

**MINUTES - TILLAMOOK COUNTY BOARD OF COMMISSIONERS' MEETING**

**Wednesday, August 18, 1999**

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**[Filed with County Clerk 10-13-99]**

**COMMISSIONERS PRESENT:**

Sue Cameron, Chairperson  
Gina Firman, Commissioner

**COMMISSIONER ABSENT:**

Tim Josi, Vice Chairperson  
(On Vacation)

**STAFF PRESENT:**

Paul Levesque, Management Analyst

**STAFF PRESENT FOR PORTIONS OF MEETING:** Mike Leahy, Health Department Administrator; Tom Manning, Emergency Management Director;

**GUESTS:** See attached guest list.

**CALL TO ORDER:** By Chair Cameron at 6:30 p.m. in the Council Chambers of the Manzanita City Hall. She introduced the Board and staff members to the audience.

**ITEM NO. 1: PUBLIC INPUT:** Tom Springay, Bayside Gardens, said there were other ways to get money for roads, such as taxing forest lands. He also said interest on delinquent taxes should be raised and used for roads.

Barbara Trout, Rockaway Beach, commended the Board for holding their meeting in Manzanita and for work on the Twin Rocks Turnaround. Commissioner Firman thanked Ms. Trout for her taking the lead on getting the area finished as a park.

Bill Spidell, Nehalem, complained about a property tax for roads and said this issue was rushed. It was really a gas tax and Oregonians had always voted against a gas tax. He also did not think the issue would gain the necessary 50% voter turnout. Chair Cameron said they appreciated his input and said there would be public hearings on this matter later on in the meeting.

Rich Gitschlag, 508 McCormick Loop, said he was on the Citizens Advisory Committee for the roads. He would respond later on the road issues, but he said not to blame the Commissioners, as they were acting on the Committee's recommendation.

**ITEM NO. 2: CONSENT CALENDAR:**

**Board of Commissioners' Meeting Minutes for July 26, 1999;**

**Order #99-99, Appointing Brad Pierce to the Work Force Advisory Board:** Chair Cameron explained the purpose of the consent calendar and the items that were on it.

Commissioner Firman moved to approve the items, Chair Cameron seconded, passed with two aye votes.

The Commissioners signed the items the following day.

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**ITEM NO. 3: BID OPENING: TRASK RIVER COUNTY PARK TOILETS:** Mr. Anderson one of the bids was received too late. Chair Cameron opened the following bids:

Pacific Tech	\$109,976.00
Pre-Cast Concrete	Disqualified

Mr. Anderson said the engineer's estimate was \$93,000. He would review the bid and return to the Board with a recommendation.

**ITEM NO. 4: CONSIDERATION OF CHANGE ORDER #11 TO AGREEMENT WITH HBE, INC. FOR HOSPITAL REMODELING PROJECT:** Mr. Levesque detailed the change order items.

Commissioner Firman moved to sign the change order, Chair Cameron seconded, passed with two aye votes.

The Chair signed the change order.

**ITEM NO. 3: BID OPENING: TRASK RIVER COUNTY PARK TOILETS (Continued):** Mr. Anderson recommended rejecting both bids.

Commissioner Firman moved to reject the bids, Chair Cameron seconded, passed with two aye votes.

**ITEM NO. 5: UPDATE ON LAND EXCHANGE BETWEEN SIMPSON TIMBER AND TILLAMOOK COUNTY:** Mr. Levesque updated those present on the status of the land exchange. Bill Berg, Nehalem, said he was one of the Co-chairmen who helped form the North County Recreation District. He was very encouraged by what he had heard and asked if there was anything private citizens could do to help the process. Chair Cameron felt the best thing he could do was to provide input at public hearings on this matter in order to help the Commissioners make their decision.

Michael Minske, Nehalem City Manger, was given clarification of time lines for the land exchange. Mr. Levesque said it would take 6-8 weeks to complete the first phase of the exchange and then another 6-8 weeks for the exchange with the school district.

**ITEM NO. 8: DISCUSSION CONCERNING PROPOSED ROAD LEVY:** Mr. Levesque explained the purpose behind the levy. Historically, there has been two sources of money for the roads: Federal timber receipts and County's meager share of the gas tax and vehicle registration. With the listing of the spotted owl on the Endangered Species List, the Federal revenues began to fall, with a deficit of approximately \$1 million per year in the road fund. The last time the Legislature acted on any increase in the gas tax was 1991. The amount of money the County has

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been receiving from the latter has been fairly constant, but the costs of asphalt and other materials has continued to increase, resulting in a loss of buying power. As a result, the County had been down about \$1.8 million each year in money available to fix the County's roads.

Mr. Levesque said engineers say a road should be paved or overlaid about once every 20 years if an investment in the road was to be maintained. Up until three years ago, the County had been doing an overlay about once every 40 years; for the past three years there had not been a paving program. No new equipment had been purchased in over 7 years. In 1981, there were 50 employees; today there are 35, a 30% decrease in personnel. That was the minimum number of employees necessary to conduct a flood fight.

