ag land. He further felt that UEC would not build those lines for any other project -- it would be only for this project. NOWA supports corridor consolidation.

This is first time that all landowners are members of their organization, and they would NOT have known about this proposed project if it had not been for Umatilla County sending out notice. Mr. Cook talked about the Longhorn substation and how it was not fully disclosed. They are building substations in the middle of high value farmland, which supports the economy of county. This is the first test of county code.

Ms. Mabbott asked Mr. Cook about two other proposed routes along Buttercreek and Longhorn, a project in Gilliam County and the B2H transmission line. Mr. Cook talked about viable alternatives. Ms. Mabbott added that NOWA has been involved in wind siting and trying to find regional options. Commissioner Givens said there is not a final agreement with Navy. If the Navy does not grant easement, there will be significant impacts to Morrow County in terms of wind siting. If a project cannot get through Umatilla County, it will go through Bombing Range Road. Ms. Kellington advised they could always go up Buttercreek Highway as an option instead of building new transmission lines. Mr. Cook said that would take the State coming and working directly with local governments.

Chair Murdock closed the hearing at 9:40 a.m. Ms. Kellington's suggestion was to have staff draft findings and a resolution and forward the record to EFSC as proof of evidentiary findings.

**Commissioner Givens moved to have staff move forward with Ms. Kellington's suggestion the application does not follow county code HHH standards, it does propose negative impacts on farming practices, there are no substation locations to connect to, no specific transmission line is included with application, and there is incomplete fire protection – it is not a complete application according to Umatilla County standards. Commissioner Elfering seconded the motion.** Discussion: Commissioner Elfering added that there is no definition of generation-tie lines in the application, lines are not in keeping with UEC information on future lines – Umatilla County does not know where lines will be built and there is no information on the applicant utilizing current existing lines. Further, he suggested asking EFSC to send application back to applicant. Ms. Kellington suggested advising EFSC

that the application failed to contain information to meet County standards and also include the Board's position that the applicant does not meet State standards. Commissioner Givens asked if it would be better to ask EFSC for denial or just based on an incomplete application? Ms. Kellington preferred noting the applicant failed to provide evidence of compliance with County standards and relevant State standards and, therefore, should be denied. **Motion passed 3:0.**

2. Payment Processing System Purchase. Paul Chalmers, Assessment & Taxation Director, and Robert Pahl, Chief Financial Officer, have been using lock box service for many years (with Wells Fargo). They have been looking at alternatives with Umpqua Bank. Mr. Chalmers and Bettina Enright, Chief of Taxation, had discussions with other counties on the proposed imaging program for checks. They are paying \$10,000 - \$11,000 per year for this service from Lock Box. The proposed service for internal control would cost \$22,000, tax payments would not have to be sent to Portland anymore. The system would allow tax payment checks to be scanned on-site and eliminate the need and expense for a drop box in Portland.

Wells Fargo had no problem with individual payments, but could not do multiple checks. This new system will enable the County to do multiple payments, have a record keeping system to track on-time payments and late payments and be internally controlled. It is a more efficient system.

Commissioner Givens asked if this would streamline process, to which Mr. Chalmers advised it would help avoid duplicate payments from mortgage and property owners. Mr. Pahl advised those payments would continue but the new system would be easier to control. Mr. Chalmers said the upfront cost is large, but, over three to four years, there would only be maintenance costs once initial equipment is paid for and for a back-up program. System repair is done locally so it could be done within hours. Discussion included clarification of costs – would it be replacing the \$10-12,000 fee per year with \$22,000 cost for first year licensing fee and equipment? What would the yearly fee be? Mr. Pahl said he believed it to be between \$3,000 to \$5,000 after a few years. In four years, it will be paid for, and no more money would be going to Portland (which is great cause of concern for tax payers). Chair Murdock asked if the County has staff and fiscal capacity? Mr. Pahl responded yes.

**Commissioner Givens moved to approve purchase of Payment Processing System from Technology Unlimited Inc. in the amount of up to \$22,000. Seconded by Commissioner Elfering. Motion passed 3:0.**

The meeting adjourned at 10:17 a.m.

*Notes taken by Gina Miller; transcribed by Melinda Slatt.*