

COLUMBIA COUNTY BOARD OF COMMISSIONERS
BOARD MEETING

MINUTES

January 12, 2011

The Columbia County Board of Commissioners met in scheduled session with Commissioner Anthony Hyde, Commissioner Earl Fisher and Commissioner Henry Heimuller, together with Robin McIntrye, Assistant County Counsel and Jan Greenhalgh, Board Secretary.

Commissioner Hyde called the meeting to order and led the flag salute.

MOMENT OF SILENCE:

There was a moment of silence in memory of Chief Ralph Painter.

MINUTES:

Commissioner Heimuller moved and Commissioner Fisher seconded to approve the minutes of the January 3, 2011 Board meeting. The motion carried unanimously.

VISITOR COMMENTS:

None.

HEARING: EXPANSION OF ST. HELENS/COLUMBIA CITY ENTERPRISE ZONE:

This is the time set for the public hearing to solicit input on the proposed expansion of the St. Helens/Columbia City Enterprise Zone.

David Stocker, Economic Development Director, presented the staff report on the proposed expansion of the St. Helens/Columbia City Enterprise Zone.

This enterprise zone was formed in 2007 as an incentive for business investment within Columbia County, specifically those types of businesses involved in processing, manufacturing and distributing goods to other businesses. This proposal originated with the City of Scappoose earlier this fall. There were several business owners in and around the airport who have expressed an interest in expanding the enterprise zone boundaries, which are currently limited to the cities of Scappoose and Columbia City, to bring it down around the areas of the Scappoose industrial airpark. In addition, the City of Scappoose is actively considering an expansion of their Urban Growth Boundary, which would be an effort to bring more industrial lands into the city and county. Some basic facts about enterprise zones is that they encourage business investment and there are some minimum thresholds that a business has to meet to qualify for enterprise zone tax incentive. They have to invest a minimum of \$50,000 in real personal property and increase hiring by 110% above base levels of employment that exist in the area before they submit their enterprise zone application. After the City of Scappoose requested to join, there were workshops held with the city councils and governing bodies of each of the other co-sponsors

in the enterprise zone, which includes the Port of St. Helens, Columbia City, the City of St. Helens and the County. Aside from the City of Scappoose, the City of Columbia City has requested two pieces of land be included in their enterprise zone. Both of those properties are also zoned industrial. As for the process, each of the zone sponsors must pass a resolution that recognizes the expanded boundaries. To date, the City of St. Helens, Columbia City, the Port of St. Helens have passed resolutions. The City of Scappoose is considering a resolution on 1/18/11 and there is a resolution before the Board of Commissioners for consideration today. Once all resolutions are approved, Chad Olson, the current zone manager, has to submit a application packet to Business Oregon, who ultimately makes the decision to offer the incentive. David is recommending that the Board approve the resolution before them today.

The hearing was opened for public testimony.

Amanda Stubber, St. Helens: She is here on behalf of the St. Helens School District. They understand the intent of the resolution and respect that. All organizations are facing budget difficulties and a tax break would be great for businesses. According to her understanding, two of these zones are two of the three largest taxing areas for the St. Helens School District. This could have a huge financial impact on the school district. Although she understands the intent of this expansion, is now a good time?

David understands that the St. Helens School District is already in the enterprise zone and not the proposed expanded areas. Commissioner Hyde stated that, typically, schools have not been an issue with regards to enterprise zones because of Measures 5 and 50 and the State makes up the difference.

Michael Sheehan, CPAC Member, 33126 Callahan Road, Scappoose: The CPAC received a map and it's not clear from that map what areas are in and what areas are out. David then shared a map that designates the proposed boundaries. Mike then addressed the traffic impacts and infrastructure costs. The study done on the Cascade Grain project showed that there was \$72 million in public investments in order to facilitate the placement of Cascade Grain and as we all know, they went bankrupt, didn't pay their bills and just walked away. Another issue is that the bulk of the property being added is pretty much owned by 1 developer. So basically, it gives a tremendous advantage to one developer. If that developer sells it to businesses, the price will be higher and more appealing because of the enterprise zone incentives. With respect to the area on east side of the runway that's not already in the enterprise zone, is it that the developers consultant has said that growth in this area is inevitable so why do we need an enterprise zone to encourage development. This is waste of local money.

