

City of Brookings

MEETING AGENDA

CITY COUNCIL/URBAN RENEWAL AGENCY

Monday, July 22, 2013, 7:00pm

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

CITY COUNCIL

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Ceremonies/Appointments/Announcements

1. July Yard of the Month Announcements
 - Residential – Rosy & Debra Williams, 316 Memory Lane.
 - Commercial – Coos Curry Electric Cooperative, 815 Railroad Street.

E. Oral Requests and Communications from the audience

1. Public Comments on non-agenda items – 5 minute limit per person.*

F. Staff Reports

1. Award contract for Beach Lift Station Rehabilitation project and accept temporary construction and permanent storm drain easements from Hannah Lawson, 1515 Beach Avenue. [PWDS, pg. 3]
 - a. Easements [pg. 4]
2. Law Enforcement Property Tax Levy Proposal. [Mayor, pg. 10]
 - a. Property Tax Levy Agenda Report dated March 25, 2013 [pg. 11]
 - b. County Fiscal Crises Agenda Report dated March 25, 2013 [pg. 35]

G. Resolutions

1. Resolution 13-R-1017 reducing interest rate and applying interest credit for Curry Health Network System Development Charges. [City Manager, pg. 67]
 - a. Resolution 13-R-1017 [pg. 68]
2. Resolution 13-R-1018 authorizing the refinance of outstanding water system obligation. [F&HR, pg. 70]
 - a. Resolution 13-R-1018 [pg. 71]

H. Consent Calendar

1. Approve Council minutes for July 8, 2013. [pg. 74]
2. Receive June 2013 financial report. [pg. 76]

I. Remarks from Mayor and Councilors

J. Adjournment

URBAN RENEWAL AGENCY

A. Call to Order

B. Roll Call

C. Consent Calendar

1. Approve Agency minutes for June 24, 2013. [pg. 82]

D. Public Comments**E. Resolutions**

1. Resolution 13-R-1019, authorizing the refinance of outstanding Urban Renewal obligations. [F&HR, pg. 85]
 - a. Resolution 13-R-1019 [pg. 86]

F. Agency Remarks**G. Adjournment**

*Obtain Public Comment Forms and view the agenda and packet information on-line at www.brookings.or.us, at City Hall and at the local library. Return completed Public Comment Forms to the City Recorder before the start of meeting or during regular business hours.


All public meetings are held in accessible locations. Auxiliary aids will be provided upon request with at least ten days advance notification. Please contact 469-1102 if you have any questions regarding this notice.

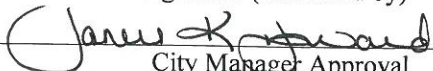
CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 22, 2013

Originating Dept: PW/DS


Signature (submitted by)


City Manager Approval

Subject: Bid award for construction of the Beach Avenue Lift Station Rehabilitation project and to accept the easements necessary for the completion of the work.

Recommended Motions:

- Motion to award the bid in the amount of \$117,000.00 for the Beach Avenue Lift Station Rehabilitation project to McLennan Excavation as the lowest responsible bidder.
- Motion to accept the temporary construction easement and permanent storm drain easement given by Hannah Lawson at 1515 Beach Avenue and authorize the Mayor to sign the easements.

Financial Impact: On January 28, 2013 Resolution 13-R-996 authorized financing infrastructure improvements which included \$350,000 from wastewater system replacement funds for Beach Lift Station resulting in an increase of \$.089 per month in the Wastewater SRF fee.

Approximately \$70,000 has been spent on emergency pumps, geotechnical engineering, relocating the electrical panel and monitoring the site after the storm event. Total costs including construction are \$187,000.00 and under the \$350,000 budget.

Background/Discussion: The Beach Avenue Lift Station has been severely impacted by a slope failure that occurred as a result of the November 2012 storm event. An engineered slope stabilization plan has been developed that will require the placement of a significant amount of structural fill to support the lift station. This project will also include the installation of storm and subgrade water collection to protect the site from future infiltration and the replacement of existing sanitary sewer collection piping into the wet well. Easements are necessary for the completion of this project, the adjoining property owner has signed the required documents which will be recorded after acceptance by the Council.

On July 17, 2013, 1 bid was received;

The project engineer's estimate is \$98,906.50.

Staff recommends a motion to award to the lowest responsible bidder, McLennan Excavation in the amount of \$117,000.00.

Attachment(s):

- a. Easement documents, exhibits and map

AFTER RECORDING RETURN TO:

City of Brookings
898 Elk Drive
Brookings, OR 97415

Mail Tax Statements To: No Change

Map No. 41-14-01AA; tax lot 405

TEMPORARY CONSTRUCTION EASEMENT

Hannah G. Lawson, 1515 Beach Avenue, Brookings, OR 97415, ("Grantor") hereby grants to the City of Brookings, Oregon, a municipal corporation, ("Grantee") a temporary construction easement for storm drain improvements, sewage lift station repairs and slope restoration over a portion of Lot 5, Beach View Subdivision located in Government Lot 1, Section 1, Township 41 South, Range 14 West of the Willamette Meridian, City of Brookings, Curry County, State of Oregon, said temporary easement being more particularly described as follows:

SEE ATTACHED EXHIBIT - "A" Pages 1 & 2.

There is no consideration for this easement in terms of dollars and cents as it is given freely and voluntarily to allow Grantee to make the storm drain improvements, sewage lift station repairs and slope restoration and thereby providing direct and/or indirect benefit to Grantor. This easement is granted on the following terms and conditions:

1. The easement shall be a temporary right of Grantee, its officer, agents, employees and contractors for ingress and egress upon, over and across the property for the purposes of constructing new storm drain improvements, repairing the sewage lift station, placing new fill and riprap to restore the existing embankment area around the sewage lift station and related work.

2. Grantee shall hold Grantor harmless from any liability caused by Grantee's work within the easement.

3. Grantee is to restore the surface of the property to the condition that existed prior to any construction.

4. This temporary construction easement shall terminate on December 31, 2013.

This easement shall be binding upon Grantor, its successors and assigns, and shall inure to the benefit of Grantee, its successors and assigns.

DATED 07/12/13

Hannah G. Lawson
Grantor: Hannah G. Lawson

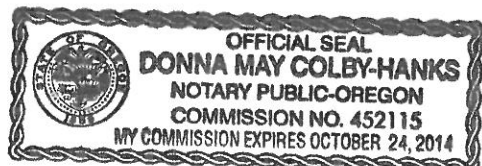
STATE OF Oregon
County of Curry

Before me personally appeared the Grantor(s), Hannah G. Lawson, this 12th day of July, 2013, and acknowledged the foregoing instrument as his/her voluntary act and deed.

Donna Colby-Hanks
Notary Public for Oregon
My commission expires: Oct 24, 2014

ACCEPTED BY GRANTEE:

Gary Milliman, City Manager
City of Brookings, Oregon



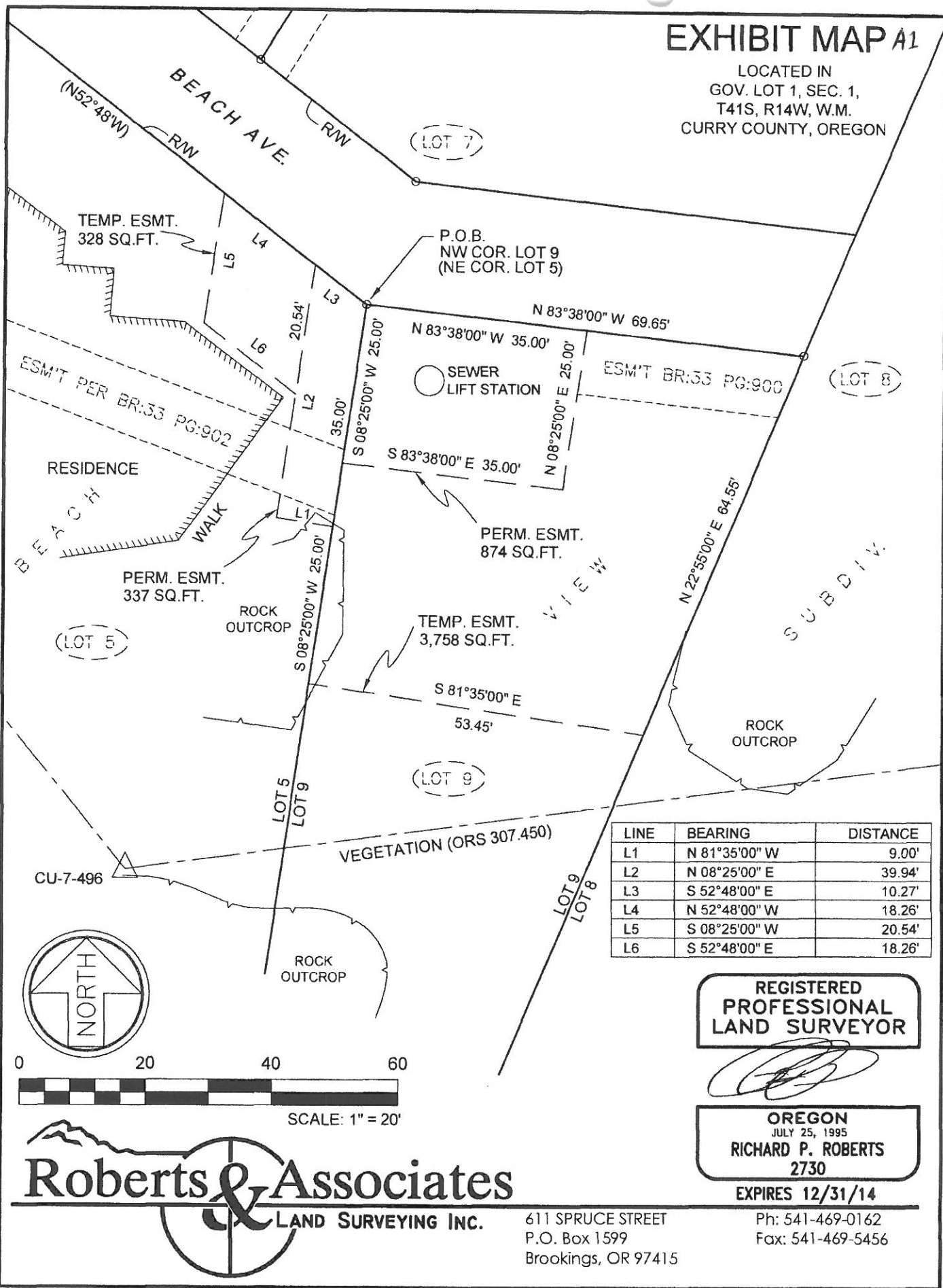
STATE OF OREGON
County of Curry

This instrument was acknowledged before me on the _____ day of _____, 20____, by Gary Milliman, City Manager of the City of Brookings, as the City of Brookings' voluntary act and deed and accepted the easement on behalf of the City of Brookings.

Notary Public for Oregon

EXHIBIT MAP A1

LOCATED IN
GOV. LOT 1, SEC. 1,
T41S, R14W, W.M.
CURRY COUNTY, OREGON



REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JULY 25, 1995
RICHARD P. ROBERTS
2730

EXPIRES 12/31/14

Roberts & Associates
LAND SURVEYING INC.

611 SPRUCE STREET
P.O. Box 1599
Brookings, OR 97415

Ph: 541-469-0162
Fax: 541-469-5456

Lawson Temporary Easement

EXHIBIT AZ

A temporary easement for the construction of sanitary sewer facilities, storm drainage facilities, and slope embankment structure over that portion of Lot 5, BEACHVIEW SUBDIVISION, in the City of Brookings, County of Curry, State of Oregon, included within the following described lines:

COMMENCING at the Northeast corner of said Lot 5;
thence along the Southwesterly right of way line of Beach Avenue, North 52°48'00"
West, a distance of 10.27 feet, to the TRUE POINT OF BEGINNING;
thence continuing along said right of way line, North 52°48'00" West, a distance of 18.26
feet;
thence leaving said right of way line, South 08°25'00" West, a distance of 20.54 feet;
thence South 52°48'00" East, a distance of 18.26 feet;
thence North 08°25'00" East, a distance of 20.54 feet, to the POINT OF BEGINNING.
Containing 328 square feet.

REGISTERED
PROFESSIONAL
LAND SURVEYOR



OREGON
JULY 25, 1995
RICHARD P. ROBERTS
2730

EXPIRATION DATE: 12/31/14

AFTER RECORDING RETURN TO:

City of Brookings
898 Elk Drive
Brookings, OR 97415

Mail Tax Statements To: No Change
Map No. 41-14-01AA; tax lot 405

STORM DRAIN EASEMENT

Hannah G. Lawson, 1515 Beach Avenue, Brookings, OR 97415 ("Grantor") hereby grants to the City of Brookings, Oregon, a municipal corporation ("Grantee"), a perpetual easement for the installation, construction, maintenance and replacement purposes of a new catch basin, storm drain pipe and related appurtenances over a portion of Lot 5, Beach View Subdivision located in Government Lot 1, Section 1, Township 41 South, Range 14 West of the Willamette Meridian, City of Brookings, Curry County, State of Oregon, said storm drain easement being more particularly described as follows:

SEE ATTACHED EXHIBIT - "A" Pages 1 & 2 ("property").

There is no consideration given for this easement in terms of dollars and cents as it is given freely and voluntarily to allow Grantee to make storm drainage improvement and thereby providing direct and/or indirect benefit to Grantor.

This easement is granted on the following terms and conditions:

1. The easement shall be a permanent right of Grantee, its officers, agents, employees and contractors for ingress and egress upon, over and across the property for the purposes of constructing, maintaining or replacing storm drain improvements.

2. Grantor agrees not to plant, build, construct or create, nor permit others to plant, build, construct or create any flora, buildings or other structures, including fences, on the easement that may interfere with the use of the easement for the purposes set forth herein or with the normal operation, inspection, access to, or maintenance of, the storm drain improvement.

This easement shall be binding upon Grantor, its successors and assigns, and shall inure to the benefit of Grantee, its successors and assigns.

DATED 07/12/13

Hannah G. Lawson
Grantor: Hannah G. Lawson

STATE OF Oregon
County of Curry

Before me personally appeared the Grantor(s), Hannah G. Lawson, this 12th day of July, 2013, and acknowledged the foregoing instrument as his/her voluntary act and deed.

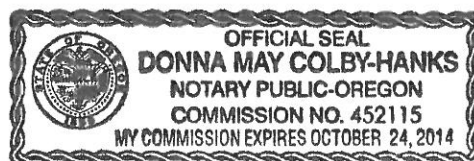
Donna Colby-Hanks
Notary Public for Oregon
My commission expires: Oct 24, 2014

ACCEPTED BY GRANTEE:

Gary Milliman, City Manager
City of Brookings, Oregon

STATE OF OREGON
County of Curry

This instrument was acknowledged before me on the _____ day of _____, 20____, by Gary Milliman, City Manager of the City of Brookings, as the City of Brookings' voluntary act and deed and accepted the easement on behalf of the City of Brookings.



Notary Public for Oregon
My commission expires:

Al

(LOT 7)

N 83°38'00" W 69.65'

N 83°38'00" W 35.00'

SEWER
LIFT STATION

ESM'T BR:33 PG:900

(LOT 8)

PERM. ESMT.
874 SQ.FT.

TEMP. ESMT.
3,758 SQ.FT.

