



WASCO COUNTY BOARD OF COMMISSIONERS
SPECIAL SESSION
AUGUST 12, 2014

PRESENT: Scott Hege, Commission Chair
Rod Runyon, County Commissioner
Steve Kramer, County Commissioner
Tyler Stone, Administrative Officer

STAFF: Kathy White, Executive Assistant

At 10:10 a.m. Chair Hege opened Special Session of the Board of Commissioners with the Pledge of Allegiance.

Proposed Road District

Chair Hege framed the conversation by saying that some issues have been discovered with some of the scenarios being considered and they expect more information soon. The question before the Board is whether or not to place something on the November ballot and if so, to determine exactly what that should be.

Commissioner Runyon stated that he has supported the process and was surprised when the city elected to not participate in the proposed Road District – that changed everything. He said he believes that \$2.03 is excessive and there are other options that can be developed. He observed that this does not diminish the work of the Roads Advisory Committee, but The Dalles opting out is a game changer. He added that the Board has heard from the public who have made it clear that the tax is excessive. He stated that he is not in favor of placing the Road District on the ballot.

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Commissioner Kramer disagreed saying that funds for roads are going to run out and Wasco County will not have the road system necessary for public safety, emergency services, farm-to market activities, etc. He said he believes it should move forward to the voter for their decision which will give everyone a chance for their voice to be heard. He said that he would also like to see what is coming forward as an alternative to the Road District. He concluded that it is tough rate, but the people should decide – he supports the recommendation from the RAC.

Chair Hege said that he is somewhere between his fellow Commissioners. He agreed that the RAC has done a lot of valuable work and everyone believes the roads are important and need to be addressed. He said he is hopeful that a solution can be found – it is clear that people do not want the Road District.

Mr. Stone said that regardless of the Board's decision; he has already been exploring other possible sources of revenue to help ease the burden to the taxpayer. He said he has reviewed expenses and revenue within the County budget – while there are possibilities each will come with consequences that will have to be weighed for benefits and detriments.

He continued by saying that the Google taxes will come into the budget at some point and the County is working with the Department of Revenue to determine how much that will be. He advised that the Google funds will not entirely fix the problem but will help in 6 or 7 years – in the meantime, Wasco County roads will continue to decline. He said that cutting expenses will mean cutting services – Public Health, Corrections, Sheriff's Department, etc. The money will have to come from some place or places; he expressed confidence that funds can be identified but it will require difficult decisions. He said that he believes they can tap approximately \$400,000 in expenses which might reduce the rate for a taxing district. He said that if additional revenues can be identified, that will also help but will be more difficult. He concluded that something must be done to keep the roads from deteriorating.

Commissioner Runyon noted that there have been some good questions brought to the forefront through this process. He said some money for roads is better than none and there are other viable alternatives – for instance, the registration idea. He stated that the Road District will place the entire burden on property owners and without the City of The Dalles, it is very difficult.

Chair Hege asked Mr. Stone to talk about the sources of potential revenue outside of

future Google taxes and asked is there some money in the current Google payments that might be used.

Mr. Stone agreed that the money from the two Google enterprise zones will be helpful. He added that consolidation of 9-1-1 and increasing landfill fees could be helpful, but the Board will still have to take action to raise further funds.

Further discussion ensued regarding more exact figures. Mr. Stone warned that any figures discussed today have not been vetted for consequences which means they may or may not be realistic.

Commissioner Runyon noted that the items mentioned – Google enterprise zone funds, 9-1-1 consolidation, and increasing landfill fees – will not impact other County departments. Mr. Stone agreed but pointed out that other organizations will feel an impact – MCEDD, CGCC, etc. Commissioner Runyon added that property tax moneys cannot go for roads, but enterprise zone funds can.

Commissioner Kramer said that looking at new numbers today, he thinks that perhaps the Board could have something more solid ready for a May ballot. He noted that the costs for a special election are not high; he does not want to make a decision without accurate numbers.

Chair Hege agreed that their decision should be based on information that is as accurate as possible. He pointed out that the numbers cannot be exact and that any solution may bring in more or less than anticipated but a little variance will not derail the attempt to shore up funding for roads – anything that is brought in will put the budget ahead of where it was last year.

Commissioner Kramer said that he agrees with all of what Chair Hege said but thinks more time will be needed – this cannot all be vetted by the Friday morning deadline.

Chair Hege noted that the RAC is hoping to move forward now. He said that he thinks another solution can be crafted by Friday, but he does not want to put something out there that is destined to be slammed by the voters. He said that he wants to determine a number that is reasonable for the proposed district – he believes the Board can solve the issue.

Interim Assessor Director Tom Linhares said that throughout this process there have been many numbers discussed; the system is complex and in many cases requires

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estimations. He said that the numbers he previously provided to Public Works had not been thoroughly scrutinized; there are new numbers. He explained that what he had been asked to do was to estimate what the rate would need to be to get to certain dollar amounts. He stated that, for instance, a levy of \$600,000 will not yield \$600,000 for various reasons – those must be factored in when determining a rate. He provided a spread sheet with a variety of taxing scenarios (attached).