Mike Greisen, Scappoose Fire Chief: The Scappoose RFPD does not object to the proposed expansion of the enterprise zone. They understand that some industrial businesses will may not being property taxes for the first 5-8 years, but we need family wage jobs in the south county area and an enterprise zone may start that.

With no further testimony coming before the Board, the hearing was closed for deliberation.

After a brief discussion, Commissioner Fisher moved and Commissioner Heimuller seconded to approve Resolution No. 6-2011, "In the Matter of a Request to Amend the Boundaries of the St. Helens/Columbia City Enterprise Zone. The motion carried unanimously.

HEARING: WEST OREGON ELECTRIC ZONE CHANGE & SITE DESIGN REVIEW:

This is the time set for the public hearing, "In the Matter of the Application of West Oregon Electric for a Major Map Amendment and Zone Change from Rural Residential (RR-5) to Community Service - Utility (CSU) and a Site Design Review to Allow for the Siting of an Electrical Power Substation".

Robin stated that this is land use hearing and read the pre-hearing statement into the record as required by ORS 197.763. Commissioner Heimuller declared that he had a chance meeting with Lance Sebert who mentioned the difference in space between his home and the proposed site, however, that contact will have no bearing on his ability to make a decision in this matter. Commissioner Hyde and Fisher had no exparte contact. As the list of criteria is very long, Robin reduced it to writing and made it available for the public. The list was entered into the record marked Exhibit "1". At this time, Commissioner Fisher moved and Commissioner Heimuller seconded to allow new testimony and evidence into the record. The motion carried unanimously. Robin then entered County Counsel's hearing file into the record, marked Exhibit "2" and a letter from Steven Maddoux marked Exhibit "3".

Erika Owen, LDS Planner, came before the Board to present the staff reports. There are two parts to this application – the Comprehensive Plan Map Amendment/Zone Change and Site Design Review. She first presented the staff report on comp plan amendment. The Planning Commission held a public hearing and recommended approval of the Comprehensive Plan Map Amendment PA 11-02/AZ 11-01 with two conditions as noted in the staff report dated 1/5/11. Erika then gave the staff report on the Site Design Review. The Planning Commission also held a public hearing on the site design review and recommended approval with 16 conditions as noted in the staff report dated 1/5/11. Staff is recommending approval of both applications.

The hearing was opened for public testimony.

PROPONENTS:

Steve Scott, 715 Maple St., Vernonia: He is the Engineering and Operations Manager for West Oregon Electric. WOE purchased this site in 1979 for a pole yard and a future sub-station and was not zoned at that time. The life expectancy of a sub-station is approximately 40 years, which the current location has already exceeded. The urgency for building this sub-station came up in 2007 when Vernonia experienced a second 100 year flood. The current sub-station was not only inaccessible, it was under water. The proposed site is outside of the flood plain and has the best access to their existing transmission lines. They have purchased transformers that have noise reduction capability and spent the extra

money for a new transformer oil called FR3, which is basically vegetable oil and biodegradable. FR3 is less flammable and not harmful to the environment. They have received approval from the City of Vernonia on the environmental review. WOE understands the concerns of the neighbors but feel those have been mitigated. There is also the obligation to all coop members for supply power at a reasonable rate.

Commissioner Heimuller asked about the EMF levels and if trees help block that.

Mike Unger, Elcon Associates, 15721 SW Windham Terrace, Tigard: In answer to Commissioner Heimuller's question, the answer is no, trees do not make a difference as far as a barrier, only distance would dilute it. However, the EMF levels at this site would emit far less than household appliances. He noted that there are already transmission lines on Hwy 47 across from the proposed site.

Bob Paleck, 57041 Nehalem Hwy S, Hwy 47, Vernonia: He is the District 5 Director for the West Oregon Electric Board, representing the membership and lives in the area. To put some perspective on this, the WOE serves 5 counties with the hub in Vernonia. He has served the last 3 years as the chairman of the building committee and, after the 2007 flood, it has become clear that they cannot survive another flood. This proposed site is a sustainable location.