S 81°35'00" E
53.45'

(LOT 9)

VEGETATION (ORS 307.450)

CU-7-496

ROCK
OUTCROP

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JULY 25, 1995
RICHARD P. ROBERTS
2730

EXPIRES 12/31/14

Ph: 541-469-0162
Fax: 541-469-5456

611 SPRUCE STREET
P.O. Box 1599
Brookings, OR 97415

Ph: 541-469-0162
Fax: 541-469-5456

SCALE: 1" = 20'

Roberts & Associates
LAND SURVEYING INC.

611 SPRUCE STREET
P.O. Box 1599
Brookings, OR 97415

EXHIBIT A2

An easement for the construction and maintenance of sanitary sewer facilities, storm drainage facilities, and slope embankment structure over that portion of Lot 5, BEACHVIEW SUBVIDISION, in the City of Brookings, County of Curry, State of Oregon, included within the following described lines:

BEGINNING at the Northeast corner of said Lot 5;

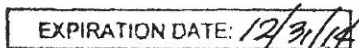
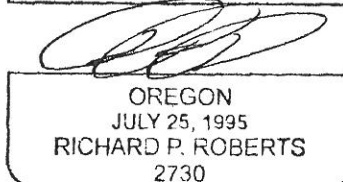
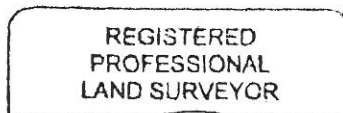
thence along the East line of said Lot 5, South 08°25'00" West, a distance of 35.00 feet;

thence leaving said East line, North 81°35'00" West, a distance of 9.00 feet;

thence North 08°25'00" East, a distance of 39.94 feet to the Southwesterly right of way line of Beach Avenue;

thence along said right of way line, South 52°48'00" East, a distance of 10.27 feet, to the POINT OF BEGINNING.

Containing 562 square feet.



CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 22, 2013

Signature (submitted by)

Originating Dept: Mayor

City Manager Approval

Subject: Law Enforcement Property Tax Proposal

Recommended Motion:

If the City Council so chooses, direct the Mayor to prepare and sign a letter proposing a property tax levy to the Curry County Board of Commissioners.

Background/Discussion:

The City Council discussed in its July 18, 2013 workshop Mayor Hedenskog's proposed strategy for a possible countywide property tax to fund law enforcement services including jail operations, District Attorney, juvenile services and emergency services, but not including Sheriff patrol and Sheriff dispatching services. The concept is to enact a countywide property tax of \$0.92...the same rate that the City had earlier proposed as an in-city rate in a county/city tax split-rate scenario in March. An analysis by the City Manager in March indicated that a \$0.92 rate, coupled with directing \$810,000 in existing County General Fund revenues used for law enforcement into a Law Enforcement Fund, would be sufficient to fund the basic operations of the Sheriff's Department, exclusive of road deputies and dispatching.

The Council may recall that the proposed unincorporated area rate of \$1.94 contained in Measure 8-71 included funding for dispatching and 12 road deputies.

By adopting a uniform rate across the county for basic services utilized by residents of both the unincorporated area and within cities, the County Board of Commissioners could then develop a plan for funding road deputy and dispatching services for residents of the unincorporated area, which may include funding 12 road deputies. This plan for funding road deputies need not include putting the full burden on a property tax, but could include a mix of revenues collected from the unincorporated territory, including a transient occupancy tax, business license tax, changing the cities of Gold Beach and Port Orford for dispatching (which they now do) or other means.

One issue that should be discussed is that the City of Port Orford will be placing a property tax levy reauthorization measure on its City ballot in November, 2013, to sustain its Police Department at current levels. Some Port Orford city officials have expressed concern about the possible negative impact on their property tax levy if there is a countywide property tax measure on the same ballot.

Note also that Measure 8-71, which contained an in-city property tax rate of \$1.84, received a majority vote from the voters from within both the cities of Gold Beach and Port Orford.

Attachment(s):

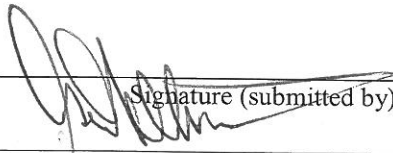
- a. Property Tax Council Agenda Report, dated March 25, 2013
- b. County Fiscal Crises Council Agenda Report, dated March 25, 2013

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: March 25, 2013

Originating Dept: City Manager



Signature (submitted by)

City Manager Approval

Subject: Proposed County Public Safety Property Tax Levy

Recommended Motion:
None.

Financial Impact:
See below.

Background/Discussion:

The purpose of this Council Agenda Report is to assist the City Council in its discussion of the proposed public safety tax levy that is scheduled for discussion at the joint Commission/Council meeting.

The Curry County Board of Commissioners has placed the following measure on the May 14, 2013, ballot:

“Shall Curry County Levy \$1.84 City and \$1.97 Rural per \$1,000 assessed value for law enforcement for five years beginning 2013-14?”

The full text of the measure is attached.

At the joint workshop of January 28, Commission Chair David Brock Smith distributed the document entitled “Curry County 2.1 Budget Draft”, attached as Exhibit A. This document purports to show what services the County would continue to provide utilizing the \$2.1 million it receives in General Fund revenue.

Also attached, as Exhibit B, is a document entitled “Public Safety Levy” dated February 4, 2013, that was reportedly received from Commission Chair David Brock Smith by the Cities of Port Orford and Gold Beach. This document, which the City received on February 13, 2013, purports to analyze the relative cost of providing County law enforcement services to residents of the unincorporated area and the incorporated cities. This document served as the basis to establish the proposed “split rate” levy of \$1.97 in the unincorporated area and \$1.84 in the unincorporated area that was approved by the Board of Commissioners on February 13, the same day Brookings officials received Exhibit B.

The proposed public safety tax levy would remove the entire County law enforcement budget...expenditures and revenues...from what is now the County General Fund budget. This

would leave the remaining \$2.1 million in General Fund revenue available to fund general government services.

ANALYSIS OF THE TWO DOCUMENTS

1. Exhibit A contains \$810,092 in expenditures that are also shown in Exhibit B. If the tax measure is approved, how will the \$810,092 in Exhibit A be reallocated? According to Commissioner Brown, at least part of the answer to this question is found in Exhibit C "Summary GF w PS levy." Note that with the public safety levy, the Commissioners budget increases from \$330,454 in Exhibit A to \$438,386 with the passage of the levy. Other non-public safety Exhibit A departments that would see an increase in expenditures from the "2.1 budget" include Elections, Assessor and Surveyor. There are also several services listed in Exhibit C that are not listed in Exhibit A, and several services on Exhibit A appear to be consolidated into a "Non-Departmental" budget. Finally, Exhibit C includes \$400,000 in capital projects including \$200,000 for building repairs (not the jail), a \$160,000 repayment to the County Road Fund and a \$40,000 match for a Brookings Airport improvement project, currently in progress. *The aforementioned \$400,000 in capital expenditures are "one time" expenditures. How would the \$400,000 be used in subsequent years?*

According to Commission Chair David Brock Smith, who met with the City Manager on March 14, the \$810,000 would be reallocated to various departments as shown in Exhibit C. Some of the funds would be used for repairs to County buildings and to reimburse the County Road Fund for money advanced to pay for law enforcement in fiscal 2012-13. Other funding would be used to increase staffing in various departments, including Assessor and the Commissioner's Office, and adding a second Veterans Service Officer.

2. The rationale behind the City/unincorporated area split percentages is not explained. Who developed this allocation, and what is the basis for determining the split?

According to Commission Chair Smith, he developed the cost allocation and property tax split formula.

3. Earlier discussions related to a levy that would maintain current services. Exhibit B includes 12 road deputies, not the current five.

According to Commission Chair Smith, the Sheriff recommended that a minimum of 12 road deputies would be needed in order to provide adequate basic law enforcement services in the County, operating on a concept that this would maintain four deputies on duty at all times; two in "north County" and two in "south County." Note that the long-standing and proven formula for 24-hour police services is five officers to maintain one officer on duty 24/7. This takes into consideration time off for vacations, sick leave, court, training, vacancies, etc. Using this formula, the County would need 20 deputies to achieve the aforementioned goal.

4. Exhibit B allocates 5.0 per cent of the cost of Sheriff Road Deputies to cities. Presumably this is for the cost of providing mutual aid? Should we then be billing a portion of City Patrol Officer time to the County?

5. Exhibit B allocates 50 per cent of the cost of the Harbor Sheriff substation to cities (all cities). What is the rationale for this?

According to Commissioner Smith, at least 50 per cent of the use of the Harbor substation is by City residents seeking concealed weapons permits, civil paper services and other Sheriff services.

6. In Exhibit B, 80 per cent of the cost of “juvenile administration” is allocated to cities. What is the rationale for this large allocation? Could it be that it is related to the fact that all schools are located in cities and, thus, City police departments are responsible to initiating juvenile crime actions for both residents and non-residents? County Juvenile Officer Ken Dukek responded to a City Manager inquiry concerning this as follows:

“We report all of our data to the Juvenile Justice Information System (JJIS) that is maintained by the Oregon Youth Authority. The information was obtained by running a report through JJIS requesting the number of referrals from each Law Enforcement Agency in Curry County for that given calendar year. The reason behind that specific referral report is that the contact is initiated from each particular law enforcement agency that then requires action from our department back to the referring agency, in other words it is their case and as we process it they (local law enforcement) stay with the case until it has completed the court process. This is purely referral based (or incident based) and is also an “unduplicated count”, meaning that each referral is a contact. The importance of the unduplicated count is that in some cases a youth or youths may be charged with more than one crime in any one contact, so if a youth was charged with three crimes – it is only reported as one contact. “Duplicated counts” would have a higher ratios and would not be indicative of the information I was seeking. Simply put, I ran a report that indicated which agency for each contact (whether one or more crimes per incident it only counts as one contact) during the calendar year. While youth may certainly not reside in the city that have a contact with a Brookings Police Officer, the same could be applied to a youth that is cited in the County that resides in Brookings. I can tell you that more than 50% of our total staff time is dedicated to South County, obviously including Harbor and the County. “

7. What is the actual cost of Emergency Services to the General Fund? In Exhibit A, it is listed as \$49,183 while in Exhibit B it is listed as \$65,730. What portion of the Emergency Services cost is paid for by State/Federal funding and has this been adjusted into the numbers in the Exhibits?
8. In Exhibit B, 18 per cent of communications costs are allocated to cities. The County provides dispatching for Gold Beach and Port Orford, but not for Brookings. By including this in the levy, Brookings will be paying a portion of the dispatching costs for the other two cities. Is the \$77,720 shown the amount the cities of Gold Beach and Port Orford currently pay for dispatching services?
9. Exhibit B allocates \$161,030 in expenditures to maintain existing County-owned communications towers to the public safety levy. According to Sheriff Bishop this cost is currently being paid from Secure Rural Schools Act Title II funds. According to Sheriff Bishop, approximately \$227,000 in Title II funds remain available. Title III funds may be used for emergency management, search and rescue and fire suppression.

THE JAIL

Staff contacted Sheriff Bishop about the January 28, 2013, statement by Commission Chair Smith that, as a part of the earlier “2.1 budget” outline, the County would be closing the jail and contracting for three beds at Coos County. Staff specifically asked about what the impact on the City would be if the County closed the Curry County Jail. Bishop advised staff that he understands that the three Coos County beds would be available exclusively for parole and probation, and not to house prisoners awaiting trial or new arrestees. For 2012, Curry County has averaged 42 inmates per day. Bishop said that, if Curry County closed its jail, he would recommend that the City continue to deliver prisoners to the County facility in Gold Beach because it is the County’s responsibility to provide a jail. They have not developed a contingency plan, although they have received a quote for the cost of housing prisoners at the Coos County jail at \$92 per day, not including medical costs. He has also confirmed that Curry County judges will not allow prisoners to be arraigned or tried in Coos County, which means that the Sheriff would need to provide transport service between Coquille and Gold Beach. Bishop said that the existing jail needs \$300-400,000 in repairs to resolve health and safety problems, and that the jail could continue to operate for “at least 10 years” once these problems are resolved. The jail operations budget is approximately \$1.1 million.

ALTERNATIVE SPREADSHEETS

The Board of Commissioners has already voted to put the \$1.97/1.84 split rate tax levy on the May 2013 ballot and it may be too late to change the measure to some other formula.

Nonetheless, City staff has developed the attached alternative split tax rate scenario.

The City staff scenario segregates total County public safety costs into two categories: 1) services that benefit the entire County, such as District Attorney and Juvenile, and 2) services that predominantly benefit the unincorporated area, such as Sheriff’s patrol. Costs associated with Item 1 are spread evenly across all County property taxpayers, and the additional cost of services provided by the County to unincorporated area residents as shown as an additional tax rate that would be applied in the unincorporated area. **The resultant rate split would be \$2.36/1.23.**

Councilor McClain has also developed an alternate split rate (\$2.35/1.22) scenario, which is attached.

Note that any of the aforementioned rates could possibly be reduced by as much as 18 per cent if the \$810,092 allocated for public safety in Exhibit A were applied as offsetting revenue in Exhibit B or the alternative spreadsheet scenarios. The rates could also be reduced if the tax levy budget were modified to maintain current Sheriff patrol staffing levels, rather than doubling current levels, and continuing to pay the communications towers expenses from the County Road Fund.

STATE PERSPECTIVE

See separate Council Agenda Report on House Bill 3453, which would authorize the State to restructure local government in the event of a County fiscal emergency.

Mayor Hedenskog and I attended a meeting of south coast (Curry and Coos County) small cities on February 13. At that meeting, Governor's representative Jeff Griffin made a presentation concerning "what happens and what does not happen in the event of a County fiscal failure." Some notes:

- There has been some discussion of merging Coos County and Curry County. This would require approval by a majority of the voters in Coos County and a majority of the voters in Curry County. House Joint Resolution 2 has been introduced in the Oregon Legislature which would authorize the State to place such a matter on the ballot in each County. If the counties are consolidated, the County property tax rate would be adjusted to generate the same amount of property tax revenue to the new County as was received by the two counties. In this case, the Curry County tax rate would increase, and the Coos County tax rate would decline. Essentially, we would then have a larger County that still has inadequate revenue to sustain itself.
- There is no State statute that authorizes the State to take over County services. (Legislation authorizing bankruptcy has now been introduced).
- The Governor opposes using State funds to backfill any losses in County revenue.
- ORS 205.095 and ORS 205.100 establish a process for declaring a public safety emergency. This authorizes the County to request and receive state technical assistance with reorganization; the County would be billed for these services.
- Pending in the Legislature is HB 2206/SB 15 which would authorize the Oregon Department of Revenue to take over local property tax assessment and collection. Under this proposal, all taxing districts...including cities...would be assessed a fee for assessment and collection services. The fee could be as high as 20 per cent of the amount of taxes collected.
- Proposed SB 173 would allocate \$2.0 million in State grant funding to assist counties and cities in studying the feasibility of, and facilitating the consolidation of, City/County services. Locally, these funds could be used to facilitate the consolidation of 9-1-1/dispatching services; facilitation work would include identifying and allocating costs of operating a consolidated dispatch center to the various users (i.e. Sheriff, cities, fire districts, ambulance).

