

BOARD ORDERS AND MINUTES

IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY (“the Board”) sat for the transaction of county business in formal session on July 28, 2011, at 10:00 a.m. in Room 32 of the Courthouse, Commissioners Mary P. Stern, Leslie Lewis, and Kathy George being present.

Also present were Laura Tschabold, County Administrator; Chuck Vesper, Deputy County Administrator; Ken Friday, Planning Division Manager; Murray Paolo, Information Systems Manager; Brian Dunn and Joe Melvin, Maintenance Division; Hannah Hoffman, News-Register; Kris Bledsoe, 18695 SE Upper Island Rd, Dayton; Mark Bortnem, 21650 NE Sunnycrest Rd, Newberg; Charles Harrell, Three Centerpointe Dr, Ste 250, Lake Oswego 97035; Marc, Mike, and Matt Willcuts, 700 Deborah Rd, Ste 200, Newberg; Lanita Marler, 501 SE Davis St #6, McMinnville; Sam Eastman; and Doug Ott, 12850 NE Red Hills Rd, Newberg.

Commissioner Stern called the meeting to order at 10:00 a.m.

A. **PUBLIC COMMENT:** This thirty-minute time period is reserved for public comment on any topic other than a quasi-judicial land use matter or other topic scheduled for public hearing. Unless extended or restricted by the Chair or majority of the Board, public comment will be limited to three minutes per person.

Kris Bledsoe, referring to item C(6), stated that she speaks for many in the county in saying that the harassment and vindictive charges against Murray Paolo have been terrible for the county as a whole and horrendous for Mr. Paolo, who is an upstanding and honorable citizen and one of the county’s finest employees. She said that the ordeal has permanently damaged his reputation, has probably affected his health due to stress, and was uncalled for. She said that since the accusations were made publicly, all three commissioners owe him a public apology. She requested that the public be provided more information about why this occurred when all charges were dropped by state authorities. She said that before any charges are made against employees in the future, the county should understand the potential damage that can be done to the individual.

SPECIAL RECOGNITION: Presentation to Joe Melvin in recognition of his 20 years of service to Yamhill County.

B. **CONSENT AGENDA:** Ms. Lewis moved approval of the consent agenda with the omission of item B(2). The motion passed, Commissioners Stern, Lewis, and George voting aye.

Personnel

1. **B. O. 11-449** - Approve the change of status of David Manitsas, HHS Family & Youth, to Range 27, Step 4, effective August 9, 2011.

Contracts/Grants

2. **See Other Business** - Approve a letter of engagement between Yamhill County and Boldt, Carlisle & Smith, LLC, provider, for audit services for the 2010-11 fiscal year, \$40,610.

3. **B. O. 11-450** - Approve the 2011-13 Financial Assistance Agreement #134337 between Health & Human Services and Oregon Department of Human Services for the financing of community addictions and mental health services, \$866,772, retroactive to July 1, 2011, through June 30, 2013.

4. **B. O. 11-451** - Approve Amendment #1 to the 2011-13 Financial Assistance Agreement #134337 between Health & Human Services and Oregon Department of Human Services, revised total for 2011-12 fiscal year \$3,859,562.

5. **B. O. 11-452** - Approve Amendment #14 to an agreement between HHS Adult Mental Health and Mid-Valley Behavioral Care Network for Oregon Health Plan mental health services, retroactive to July 1, 2011.

6. **B. O. 11-453** - Approve a contract renewal between Health & Human Services, provider, and Catholic Community Services for the Fostering Hope home visiting program, retroactive to July 1, 2011, \$60,600, through June 30, 2012.

7. **B. O. 11-454** - Approve Grant Agreement #15974 between HHS Public Health, grantee, and Northwest Health Foundation for the Public Health Accreditation Project, \$10,000, retroactive to July 1, 2011, through June 30, 2012.

C. **OTHER BUSINESS** (Add-ons and non-consent items):

1. **B. O. 11-455** - Consideration of approval of a letter of engagement between Yamhill County and Boldt, Carlisle & Smith, LLC, provider, for audit services for the 2010-11 fiscal year, \$40,610.

Ms. George moved approval of item C(1). Ms. Lewis stated that this amount is probably reasonable for the county, but she wasn't able to attend the Extension Service District and Cove Orchard Sewer Service District meetings on Monday to vote against the letters of engagement with those districts, so she will vote no on this one. She said that the others are a burden on the taxpayers and the charges are disproportionate to the amount of work being done, especially since those audits are done in conjunction with the county audit.

