

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

In the Matter of the Distribution of )  
Proceeds Under ORS 275.275 )  
 )  
[2010 Distribution: Gas & Land Sales] )  
\_\_\_\_\_ )

**ORDER NO. 29 - 2010**

WHEREAS, ORS 275.275(2), (3) and (4) and ORS 311.390 govern the distribution of proceeds arising under ORS 275.294, including oil and gas rents and royalties; and

WHEREAS, ORS 275.275(1), (3) and (4) and ORS 311.390 govern the distribution of proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310, including proceeds from the sale of county lands; and

WHEREAS, a schedule showing how these proceeds should be distributed, as provided by ORS 275.275 and 311.390, and as provided by the Board of County Commissioners for approved funding requests under ORS 275.275(2)(c), is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, ORS 275.275(2)(c) provides that an amount not to exceed 10 percent of the proceeds can be used to reimburse a taxing district within the county for costs and expenses necessarily incurred by the district in providing improved, additional or extraordinary services required on lands in the county as a result of activities authorized under ORS 275.294; and

WHEREAS, the Mist-Birkenfeld Rural Fire Protection District and the Vernonia Rural Fire Protection District have submitted impact statements showing the additional expenses incurred by the proximity of the Mist Gas Field; and

WHEREAS, by prior agreement, the Mist-Birkenfeld RFPD is entitled to sixty-six percent (66%) of the 10 percent impact fees and the Vernonia RFPD is entitled to thirty-four percent (34%); and

WHEREAS, ORS 275.275(2)(d) provides that Columbia County may be reimbursed its actual costs and expenses incurred in proceedings arising under ORS 275.294 for: 1) the maintenance and supervision of a lease or conveyance granting rights to explore, prospect for, mine or remove valuable minerals, oil or gas from the lands, 2) the maintenance and supervision of a lease or conveyance granting rights to conduct underground storage, as defined in ORS 520.005, and 3) litigation resulting from any such lease or conveyance described above; and

WHEREAS, a schedule setting forth the administrative expenses incurred by Columbia County under ORS 275.294 referred to above is attached hereto as Exhibit B and incorporated herein by this reference; and

WHEREAS, pursuant to ORS 275.275(1)(a)(B), the Columbia County general fund is entitled to reimbursement from the proceeds of the sale of county lands of an amount equal to the penalty and fee described in ORS 312.120 for each property upon which the county has foreclosed a lien for delinquent taxes; and

WHEREAS, pursuant to ORS 275.275(1)(a)(C), the Columbia County general fund is also entitled to reimbursement from the proceeds of the sale of county lands of the costs and expenses incurred in the

maintenance and supervision of county-owned properties and in any action to quiet title; and

WHEREAS, a schedule setting forth the penalty and fee, costs and expenses incurred by Columbia County referred to above is attached hereto as Exhibit C and incorporated herein by this reference; and

WHEREAS, the amounts due the County for penalties and fees and the supervision and maintenance of properties pursuant to ORS 275.275(1)(a)(B) & (C) in the 2009 distribution exceeded the amount of proceeds received under ORS 275.090 to 275.290, leaving a balance due Columbia County of \$4,291.38 which is to be carried over until paid; and

WHEREAS, the amounts due the County for penalties and fees and the supervision and maintenance of properties pursuant to ORS 275.275(1)(a)(B) & (C) for fiscal year 2009 - 2010 exceed the amount of proceeds received under ORS 275.090 to 275.290 by \$19,711.50, leaving a balance due Columbia County of \$24,002.88;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. That the schedules attached hereto as Exhibits A, B, and C are hereby approved.
2. That the Treasurer is authorized to immediately distribute those amounts set forth in Exhibit A, Section V, "Distribution to Taxing Districts", to the taxing districts shown therein.
3. That the proceeds to be distributed to the Mist-Birkenfeld and Vernonia Rural Fire Protection Districts for impact costs pursuant to ORS 275.275(2)(c), as set forth in Exhibit A, Section I, "Gas Rents/Royalties", shall be immediately distributed.
4. That the Treasurer is authorized to immediately distribute the amount set forth in Exhibit A, Section II "Gas/Mineral Expenses Reimbursable to County" to Columbia County.
5. That the Treasurer is authorized to immediately reimburse the County the amount received for Land Sales Revenues and Interest set forth in Exhibit A, Section III.
6. That the amounts due the County under ORS 275.275(1)(a)(B) & (C) which exceed the revenues received under ORS 275.090 - 275.290, as reflected in Exhibit A, Section III shall be carried over to subsequent years until fully reimbursed.