FEDERAL PERSPECTIVE

On February 15, U.S. Senator Ron Wyden issued a press release announcing his plans to seek an extension of the Secure Rural Schools program for at least another year (see attached). According to Wyden's Deputy State Director, Mary Gautreaux, there is support for this proposal from the Senate Finance Committee leadership. However, to get the measure through Congress, the proponents will need to identify offsetting cuts in federal expenditures, which has become all the more difficult with the current controversy concerning sequester and upcoming debt ceiling increase debates. If legislation is ultimately approved, funding would be available some time in 2014.

The County measure placed on the May ballot provides: "The Board of Commissioners will reduce this tax in any year in which Federal Safety Net Related Payments are received."

“Federal Safety Net Related Payments” is not defined, but presumably would include SRS funds. The ballot measure does not require that the amount of the tax be reduced proportionately to the amount of federal funding received.

Attachment(s):

- a. Notice of Receipt of Ballot Title
- b. Curry County 2.1 Budget (Exhibit A)
- c. Public Safety Levy (Exhibit B)
- d. Summary of GF w PS levy (Exhibit C)
- e. Memo to Council re: LPSCC meeting with revised 2.1 budget
- f. Public Safety Levy, City of Brookings Analysis
- g. Public Safety Levy Worksheet (McClain)
- h. Oregonian article
- i. Wyden press release
- j. Daily Courier article
- k. Email letter from Commission Chair Smith

NOTICE OF RECEIPT OF BALLOT TITLE

Notice is hereby given that on Tuesday, May 21, 2013 a measure election will be held in Curry County, Oregon. Notice is also given that an Order with a ballot title for a measure referred by Curry County has been submitted to the County Clerk of Curry County on February 13, 2013.

Measure

Caption: County Law Enforcement Five Year Split Rate Operating Levy

Question: Shall Curry County Levy \$1.84 City and \$1.97 Rural per \$1,000 assessed value for law-enforcement for five years beginning 2013-2014?

This measure may cause property taxes to increase more than three percent.

Summary: Curry County's proposed discretionary resource budget of \$2.1 million will not sustain County Law Enforcement Services.

This proposed 5 year local option tax provides funding for:

Dispatch, 911, Jail Operations, Criminal Investigations, Crime Prevention, Search & Rescue, Marine Patrol, Civil Process, Juvenile Detention Services, Drug Enforcement, Prevention and Education, Traffic Safety, School Resource Programs, Sheriff Patrols, Adult Parole and Probation, Wild Land Fire and Tsunami Evacuations, Emergency Services, Juvenile Probation, Adult and Juvenile Prosecution, Child Advocacy, Victims Assistance.

This measure proposes split rates. While the above law enforcement services benefit all residents, the taxpayers in Brookings, Gold Beach and Port Orford will pay a lower rate because cities fund police departments.

This proposed local option tax, dedicated to Curry County Law Enforcement Services, is estimated to raise \$4,524,962 in 2013-2014, \$4,660,711 in 2014-2015, \$4,800,532 in 2015-2016, \$4,944,548 in 2016-2017, and \$5,092,885 in 2017-2018.

The Board of Commissioners will reduce this tax in any year in which Federal Safety Net Related Payments are received.

An elector may file a petition for review of this ballot title in the Curry County Circuit Court not later than 5:00 p.m. February 25, 2013 per ORS 250.195. An elector filing a petition under this section shall notify the county clerk in writing that the petition has been filed. The notice shall be given not later than 5:00 p.m. on the next business day following the day the petition is filed.

Reneé Kolen, Curry County Clerk
By: Shelley Denney, Supervisor of Elections
Publish: February 20, 2013

A
1

Curry County 2.1 Budget
Draft

Department	Elected	# FTE	Cost to GF
BOC	3-EO	.85-fte	330,454
Clerk-Elections/Recording	1-EO	2.85-fte	209,853
Treasurer	1-EO		109,110
Assessor, Tax & GIS	1-EO	5.2-fte	252,487
Tax Collection			28,000
DA, Victims Assist.	1-EO	2-fte	188,068
Surveyor	1-EO		10,613
Sheriff	1-EO		151,271
Patrol/Civil		2-fte	-
Incarceration	50000	DOC Funds	100,791
Marine & Forest Patrol		2-fte	-
Parole & Probation		6-fte	-
Juvenile		5.2-fte	320,779
Emergency Services		1-fte	49,183

Admin Services costs are not included in the above numbers.

County Counsel	.3 + .9-fte	74,657
Information Technology	1.5-fte	26,200
Telecom	0.3-fte	73,200
Accounting	1-fte	63,363
Payroll	1-fte	30,737
Occupancy -space utilities minor maint	1.5-fte	89,062
Bldg Repair & Const	.5-fte	66,614
Economic Development	1.25-fte	-
Insurance		60,000

Total

2,184,442

Public Safety Levy

2/4/2013

B

Public Safety Departments	Non-Incorp %	Non-Incorp	Incorp	Incorp %	Public Safety
1.37-424.20 Communication Tow	85%	136,876	24,155	15%	161,030
Public Safety Building major repa	50%	50,000	50,000	50%	100,000
1.10-415.30 DA Office	42%	127,999	176,761	58%	304,760
1.10-421.20 Civil & Criminal	42%	194,872	269,108	58%	463,980
1.10-421.20 Sheriff - Patrol 6	95%	674,510	35,501	5%	710,010
1.10-421.20 Sheriff - Patrol 6	95%	674,510	35,501	5%	710,010
1.10-421.21 SAR	90%	4,500	500	10%	5,000
1.10-421.22 MJ Eradication	50%	-	-	50%	-
1.10-421.23 Marine Patrol	80%	12,416	3,104	20%	15,520
1.10-421.24 Forest Patrol	80%	-	-	20%	-
1.10-421.25 Harbor Sub Station	50%	9,345	9,345	50%	18,690
1.10-421.26 Jail	46%	485,691	570,159	54%	1,055,850
1.10-421.51 Communications	82%	354,060	77,720	18%	431,780
1.10-421.90 Animal Control	50%	2,610	2,610	50%	5,220
1.10-423.50 Parole and Probation	49%	11,677	12,153	51%	23,830
1.10-429.10 Em Svc	55%	36,152	29,579	45%	65,730
1.10-423.60 Juvenile Admin	20%	90,710	362,840	80%	453,550
Public Safety Levy		2,865,925	1,659,035		4,524,960
		Non-Incorp 62%	Incorp 38%		
		1,564,310,043	969,489,051		Assessed
		\$ 1.97	\$ 1.84		Rate
		3,081,691	1,783,860		
		93%	93%		collection
Public Safety Levy		2,865,970	1,658,990		4,524,960

Summary GF w PS levy

2/19/2013

	Revenue						Expenditures						
	Grants & Contracts	Title III	Fees & Other	Public Safety	GF Discretionary	Total Revenue	PS	M&S	Cap Debt	Other	Ad Svcs 497,068	Total Expense	Net
Public Safety Departments													
1.37-424.20 Communication Tower		110,000	17,910	161,030		288,940		115,741	155,000		16,919	287,660	1,280
Public Safety Building major repair				100,000		100,000			65,000		4,062	69,062	30,938
1.10-415.30 DA Office	27,200		21,500	304,760		353,460	263,217	64,967		4,510	20,791	353,484	(24)
1.10-421.20 Civil & Criminal	4,000		55,900	463,980		523,880	471,197	65,100		4,487	33,795	574,579	(50,699)
1.10-421.20 Sheriff - Patrol				710,010		710,010	468,000	120,000	80,000		41,745	709,745	265
1.10-421.20 Sheriff - Patrol				710,010		710,010	468,000	120,000	80,000		41,745	709,745	265
1.10-421.21 SAR		75,000	10,000	5,000		90,000		84,500			5,281	89,781	219
1.10-421.22 MJ Eradication				-		-					-	-	-
1.10-421.23 Marine Patrol	186,706	40,000		15,520		242,226	179,072	46,820		1,609	14,217	241,718	508
1.10-421.24 Forest Patrol				-		-					-	-	-
1.10-421.25 Harbor Sub Station				18,690		18,690		17,900			1,119	19,019	(329)
1.10-421.26 Jail	192,000		57,000	1,055,850		1,304,850	907,329	251,550	60,000	9,432	76,760	1,305,071	(221)
1.10-421.51 Communications	136,800		82,000	431,780		650,580	519,274	58,200	20,000	4,527	37,621	639,621	10,959
1.10-421.90 Animal Control				5,220		5,220		4,000		662	291	4,953	267
1.10-423.50 Parole and Probation	304,883		71,009	23,830		399,722	341,162	32,000		3,257	23,523	399,943	(221)
1.10-429.10 Em Svc	66,071	75,000		65,730		206,801	65,634	127,650		640	12,119	206,042	759
1.10-423.60 Juvenile Admin	154,742	28,356	14,500	453,550		651,148	466,233	108,515	23,256	9,165	37,943	645,112	6,036
Total Public Safety	1,072,402	328,356	329,819	4,524,960	-	6,255,537	4,149,118	1,216,943	483,256	38,289	367,931	6,255,537	0
				Property Taxes	1,402,800								
				Fed Timber harvest	250,000								
				State Shared	151,000								
				CCEC / other	297,817								
				General Fund Discretionary	2,101,617								
				Discretionary Balance available	-								
General Fund Discretionary													
General Fund Departments													
1.10-411.10 Commissioners			2,970		435,416	438,386	392,700	19,200		701	25,784	438,386	0
1.10-411.30 BOPTA	1,100				3,257	4,357	3,966	100		34	256	4,357	0
1.10-414.00 Elections			24,000		193,897	217,897	133,416	56,283	14,478	904	12,816	217,897	(0)
1.10-415.15 Tax Collection	24,100		6,500		77,070	107,670	62,663	38,101		573	6,333	107,670	0
1.10-415.16 Treasurer	2,800		625		104,826	108,251	87,581	14,278		25	6,367	108,251	0
1.10-415.17 Assessor	139,500		29,450		365,671	534,621	392,143	107,954		3,079	31,445	534,621	0
1.10-415.18 GIS Ops.	15,000	60,000	42,000		7,346	124,346	13,859	6,883	96,152	138	7,314	124,346	0
1.10-415.40 Recording			144,100		34,623	178,723	152,736	14,442		1,033	10,512	178,723	(0)
1.10-419.15 Surveyor			41,100		19,136	60,236	48,064	8,629			3,543	60,236	0
1.10-423.61 Juvenile Healthy Start					-	-					-	-	-
1.10-432.10 Solid Waste			68,400		(46,697)	21,703	16,659	3,593		174	1,276	21,703	0
1.10-466.36 RSVP Office	44,406		5,750		9,056	59,212	48,349	6,907		473	3,483	59,212	0
1.10-466.37 Veterans	33,452				99,542	132,994	116,275	8,370		527	7,822	132,994	(0)
1.10-413.90 Non-Departmental	ral legal, Pro Svcs, Ins, dues, consultants				207,186	207,186	50,000	125,000		20,000	12,186	207,186	(0)
1.10-490.10 Cap Outlay - Other Ex					25,000	25,000			25,000			25,000	-
Tran To - 2.33 Bldg R&M & Const Projects					200,000	200,000			200,000			200,000	-
2.14 Tran To - Fair					19,288	19,288				19,288		19,288	-
2.17 Tran To Planning					60,000	60,000				60,000		60,000	-
2.17 Tran To Building					48,000	48,000				48,000		48,000	-
2.17 Tran To Environmental					6,000	6,000				6,000		6,000	-
1.30 Tran To Brookings Airport	ch for FAA improvement grants				40,000	40,000				40,000		40,000	-
1.27 Tran To Econ Development	ring staffint to 1.5fte				33,000	33,000				33,000		33,000	-
1.15 Tran To - ROAD	ay \$700,000				160,000	160,000				160,000		160,000	-
Non-Public Safety	260,358	60,000	364,895	-	2,101,617	2,786,870	1,518,413	409,740	335,630	393,949	129,137	2,786,870	0
Totals	1,332,760	388,356	694,714	4,524,960	2,101,617	9,042,407	5,667,532	1,626,683	818,886	432,238	497,068	9,042,407	0

10

Summary GF Public Safety

2/19/2013

10

Public Safety Departments	Non-Incorp %	Non-Incorp	Incorp	Incorp %	Public Safety
1.37-424.20 Communication Towers	60%	159,642	106,428	40%	266,070
1.10-415.30 DA Office	50%	117,005	117,005	50%	234,010
1.10-421.20 Civil & Criminal	51%	230,336	221,304	49%	451,640
1.10-421.20 Sheriff - Patrol 6	95%	707,741	37,250	5%	744,990
1.10-421.20 Sheriff - Patrol 6	95%	707,741	37,250	5%	744,990
1.10-421.21 SAR	75%	3,825	1,275	25%	5,100
1.10-421.22 MJ Eradication	50%	-	-	50%	-
1.10-421.23 Marine Patrol	50%	7,910	7,910	50%	15,820
1.10-421.24 Forest Patrol	62%	-	-	38%	-
1.10-421.25 Harbor Sub Station	54%	10,287	8,763	46%	19,050
1.10-421.26 Jail	29%	305,930	749,000	71%	1,054,930
1.10-421.51 Communications	80%	343,568	85,892	20%	429,460
1.10-421.90 Animal Control	61%	3,245	2,075	39%	5,320
1.10-423.50 Parole and Probation	55%	13,360	10,931	45%	24,290
1.10-429.10 Em Svc	50%	33,500	33,500	50%	67,000
1.10-423.60 Juvenile Admin	48%	221,899	240,391	52%	462,290
		2,865,988	1,658,972		4,524,960

Total departmental budget to be allocated.

Allocation between Incorporated and Non-Incorporated

Total Assessed Property Values
Levy Rate
Property Taxes Assessed
Collection Rate
Property Taxes Collected

Non-Incorp	Incorp	Assessed Property Value Rate
62%	38%	
1,564,310,043	969,489,051	
1.9700	1.8400	
3,081,708	1,783,841	<<- Tax Assessed
93%	93%	collection rate
2,865,990	1,658,970	
(2)	2	
1.97	1.84	Assessed Rate
1.83	1.71	Collected Rate

Property Taxes Collected



GARY MILLIMAN
City Manager

Credentialed City Manager
International City Management Association

MEMORANDUM

Office of the City Manager

TO: Mayor and Council

DATE: March 19, 2013

SUBJECT: March 19 meeting of Local Public Safety Coordinating Council

I attended today's meeting of the Local Public Safety Coordinating Council (LPSCC). Also in attendance were Lt. Dotson, County Juvenile Officer Ken Dukek, Undersheriff Bob Rector, Judge Cindy Beeman, Commission Chair David Brock Smith and representatives from Oregon State Police, the District Attorney and Curry Health Services.

Commissioner Smith addressed the County fiscal crisis and the proposed tax levy. He distributed a revised version of the "2.1 Budget" (copy attached) dated March 15, 2013. I compared this to the "2.1 Budget" distributed January 28. There are a few minor line item changes, but the most significant difference is that this document includes a list of "Services Not Available in \$2.1 million." Smith explained that this was a list of services that would be curtailed if the proposed property tax levy fails in May.

Referencing this document, I asked Smith why "cities will need to transport to Coquille" if the County was not going to contract for any jail cells there (the outline says they will contract for three, but would not be available for holding or incarceration. An earlier report indicated that these cells would be available for parole and probation only). He had no response.

I also noted on this document that one of the services to be cut is the \$40,000 match from the County General Fund for FAA grant-funded improvements to the Brookings Airport. It is not clear as to whether this would be the match required for the current project, or for future projects.