Ms. George stated that inquiries were made to local CPAs and they would charge about twice as much for the district audits as Boldt, Carlisle & Smith is charging, so she feels that the amounts are reasonable. The motion passed, Commissioners Stern and George voting aye and Commissioner Lewis voting no.

2. **B. O. 11-456** - Consideration of the change of status of Jeffrey Ivie to Supervising

Appraiser in the Assessor's Office, Range 23, Step 1, retroactive to July 24, 2011.

Ms. Stern moved approval of item C(2). Ms. George stated that she is not opposed to the position, but believes that it should be a temporary position until the assessor gets through the work that he needs done now and can then re-evaluate the position. Ms. Stern stated that the Board and the Budget Committee review positions annually and can make changes as needed. The motion passed, Commissioners Stern and Lewis voting aye and Commissioner George voting no.

3. **B. O. 11-457** - Consideration of the change of status of Robert Graper to Assistant Assessor in the Assessor's Office, Range 25, Step 5, retroactive to July 24, 2011.

Ms. Stern moved approval of item C(3). The motion passed, Commissioners Stern and Lewis voting aye and Commissioner George voting no for the same reason as in C(2).

4. **B. O. 11-458** - Consideration of the change of status of Jack Crabtree to increase monthly salary to \$6959 to meet statutory requirements, retroactive to July 9, 2011.

Ms. Stern moved approval of item C(4). The motion passed, Commissioners Stern, Lewis, and George voting aye.

5. **B. O. 11-459** - Consideration of approval of Amendment #2 to extend a contract employee agreement between Yamhill County and Marilyn Kennelly for CCF Director services, effective through August 31, 2011.

Ms. George moved approval of item C(5). The motion passed, Commissioners Stern, Lewis, and George voting aye.

6. **B. O. 11-460** - Consideration of unanimous approval for authorizing a payment of \$46,000 to City County Insurance Services for the reimbursement of Murray Paolo's legal expenses, pursuant to Board Order 00-932.

Ms. Stern moved approval of item C(6). Ms. Lewis declared a potential conflict of interest, but said that she would vote as allowed by law. The motion passed, Commissioners Stern, Lewis, and George voting aye.

7. **B. O. 11-461** - Consideration of approval of an agreement between the Jail and ARAMARK Correctional Services, LLC, provider, for food services in the jail.

Ms. Stern moved approval of item C(7). The motion passed, Commissioners Stern, Lewis, and George voting aye.

8. Consideration of requesting Commissioner Lewis to reimburse the county \$46,000 for the payment authorized in B.O. 11-460 for Murray Paolo's legal expenses. *[Motion failed 1-1.]*

Ms. Stern moved approval of item C(8), stating that she believes this would pose an actual conflict of interest for Ms. Lewis. Ms. Lewis agreed and left the room.

Ms. Stern read a statement of her personal opinions and beliefs regarding the way the situation with Mr. Paolo was handled. She said that any action should have taken place through the county's established review process, but Ms. Lewis initiated the audit team on her own and never sought to invoke the exemption from public disclosure that personnel matters are entitled to, which she believes was because Ms. Lewis wanted it to be a public humiliation. She added that Ms. Lewis gave the audit report to Neal Lockhart and encouraged him to file an ethics complaint. She said that with Public Works, the radio system, and now this, Ms. Lewis has demonstrated a pattern of failing to correct behavior for years and then seeking an audit, and the only reason that the county is paying a settlement now is because of her reckless behavior that exposed the county to liability. She said that this has been a tremendous waste of city, county, and state resources and she is saddened by the callous treatment of such an honorable person. She stated that approval of this motion would not create any legal obligation for Ms. Lewis to pay, but is a symbolic act in an attempt to expose the truth about an elected official with a history of repeated abuse of power.

Ms. George stated that she understands Ms. Stern's frustrations, but thinks that the motion is unnecessary. She said that the audit revealed a number of behaviors that led to many of the actions taken, and those actions were taken in good faith to find out if anything inappropriate had been done from a legal or moral standpoint. She stated that Mr. Paolo was never formally charged with anything, so it was his own decision to seek legal counsel, and Ms. Lewis' service to this county should also be recognized.

The motion failed, Commissioner Stern voting aye and Commissioner George voting no.

9. **B. O. 11-462** - Consideration of authorizing a notice of intent to award a contract for the Yamhill County Transit Center Feasibility Study to Kittelson and Associates.

Ms. Stern moved approval of item C(9). The motion passed, Commissioners Stern and George voting aye and Commissioner Lewis being excused.