DATED this 30<sup>th</sup> day of June, 2010.

BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

Approved as to form

By: Sarah Hannon  
Office of County Counsel

By: [Signature]  
Anthony Hyde, Chair

By: [Signature]  
Earl Fisher, Commissioner

By: [Signature]  
Rita Bernhard, Commissioner

**EXHIBIT A**

**2010 DISTRIBUTION: REVENUES FROM GAS RENTS/ROYALTIES AND LAND SALES**

<b>I. GAS RENTS/ROYALTIES (June 2009 - June 2010)</b>	PRINCIPAL	INTEREST	TOTAL
Revenue: Gas Rents/Royalties	\$ 1,061,481.46	\$ 1,423.89	\$ 1,062,905.35
Less Mist-Birkenfeld Impact			\$ (70,151.75)
Less Vernonia RFPD Impact			\$ (36,138.78)
<b>Total Rents/Royalties for Distribution</b>			<b>\$ 956,614.82</b>

<b>II. GAS/MINERAL EXPENSES REIMBURSABLE TO COUNTY</b>			
A) County administrative expenses & costs incurred in FY 2009-10 [see, Exhibit B]	\$	11,945.60	
<b>Total County Expenses for Reimbursement</b>			<b>\$ (11,945.60)</b>

**III. LAND SALES**

Land Sales – Revenues & Interest	\$	6,311.00
Less Expenses Reimbursable to County [see, Exhibit C]	\$	(25,863.00)
Carry-over from 2009 Distribution	\$	(4,291.38)

*(Total carry-over to be reimbursed to Columbia County in subsequent distributions)* \$ (23,843.38)

**Total Land Sales for Distribution** \$ **0.00**

**IV. TOTAL FOR THIS DISTRIBUTION** **\$ 944,669.22**

<b>V. DISTRIBUTION TO TAXING DISTRICTS</b>	2009 - 2010 TAX RATE	PERCENTAGE	AMOUNT TO BE DISTRIBUTED
			<b>\$ 944,669.22</b>
Columbia County (General Fund)	0.1223867	12.238673%	\$ 115,614.99
Columbia 4H & Extension Service	0.0041335	0.413348%	\$ 3,904.77
Columbia County 911 Communications District	0.038809	3.880925%	\$ 36,661.90
Columbia Drainage Vector Control	0.007837	0.783664%	\$ 7,403.03
Gr St Helens Park & Rec	0.006161	0.616088%	\$ 5,819.99
Columbia Health (2)	0.017804	1.780358%	\$ 16,818.50
Rainier Cemetery	0.001000	0.099979%	\$ 944.47
Clatskanie Park and Rec.	0.003275	0.327464%	\$ 3,093.45
Clatskanie Library	0.002697	0.269682%	\$ 2,547.60
Port of St. Helens	0.005427	0.542663%	\$ 5,126.37
Scappoose Public Library	0.004195	0.419503%	\$ 3,962.92
Clatskanie City	0.011455	1.145453%	\$ 10,820.74
Columbia SWCD	NEW?	0.007224	\$ 6,824.15
West Multnomah SWCD	0.000005	0.000519%	\$ 4.91
Columbia City	0.005476	0.547575%	\$ 5,172.77
Prescott City	0.000025	0.002491%	\$ 23.53
Rainier City	0.028051	2.805119%	\$ 26,499.10