Smith reported that he had not vetted this new 2.1 budget document with the Sheriff because the Sheriff was out of town last week. Rector said that "The Sheriff would draft a very different picture of the 2.1 budget."

Smith reported that if the tax levy fails on May 21, the County would be laying off 50-65 employees on May 22. He invited any interested parties to attend the County Budget Committee workshops scheduled for March 25-29.

Smith said he was in Salem all day on Monday meeting with the Governor's Chief of Staff working on amendments to HB 3453 and that the Governor was personally lobbying for the Bill. He said the latest amendments would remove the County Commissioners from the emergency declaration decision process.

Dukek reported that the Juvenile Department had lost \$42,000 in State grant funding because of a new distribution formula at the State level.

Rector reported that they are now down to four road deputies and two marine deputies. He said they had to return grant funding for forest patrol because the amount of funding was insufficient to hire a full time deputy. OSP reported that they now have four patrol officers and two fish/wildlife officers assigned to Curry County, with a part-time Sergeant. This is down from six patrol officers, three fish/wildlife officers and a full time Sergeant a year ago.

Dukek proposed the development of a reporting system whereby all law enforcement agencies would report statistics like jail bed days, major and minor crimes, and other statistics that would be developed into an annual report. There was general agreement.

I reported that the City Council would be taking up several matters related to County finances, the law enforcement levy and County organization at the March 25 City Council meeting and invited all to attend.

Curry County 2.1 Budget
Draft

3/15/2013

Services Not available in \$2.1m

Department	Elected	# FTE	Cost to GF	
BOC - Governance	3-EO	.85-fte	330,454	District Attorney - prosecution of less serious crimes minor offenses, animal abuse.
Clerk-Elections/Recording	1-EO	2.85-fte	209,853	Sheriff - minor crimes not investigated.
Treasurer - taxes to cities, libraries	1-EO		109,110	Sheriff - patrol deputies
Assessor, Assessment & Taxation	1-EO	5.2-fte	252,487	Sheriff - domestic / minor disturbance response
Tax Collection			28,000	Sheriff - Jail - max 3 to Coos County
Surveyor	1-EO		10,613	-No local holding / incarceration.
DA, Victims Assist.	1-EO	2-fte	188,068	-Cities will need to transport to Coquille
Sheriff	1-EO		151,271	Sheriff - 911 Emergency Dispatch
Patrol/Civil		2-fte	-	-Fire, Medical
Incarceration - 100,791K Actual with 50K of DOC Grant Funds			50,791	-Vehicle accident
Marine & Forest Patrol		2-fte	-	-
Parole & Probation		4-fte	-	-
Emergency Management		1-fte	49,183	Sheriff - Harbor sub station closed.
Juvenile		5.2-fte	320,779	Sheriff - limited staff for Search & Rescue
				Sheriff - Marine reduced whitewater rescue capability.
				Sheriff - reduced Emergency response
Admin Services costs are not included in the above numbers.				Sheriff - No nuisance animal control enforcement.
County Counsel		.3 + .9-fte	74,657	Juvenile -
Information Technology		1.5-fte	26,200	
Telecom		0.3-fte	73,200	
Accounting		1-fte	63,363	No General Fund support for:
Payroll		1-fte	30,737	Planning land use, flood mitigation & zoning services.
Occupancy -space utilities minor maint		1.5-fte	89,062	Building permits & inspections
Bldg Repair & Const		.5-fte	66,614	Septic permits & inspections
Economic Development		1.25-fte	-	County Fair support
Insurance			60,000	Brookings Airport FAA grant improvments

Total

2,184,442

Public Safety Levy
City of Brookings' Analysis 2/19/2013

				<u>Tax Rate</u>		<u>Public</u>
				<u>Unincorp</u>	<u>Incorp</u>	<u>Safety</u>
Public Safety Departments						
1.37-4.24.20	Communications Tower					161,030
Public Safety major repairs						100,000
1.10-415.30	DA Office					304,760
1.10-421.20	Civil & Criminal					463,980
1.10-421.21	SAR					5,000
1.10-421.23	Marine Patrol					15,520
1.10-421.26	Jail					1,055,850
1.10-421.90	Animal Control					5,220
1.10-423.5	Parole and Probation					23,830
1.10-429.10	Em Svc					65,730
1.10-423.60	Juvenile Admin					453,550
Services shared by unincorporated and incorporated				1.13	1.13	<u>2,654,470</u>
				<u>Non-Incorp</u>		
1.10-421.20	Sheriff - Patrol 6	100%	710,010			710,010
1.10-421.20	Sheriff - Patrol 6	100%	710,010			710,010
1.10-421.25	Harbor Sub Station	100%	18,690			18,690
1.10-421.51	Communications	100%	354,060 a			<u>354,060</u>
Services provided to unincorporated areas only						<u>1,792,770</u>
				1.23		<u>1,792,770</u>
Total Net Tax Revenues to be raised by Levy calculation						4,447,240
a - Directly billed to Cities of Gold Beach and Port Orford; should not be part of levy calculation						<u>77,720</u>
						<u>4,524,960</u>
Total Levy Tax Rate				<u>2.36</u>	<u>1.13</u>	
				<u>Non-Incorp</u>	<u>Incorp</u>	<u>Total</u>
				62%	38%	
Assessed Value				1,564,310,043	969,489,051	2,533,799,094
Collection rate						93%

McCLAIN

Public Safety Levy Worksheet

		Un-Incorp			Incorp	Total
		%	Un-Incorp	Incorp	%	
1.37-434.20	Communication Tower	85.0%	136,876	24,155	15.0%	161,030
Public Safety	Building Major Repair	58.0%	58,000	42,000	42.0%	100,000
1.10-415.30	DA Office	58.0%	176,761	127,999	42.0%	304,760
1.10-421.20	Civil & Criminal	58.0%	269,108	194,872	42.0%	463,980
1.10-421.20	Sheriff Patrol 6	100.0%	710,010	0	0.0%	710,010
1.10-421.20	Sheriff Patrol 6	100.0%	710,010	0	0.0%	710,010
1.10-421.21	SAR	90.0%	4,500	500	10.0%	5,000
1.10-421.22	MJ Eradication	50.0%	0	0	50.0%	0
1.10-421.23	Marine Patrol	80.0%	12,416	3,104	20.0%	15,520
1.10-421.24	Forest Patrol	80.0%	0	0	20.0%	0
1.10-421.25	Harbor Sub Station	100.0%	18,690	0	0.0%	18,690
1.10-421.26	Jail	58.0%	612,393	443,457	42.0%	1,055,850
1.10-421.51	Communications	85.0%	367,013	64,767	15.0%	431,780
1.10-421.90	Animal Control	58.0%	3,028	2,192	42.0%	5,220
1.10-423.50	Parole & Probation	58.0%	13,821	10,009	42.0%	23,830
1.10-429.10	Emergency Services	100.0%	65,730	0	0.0%	65,730
1.10-423.60	Juvenile Administration	58.0%	263,059	190,491	42.0%	453,550
Budget Allocation		75.6%	3,421,415	1,103,545	24.4%	4,524,960
Assessed Value		61.7%	1,564,310,043	969,489,051	38.3%	2,533,799,094
Cost per Assessed 1,000			\$2.19	\$1.14		
Collection Rate			93.0%	93.0%		
Public Safety Levy to achieve budget			\$2.35	\$1.22		
Population		58.0%	13,340	9,660	42.0%	23,000

**OregonLive.com**

Everything Oregon

Oregon lawmakers prepare for worst-case scenarios in near-broke timber counties

By [Yuxing Zheng, The Oregonian](#)

on February 27, 2013 at 7:21 PM, updated February 27, 2013 at 9:40 PM

SALEM -- The [Curry County](#) sheriff's budget for the next fiscal year amounts to two deputies and three jail beds -- in neighboring Coos County.

County officials will ask voters for more money in May with a public safety levy. If voters reject it, the problems of this sparsely populated county in Oregon's southwest corner could become the problems of the entire state.

Lawmakers in Salem are preparing for the worst. An unprecedented number of bills in the Oregon Legislature aim to lay the groundwork for financially distressed counties to declare a fiscal emergency and to allow the state to provide required services such as tax collection, elections and public safety. Other bills would allow counties to merge or to declare bankruptcy, which they're currently prohibited from filing.

If officials tap state resources to operate county functions in southwest Oregon, that would likely mean that tax dollars from more prosperous, heavily taxed Portland-area counties get shipped to the timber-reliant counties, which have some of the lowest permanent property tax rates in the state.

"I think we're at a point now where the federal government isn't going to be able to bail us out this time," said David Brock Smith, chairman of the Curry County Board of Commissioners. "We need to help ourselves."

Officials in Curry, Coos, Douglas, Josephine, Jackson, Lane and other timber-reliant counties face [the prospect of financial insolvency in coming years as county timber payments from the federal government end](#). The counties relied heavily on the payments, intended to compensate for the drop in logging in federal forests, to formulate county budgets.

The most immediate concern is public safety. One bill expected to be introduced through the House Rules Committee next week spells out how the governor could declare a "public safety fiscal emergency" and create an

More

[Continuing coverage of the county payments program created in 2000 to reimburse counties for lost income from the sale of timber on federal lands.](#)

Search for solution continues

WASHINGTON – This was supposed to be the year that Congress approved a new, permanent mechanism for

intergovernmental agreement to provide some of those services.

[Other bills](#) seek to allow the secretary of state's office to provide elections functions, the Department of Revenue to provide property tax assessment and collection, the Oregon Department of Veterans' Affairs to provide local veterans services, and the Department of Consumer and Business Services to provide building inspections. Most bills would first require the local governing board to request that the governor make an emergency designation.

"I don't think it'd be responsible for the Legislature to not have a plan in the unfortunate case of insolvency," said Rep. [Bruce Hanna](#), R-Roseburg.

Hanna is sponsoring [House Bill 2924](#), which would allow a county to file for bankruptcy. He acknowledged the bill is "controversial" but said bankruptcy is a necessary last resort.

"If you had insolvency without the ability to get relief, you don't push the envelope to the edge as far as allowing a county to reorganize debt," said Hanna, who sits on a House task force for timber-dependent counties. "Bankruptcy would give them that. It's, to a degree, the last straw."

The state [Department of Administrative Services](#) would help coordinate state management of services for distressed counties. Under [a bill passed in the 2012 Legislature](#), a county board could request the governor declare a fiscal emergency, prompting the creation of a fiscal assistance board that could authorize the state to take over certain services.

Some of the bills under consideration would allow state agencies to charge counties administrative fees to cover the cost of providing certain services. But it's unlikely a broke county could fully compensate the state, leaving various state agencies -- and taxpayers from across the state -- footing the rest of the bill.

"There are many arguments to be made about how much

sending federal dollars to financially strapped rural counties like Curry, Lane and Josephine.

But that promise is fading, slowed by gridlock in Congress and differences among stakeholders in Oregon.

As a result, Sens. Ron Wyden, D-Ore., and Max Baucus, D-Mont., have proposed another one-year extension of slightly less than the \$105 million the program sent to Oregon counties last fiscal year.

An extension would buy time to build support for a more permanent solution.

One plan offered by Oregon Reps. Peter DeFazio and Greg Walden and Kurt Schrader would convert 1.5 million acres of Oregon and California Railroad Grant, the so-called O&C lands, to a public trust. A committee selected by the governor would manage the property commercially, with some revenue going to counties. The rest of the O&C land would be managed as a conservation area.

The lawmakers continue to work on the idea, but it hasn't gotten much traction in Congress. [The effort sustained a hit Feb. 6 when a panel of timber executives, environmentalists and leaders from Oregon's most financially strapped counties appointed by Gov. John Kitzhaber couldn't agree on how to solve the logging tug-of-war.](#)

With that plan sputtering, Wyden is floating another more ambitious idea.

According to Wyden spokesman Keith Chu, Wyden would combine a collection of currently separate revenue-generating programs into one unit that would underwrite assistance to rural counties.

The fund would include timber, onshore and offshore oil and gas leases, mineral extraction and renewable sources of power.

Chu said that Wyden still supports the O&C approach and the combined fund is not intended to be a substitute.

The new fund would have much more money from many more sources and it would presumably expand political

does every citizen in Oregon have a stake in at least a base level of service delivery across the state," said Michael Jordan, director of the Department of Administrative Services. "You could make the equity argument that most of the income tax revenue comes from the Portland metro area, but pick a service, and at least in education's case, that money has been formulaically distributed across the state."

support because a much larger slice of the country would be involved.

-- [Charles Pope](#)

Timber-dependent counties not only have large swaths of untaxable federal forests but also lower incomes. Josephine County, for example, has an annual median household income of \$37,824, compared with \$50,726 in Multnomah County. The counties also have some of the lowest permanent tax rates, which voters have been reluctant to raise.

Voters in Josephine County, which has the state's lowest permanent tax rate at \$0.59 per \$1,000 of assessed property value, rejected a law enforcement property tax levy in May 2012. [The rejection forced the sheriff's office to release inmates, eliminate its major crimes unit and reduce the number of patrol deputies to six.](#)

Curry County spun off its human services department into a nonprofit at the beginning of the month, said Smith, the county chairman.

Commissioners there are hoping voters in May will approve a five-year public safety levy that would raise \$4.5 million annually. Otherwise, the county will have a \$2.1 million general fund budget for the next fiscal year, which starts July 1. [Commissioners in spring 2012 even considered a local sales tax.](#)

If the state ultimately steps in to provide services, Smith fears residents will lose local control while forking over precious tax dollars to the state to cover administrative charges.

"Curry County is the first one on the cliff," Smith said. "The parachute has been deployed. We're just trying to figure out where to land."

-- [Yuxing Zheng](#)
[@yuxingz](#)

Permanent property tax rates by county

1. (lowest) Josephine: \$0.59
2. Curry: \$0.60
3. Coos: \$1.08
4. Douglas: \$1.11
7. Lane: \$1.28
14. Jackson: \$2.01
16. Washington: \$2.25
24. Clackamas: \$2.98
33. Multnomah: \$4.34
36. (highest) Sherman: \$8.71

Rates are per \$1,000 of assessed property value and do not include local-option levies.

Source: Association of Oregon Counties

Baucus and Wyden Pledge to Extend Secure Rural Schools Program

Friday, February 15, 2013

Washington, D.C.— Senator Max Baucus (D-MT) and Senator Ron Wyden (D-OR) pledged on Friday to extend the Secure Rural Schools program for at least another year, buying time to craft a long-term solution for rural communities.

Baucus, who chairs the powerful Senate Finance Committee, has strongly supported the program in the past, and said he will again work to ensure the lifeline for resource-dependent communities does not disappear.

"These investments are the lifeline that keeps teachers in the classroom, lights on at the road department and emergency crews on the job in Montana counties," Baucus said. **"And they are rightfully due to rural counties that are home to large areas of federal lands. Now is not the time to pull the rug out from under them."**

Wyden, who chairs the Energy and Natural Resources Committee, has worked for years to provide stability to rural Oregon communities, and authored the original Secure Rural Schools and County Self-Determination Act in 2000.

