

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

In the Matter of Reimbursing the Vernonia Rural Fire Protection District Pursuant to ORS 275.275(2)  [June 2004 Distribution]	) ) ) ) ) ) )	<b>ORDER NO. 63 - 2004</b>
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WHEREAS, on December 29, 1994, the Board of County Commissioners adopted Order No. 338-94 which, among other things, authorized the Vernonia Rural Fire Protection District (RFPD) to apply for reimbursement for a portion of their operational costs due to the impaction on the District by natural gas exploration, development, transportation and storage in the Mist gas fields; and

WHEREAS, this reimbursement would be made to the Vernonia Rural Fire Protection District ("Vernonia RFPD") out of the proceeds received pursuant to ORS 275.275(2); and

WHEREAS, on December 26, 2003, the Vernonia RFPD submitted a list of budgeted expenditures for the 2003-2004 fiscal year, along with the corresponding percentage which is a result of impaction in the amount of \$30,345 certified to be for the costs described above; and

WHEREAS, the Vernonia RFPD received the sum of \$6,039.82 towards said impaction costs in the December 2003 distribution of the proceeds received pursuant to ORS 275.275(2), leaving a balance due to impaction of \$24,305.18; and

WHEREAS, on July 13, 2003, the Vernonia RFPD submitted an amended list of budgeted expenditures for the 2003-2004 fiscal year, along with the corresponding percentage which is a result of impaction representing the balance of \$28,920, certified to be for the remaining costs described above; and

WHEREAS, the Board has reviewed and approved these costs, and the Columbia County Deputy Treasurer has verified said costs; and

WHEREAS, the relevant billings, certification, approval and verification referred to above are attached hereto and incorporated herein by this reference as follows:

- Certificate and Cost Bill..... Exhibit A
- Review and Approval ..... Exhibit B
- Verification ..... Exhibit C; and

WHEREAS, the amount of funds available for reimbursement for impactation at this time is \$3,867.76 and, by prior authorization, Vernonia RFPD is entitled to 34% of those funds; and

WHEREAS, this matter is now before the Board of County Commissioners for approval of reimbursement in the amount of \$1,315.04, which is the allowable amount of reimbursement for the above-mentioned costs approved pursuant to Order No. 338-94 and Order No. 48-2004;

NOW, THEREFORE, IT IS HEREBY ORDERED the Vernonia RFPD shall be reimbursed in the amount of \$1,315.04 as a portion of their operational costs due to impactation on the district by natural gas exploration, development, transportation and storage in the Mist gas fields, as described in the attached Exhibit A..

DATED this 4th day of August, 2004.

BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

Approved as to form

By: Sarah T. Oz  
Office of County Counsel

By: John M. Richard  
Chair

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

By: Joel Conner  
Commissioner

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FIRE COMPANY  
Phone: (503) 429-8252

# VERNONIA FIRE DEPARTMENT

555 E. Bridge St., Vernonia, OR 97064

## EXHIBIT A



EMS COMPANY  
Phone: (503) 429-4600

## CERTIFICATE

On behalf of the Vernonia Rural Fire Protection District, we certify that the attached "Exhibit A" is a listing of budgeted expenditures for the 2003-2004 fiscal year along with the corresponding percentage, which is a result of "Impaction" on the district. This "Impaction" is due to the natural gas exploration, development, transportation and storage in the Mist gas fields. It has been determined that a portion of these operation costs are reimbursable under ORS 275.275 (2) (b).

Dated this 13th day of July 2004

VERNONIA RURAL FIRE  
PROTECTION DISTRICT

Steve Weller Board Chairman

Paul Epler, Fire Chief

## **COST OF OPERATION RELATED TO IMPACTION**

Prior to the development of the natural gas fields in Columbia County, the Vernonia Rural Fire Protection District operated with a fairly comfortable line of equipment and personnel, for the purpose of providing fire protection to it's citizens. Our line of equipment included the following; a 1974 Class "A" Pumper, and a light duty salvage and rescue vehicle. Our abilities to provide in the urban interface for Wildland fires were little to none. Training was also very limited due to lack of funds and other resources.

When natural gas was being explored and production soon followed; Mist Birkenfeld along with Vernonia saw the need to seek ways to offset the additional cost to the districts for additional services that would be needed as a result of natural gas fields. The risk of a major incident increased as a result of the continued increase in the number of producing and active gas fields. Legislative action was taken and the implementation of the "Impact Fund" was the result.