Scappoose City	0.032033	3.203265%	\$	30,260.26
St Helens City	0.027448	2.744840%	\$	25,929.66
Vernonia City	0.011199	1.119912%	\$	10,579.46
Clatskanie Rural Fire Dist.	0.015403	1.540272%	\$	14,550.47
Mist-Birk Rural Fire Dist.	0.006987	0.698665%	\$	6,600.07
Sauvie Island RFPD #30	0.000189	0.018919%	\$	178.72
Scappoose Rural Fire Dist.	0.033585	3.358536%	\$	31,727.06
Columbia River Fire & Rescue	0.106779	10.677882%	\$	100,870.66
Vernonia Rural Fire Dist.	0.003419	0.341869%	\$	3,229.53
NW Regional ESD	0.011009	1.100896%	\$	10,399.82
St Helens School Dist. #502	0.163591	16.359057%	\$	154,538.98
Rainier School Dist. #13	0.058111	5.811079%	\$	54,895.47
Scappoose School Dist. #1J	0.120229	12.022922%	\$	113,576.84
Scappoose School Debt	0.006988	0.698788%	\$	6,601.24
Clatskanie School Dist. #6J	0.037985	3.798465%	\$	35,882.93
Vernonia School Dist. #47J	0.041152	4.115224%	\$	38,875.26
Portland Community College	0.024576	2.457596%	\$	23,216.15
Portland Community College 2	0.009452	0.945191%	\$	8,928.92
REDCO	0.005194	0.519414%	\$	4,906.74
Columbia County Development Agency	0.000694	0.069442%	\$	655.99
Fire Patrol	0.006832	0.683179%	\$	6,453.78
Fire Patrol Surcharge	0.004414	0.441374%	\$	4,169.53
Meadowview Lighting District	0.000062	0.006196%	\$	58.53
Beaver Drainage	0.000536	0.053597%	\$	506.31
Clatskanie Drainage	0.000116	0.011585%	\$	109.44
Columbia Drainage District	0.000089	0.008922%	\$	84.28
Deer Island Drainage	0.000200	0.020028%	\$	189.20
John Drainage Dist.	0.000042	0.004219%	\$	39.86
Magruder Drainage Dist.	0.000186	0.018554%	\$	175.27
Marshland Drainage Dist.	0.000142	0.014183%	\$	133.99
Midland Drainage Dist.	0.000378	0.037825%	\$	357.32
Rainier Drainage Improvement	0.000323	0.032333%	\$	305.44
West Rainier Drainage	0.000021	0.002101%	\$	19.85
Sauvie Island Drainage	0.000196	0.019592%	\$	185.08
Scappoose Drainage	0.004004	0.400352%	\$	3,782.00
Woodson Drainage	0.000078	0.007779%	\$	73.49
Westland Drainage Dist.	0.000150	0.015045%	\$	142.13
Clatsop Diking	0.000064	0.006384%	\$	60.31
MS Park Community	0.000148	0.014808%	\$	139.89
John Improvement Surcharge	0.000038	0.003822%	\$	36.10
	1.000000	100.0000%	\$	<u>944,669.22</u>

## EXHIBIT B

### MIST GAS FIELD: ADMINISTRATIVE EXPENSES INCURRED – FY 2009 - 2010

#### I. COUNTY STAFF TIME

STAFF	HOURS	HOURLY RATE	TOTAL
Cynthia Zemaitis, Natural Resources Administrator	137.1	\$ 45.04	\$ 6,174.98
John K. Knight, Of Counsel	3.0	\$ 50.00	\$ 150.00
Tony Hyde, Commissioner	13.0	\$ 55.52	\$ 721.76
Sarah Hanson, County Counsel	3.5	\$ 68.76	\$ 240.66
Jennifer Cuellar, Finance Director	5.0	\$ 60.29	\$ 301.45
Sharmel Evans, Finance Department	10.0	\$ 35.78	\$ 357.80
Shelley Blickenstaff, Finance Department	10.0	\$ 30.36	\$ 303.60
		<b>STAFF TIME</b>	<b>\$ 8,250.25</b>