"Maintaining the federal government's historic obligation to rural Oregon and to rural America has always been my top legislative priority," Wyden said. **"As the chairman of the Energy and Natural Resources Committee, I plan to throw my weight behind an extension of this program, to make sure rural counties are not left in the lurch."**



Ron Wyden
@RonWyden

Follow

Renewing Secure Rural Schools ensures rural counties aren't left in a lurch & is my & Chairman Baucus' top priority. 1.usa.gov/XcWPmE

10:41 PM - 15 Feb 13

7 RETWEETS 1 FAVORITE



Detective: Grants Pass is 'wasteland of criminals'

*Longtime officer quits force
amid frustration about the
city's criminal justice system*

By **SHAUN HALL**
Grants Pass Daily Courier

Grants Pass police Detective Mike Vorberg has called it quits, saying he is disappointed with the state of the local criminal justice system.

"Evil is winning here," Vorberg said in a resignation letter. "There is a profound amount of heartbreak that comes with watching your hometown become a wasteland of criminals. For the first time in my life, I no longer want to be a resident here."

Vorberg has gone to work for the police department in Tualatin. He was born and raised locally, graduated from Grants Pass High School and went to work for the Josephine County Sheriff's Office at age 21. He worked eight years there and worked the past seven years with the Grants Pass Department of Public Safety. His resignation letter is dated Jan. 21.



Vorberg

"Evil is
winning here."

Wasteland

from Page 1A

"In my 15 years of being a cop, I have investigated thousands of drug crimes, hundreds of deaths and dozens of murders," Vorberg wrote. "I have been in over 200 meth labs and have fought for my life on a few occasions. I have seen murdered children, and unspeakable things that people should never have to see. I have been shot at, punched, kicked, spit on, bled on, and called every name in the book. And still, I would proudly die for the people we serve."

But then came last May's defeat of a Josephine County public safety levy.

"The people we serve shocked me," he continued. "In our most desperate hour of need for help and support, they told us they did not support us. They voted no to justice, an idea as basic a necessity as shelter. They voted no to a functioning jail and prosecutor's office. They effectively made the Grants Pass Department of Public Safety an engine with no car."

Justice system services have been slashed in the wake of cuts in federal subsidies to the county and last spring's failure of a property tax proposal to fill the resulting gap. Now, the Josephine County Jail holds 100 inmates, down from 150 a year ago and a total potential capacity of 262; and sheriff's patrols have been cut to 40 hours per week, with Oregon State Police filling some of the gap. Last fall, prosecutions dropped by about half of previous levels, although staffing has increased slightly. Also, the county's juve-

nile detention center and shelter closed, with rented detention beds in Medford now being used to fill that gap.

Vorberg said the jail could not take people arrested for burglary, assault, robbery and drug dealing.

"We have had hundreds of cases of legitimate criminal charges rejected by the District Attorney's Office due to budget cuts and staffing cuts," he said.

"It is troubling how passionately certain members of the voting majority could fight so hard against us, the 'good guys,'" he continued. "For most citizens, crime is out of sight and out of mind."

"For us with our thumbs on the pulse of crime at home, it is ever in our sight and doubly on our mind."

District Attorney Stephen Campbell praised Vorberg.

"He was one of the best detectives I've worked with," he said. "To lose him is not good."

Vorberg said he regretted leaving a department he loves, but that he has "another family I must think of first." He estimated it would take generations for the county to recover.

Vorberg will be replaced on the department's five-person detective division by former Detective Pete Jenista.

"Mike's loss was difficult," division supervisor Sgt. Dan Evans said. "We lost a lot of experience. A lot of what we do back here is about connections. You lose that."

Reach Daily Courier reporter
Shaun Hall at 541-474-3813 or
shall@thedailycourier.com.

Gary Milliman

From: Joyce Heffington
Sent: Wednesday, March 06, 2013 8:49 AM
To: Gary Milliman; Bill Hamilton; Brent Hodges; Jake Pieper; Kelly McClain; Ron Hedenskog
Subject: FW: Please Pass on to your Mayor, Administrators and Councilors-Crime increases in Oregon county following public safety cuts (Josephine County)
Attachments: JOCOUNTY.pdf

Please see below.

Joyce Heffington
City Recorder

From: David Brock Smith [mailto:smithd@co.curry.or.us]
Sent: Tuesday, March 05, 2013 4:05 PM
To: Joyce Heffington; mmurphy@portorford.org; Jodi Fritts
Subject: Please Pass on to your Mayor, Administrators and Councilors-Crime increases in Oregon county following public safety cuts (Josephine County)

Will Curry County realize the lessons learned from its neighbor Josephine County?

Good Afternoon,

Below is a March 2, 2013 article by the Associated Press regarding Josephine County's public safety issues. One would say that words cannot express my deep concerns for our county's future and the immediate severity of the situation we all face. Although, words must express this situation, and not only my words but others as well. Even though it comes at a very unfortunate cost to our neighboring Josephine County to the east and their citizens, we are blessed to bear witness to our future if we do nothing to help ourselves. The citizens of Josephine County, another Federal Timber dependent county like ours, failed to pass their modest Law Enforcement Levy in May of 2012 and were forced to make dramatic cuts to personnel in July which is exactly what we are facing in Curry County. They have seen crime skyrocket, burglaries upwards to 50% while prosecutions down by 42%, drug cartels (and yes to those that are uninformed we do have drug cartels in Southern Oregon) have been positioning themselves into communities and are watching what happens to Curry County Law Enforcement. Former Josephine County Sheriff and currently resigning Grants Pass Detective Mike Vorberg has stated publicly, "Grants Pass is a wasteland of criminals and evil is winning here", he goes onto say, "It is troubling how passionately certain members of the voting majority could fight so hard against us, the 'good guys' ". Detective Vorberg is leaving Grants Pass where he grew up and has lived and worked as a peace officer all his life for better pay, benefits and job security in Tualatin. He continues, "The people we served shocked me....they voted no to justice, an idea as basic a necessity as shelter. They voted no to a functioning jail and prosecutors office. They effectively made the Grants Pass Department of Public Safety an engine with no car". This last public statement is the reality of the situation we all face. If the City of Grants Pass, with all of its resources and public safety cannot function without the county's law enforcement services than how are the Cities of Brookings, Gold Beach or Port Orford going to be able to have functioning public safety services, they will not. The reality of this serious situation is no one has come to their aid, there has been no significant federal timber payments to come close to shoring up the fiscal hole left even after drastic cuts. The state has not stepped in to help, although Josephine is fortunate to have some State Police presence (12) where we are left with 4 troopers county wide. Sheriff Bishop also just informed me that another experienced and dedicated Patrol Deputy will soon be leaving the Sheriff's Department for a better job, but more importantly, job security, leaving our Sheriff's Patrol at four Deputies to cover 1746 square miles. I have grave concerns for the future of our county if we do not take the steps needed and presented to you for our own Public Safety stability. I have fears of property values plummeting while homeowner's insurance rates skyrocket, tourism; our

county's economic driver, tanks, once word of a lawless Curry County spreads, and our friends and neighbors decide to move, taking children from our already financially distressed schools. Folks, I don't want to raise your or my taxes and you must realize we cannot cut our way out of the lack of Federal Timber revenue to make up the budget needed to fund the basic levels of Public Safety to our citizens. Your county elected officials and staff are working hard to find ways to not only cut but also to generate revenue that will fund public safety services. Your Board is working on those plans now but we need a funding bridge for them to come to fruition. We cannot afford to have Josephine County's reality our own as our cuts will be much worse and we must understand that in order to have healthy cities and communities, we must have a healthy county and to do this we must support the Local Law Enforcement Levy in May.

Respectfully,

David Brock Smith, Chair
Curry County Board of Commissioners
94235 Moore St., Suite 122
Gold Beach, OR 97444
541-247-3296
SmithD@co.curry.or.us

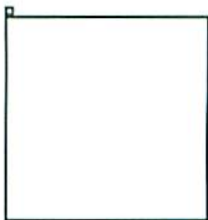


By [The Associated Press](#)

on March 02, 2013 at 1:56 PM

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[Email](#)



[View full size](#) The Josephine County Sheriff's Office Major Crimes unit was dismantled last year after all of the employees there, including several detectives, were laid off. It was part of the county's response to voter defeat of a law enforcement property tax levy. Now crime is up and prosecutions are down in the county. *Beth Nakamura/The Oregonian*

Crime is up and prosecutions are down in Josephine County and the city of Grants Pass since deep cuts to the jail and the district attorney's office were forced by voters who refused to raise their taxes to make up for the expiration of a federal timber subsidy.

The Grants Pass Daily Courier reported that burglaries were up 50 percent in Grants Pass and 45 percent in the rest of the [southern Oregon county](#) in 2012, compared with the previous year. Prosecutions were down 42 percent.

[Grants Pass Public Safety](#) Director Joe Henner said the county is seeing a failing criminal justice system.

[More](#)

"We're seeing increased crime," Henner said. "Our officers are saying they're having more hostile and violent encounters with suspects, who are challenging them and fighting."

Henner added that the numbers are likely to get worse.

Midway through last year, deep cuts affected jail, prosecution and rural patrol services, plus juvenile department services. "A full year (of statistics) likely would show greater call increases," Henner said.

Liquor store owner Jack Ingvaldson said there is "anarchy in the alleys" of downtown.

"I'm putting in gates to keep them out," he said. "I'm a pretty compassionate guy. I donate. But at what time does one run out of patience?"

At the district attorney's office, about 1,000 fewer misdemeanor and felony cases were prosecuted last year, compared with the previous year, according to **District Attorney Stephen Campbell**. Last year, about 1,400 cases were prosecuted versus 2,400 prosecutions the previous year.

"I lost four attorneys (out of nine)," he said. "And that's not a full year, either. I didn't lose those attorneys until July 1." Since then, a full-time and part-time attorney have been rehired.

Realtor Gerard Fitzgerald said the county is getting a reputation that threatens its economic future.

"People will not buy a house in an unsafe community," Fitzgerald said. "Once a community gets a reputation, it takes a long time to turn that around. If we get branded, it will be very, very serious. Right now, I don't think we have a reputation in Oregon as an unsafe community."

Risk to reputation is a particular concern because people from California move here and visit here, generating jobs, he said.

"If you cannot attract economic growth, then we do not have the jobs," Fitzgerald said. "We have a service economy. We now may have something that could threaten that service economy. We need to find a permanent, stable method of funding."

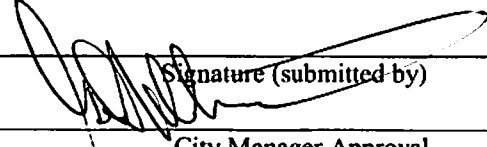
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CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: March 25, 2013

Originating Dept: City Manager



Signature (submitted by)

City Manager Approval

Subject: County Government Financing and Restructuring

Recommended Motion:

1. Motion to request the Curry County Board of Commissioners to place a three-year property tax levy measure on the November 2013 ballot which would:
 - a. Establish a split rate tax levy of \$1.93 in the unincorporated area and \$0.92 in the incorporated cities.
 - b. Require that all of the proceeds from such tax be used to fund County public safety services including Sheriff, District Attorney, Juvenile, Emergency Services and Jail.
 - c. Require that both tax rates be reduced on a dollar-for-dollar basis equal to the amount of any federal safety net related payments received.
 - d. Require that the unincorporated area tax rate be reduced on a dollar-for-dollar basis equal to the amount of unrestricted Transient Lodging Tax revenue received by the County.
2. Motion to request that the Curry County Board of Commissioners place a Transient Lodging Tax measure on the November 2013 budget which would:
 - a. Levy a tax rate of 6.0 per cent in the unincorporated area of the County.
 - b. Require that 30 per cent of all proceeds be used to fund County law enforcement services.
 - c. Require that 70 per cent of all proceeds be used to fund tourism related services as required by State Law.
3. Motion to direct the City Attorney to prepare a draft measure for the November 2013 Countywide ballot which would:
 - a. Change the form of Curry County government from a General Law County to a Home Rule (Charter) County.
 - b. Provide for a Commission/Administrator form of governance and management.
 - c. Provide for five elected County Commissioners who would be compensated initially at \$15,000 for the Chair and \$12,000 for each Commissioner, and authorizing annual salary adjustments to be approved by the non-Commission members of the County Budget Committee and not to exceed the increase in the Consumer Price Index.
 - d. Provide the draft measure to any parties who may be interested in gathering signatures to place the measure on the November 2013 ballot.
4. Motion to send a letter to Curry County Sherriff John Bishop notifying him that the City is prepared to enter into negotiations for the development of an intergovernmental agreement for 9-1-1 and emergency services dispatching, with the City to be the contract provider of said services.

5. Motion to authorize the Mayor to sign a letter to Representative Wayne Krieger and Governor John Kitzhaber requesting that they introduce and support legislation that would authorize Counties in fiscal crisis to use all Transient Lodging Tax proceeds from the unincorporated area to fund law enforcement services.
6. Motion to authorize the Mayor, Council President and City Manager to meet with the leadership of the Cities of Gold Beach and Port Orford to pursue their support for the above listed proposals.

Background/Discussion:

In its final report to the Curry County Board of Commissioners in February, 2012, the Curry County Citizen's Committee (CCCC) made 19 recommendations for restructuring County government and addressing the County fiscal crisis. To date, the only one of the recommendations that has been pursued is the placement of a property tax levy on the May, 2013, ballot. Not wishing to interfere in County government internal affairs, the City did not take a position on any of the recommendations. However, with the passage of time and the threat of State legislation that would negatively impact the City municipal government, the City Council may wish to become more involved in providing leadership in this matter.

Recommendation #1 of the CCCC was that:

"Commissioners immediately initiate the process of transitioning the County form of government to a Commission/Administrator form. This would involve the employment of a full-time, professional Chief Administrative Officer to manage the day-to-day affairs of the County and allow part-time volunteer Commissioners to focus on policy-making and long-term strategies. The Committee felt that greater efficiencies and cost-savings could be obtained with a full-time professional managing internally. Commissioners would have more time to devote to strategy and to advocate for the changes we need at the state and federal levels in order to make us financially viable and stable for the long-term."

The Commission has taken no action to address this recommendation. While the City cannot put a measure on the countywide ballot, the City Could craft a measure that could be utilized by private parties as the basis for a Charter election. Key elements of the proposed measure might include 1) providing for a five-member Commission and an appointed Chief Administrative Officer, and 2) setting base compensation for Commissioners and limiting compensation increases based upon the CPI. Five Commissioners would provide broader representation of constituents.

Attached is a 2011 survey of Commissioner compensation in Counties of like size to Curry. Note that five of the seven Counties operate under a Commission/CAO form of government. In those Counties having five Commissioners, the average compensation of the Board Chair is \$14,867, and for Commissioner is \$11,885.

Recommendation #12 of the CCCC was that:

"Commissioners develop a tax structure that recognizes the disparities in incorporated and unincorporated areas and allows time and adequate funding to transition to a long-term strategy of implementing shared services or taxing districts."

This recommendation was complementary to **Recommendation #2:**

“The Committee recommends a concept of a joint city/county structure for law enforcement as a long-term strategy. The Commission should form an intergovernmental task force of representatives of federal, state, county and city law enforcement leaders to determine how to better utilize existing resources, provide for better coordination and provide adequate and efficient public safety for the citizens of the County.”

By enacting a three-year split rate tax levy using the City’s formula, basic law enforcement services in Curry County will be sustained and slightly enhanced, while providing sufficient time for exploring a long-term strategy for providing quality law enforcement services to all Curry County residents. Such a strategy could include consolidation of law enforcement services under a single law enforcement agency or creating law enforcement service districts in the unincorporated area that would have their own tax rate and contract with the adjoining city for services.