The meeting recessed at 10:38 a.m. and reconvened at 10:51 a.m.

D. **OLD BUSINESS:** None.

E. **PUBLIC HEARINGS:**

1. Consideration of Planning Docket SDR-09-11(KF), a request for a community water system to serve a 16-lot subdivision, applicant Coyote Creek, LLC (Willcuts), appellant Mark Bortnem. *[Continued to August 18, 2011, at the point of Staff Recommendation; record to remain open through 5:00 p.m. on August 4 for the submission of written testimony by any party, through 5:00 p.m. on August 11 for the submission of written rebuttal by any party, and through 5:00 p.m. on August 16 for the submission of written rebuttal by the applicants only.]*

Ms. Stern opened the public hearing. There were no abstentions or objections to

jurisdiction. She stated that the commissioners did not take a site visit this time, but have all been to the area in the past. Ken Friday read the statement required for land use hearings relating to the requirement that parties must raise all issues at the hearing or waive their right to raise the issues on appeal.

Staff Report - Mr. Friday described the subject property, surrounding zoning, previous land use actions on the property, and the approval criteria for the request. He stated that Charles Harrell had hand-delivered his arguments a few minutes ago, and copies of those are in front of the commissioners now.

Proponents - Mr. Harrell, representing the applicants, agreed with the staff report that section 402.2 of the statute is the proper section to use in this case. He stated that the proposed water system was designed by SR Design, LLC, and there is information in the packet to satisfy the concerns raised by Mark Bortnem about water. He said that there is nothing concrete in Mr. Bortnem's objections to indicate that any of the approval criteria were not met.

Questions of Proponents - In response to a question from Mr. Bortnem about the requirements for construction being met, Mr. Harrell stated that the letter from the Public Health Department asked for additional documentation, but the applicants have submitted everything that was asked for up to that point. He explained that county approval is required before other jurisdictions will accept the application.

Opponents - Mr. Bortnem submitted packets of information for the record. He said that he is not opposed to the community water system, but wants to make sure that its design is compatible with the environment and community in which it resides. He reviewed his nine main concerns about the application, as explained in the packet. He also reviewed his concerns about the approval process and stated that the Planning Department applied the wrong criteria. He requested that the Board overrule the Planning Director's approval, at least temporarily, and have staff work to make the necessary corrections, followed by an open record period for review and public comment.

Questions of Opponents - In response to a question from Mr. Harrell, Mr. Bortnem read from the portion of the statute that requires utilities to be located in greeways, bikeways, or roadways, and disagreed with Mr. Harrell's interpretation that it applies only to public utilities. He said that he has never designed a water system, nor submitted an application to the state, but he has talked with people who have.

Public Agency Reports - None. Mr. Friday stated that he had consulted with the applicants to select the criteria most closely aligned with their request. He said that he tried to address ORS 215.275 in the staff report, but wouldn't mind making a conditional requirement that that be addressed. He discussed some of Mr. Bortnem's other specific concerns.

Rebuttal - Mr. Harrell stated that the applicants will have to get approval from many jurisdictions, including the county, Water Resources Department, Public Health, and Newberg Rural Fire Department, so the water system will be scrutinized in an extensive review process,

whereas the alternative of having a well to serve each one or two lots would have no approval process. Mr. Willcuts stated that he is working to build a good water system for the community and would be happy to share his future plans with the county. He said that he would prefer to do a community water system because it poses less liability for his company and is better for the community because water usage is limited and monitored, but if people were to start buying lots now, he would just go with the exempt wells.

Ms. Stern moved to continue the hearing to August 18, 2011, at the point of Staff Recommendation, with the record to remain open through 5:00 p.m. on August 4 for the submission of written testimony by any party, through 5:00 p.m. on August 11 for the submission of written rebuttal by any party, and through 5:00 p.m. on August 16 for the submission of written rebuttal by the applicants only. The motion passed, Commissioners Stern, Lewis, and George voting aye.

F. ANNOUNCEMENTS:

1. The following positions are open to the public. Contact the Commissioners' Office for applications.
 - a. Commission on Children & Families, four full members and three alternate members;
 - b. Parks & Recreation Board, one position;
 - c. Special Transportation Advisory Commission, two positions.

The meeting adjourned at 11:59 a.m.

Anne Britt
Secretary

YAMHILL COUNTY BOARD OF COMMISSIONERS

Chair MARY P. STERN

Commissioner LESLIE LEWIS

Commissioner KATHY GEORGE