Mr. Levesque said a year ago, the Citizens Road Advisory Committee (CRAC) was given the task of looking at different possible sources of funding and to make a recommendation to the Commissioners. They looked at a wide variety of possibilities that would generate the needed \$2 million per year. A gas tax was one, but it would have taken 20 cents per gallon to create that amount of revenue. A motel tax was another possibility, but voters had already rejected that several times previously. They then concluded that a property tax levy was the most logical way to raise the money.

Mr. Levesque said he was frequently asked why County current property taxes were not used for the roads. He said that was against the law. Since 1860 the law of the State has said that property tax money which is levied for general county purposes cannot be used on roads. It has to be a property tax levy specifically for use on the roads. Therefore it was the recommendation of the CRAC group a property tax levy be placed on the ballot, levying \$2 million annually for five years.

Mr. Levesque said there were several options, including sharing with the cities and road districts. There were currently two existing road districts in the County; the creation of a third district was on the agenda for the meeting. The three districts formed would conform with the boundaries of the three school districts in the County. All money collected in a particular district would be spent in that district, so the voters could see how much their district was generating. All cities, except for Garibaldi, had endorsed the road levy.

Mr. Levesque said the Board had preliminary discussions regarding a tax rate. In order to raise the full \$2 million, it would have required a tax rate of \$1.08. They finally determined on a rate of \$.85 per thousand was probably appropriate. That was the amount that would be considered on August 25 at the public hearing. If the levy passed, some State Timber revenue dollars would be available as the Road District would be part of the distribution.

**ITEM NO. 9: PUBLIC HEARING: CONSIDERATION OF WITHDRAWAL OF LAND & TERRITORY FROM TILLAMOOK COUNTY ROAD DISTRICT #1 AND ANNEXATION OF SAID LAND & TERRITORY TO TILLAMOOK COUNTY ROAD DISTRICT #3:**

Chair Cameron asked Mr. Levesque to explain the matter. Mr. Levesque explained the history of the road districts, which were first formed in 1949. A line was drawn from the south side of Cape Lookout.

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Everything north of that because Road District #1 and everything south became District #3.

Mr. Spidell asked what the purpose was in creating these districts and where the benefit was. Mr. Levesque said the existing road districts did not conform to the boundaries of any other governmental entity. All districts currently had tax codes which were used in the distribution of tax dollars. If the road districts conformed to existing boundaries, no new tax codes would have to be created. In addition, the County Public Works Department was divided into three administrative districts; for cost account purposes, it was appropriate to also have corresponding district.

Mr. Spidell asked what would happen to these districts if the gas tax levy failed. Mr. Levesque said nothing would happen if the levy failed, but if it passed, this process would make for more efficient government.

Carl Peters, Manzanita, asked what would happen to the money collected. Mr. Levesque said 100% of the money collected would be put back on the roads. There would be no administrative funds or costs taken out of the proceeds. Mr. Peters noted that north County had a higher tax valuation than the other two areas. Mr. Levesque said \$275,719 would be available to north County for each of the five years of the tax, excluding the incorporated cities. Road District #2 would have \$470,950 and #3 would have \$420,955. He said the City of Manzanita would have another \$181,000 available; Nehalem \$13,885; Wheeler \$21,000; Rockaway Beach \$149,000.

Chair Cameron said he also needed to add in Bay City and Garibaldi. Mr. Levesque said that was correct and they would need to add another \$46,000 for Garibaldi. The district line would go through the middle of Bay City.

Cathie Mahoney, Nehalem, asked why there was not a tax on trucks, specifically log trucks, that were tearing up the roads. Chair Cameron said the CRAC addressed that issue thoroughly and still came up with this recommendation.

Mr. Peters asked if any count was ever made of the number of cars in each district. He suggested the people who own cars should be taxed \$10-\$15 per year, as they were the ones using the roads. Chair Cameron asked Mr. Gitschlag, as a member of the CRAC, to comment.

Mr. Gitschlag said they did look at all the various taxing schemes that could be legally used. He said the current distribution of the gas tax was based on where vehicles were licensed; tax money from people that have second homes in the County, but register their vehicles elsewhere, would go where their primary residence was. The property tax would capture the people who registered their vehicles elsewhere, but owned property and used the road here. If the vehicle licensing method were used, it would only have raised about \$100,000. To raise the amount of money that was needed, the various fees would have to be raised exorbitantly. They looked for the method that would have the fewest negative effects.

Mr. Gitschlag said that in five years, they would not be able to do everything. The CRAC felt that after that time, the County may want to go for a permanent tax base, but they thought it was prudent

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to be more flexible at this time. There may be additional money available from the Federal forests or from the Tillamook Forest burn area by that time.

Mr. Levesque said it cost approximately \$115,000 to \$140,000 per mile to overlay a road. After five years, there would not be any surplus.

Mr. Peters asked where the \$30 million was going that the County was receiving from the Federal government. Chair Cameron said the Army Corps of Engineers has been working on the flooding issues in central County and did a reconnaissance study to determine what work could be done. They are now working on a feasibility study; at the end of that 2.5-year period, they will determine what projects would restore the eco-system and relieve damages caused by flooding. The maximum amount available to do the actual projects was \$30 million; it was earmarked specifically for eco-system restoration and flood mitigation. Unfortunately, those funds could not be tapped for the roads.