The split rate of \$1.93/0.92 proposed by City staff is based upon a cost sharing analysis prepared by the City Manager and Finance/Human Services Director, in consultation with the Police Chief. The initial cost sharing analysis indicated a rate of \$2.36/1.13. However, a further analysis of the budget numbers provided by the County indicates that there would be sufficient funds available for the County to sustain current law enforcement services by using approximately \$810,000 from current General fund revenues in addition to the tax levy proceeds. \$810,000 is approximately 18 per cent of the total amount of funds needed to support the proposed County law enforcement budget. Thus, the recommendation in this report is that the City-developed proposed tax rates be reduced by about 18 per cent.

Recommendation #11 of the CCCC was:

“That the County pursue a Transient Lodging Tax” noting that the Counties of Clatsop, Deschutes, Hood River, Jefferson, Lane and Lincoln all collect a Transient Lodging Tax within the unincorporated area alone.

State Law requires that 70 per cent of all proceeds from a new Transient Lodging Tax be used for tourism related services, leaving 30 per cent available for general government purposes. The CCC also recommended that the County pursue a change in State Law to allow a greater portion of the TLT in counties experiencing a fiscal emergency to be used for non-tourism proportion services, such as law enforcement.

The County could place a measure on the November 2013 ballot to enact a TLT in the unincorporated area only, and direct that the 30 per cent be used to fund County law enforcement services. As noted above, a companion property tax levy measure could provided that any unrestricted TLT proceeds be used to reduce the property tax levy rate in the unincorporated area.

Recommendation #3 of the CCCC was to consolidate the two existing 9-1-1 and emergency dispatch centers currently operated by the Curry County Sheriff’s Department and the City of Brookings Police Department. City staff believes that such a consolidation could be implemented in the short term, and that the location of the consolidated 9-1-1 center should be at the Brookings Police Station as the current location of the County 9-1-1 center is in a tsunami inundation zone. Staff recommends that the City notify Sheriff Bishop that the City is ready to

meet immediately to develop an intergovernmental agreement for 9-1-1 and emergency dispatching services.

Policy Considerations:

The above described plan of action would go a long way toward implementing five of the 19 CCCC recommendations. Most of these recommendations require the cooperation of the Curry County Board of Commissioners

Attachment(s):

- a. Public Safety Levy Analysis using \$810,000 current General Fund offset.
- b. Curry County Citizens Committee Final Report.
- c. Commissioner Compensation Survey.
- d. County of Hood River email on Commissioner salaries.
- e. History of County Government/Home Rule Counties/General Law Counties (source: Association of Oregon Counties).
- f. Hood River County Home Rule Charter.

Public Safety Levy
City of Brookings' Analysis 3/18/2013

				<u>Tax Rate</u>		<u>Public</u>
				<u>Unincorp</u>	<u>Incorp</u>	<u>Safety</u>
Public Safety Departments						
1.37-4.24.20	Communications Tower					161,030
Public Safety major repairs						100,000
1.10-415.30	DA Office					304,760
1.10-421.20	Civil & Criminal					463,980
1.10-421.21	SAR					5,000
1.10-421.23	Marine Patrol					15,520
1.10-421.26	Jail					1,055,850
1.10-421.90	Animal Control					5,220
1.10-423.5	Parole and Probation					23,830
1.10-429.10	Em Svc					65,730
1.10-423.60	Juvenile Admin					453,550
						(483,528)
Services shared by unincorporated and incorporated				0.92	0.92	<u>2,170,942</u>
				<u>Non-Incorp</u>		
1.10-421.20	Sheriff - Patrol 6	100%	710,010			710,010
1.10-421.20	Sheriff - Patrol 6	100%	710,010			710,010
1.10-421.25	Harbor Sub Station	100%	18,690			18,690
1.10-421.51	Communications	100%	354,060 a			354,060
						(326,564)
Services provided to unincorporated areas only						<u>1,466,206</u>
Total Net Tax Revenues to be raised by Levy calculation						3,637,148
a - Directly billed to Cities of Gold Beach and Port Orford; should not be part of levy calculation						<u>77,720</u>
						<u>3,714,868</u>
Total Levy Tax Rate				<u>1.93</u>	<u>0.92</u>	
				<u>Non-Incorp</u>	<u>Incorp</u>	<u>Total</u>
				62%	38%	
Assessed Value				1,564,310,043	969,489,051	2,533,799,094
Collection rate						93%

Curry County Citizens' Committee

Recommendations

February 1, 2012

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Recommendations

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| 3. Consolidating 9-1-1 | 13. Increase Permit and License Fees |
| 4. Employee Compensation | 14. Brookings Airport Improvement |
| 5. November 2012 Election | 15. Sale of Surplus County Assets |
| 6. Budget Committee | 16. Forest/Timberland/Ag Tax Review |
| 7. Budget Development | 17. County Sales Tax |
| 8. Engage Employee Unions | 18. Increase Property Tax |
| 9. Vehicle Maintenance and Use | 19. Fractional Equities Program |
| 10. State Assumption of Services | |

Conclusions

Summary of Additional Proposals Received

Executive Summary

The Curry County Citizens Committee reviewed and analyzed many suggestions of ways to reduce expenditures and increase revenue gathered from various sources throughout the community and narrow them down to an initial list of those most likely to

contribute to the County's financial well-being. The Committee, working through three work groups attempted to identify a combination of ideas that would reduce expenditures, improve efficiency and thereby reduce cost and bring increased revenue to the county in the short term as well as including suggestions that might take longer to develop but would eventually provide a more long-term sustainable County government. Those work groups focused on structure/governance, expenditures and revenues.

The members of each work group reviewed and discussed each suggestion in detail and determined by consensus which ideas best met the criteria for inclusion. Those concepts were presented to the entire Citizens Committee for consideration. It is important that the community views the Committee proposals as feasible, plausible and necessary both in the context of meeting the public services needs of our community, but to also sustain and protect our unique natural heritage for future generations.

Following more than 30 hours of meetings with County officials, site visits to County facilities, presentations by representatives of the Association of Oregon Counties, the Governor's Office, the County's law enforcement tax measure advisor and private equity advisors, workgroup meetings and hearing public comment, the Committee utilized a consensus process to indicate the level of support for the following 19 recommendations. The level of Committee support for each of the recommendations is indicated as one of the following shown in parenthesis:

- Consensus: A full and unanimous endorsement or range of varying levels of endorsement but with no outright vetoes.
- Majority: A majority of the Committee members supported the recommendation, although there were members who either could not support the recommendation or they had major concerns that could not be resolved in this process.
- Minority: A minority of the Committee members supported the recommendation.

Each and every idea presented was discussed with equal weight, using criteria including possible constraints, adequacy, effectiveness, efficiencies to be gained and any potential side effects. Our consensus is that no one solution offers a "silver bullet" and that it will likely take more than one of these revenue producing enterprises and significant cuts in expenditures to solve this financial crisis. Additionally, any proposed tax increase will require a dedicated educational component to ensure the citizens of the County understand the magnitude of the financial crisis and also fully understand the solutions being brought forward for consideration.

Recommendations

Recommendation 1. Form of Government *(Consensus)*

The Committee recommends that the Commissioners immediately initiate the process of transitioning the County form of government to a Commission/Administrator form. This would involve the employment of a full-time, professional Chief Administrative Officer to manage the day-to-day affairs of the County and allow part-time or volunteer Commissioners to focus on policy-making and long-term strategies. The Committee felt that greater efficiencies and cost savings could be obtained with a full-time professional managing internally. Commissioners would have more time to devote to strategy and to advocate for the changes we need at the state and federal levels in order to make us financially viable and stable for the long-term, some of which are contained in this report. As a long-term strategy, the Committee also recommends that the Commissioners analyze the advantages and disadvantages of creating a Charter form of governance.

Recommendation 2. Law Enforcement Services *(Consensus)*

The Committee recommends a concept of a joint city/county structure for law enforcement as a long-term strategy. The Commission should form an intergovernmental task force inclusive of representatives of federal, states, county and city law enforcement leaders to determine how to better utilize existing resources, provide for better coordination and provide adequate and efficient public safety for the citizens of the County.

Recommendation 3. Consolidating 9-1-1 *(Consensus)*

The Committee recommends consolidating the 9-1-1 and emergency services dispatch centers currently operated by the Curry County Sheriff's Department and the City of Brookings Police Department. It is estimated that such a consolidation could save \$200,000 to \$400,000 annually.

Recommendation 4. County Employee Compensation *(Consensus)*

The Committee recommends that the County conduct an in-depth evaluation of work flow processes, positions, compensation, benefits and potential unemployment costs to identify opportunities for gaining efficiencies and cost savings. We also recommend that the County immediately draft a letter as to the intent of renegotiating both collective bargaining agreements as to not risk missing the advance deadline for the intent of renegotiation and subsequent yearly rollover. This will allow the County to properly prepare for changes that are needed to coincide with our overall financial situation.

Recommendation 5. November Election (*Majority*)

The Committee recommends, by majority, that any tax or levy measure be placed before the voters in November 2012, and not in May 2012. The Committee believes that there is not sufficient time to effectively and adequately create a dialogue about any proposed measure presented in May. In addition, scheduling any ballot measure for November would give the County Budget Committee adequate time to develop its proposal for FY 2012-13.

Recommendation 6. Budget Committee (*Consensus*)

The Committee recommends that the County Budget Committee be expanded to include representatives from the Citizens Committee. Zero Based Budgeting and Priority Based Budgeting techniques should be the foundation in the preparation of the FY2012-13 budget. The Budget Committee should convene and begin work on the FY 2012-13 budget as soon as possible.

Recommendation 7. Budget Development (*Consensus*)

The County Budget Committee should develop a FY 2012-13 budget without regard to mandates; targeting services to be curtailed that are non-essential or that place the General Fund at risk. Even after review of the documentation provided and much deliberation, the Committee was unclear as to what services are mandated, by what authority and what mandated services were supported by the general populace. The Committee recommends that the FY 2012-13 budget be prepared with no anticipated tax increase; while preserving the existing level of reserve funds to the greatest extent possible. If SRS funds are received, those funds should be reserved for carryover to FY 2013-14.

Recommendation 8. Engage Employee Unions (*Consensus*)

Invite employee unions to begin collective bargaining immediately to help address the fiscal crisis. County employees are among the most important stakeholders and therefore must be part of the solution.

Recommendation 9. Vehicle Maintenance and Use (*Consensus*)

Review current practices and internal charges for the maintenance of County vehicles. Consider, in some cases, changing to a mileage reimbursement method for private vehicle use for County business by employees instead of providing a County-owned vehicle.

Recommendation 10. Shift Services to State (*Consensus*)

Consider turning non-essential services over to the State or other entities. Regardless of the usefulness of a service or that they usually pay into the General Fund, if their regular source of funding were to be disrupted the General Fund would be pressured to make up the balance. This poses a significant risk that the County has little control over and should therefore seek to minimize the exposure.

Recommendation 11. Transient Lodging Tax (*Consensus*)

The Committee recommends that the county pursue a Transient Lodging Tax. Clatsop, Deschutes, Hood River, Jefferson, Lane, and Lincoln counties all collect a transient lodging tax in their unincorporated areas. Washington, Wallowa, Union, Multnomah, Lake, Klamath, Grant, and Clackamas collect a transient lodging tax county-wide regardless of whether their cities are also collecting a transient tax. The rate is between 5.0 and 9.0 per cent. According to Oregon Travel Impacts 2011

(http://www.deanrunyan.com/doc_library/ORImp.pdf), nearly 100 cities and counties in Oregon impose local lodging taxes which are independent of the state lodging tax. Significant revenue could be derived from a county-wide tax collected by bed and breakfast establishments, cabins, campgrounds, condominiums, hotels, inns, lodges, RV sites, vacation rentals, and more.

Current state law (ORS 320.350) requires local governments to dedicate 70 percent of receipts from transient lodging taxes enacted or increased after July 1, 2003, to fund tourism promotion or tourism-related facilities and 30 percent to fund city or county services or to finance or repay the debt of tourism-related facilities.

Also recommend amending state law to give counties the authority to use existing revenues more flexibly and to enact new revenue options with the approval of county voters. One example would be to allow all transient lodging tax receipts to be used by counties and cities for “tourism-related services, including emergency services, law enforcement and roads.”

Recommendation 12. Develop a Fair and Equitable Tax Structure to Fund a Reasonable Level of Public Safety(*Consensus*)

The Committee recommends that the Commissioners develop a tax structure that recognizes the disparities in incorporated and unincorporated areas and allows time and adequate funding to transition to a long-term strategy of implementing shared services or taxing districts. One of the major recommendations in the FFP Task Force Report on what counties and county taxpayers can do to help themselves is the formation of county service districts and enactment of local option levies. The FFP Report indicates that Deschutes County, for example, formed a county service district encompassing the unincorporated area and levied a property tax to support Sheriff patrol. Other options were considered by the Committee; however, the Committee felt that the long-term goal of

shared services outlined in Recommendation 2 needed adequate time for deliberation; and in the meantime, some form of short-term funding may be necessary in order to maintain at least a minimum level of services for public safety.

Recommendation 13. Permit & License Fees *(Consensus)*

Analyze county permit, fee, and license schedules to determine which could be adjusted. Determine new sources of permitting and fees, such as a County Business License. Unlike the three incorporated cities within Curry County, the County itself does not currently require a business license in the unincorporated areas. Since this would only require the adoption of a County ordinance it is not voter-approval based, thereby avoiding the difficulties of an additional ballot measure. Additional new fee possibilities include telephone franchise fees. An advantage is that review of fees could be started immediately.

Recommendation 14. Brookings Airport Improvements *(Consensus)*

Improvements to the Brookings Airport would encourage development in the area. Funds/grants may be available from state/federal emergency management programs, if the airport is designated as an emergency and evacuation airport by the Federal Aviation Administration (FAA) and Oregon Department of Aviation (ODA). Improvements would also make the airport more attractive for redevelopment and allow the county/city/port to create development-ready space for commercial/industrial use. The first step in this recommendation is to apply to the FAA and ODA for the emergency airport status.

Recommendation 15. County Surplus Assets Sale, Lease or Re-purpose *(Consensus)*

Inventory and review all County assets to determine if there are any assets that are excess to the county needs and not required for any foreseeable County use. Determine whether that asset should be sold, leased or re-purposed. This could include the sale and lease-back of County-owned structures; an investor could purchase the asset, fund the improvements and lease the asset back to the County. Advantages of selling/leasing property are immediate cash flow, reduction of maintenance, using private capital to make needed improvements and addressing liability issues immediately.

Recommendation 16. Forestland/Timberland Tax Review *(Consensus)*

There are two components to this.

1. Review & collect under reported delinquent taxes. Identify forest/timber/agricultural properties that are already being used as residential or look for any tax delinquent acreage and monitor compliance with “harvest and grow” requirements to insure that the lower property tax rate is valid.

2. Identify forest grazing/agricultural properties that can be converted to other uses. Identify parcels of land that are designated as Forest Grazing and/or agricultural, but are too small to be used as such and should, therefore, be changed to R-5 or R-2. Land owners could then sell the land (fees) to potential residents (property taxes) and the residents on this land would create a larger tax base.