Since the start of Impact Fund distribution, Mist Birkenfeld and Vernonia have used those funds to upgrade apparatus, replace, or to outright purchase equipment. All of which would be called upon in the event of a gas related emergency. This has worked very well as a means to obtain this very necessary equipment to provide adequate services. It has been an effective tool for small fire districts such as ours to fund these projects.

As we have seen over the course of the years, the funding from the gas royalties has diminished a great deal, as production of gas has slowed. Two years ago there was much work done in our area on upgrading the local gas lines, and there was one fatality in which we did respond on, due to construction. This year with a new well and additional construction of pipelines Vernonia Rural Fire Protection District will need to be ready to provide needed aide. Thus our readiness must not decrease, and our response capability must remain intact, and we must also continue to improve our equipment and our department as factors continue to change. We, the district, have realized a need for the day-to-day operations of the fire district that is a directly related to the production, storage, transportation, or exploration for natural gas or oil within the boundary of our fire district.

Thus, we have decided to request reimbursement for such costs based on a percentage of our annual operating budget, and have given you a break down of our cost of operation on the following page.

## COST OF OPERATION

The following is a listing of budgeted expenditures for the 2003-2004 fiscal year and the corresponding percentage, which is a result of "Impaction".

<u>2003-2004 Budget</u>	<u>Total Budget</u>	<u>15% Impaction</u>
Personal Services	\$ 97,250	\$ 14,587.50
Materials and Services	\$ 64,400	\$ 9,660.00
Capitol Outlay	\$ 9,500	\$ 1,425.00
Contingencies	\$ 7,150	\$ 1,072.50
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Sub Total	\$ 178,300	\$ 26,745.00

Note: The amount of impact funds will affect the number of years our new equipment will be in service.

		<u>20 year depreciation</u>	<u>15% Impaction</u>
Engine	\$230,000	\$ 11,500	\$ 1,725
Rescue	\$ 38,000	\$ 1,900	\$ 285
Box Conversion	\$ 12,000	\$ 600	\$ 90
Utility Change over	\$ 10,000	\$ 500	\$ 75
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Total	\$290,000	\$ 14,500	\$ 2,175

Total amount requested for reimbursement \$ 28,920.00.

COLUMBIA COUNTY



EXHIBIT B

Board of Commissioners

230 Strand Street, Rm 331, St. Helens, Oregon 97051-2096 \*Ph: 503-397-4322  
\*Fax 503-397-7243

Commissioner Rita Bernhard  
Commissioner Joe Corsiglia  
Commissioner Anthony Hyde  
Jan Greenhalgh, Board Secretary

([bernhar@co.columbia.or.us](mailto:bernhar@co.columbia.or.us))  
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([greenhj@co.columbia.or.us](mailto:greenhj@co.columbia.or.us))

MEMORANDUM

TO : Ruth Baker, Deputy Treasurer

FROM : Board of Commissioners

DATE : August 2, 2004

RE : Review and Determination Regarding Vernonia Rural Fire Protection District's July 13, 2004, Request for Reimbursement, Certificate and Cost Bill

The Board of County Commissioners has reviewed the July 13, 2004, request for reimbursement, certificate and cost bill submitted by the Vernonia Rural Fire Protection District for a portion of the operational costs incurred due to the impaction on the district of natural gas exploration, development, transportation and storage in the Mist gas fields. The Board has determined that the documentation is adequate and that the operational costs incurred meet the requirements for which the Board originally approved reimbursement, under ORS 275.275(2), in Order No. 338-94.

The Board hereby requests that you verify the cost bill sought for reimbursement, as required by ORS 275.275(2), and sign and return the attached verification document.

Thank you.

# COLUMBIA COUNTY

Office of the Deputy Treasurer  
Ruth Baker

Columbia County Courthouse  
St. Helens, Oregon 97051

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## VERIFICATION

Pursuant to ORS 275.275(2)(b), I have reviewed the attached July 13, 2004, request for reimbursement, certificate and cost bill submitted by the Vernonia Rural Fire Protection District and hereby verify that, to the best of my knowledge, they are for a portion of the operational costs incurred due to the impaction on the district of natural gas exploration, development, transportation and storage in the Mist gas fields. The Board of County Commissioners has determined these costs to be reimbursable under ORS 275.275(2)(b) and for which distribution has been authorized in Order No. 338-94 and Order No. 63 - 2004.

Dated this 2nd day of August, 2004.

COLUMBIA COUNTY TREASURER

By:   
Ruth Baker, Deputy Treasurer

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