Further discussion ensued regarding the various scenarios. Commissioner Runyon noted that the rate with The City of The Dalles opting in is up quite a bit from the original estimate. Mr. Linhares explained that the compression estimate had been woefully underestimated. Chair Hege pointed out that that scenario is not under consideration since The Dalles has opted out of the proposed road district.

Chair Hege said that there is no easy solution; a lower rate would at least bring in part of the money but the Board would have to commit to it in order for it to pass. He stated that an increase in the licensing fee would be a separate vote and people seem to like it better because it is tied to the vehicles that are on the roads.

Commissioner Runyon agreed that the rate in scenario b is more palatable but reminded everyone that it will still be a tax on only the rural residents of the County. He said that he does not see anything going forward until more information is available.

Chair Hege stated that they will have to pull the trigger sometime on a solution; there will never be perfect information with exact numbers. He agreed that property owners should not bear the entire cost saying that he is convinced there is a way to find some of the funding from other sources.

Mr. Stone reminded the Board that there are not enough expense savings or current revenue sources to raise the entire amount – whatever cuts are to be made will require some tough decisions regarding service cuts and there will still be a shortfall.

Chair Hege said that those will need to be vetted to know more accurately what the savings and/or additional revenue can be found.

Commissioner Runyon stated that there are just too many unanswered questions to move forward at this time. He said that the RAC has brought them part of the way there, but the Board will need to examine other options seriously. He suggested that the Board look toward the spring to allow time to come up with the best solution. He

concluded that the Board has to do something but needs to make sure it is the right something.

Commissioner Runyon made a motion to not take the Road District to the ballot at this time. Chair Hege seconded the motion.

DISCUSSION:

Keith Mobley said that the RAC was looking forward to broadening the conversation in the public venue – these are public roads and the public needs to decide. He said that we can have that conversation if the Board moves it forward to the ballot.

Commissioner Runyon stated that if in the spring the Board decides to send an increase to the vehicle registration fee to the ballot it would raise the same amount of money as a lowered tax district rate without placing the burden on only one segment of the population. He said that the County needs to continue to work with the City of The Dalles toward other cooperative solutions.

Sherry Holliday said that she believes the \$2.03 taxing rate to be excessive but through the hearings process the conversation has been opened. Placing the taxing district on the ballot will continue and broaden the conversation – there is an opportunity for more ideas to be developed through the larger conversation. She said that she fears that if the Board does not go forward with the taxing district and a registration fee fails in the spring, the Board will have no place else to go for a solution.

Commissioner Runyon observed that they could always bring the taxing district back to the ballot, noting that Tillamook County had to go to the voters 3 times, educating the public all along the way.

Chair Hege asked City Manager Nolan Young if he saw any scenarios in which the County and City could work together on a solution – for instance a joint gas tax. Mr. Young said he had not had time to explore that option but that any gas tax that would try to fund both the City and County streets/roads would be far too high to pass.

Georgia Murray interjected that a combination of the increased registration fee and a city/county gas tax increase would make sense. She added that the City should also be looking at alternate sources of revenue along with cutting expenses; that would

mean everyone would be participating for a more equitable solution.

Commissioner Kramer said he would not support the motion; he believes that most people will not research and discuss the issue until it reaches the ballot. He added that a ballot gives everyone the opportunity to be heard.

Commissioner Runyon said that he does not disagree but the current proposed district places the burden on only one segment of the population which is not fair.

Commissioner Kramer stated that no matter how the vote on the current motion goes, the Board is unified in finding a solution.

Chair Hege agreed adding that the Board appreciates all the work that has gone into this process.

Mr. Stone stated that no matter what the vote, the Board will have an opportunity to go forward with other solutions.

Chair Hege recalled that former Commissioner Sherry Holliday had recommended that each member of the Board needs to vote their conscience. Ms. Holliday added that if the recommendation does not have the support of the Board, it cannot pass.

Commissioner Runyon stated that no matter what the vote of the Board, they each support the RAC.

Chair Hege called for a vote on the motion. Commissioner Runyon voted "aye." Chair Hege voted "aye." Commissioner Kramer voted "nay." The motion passed two to one.}}}

Chair Hege stated that he doesn't think there is anyone who doesn't believe this is a very critical issue on which the Board will have to make a decision. He said they need to work hard to find a more equitable solution.

Mr. Young announced that the City Council will be meeting to discuss this subject at 5:30 p.m. on Thursday.

Discussion List – Gorge Commission Funding Letter of Support

{{{After a brief discussion the Board was in consensus to sign a letter of support for additional State funding for the Gorge Commission. They asked

that where "support" was used twice in one sentence, one be changed to "provide."}}}

Chair Hege adjourned the session at 11:19 a.m.

Summary of Actions

Motions Passed

- To not take the Road District to the ballot at this time.

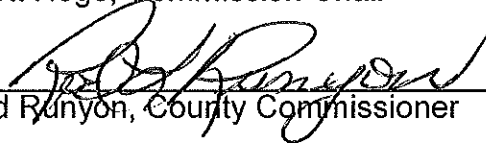
Consensus

- To sign a letter of support for additional State funding for the Gorge Commission.

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Scott Hege, Commission Chair



Rod Runyon, County Commissioner



Steve Kramer, County Commissioner