Recommendation 17. County Sales Tax (*Majority*)

The Committee recommends, by majority, that a County sales tax strategy that excludes groceries and pharmacy purchases be pursued. Implementing a countywide sales tax would increase revenue, spread the tax burden on residents and visitors alike, and provide a dependable revenue stream. However, statutory authorization by the Legislature is generally required for a local government to impose a local sales tax increase. The state statutes that authorize local government to create taxes of this type may also set specific conditions or requirements such as a condition that a two-thirds vote of the governing body is required to place a sales tax measure on the ballot. These specific conditions or requirements would need further review and analysis.

Recommendation 18. Increase Property Tax (*Consensus*)

If a modest Property Tax is presented to the voters, it should be coupled with other revenue generating suggestions and major expenditure cuts should be considered, and if a comprehensive approach is presented, the measure might pass.

Recommendation 19. Fractional Equities Tax Prepayment Program (*Minority*)

There are about 2,200-2,500 fully owned (no mortgage) homes in Curry County. The Fractional Equities Program allows homeowners to prepay their taxes with equity from their home for a certain period of time, i.e. five years or for life. The framework for this could be ready within three months. This could generate a significant amount of upfront money, but the County may develop a future cash flow problem if the money is not well managed. Since the County's role is tax collector, all taxing entities would have to agree to this program.

Summary

- Federal Government has unilaterally retracted its decades-long agreement to provide ongoing financial support to local governments causing undue hardship
- It is the consensus of this committee that Curry County must find new, sustainable ways of providing and funding the public services that citizens expect and need.

- No single action will solve all our financial problems.
- The reference information used by the committee will be posted to the county website
- A careful analysis is needed to find a combination that:
- Meets current projected budget shortfall in short term
- Looks to the future, but begins now, to craft long-term solutions for economic sustainability
- Seeks solutions that go beyond continually asking the citizens of the County for more revenue through taxes
- As this report represents a “snap shot” in time, we respectfully request that the Board of Commissioners continue reaching out to this Committee and the citizens of the County as we partner to find ways of building a better future for our County and the people who reside here and will want to reside here in the future. Many members of the Committee bring vast knowledge, experience and expertise and are willing to assist.

Finally, there were many good suggestions that were brought forward that have not initially been recommended by the Committee that should be seriously looked at in the future.

The Committee wishes to acknowledge the pro bono work of Oregon Consensus, a program of the Mark Hatfield School of Government at Portland State University, in facilitating the work of the Committee.

Curry County Citizens’ Committee

David Bassett	David Frazier	Brian Hodge
Leroy Blodgett	Randall Gerlach	Mark Hollinger
Tom Denning	Frank Hageman	Bob Horel
Phillip Dickson	Ken Hall	Tom Huxley
Paul Fossum	Terry Hanscam	Daneille Kitchel

Susan Lunsford

Pete Peters

Sam Scaffo

Gary Milliman

Dominic Petrucelli

Christine Stallard

Tim Patterson

Bruce Raleigh

Additional Ideas/Suggestions

NOTE: Although many of these may be useful in the future they did not at this time meet the criteria immediate recommendation. For example, some need much more research, some are very long term or dependent upon a change of law. They should not be discounted, but may in the future move from a list of ideas, to a list of practical recommendations.

1. Allow Mineral Mining of Pacific City
2. Beverage/Prepared Food Tax
3. Bio Fuel Plant
4. Borrow Money From Road Fund
5. Cape Blanco Airport Emergency Services
6. Cost Recovery
7. County Business Asset Tax
8. County Coalition
9. County Seized Land – Residential use. HUD CAF funding -
10. Curry County Carbon Tax
11. Federal Forest County And Schools Stabilization Act Of 2010
12. Franchise Fees
13. Gold Beach To Grants Pass Road
14. Hospital District Boundary Change To Allow Hospital in Brookings
15. O&C Lands Returned To County For Management
16. Oregon Forested Communities Plan
17. Re-institute Economic Development Department
18. Real Estate Transfer Tax
19. Renewable Energy Development – Including Wind Farms
20. Service Specific Donation – Allows Citizens To Donate To Certain Areas Of Their Interest
21. Tax On Private Timber Lands
22. Timber Harvest Tax
23. Graduated Taxes Based Upon Age – Possible Age Related Rebate

24. Pay For Service, i.e. County Bills for Law Enforcement.

25. County Park Project

26. Redeemable Ground Rent

27. Explore Creation of a Council of Governments or Other
Intergovernmental Agencies to Share the Cost of Providing Common
Services.

Oregon Counties 20,000-40,000
General Law/Charter
Commissioner/CAO Salary Survey 01/02

County	Population	CAO		Commission Member #	Commission Chair	Commission Members	CAO
Clatsop	37,860	Y		5	\$ 12,600	\$ 10,080	\$ 127,428
Curry	21,160		N	3	60,769	60,769	NA
Hood River	21,850	Y		5	17,134	13,698	123,698
Jefferson	22,865	Y		3	30,164	30,164	100,274
Tillamook	26,170		N	3	76,074	76,074	NA
Union	25,495	Y		3	60,768	60,768	70,404
Wasco	24,280	Y		3	37,998	37,998	95,917

Average no CAO	\$ 68,422	\$ 68,422	
Median with CAO	30,164	30,164	
Average with CAO	31,733	30,542	
Average per capita with CAO	1.20	1.15	
Per Capita Curry	2.87	2.87	
Average CAO	NA	NA	\$ 103,544
Average w/CAO & 5 Commissioners	\$ 14,867	\$ 11,889	

CAO=County Administrative Officer

Gary Milliman

From: Sandi Borowy [sandi.borowy@co.hood-river.or.us]
Sent: Monday, March 18, 2013 10:33 AM
To: Gary Milliman
Subject: RE: Commission Compensation

Gary –

We have 5 on our commission – one chairperson and four commissioners – they are not “full-time” for salary purposes. FY 12/13 the chair is budgeted \$17,139 – the other four \$13,707 each. No PERS or other benefits – just FICA/Medi, SUTA and workers comp.

There is a Salary Sub-Committee in our Budget Committee – made up of only the public members, no elected. They approve what our elected officials receive – 5 commission members, Sheriff and Justice of the Peace.

I hope this helps – let me know if you need anything else.

Sandi Borowy
Director of Budget & Finance
Treasurer/Tax Collector
Hood River County
601 State Street
Hood River, OR 97031
office (541)387-6824
fax (541)387-6894

From: Gary Milliman [<mailto:gmilliman@brookings.or.us>]
Sent: Monday, March 18, 2013 8:31 AM
To: Sandi Borowy
Subject: Commission Compensation

Good morning. My City Council has asked that I contact Hood River County to inquire as to how your Commissioners are compensated. We are a County of like size and our Council is engaged in a discussion about a possible home-rule Charter. I have downloaded your Charter and see how the Commissioner compensation is determined. What is the current compensation?

Thank you.

Gary Milliman
City Manager
City of Brookings
898 Elk Drive
Brookings, OR 97415
541-469-1101; Fax 541-469-3650



History of County Government

The word county is from the French word “conte.” Meaning “the domain of a count.” However, the American county, as defined by Webster, is “the largest territorial division for local government within a state...” That definition is based on the Anglo-Saxon county of England dating back to about the time of the Norman Conquest. Counties were brought to America by the colonists and were later established in the central and western parts of the nation by the pioneers as they moved westward.

Counties used to function almost exclusively as agents of the state government. Their every activity had to be either authorized or mandated by state law. A 1958 constitutional amendment authorized Oregon counties to adopt “home rule” charters. A 1973 state law granted all counties power to exercise broad home rule authority, with or without a charter. As a result, the National Advisory Commission on Intergovernmental Relations identified county government in Oregon as having the highest degree of local discretionary authority of any state in the nation.

Currently, Oregon has three forms of county government:

Home Rule Counties

Home rule counties write their own charter, and may do whatever their charter allows. Nine Oregon counties have adopted home rule charters. That means voters have the power to adopt and amend their own county government organization. Home rule counties operate under a three- to five-member board of commissioners

General Law Counties

General law counties have the ability to write ordinances on any subject not preempted by the state. General law counties operate under a three- to five-member board of commissioners.

HOOD RIVER COUNTY

Fruit • Recreation • Industry



HOME RULE COUNTY CHARTER

*A Small County With a Big Mission:
Providing Quality of Life for All*

Originally adopted 1964
Revised 1965
Revised 1984
Revised 1998
Revised 2008

Original adopted 1964
Revised 1965
Revised 1984
Revised 1998
Revised 2008

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PREAMBLE

We the people of Hood River County in the State of Oregon, having established the original Home Rule Charter in 1965 in accordance with the provisions of the Constitution and laws of the State of Oregon, hereby repeal the Hood River County Charter of 1998 and adopt and establish as our charter and form of government this Home Rule Charter for Hood River County.

In this Charter references to County pertain to HOOD RIVER COUNTY, and references to State pertain to the STATE OF OREGON

ARTICLE I. POWERS

Section I. General Grant of Powers

(1) Except as this Charter provides to the contrary, the County has authority over matters of County concern to the fullest extent now or hereafter granted or allowed by the constitutions and laws of the United States and the State of Oregon.

(2) Except as this Charter provides to the contrary and subject to the powers of initiative and referendum residing in the people of the County:

- (a) The legislative power of the County is vested in, and exercisable only by the elected legislative body known as the Board of Commissioners.
- (b) All other powers of the County not vested by this Charter elsewhere are vested in the Board of Commissioners and are exercisable only by it or persons acting under its delegated authority.

(3) This Charter shall be liberally construed to the end that, within the limits imposed by this Charter or the constitutions or laws of the United States or the State of Oregon, the County shall have all powers necessary or convenient for the conduct of its affairs. No enumeration of powers shall be construed to be exclusive or to restrict the authority that the County would have if the particular power were not mentioned.

Section II. Specific Legislative Powers

(1) In addition to the other duties and powers herein provided; the Board of Commissioners shall have the power to:

- (a) Enact ordinances according to the provisions of this Charter.
- (b) Adopt a County Administrative Code.
- (c) Appoint Boards, commissions and committees.
- (d) Appoint a County Administrator, County Counsel(s) and Auditor.

(2) The County offices, departments or institutions shall exercise their functions under the authority of the Board of Commissioners under direction and supervision of the County Administrator.

Section III. Limitation of Powers

No Commissioner including the Chair shall have the authority to make statements or act independently on behalf of the County without the express authorization of the Board of Commissioners.

ARTICLE II. BOARD OF COMMISSIONERS

Section I. Commissioners

The Board of Commissioners shall consist of the Chair of the Board of Commissioners and four

County Commissioners. The Chair of the Board of Commissioners shall be a registered voter of the County and shall be elected at large. The County Commissioners shall be registered voters of the County and residents of the districts from which nominated, and one Commissioner shall be elected by each district.

Section II. Districts

There shall be four districts established for the election of Commissioners.

Section III. Boundaries

The Board of Commissioners may change the boundaries of Commissioner Districts by ordinance

in conformance with the concept of one person, one vote. The procedure for this process shall be set forth in the Administrative Code.

Section IV. Eligibility

(1) To qualify for an elective office of County Commissioner a person:

- (a) Shall be a legal voter of the County.
- (b) Shall be a resident of the County, and shall have resided in the County one year immediately prior to filing for office.
- (c) No person employed by Hood River County shall be eligible to serve as a member of the Board of Commissioners.
- (d) For the purposes of this section a member of the Board of Commissioners is not an employee of Hood River County.

Section V. Election of Chair and Commissioners

(1) The voters shall elect the Chair at each November general election.

(2) The voters from odd-numbered districts shall elect Commissioners at the November general election of non-presidential election years.

(3) The voters from even-numbered districts shall elect Commissioners at the November general election of presidential election years.

(4) Newly elected or appointed Commissioners shall, before the commencement of their term, take an Oath to uphold the constitution of the United States, State of Oregon, Charter, and Ordinances of the County of Hood River.

Section VI. Term of Office

The term of office for the Chair shall be two years, and the term for Commissioners shall be four years. Terms of office shall begin the first day of the ensuing year following election.

Section VII. Vacancy of Office

(1) A vacancy of office on the Board of Commissioners shall occur for the following reasons: death, resignation, incapacity to act, taking up residence outside his or her district, conviction of a felony, un-excused absence for three consecutive regularly scheduled Board meetings, other reasons of ineligibility and declaration by the Board of a vacancy:

- (a) If the vacancy is in the position of Chair the remaining Board members shall appoint a member of the Board to the position to serve for the vacated un-expired term. In the event that no Commissioner will accept the appointment or a majority vote is not obtained then a special election shall be held to fill the position for the un-expired term; such special election shall be held within 60 days of the date of the vacancy.
- (b) If the vacancy is in the position of Commissioner, the remaining Board members shall appoint a resident of the vacant district to fill the un-expired term of the vacated position.

Section VIII. Organization

At the first meeting of each calendar year the Board of Commissioners shall elect a Vice-Chair who shall serve in the absence of the Chair.

Section IX. Powers and Duties of the Chair of the Board of Commissioners

(1) The Chair of the Board of Commissioners shall:

- (a) Preside over meetings of the Board of Commissioners.
- (b) Preserve order at meetings of the Board of Commissioners.
- (c) Enforce the rules of the Board of Commissioners.
- (d) Determine the order of business for meetings of the Board of Commissioners.
- (e) Call special meetings and executive sessions of the Board.
- (f) Vote on all questions before the Board of Commissioners.
- (g) Have power to make motions and second motions.

Section X. Quorum

Three Commissioners of the Board of County Commissioners shall constitute a quorum.

Section XI. Meetings

The Board of Commissioners shall meet regularly at least once each month and at such time and place as the Board of Commissioners may prescribe by rule. Special meetings may be called by the Chair or by three Commissioners upon notice to each member. All meetings shall be open to the public except for executive sessions as allowed by State law.

Section XII. Voting

No action of the Board of Commissioners shall be valid or binding unless adopted by the affirmative vote of three or more members. All voting shall be by recorded roll call vote.

Section XIII. Compensation

Members of the Board of Commissioners shall receive reasonable compensation as determined annually by the lay members of the budget committee.

ARTICLE III. ADMINISTRATIVE FUNCTIONS

Section I. Powers and Duties of the County Administrator

(1) The County Administrator shall:

- (a) Be appointed by the Board of Commissioners.
- (b) Serve at the will of the Board.
- (c) Be the head of the administrative branch of County Government.
- (d) Be responsible to the Board of Commissioners for the proper Administration of all affairs of Hood River County.
- (e) Be responsible for carrying out the policies established by the Board of Commissioners.
- (f) Be responsible for the employment and termination of all County employees; for all departments of the County with the exception of the department of law enforcement and department of justice.

ARTICLE IV. DEPARTMENT OF LAW ENFORCEMENT

Section I. Powers and Duties of the Sheriff and the Department of Law Enforcement

(1) The Sheriff of Hood River County shall be the Director of Law Enforcement and shall be an elected official residing within the County.

(2) A candidate for the position of Sheriff shall:

- (a) Possess the minimum qualifications required of a Sheriff under State law.
- (b) Be a minimum of 25 years of age.
- (c) Be bondable.

(3) The candidate receiving the most votes at the November general election of presidential election years shall be elected Sheriff.