#### II. MINERAL FUND EXPENSES

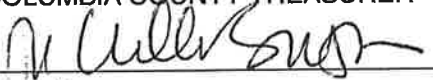
2009 Distribution to Port of St. Helens		\$	3,695.35
		<b>MISC. EXPENSES</b>	<b>\$ 3,695.35</b>
		<b>TOTAL EXPENSES</b>	<b>\$ 11,945.60</b>

#### VERIFICATION

*Pursuant to ORS 275.275(5), I have reviewed the above administrative expenses incurred by Columbia County for which reimbursement is sought from proceeds arising under ORS 275.294, and hereby verify that, to the best of my knowledge, they represent actual costs incurred in the administration of the Mist gas field and natural gas exploration, development, production and storage in the Mist gas fields. The Board of County Commissioners has determined these costs to be reimbursable under ORS 275.275(2)(d) and for which distribution has been authorized under Order No. 29 - 2010.*

Dated this 29 day of June, 2010.

COLUMBIA COUNTY TREASURER

By:   
Jennifer Cuellar, Deputy Treasurer

**EXHIBIT C**

**LAND SALES: EXPENSES INCURRED BY COLUMBIA COUNTY – FY 2009 - 2010**  
**REIMBURSABLE UNDER ORS 275.275(1)**

1) ORS 275.275(1)(a)(B) - PENALTY AND FEE UNDER ORS 312.120

a) By General Judgment October 2009 [Five Percent (5%) penalty plus \$50 fee]

\$ 50.00

<u>PROPERTY OWNER</u>	<u>TAX MAP ID NO.</u>	<u>TAX ACCT NO.</u>	<u>TAXES DUE</u>	<u>5% PENALTY</u>	<u>AMOUNT REIMBURS-ABLE</u>
BERNARD KRIS S	7N2W17-AC-01300	18432	\$ 211.69	\$ 10.58	\$ 60.58
BERNARD KRIS S	7N2W17-AC-01301	18433	\$ 242.46	\$ 12.12	\$ 62.12
BERNARD KRIS S	7N2W17-AC-01400	18434	\$ 91.29	\$ 4.56	\$ 54.56
BERNARD KRIS S	7N2W17-AC-01500	18436	\$ 42.16	\$ 2.11	\$ 52.11
CARGILE ROY D & LINDA M	4N1W04-BA-00304	10253	\$ 303.88	\$ 15.19	\$ 65.19
COLLIER CONSTANCE D	7N4W08-AC-02700	25641	\$ 4,673.58	\$ 233.68	\$ 283.68
DUBOIS CHARLENE N	5N1W28-AC-03400	14412	\$ 13,131.74	\$ 656.59	\$ 706.59
EARLEY RONNIE S	5N2W10-B0-00200	15966	\$ 9,975.89	\$ 498.79	\$ 548.79
HUDSON DAVID A & TERRI	8N4W24-00-01801	28128	\$ 3,038.13	\$ 151.91	\$ 201.91
JOHNSON SHEILA C	6N2W16-D0-00200	21323	\$ 453.70	\$ 22.69	\$ 72.69
KYSER WILLIAM CLAUDE & LYNNE IREN	6N5W20-BB-02500	25458	\$ 252.71	\$ 12.64	\$ 62.64
LESOLLEN STEVEN & JANET	4N1W04-DA-06600	10948	\$ 3,599.05	\$ 179.95	\$ 229.95
MARSH ALLEN E JR & WENDY L	4N4W03-BB-01200	22333	\$ 2,971.37	\$ 148.57	\$ 198.57
MCDONALD BEVERLY J & JOHNSON DA	6N3W11-00-01500	18800	\$ 9,466.37	\$ 473.32	\$ 523.32
MENDRIN KENNETH M	7N3W11-00-00903	20173	\$ 1,077.10	\$ 53.86	\$ 103.86
MILLER JAMES	3N2W24-BC-04200	7214	\$ 130.97	\$ 6.55	\$ 56.55
RUSSELL JUSTIN DAVID	4N1W03-BB-07100	9540	\$ 9,609.08	\$ 480.45	\$ 530.45
STEARNS JUNE	4N2W16-CB-00200	7612	\$ 131.21	\$ 6.56	\$ 56.56
WESTVIEW SUBDIVISION HOMEOWNEF	3N2W12-AD-02400	3399	\$ 34.58	\$ 1.73	\$ 51.73
WICKUM WARREN	3N1W18-BC-02808	2930	\$ 223.90	\$ 11.20	\$ 61.20
WILKERSON HARRY A	6N2W06-00-00800	19170	\$ 131.25	\$ 6.56	\$ 56.56
			\$ 59,580.42	\$ 2,979.02	\$ 4,039.61

b) By Deed October 2009 [Five Percent (5%) Penalty Plus Cost of Title Search (\$200 each)]