Mr. Berg said that when he drove from Arch Cape to Seaside, he drove over an overlay put down by the State. It had not stood up to traffic. He asked how the County would do its overlay so it would last longer. Chair Cameron said Public Works would be looking at the depth of the overlay and what needs to happen on what specific portion of a road. She said there was a real commitment on their part to make sure the repairs would last.

Commissioner Firman added that the County did its own paving and they had a really good crew. The State has to put their project out to bid, and the quality of the work depends on who wins a particular bid.

Michael Nitzsche, City Manager of Nehalem, said that overlay had been put down during a heavy rain.

Chair Cameron closed the public hearing and asked for a motion.

Commissioner Firman moved to approve Order #99-100 withdrawing land and territory from Tillamook County Road District #1 and annexing said land and territory to Tillamook County Road District #3, Chair Cameron seconded.

Chair Cameron said this was a housekeeping item to provide a system through which to allocate and track the dollars, if the levy passes.

Motion passed with two aye votes.

**ITEM NO. 10: PUBLIC HEARING: CONSIDERATION OF FORMATION OF TILLAMOOK COUNTY ROAD DISTRICT #2 AND WITHDRAWAL OF LAND & TERRITORY FROM TILLAMOOK COUNTY ROAD DISTRICT #1:** Mr. Levesque said this was the second piece of the administrative procedure to make the boundaries of the three road districts coincide with the school districts.

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Chair Cameron asked for public input.

Mr. Spidell, Anderson Road, asked what would happen to these two orders if the levy failed. Mr. Levesque said the districts would continue to exist.

There was no further public comment, and Chair Cameron closed the public hearing.

Commissioner Firman moved to sign Order #99-101, in the matter of the formation of Tillamook County road district #2 and withdrawal of land and territory from Tillamook County road district #1, Chair Cameron seconded, passed with two aye votes.

Mr. Levesque said this action approved the districts and there was another hearing on September 15, where they actually would be created.

Chair Cameron said there was a public hearing at the Board meeting on August 25 at 9:00 a.m. on the actual property tax levy and whether or not it would be placed on the ballot. She said they will welcome public input, whether at the hearing or in writing. Placing it on the ballot would allow the voters to decide whether or not to tax themselves to pay for the roads.

**ITEM NO. 6: UPDATE ON MEETING WITH H.U.D. REGARDING HOUSING IN TILLAMOOK COUNTY:** Chair Cameron reported on a meeting with H.U.D. about increasing affordable housing in Tillamook County and forming community land trusts. Commissioner Firman also spoke about grant opportunities through the Northwest Oregon Housing Authority (NOHA).

**ITEM NO. 7: UPDATE ON FIBER OPTIC POSSIBILITIES IN TILLAMOOK COUNTY:** Chair Cameron reported on recent and upcoming meetings on fiber optic technology opportunities.

**ITEM NO. 11: NON-AGENDA ITEMS & BOARD CONCERNS: Senior Meals:** Commissioner Firman asked about the change in quality of home-delivered meals. Mr. Spidell talked about lowered quality of food in Portland, where they also went to a single point of distribution. Phyllis Baker said she had heard some negative comments but had no direct knowledge that the Rockaway Beach meal site had gone from 35 to 10 meals per day. Mr. Byrd suggested a comment box at each site.

**Letter of Support for Economic Development:** Commissioner Firman read a letter regarding the Columbia-Pacific Economic Development District. Chair Cameron talked about importance of economic development dollars.

Commissioner Firman moved to sign the letter, Chair Cameron seconded, passed with two aye votes.

The Commissioners signed the letter.

**Health Department Matters:** Mr. Leahy reported on recent meetings with schools and Tillamook

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Family Counseling Center on collaborating with his staff. He also announced the position of the new north County coordinator. He asked for Board authority to negotiate on a new dental facility which had become available for lease. It was on Highway 101 near the Health Department. There was Board consensus to proceed and work with Mr. Levesque.

**Jail Space Rental:** In response to a question from Carl Peters, Commissioner Firman described the jail rental arrangements.

**Emergency Management Update:** Mr. Manning reported on a meeting the previous week with the north County emergency management group and the Red Cross. He also discussed possibilities for a new north County emergency operations center in Manzanita. He also reported on successes with the Barney Reservoir Task Force.

Mr. Berg was given information on emergency generator in Nehalem. Mr. Spidell was given the statute prohibiting general tax funds being spent on county roads.

Chair Cameron adjourned the meeting at 7:58 p.m.

**RESPECTFULLY** submitted this \_\_\_\_ day of \_\_\_\_\_, 199\_\_ .

County Clerk: Josephine Veltri

\_\_\_\_\_  
Mary Wujcik, Recording Secretary  
& Special Deputy

**APPROVED BY:**

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Vice Chairperson

\_\_\_\_\_  
Commissioner