OPPONENTS:

Joe Starnes, 58901 Nehalem Hwy S, Hwy 47, Vernonia: He first wanted to thank the Commissioners for allowing the people to attend and speak. His concerns are with the EMF levels. Studies prove that EMF causes cancer by destroying key hormones in our bodies. Further, the humming noise that the sub-station emits is nerve racking. If this sub-station goes in, he will sell his property and at a loss. He understands that the easement across his property was there when he bought his home 31 years ago but was not aware of it at the time. Joe also believes that tax revenues will be lost because people won't want to build near a sub-station.

The homes were here first. WOE bought this as RR-5 property and Joe understands that requests to re-zone it to commercial property as already been rejected. Joe submitted a packet of materials into the record, marked Exhibit "4" .

Bernard Voss, 59065 Nehalem Hwy S, Hwy 47, Vernonia: His property is directly north of the proposed site. One of his main concerns is the increase risk of fire and the lack of fire emergency equipment. Although the WOE property is not in the flood plain, access would be cut off during a flood. This is an important issue that should be considered. In doing some research on the federal standards for EMF, only a very few governments had set standards as to what is legal.

Dennis Sisseck, 58998 Lone Pine Road, Vernonia: He lives in St. Helens but owns property adjacent to the proposed site. His concerns are 1) fires can happen at substations in various way, shorts, lightning, etc. He is retired from Portland General Electric and has some knowledge about the fire

dangers; 2) the oil drainage flows from the property directly to the river. WOE does not have a good containment system for the oil and he would suggest they have underground storage. If a transformer blows and the oil is not contained, it could be devastating. He spoke with the fire department who stated that they cannot mandate fire plugs. Dennis stated that, even though his property is not in the city, he would like to see a condition that a fire plug be installed at the end of Lone Pine Road.

Steve Landers, 58146 Nehalem, Hwy S, Vernonia: He owns the 9 acres to the north of the site, which is currently in the urban growth boundary. There is no home of his property at this time, however he does have plans to either sell or develop the property. He's not sure what the EMF levels are or how this project will effect the value of his land.

REBUTTAL:

Steve Scott, stated that the main sub-station is located at Anderson Park and surrounded by homes and businesses and has never had anyone express any concerns in the last 8 years he has been with WOE. There is a letter from the fire department, which is part of the record, stating they had no concerns with this proposed project. Steve noted that he has just received a copy of the letter from Steve Maddoux and hasn't had time to review it. He addressed the concern about getting to the substation during a flood. As the Operations Manager, he is not concerned about access to the site during flooding because there is so very little activity at the substation. If

there was a need to de-energize the substation, he could simply call BPA and have them do it from Timber or Hwy 9.

Larry Heath, Elcon Associates Consultant: He previously worked for PGE for many years and was present at the fire in Beaverton when that transformer blew. Larry explained the details of why the odds of something like that happening at this proposed substation is very low, given the type of oil used. Larry talked more on the dangers of high water at a flood station

Mike Unger – He is not aware of any requirement to move a water system to install a fire hydrant, even when the substation is in the middle of the forested area. To bore the line for a hydrant would be quite expensive. Regarding the EMF, the EMF level drops off dramatically from the point of service out and really no different than what is already being experienced.

Commissioner Fisher asked about the noise levels – compared to what we are hearing now in this room. Mike stated that it would be somewhere between a quite rural area and a library, depending on the ambient level.

Sean Sullivan, David Evans and Assoc, 2100 SW River Parkway, Portland: He addressed the environmental concerns brought up by the opponents. The project as currently proposed complies with the federal levels and there are no significant impacts. As a consultant and with his past work with West Oregon Electric, he believes that they always go above and beyond what is required.

With no further testimony coming before the Board, the hearing was closed for deliberation. After discussion, Commissioner Fisher moved and Commissioner Heimuller seconded to close the record. The motion carried unanimously.