\$200.00

<u>PROPERTY OWNER</u>	<u>TAX MAP ID NO.</u>	<u>TAX ACCT NO.</u>	<u>TAXES DUE</u>	<u>5% PENALTY</u>	<u>AMOUNT REIMBURS-ABLE</u>
Nelson, Dean G. & Betty J.	4N1w08-BB-0250C	15005	\$ 1,660.08	\$ 83.00	\$ 283.00
Nollette, Pearl	5N1W33-DD-0800	13640	\$ 4,674.92	\$ 233.75	\$ 433.75
Hutton, Bryan & Keston	5N1W28-DB-0330	14702	\$ 2,306.99	\$ 115.35	\$ 315.35
Mustola, Betty Jean	7N4W16-BB-0050:	26294	\$ 2,306.99	\$ 115.35	\$ 315.35
Sirnio, Agneda	8N4W26-B0-0100:	28205	\$ 455.20	\$ 22.76	\$ 222.76
Unknown	3N1W07-00-0130C	5215	\$ 25.20	\$ 1.26	\$ 201.26
			\$ 11,429.38	\$ 571.47	\$ 1,771.47

2) **ORS 275.275(1)(a)(C) – MAINTENANCE AND SUPERVISION OF PROPERTIES**

**a) SUPERVISION OF PROPERTIES BY STAFF**

	<b>HOURS</b>	<b>HOURLY RATE</b>	<b>TOTAL</b>
Cynthia Zemaitis, Natural Resources Administrator	110.00	\$ 45.04	\$ 4,954.40
Sarah Hanson, County Counsel	13.25	\$ 68.76	\$ 911.07
MaryAnn Guess, Deputy Tax Collector	10	\$ 34.30	\$ 343.00
	<b>STAFF TIME</b>		<b>\$ 6,208.47</b>

**b) MAINTENANCE OF PROPERTIES**

ZEMAICYN - Cynthia Zemaitis	08/18/09	\$ 39.60	
ZEMAICYN - Cynthia Zemaitis	08/18/09	\$ 3.68	
KEYSTONE - Keystone Contracting	10/06/09	\$ 2,300.00	
DANRIEHL - Dan Riehl Excavating, Inc.	01/05/10	\$ 12,225.00	
TREEHERO - Tree Heroes	01/05/10	\$ 700.00	
			<b>\$ 15,268.28</b>

**c) EXPENSES INCURRED**

CEC - Certified Environmental Consul	07/28/09	\$ 400.00	
ZEMAICYN - Cynthia Zemaitis	02/23/10	\$ 52.50	
KEENOLAN - K.L.S. Surveying Inc	03/30/10	\$ 3,933.75	
			<b>\$ 4,386.25</b>

**TOTAL REIMBURSABLE TO COLUMBIA COUNTY from Land Sales Revenues** **\$ 25,863.00**

**VERIFICATION**

*Pursuant to ORS 275.275(5), I have reviewed the above administrative expenses incurred by Columbia County for which reimbursement is sought from proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310, and hereby verify that, to the best of my knowledge, they represent actual costs incurred in the maintenance and supervision of County lands. The Board of County Commissioners has determined these costs to be reimbursable under ORS 275.275(1)(a)(C) and for which distribution will be authorized in Order No. 29 - 2010.*

Dated this \_\_\_\_ day of June, 2010.

COLUMBIA COUNTY TREASURER

By: \_\_\_\_\_

Jennifer Cuellar, Deputy Treasurer