Commissioner Fisher moved and Commissioner Heimuller seconded to tentatively approve the Comprehensive Plan Map Amendment (PA 11-02) and Zone Change (ZC 11-01) as recommended by the Planning Commission and Staff to allow for the siting of an electrical power substation AND to approve the Site Design Review (DR 11-02) as recommended by staff for construction of an electrical power substation. The motion carried unanimously.

The Board set January 26, 2011 as the date to adopt the final order.

CONSENT AGENDA:

Commissioner Hyde read the consent agenda in full. With no changes/additions, Commissioner Fisher moved and Commissioner Heimuller seconded to approve the consent agenda as follows:

- (A) Ratify the Select to Pay for 1/4/11 & 1/11/11.
- (B) Approve the 2011 Social Gaming License for the St. Helens Moose Lodge #591.
- (C) Resolution No. 2-2011, "In the Matter of Maintaining Funding for Law Enforcement Purposes".

- (D) Order No. 5-2011, "In the Matter of Accepting the Dedication of Additional Right-of-Way Extending the Blaha County Road Extension, Scappoose, Oregon, from John Ryan Neil."
- (E) Resolution No. 7-2011, "In the Matter of Appointing Delegates to Apply for and Accept Federal Grant Funds Under 49 USC [Bus and Bus-Related Capital Projects]".
- (F) Ratify Order No. 8-2011, "In the Matter of Closure of Certain County Roads to Heavy Hauling; Limiting Maximum Weight to 10,000 Pounds".
- (G) Reappoint Lea Ann Berg and Brian Burright to the Ambulance Service Advisory Committee for a three year term.
- (H) Reappoint Lynn Chiotti, David Hill, Doug Greisen, Commissioner Henry Heimuller to the Traffic Safety Committee.
- (I) Appoint Teri Stoffer to replace Henry Heimuller as citizen representative to the Traffic Safety Committee.
- (J) Approve Title III Project Certification Report, Mollenhour Creek Project, and authorize the Chair to sign.
- (K) Approve Title III Project Certification Report, Department of Forestry Firewise Workshop, and authorize the Chair to sign.
- (L) Approve letter to Secretary Ken Salizar concerning Title III Project Certification Reports and authorize the Chair to sign.
- (M) Authorize county employees to attend the funeral service of Ralph Painter on county time.
- (N) Approve the use of County resources to solicit funds for charitable donations for Chief Painter's family and memorial.

AGREEMENTS/CONTRACTS/AMENDMENTS:

- (O) Amendment #1 to Contract with P & C Construction Company for Construction Manager/General Contractor Services for the Columbia County Transit Facility (Guaranteed Maximum Price).
- (P) Intergovernmental Agreement with Upper Nehalem Watershed Council for Elk Creek Bridge.
- (Q) Rental Agreement between Columbia County Parks Department and Craig Gates, Park Host for Hudson Parcher Park.
- (R) Memorandum of Agreement between Columbia County and the Columbia County Deputy Sheriff's Association, Article 4.2 Observed Holidays.

The motion carried unanimously.

BOB ECKSTROM:

Bob Eckstrom, 51163 Bankston Road, Scappoose: Bob came before the Board to ask what is being done with the measure passed by the voters to stop the hospital project and the collection of taxes.

Commissioner Hyde stated that the Board met last week with the Health District Board to get answers to what the CHD plans to do. The Board was informed that the CHD plans to stand down and not collect any additional taxes for the hospital project.

COMMISSIONER HYDE COMMENTS:

No comments.

COMMISSIONER FISHER COMMENTS:

No comments.

COMMISSIONER HEIMULLER COMMENTS:

No comments

There was no Executive Session held.

BOC Minutes

1/12/11

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With nothing further coming before the Board, the meeting was adjourned.

Dated at St. Helens, Oregon this 12th day of January, 2011.

NOTE: A tape of this meeting is available for purchase by the public or interested parties.

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

By:_____

Anthony Hyde, Chair

By:_____

Earl Fisher, Commissioner

Recording Secretary:

By:_____

Henry Heimuller, Commissioner

By:_____
Jan Greenhalgh