(4) The Sheriff of Hood River County shall be responsible for:

- (a) The enforcement of State law and County ordinances, except for the function of tax collection.
- (b) The handling of criminal and civil processes as prescribed by State law and County ordinance.
- (c) Performing the duties and responsibilities as set forth in the County Administrative Code.
- (d) The employment or termination of deputies and other personnel of the department in conformance with the County Administrative Code.

(5) In the event of vacancy in office, the Chief Deputy shall serve as Sheriff until the Board of Commissioners appoint a qualified successor. The vacancy shall be filled by the appointee until the next general election. The position shall then be filled by election for the remainder of the term.

(6) The Sheriff shall devote full time to the duties of the office during the Sheriff's tenure. This requirement may be enforced by the Board of Commissioners.

ARTICLE V. DEPARTMENT OF JUSTICE

Section I. Policies and Procedures

(1) The Department of Justice shall include the District Attorney, the Justice Courts and Judges as provided by State law.

(2) The election, tenure of office, salary, and procedure for filling vacancies in judicial offices shall be as provided by State law.

(3) The practice and procedure as to prosecution, trial and punishment of County offenses shall be the same as similar crimes or offenses defined or made punishable by State law. As used

in this section, County offense means any crime or offense defined or made punishable by County ordinances or this Charter.

Section II. Powers and Duties of the District Attorney, Justice of the Peace and County Counsel

(1) The District Attorney of Hood River County shall be the Director of the District Attorney's office and shall be an elected official residing within the County.

(2) The District Attorney of Hood River County is a state elected official and shall be responsible for:

(a) The enforcement of State law with the exception of the function of tax collection.

(b) Performing the duties and responsibilities as set forth in State law and the County Administrative Code.

(c) The employment or termination of deputies and other personnel of the department in

conformance with the County Administrative Code.(3) The Justice of the Peace of Hood

River County shall be the Director of the Justice Court office and shall be an elected official residing within the County.

(4) The Justice of the Peace for Hood River County shall be responsible for:

(a) The trial of any cases involving violation of County ordinances or State laws in all areas

of the County which may be referred to the Justice Court.

(b) Performing the duties and responsibilities as set forth in State law and the County Administrative Code.

(c) The employment or termination of personnel of the department in conformance with the County Administrative Code.

(5) County Counsel responsibilities may include:

(a) Acting as civil counsel to the Board of Commissioners

(b) Enforcement of County Ordinances.

ARTICLE VI. EXPENSE AND CAPITAL BUDGETS

(1) Budgets shall be made and approved in accordance with the local budget law of the State.

(2) Expenditure items which do not appear in the regularly published budget may be included by filing a supplemental budget.

ARTICLE VII. COUNTY ADMINISTRATIVE CODE

(1) The County Administrative Code shall govern the operation of the various County offices, departments and institutions. It shall prescribe the powers and duties of elected and appointed County officials and employees and shall prescribe the procedures and systems of operation and management of all offices, departments and institutions of the County.

(2) The Board of Commissioners may enact, amend, revise or repeal provisions of the County Administrative Code.

(3) It shall be the responsibility of the Board of Commissioners to compile and maintain the County Administrative Code in a systematic manner properly indexed and current.

(4) The Board of Commissioners shall review the County Administrative Code periodically to assure its accuracy and completeness.

ARTICLE VIII. ORDINANCE PROCEDURE

SECTION I. Introduction

(1) An ordinance may be introduced by any Commissioner at any regular or special meeting of the Board.

(3) Publication of all proposed ordinances shall require prior approval by the Board of Commissioners.

SECTION II. Publication

(1) Copies of the proposed ordinance shall be distributed to each Commissioner, news media representatives and interested citizens upon request.

(2) The Board shall promptly publish the proposed ordinance indicating the time and place for a public hearing and its consideration by the Board of Commissioners.

SECTION III. Public Hearings

(1) The public hearing on the proposed ordinance shall be held at least one week after publication.

(2) At the hearing, copies of the proposed ordinance shall be made available to all persons present and all interested persons shall have the opportunity to be heard.

(3) After the hearing, the Board of Commissioners may adopt, amend or reject the proposed ordinance.

(4) Any substantive changes to the proposed ordinance shall constitute an amendment requiring publication and public hearing prior to adoption.

(5) Grammatical, clerical, typographical errors or omissions shall not constitute amendments requiring publication or hearing.

SECTION IV. Enactment

(1) Except as otherwise provided in this Charter, every adopted ordinance shall become effective thirty-one days after adoption or at any later date specified therein. As used in this section, the term "published" shall be the same as provided by State law as it applies to the publishing of budgets for tax supported institutions.

(2) Each adopted ordinance and resolution shall be given a serial number and date of adoption.

(3) The ordinance shall then be entered into a separate properly indexed record and made available to the public.

(4) Except as otherwise provided for by State law, the procedures set out in this Charter shall govern the enactment of all County Ordinances.

SECTION V. Emergency Ordinance

(1) To meet a public emergency affecting life, health or property the Commissioners may adopt an emergency ordinance provided that:

- (a) The ordinance does not levy taxes, or authorize the borrowing of money.
- (b) Upon adoption the ordinance shall be published in the next available issue of the designated newspaper.
- (c) The ordinance, including any amendments made after its adoption, shall be automatically repealed on the one hundred eighty-first day following the date of its adoption.

ARTICLE IX. ELECTIONS

SECTION I. Non-Partisanship

All Elective County offices of the Board, Commission and Sheriff shall be non-partisan for the purposes of filing for office, election to office and performance of the duties and responsibilities of the office.

SECTION II. Nominations

(1) Candidates for County elected offices shall be nominated at the primary election. The name of the candidate receiving the majority of the votes cast for that office will be placed on the November general election ballot.

(2) If no candidate receives a majority of the votes, the names of the two candidates receiving the greatest number of votes will be placed on the November general election ballot. The candidate receiving the greatest number of votes in the November general election shall be the candidate elected to the position.

(3) The method of nominating a candidate for the position of Chair of the Board or Sheriff of Hood River County shall be:

(a) To file with the official in charge of elections within the filing period specified by State

Law, a nominating petition signed by not fewer than ten legal voters of each Commissioner district; or

(b) To pay a filing fee of \$50 within the filing period specified by State law.

(4) The method of nominating a candidate for a position of Commissioner shall be:

(a) To file with the official in charge of elections, within the filing period specified by State

law a nominating petition signed by not fewer than twenty legal voters of the district in

which the candidate resided at the time of filing; or

(b) To pay a filing fee of \$50 within the filing period specified by State law.

ARTICLE X. GENERAL PROVISIONS

SECTION I. Contracts and Purchases

(1) Purchases or contracts shall be as set forth in the County Administrative Code as required by State law.

Section II. Audits

(1) A complete independent financial audit of the records of the County shall be performed in accordance with State and Federal law on an annual basis.

(2) The complete audit shall be filed with the Board of Commissioners, the State of Oregon and made available for public inspection.

ARTICLE XI. PROHIBITIONS

Section I. Non-Discrimination

No person shall be discriminated against with respect to any County position or appointive office because of race, religion, age, ethnic origin, gender, sexual orientation, veteran's status, disability or other classes protected by State law.

Section II. Ethical Requirements

Any person holding elected or appointed offices under this Charter shall comply with ethical standards as set forth in Oregon laws.

ARTICLE XII. TRANSITIONAL PROVISIONS

Section I. Effective Date

This Charter shall become effective on the thirtieth day following its adoption.

Section II. Continuity

(1) The elected and appointed County officials in office at the time this Charter is adopted shall continue in office and perform their present powers and duties at existing salaries until changed by the Board of Commissioners.

(2) All rights, claims, actions, orders, contracts, and legal or administrative proceedings shall continue except as modified by this Charter and in each case shall be continued by the appropriate County department.

Section III. Repealer Clause

All rules, regulations or policies are repealed to the extent that they are inconsistent with or interfere with the effective operations of this Charter.

Section IV. Severability

If any provision of this Charter is held invalid, the other provisions of this Charter shall not be affected thereby. If the application of the Charter or any of its provisions to any person or circumstance is held invalid, the application of the charter and its provisions to other persons or circumstances shall not be affected thereby.

Section V. Review

The Board of Commissioners shall appoint a Charter Review Committee to review the Charter at least every ten years hereafter or more often as deemed necessary by the Board.

Section VI. Amendments

This Charter may be amended by the vote of the people as set forth by State Law.

Section VII. Definitions

As used in this Charter the word "shall" is considered mandatory and the word "may" is

considered permissive. Words in the present tense include the future; the singular includes the plural; plural usage includes the singular.

Hood River County
Charter Review Committee

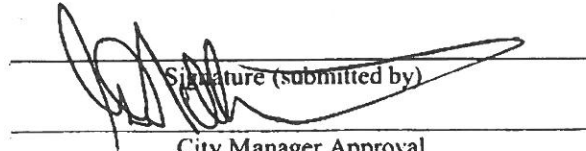
Ron Rivers, Chair
Will Carey, Vice-Chair
Jean Mclean
Paul Cummings
Paul Blackburn
Bill Pattison
Teunis J. Wyers
Ron Guth
Wally Eakin
Jason Shaner
Bob Benton

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 22, 2013

Originating Dept: City Manager


Signature (submitted by)
City Manager Approval

Subject: Resolution regarding Curry Health Network System Development Charges.

Recommended Motion: Adopt Resolution 13-R-1017, reducing the interest rate and applying an interest rate credit for Curry Health Network System Development Charges.

Financial Impact: Reduced interest rate income into SDC Funds from Curry Health Network project; future loss of SDC revenue from waiver of fees.

Background/Discussion:

At its meeting of June 24, 2013, the Urban Renewal Agency (URA) considered a request from the Curry Health Network to pay the remaining balance of System Development Charges due from the District in connection with the construction of the Brookings Clinic in 2010. The URA declined the request, but suggested that the City reduce the interest rate from the current 9.0 per cent, and possibly reduce the principal amount due by an amount equal to the difference between the existing and the new interest rate if applied retroactively to the start date.

There was also some discussion concerning support for the Curry Health Network (CHN) efforts to develop a hospital and emergency room on the existing Clinic site. An expansion of use would trigger the requirement for additional System Development Charges; the amount is unknown at this time as the City has no specific proposal.

Resolution 13-R-1017 acknowledges the work of the CHN in developing the existing Clinic and its plans to seek the development of a hospital at the existing site. Specifically, the Resolution:

1. Lowers the SDC interest rate from 9.0 to 3.0 per cent.
2. Applies the 3.0 per cent rate retroactively, with the amount of interest paid at the higher rate (the amount above 3.0 per cent) to be used to reduce the principal amount due.
3. Waives the future application of SDC's for an expansion of the project to include a hospital and an emergency department.

The interest rate on the City's last wastewater project financing was 2.58 per cent. Rates are rising.

The total amount of financed SDCs was \$560,261.52 with an interest rate of 9.0 per cent. CHN has paid a total of \$134,173 in principal and \$149,634 in interest since 2010. The remaining balance is \$429,780, including accrued interest. The term of the financing is 10 years. CHN initially financed the SDCs through the City because they were unable to secure market financing. Current annual payments are \$85,146.

Attachment(s):

- a. Resolution 13-R-1017

**CITY OF BROOKINGS
STATE OF OREGON**

RESOLUTION 13-R-1017

A RESOLUTION OF THE CITY OF BROOKINGS REDUCING THE INTEREST RATE AND APPLYING AN INTEREST RATE CREDIT FOR CURRY HEALTH NETWORK SYSTEM DEVELOPMENT CHARGES.

WHEREAS, Curry Health Network (CHN) has expended in excess of \$17.0 million in the construction of the Brookings Health Clinic, which employs 55 local residents; and

WHEREAS, in conjunction with said project, the total amount of System Development Charges (SDC) due to the City of Brookings (City) from CHN was \$560,261; and

WHEREAS, CHN chose to finance payment of said SDC's with the City through a payment plan which included the customary terms of a 9.0 per cent interest rate and payment period of 10 years; and

WHEREAS, CHN has faithfully made all payments due the City, with principal payments totaling \$134,173 and interest payments totaling \$149,634; and

WHEREAS, the City's Urban Renewal Plan, adopted in 2002, identifies public projects that are eligible for financial assistance through the City's Urban Renewal Agency and that would contribute to the goals of the overall Urban Renewal Plan; and

WHEREAS, one of the projects identified in the aforementioned Urban Renewal Plan is, "Assist development of new medical facility;" and

WHEREAS, CHN has announced plans to pursue the expansion of the Brookings Health Clinic to a full service hospital with an Emergency Department and plans to seek an additional \$10 million in financing for said project; and

WHEREAS, expansion of the existing CHN Brookings facility would further increase the demand on City infrastructure thereby necessitating the payment of additional SDCs by CHN; and

WHEREAS, improvements to medical facilities and services are critical elements to the City's economic development strategy;

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Brookings finds that CHN is using its best efforts to improve the quality and availability of medical facilities and care to Brookings residents.

BE IT FURTHER RESOLVED that the City Council finds that it is in the best public interest to assist CHN in its financial planning for a facility expansion toward fulfillment of the goal of having a Brookings hospital and emergency room in the following manner:

1. The interest rate on the current SDC indebtedness shall be reduced to 3.0 per cent.

2. The amount of interest paid by CHN on the SDC indebtedness shall be recalculated at 3.0 per cent from date of inception, and that portion of interest paid above a 3.0 per cent rate shall be credited against the remaining principal amount due.
3. The City's SDC shall not be applicable to expansion of the current CHN Brookings clinic should that expansion include a hospital facility and emergency department.

Passed by the City Council _____, 2013 and made effective the same date.

Attest:

Mayor Ron Hedenskog

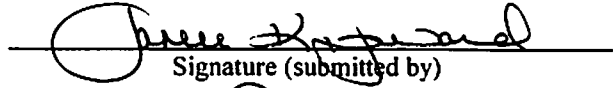

City Recorder Joyce Heffington

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: July 22, 2013

Originating Dept: Finance & HR


Signature (submitted by)

City Manager Approval

Subject:

Adoption of Resolution 13-R-1018, refinancing of the current OECDD water loan.

Recommended Motion:

Adopt Resolution 13-R-1018, authorizing the refinancing of outstanding water system obligation.

Financial Impact:

The estimated savings from the refinancing of the OECDD Loan is \$350,000.

Background/Discussion:

In 2007, the City entered into a loan agreement with OECDD for interim financing on water system improvements, up to \$4,000,000 plus accrued interest. On July 1st, the balance was approximately \$4.4 million.

The current interest rate is 3.46%. The refinancing interest rate is estimated at 2.53%. This refinancing allows us to save approximately \$350,000 over 15 years.

Attachment:

Resolution 13-R-1018

CITY OF BROOKINGS

RESOLUTION 13-R-1018

A RESOLUTION OF THE CITY OF BROOKINGS AUTHORIZING FULL FAITH AND CREDIT BORROWINGS TO REFINANCE AN OUTSTANDING WATER SYSTEM OBLIGATION OF THE CITY.

WHEREAS, the City of Brookings, Oregon (the "City") is authorized by Oregon Revised Statutes Section 271.390 to enter into financing agreements to finance or refinance real or personal property which the City Council determines is needed; and,

WHEREAS, the City previously borrowed money from the Oregon Economic and Community Development Department (OECDD) to finance water system improvements, approximately \$4.4 million of that borrowing is currently outstanding, and current market conditions allow the City to reduce its debt service expense by refinancing that borrowing; and,

WHEREAS, the outstanding borrowing from OECDD (the "OECDD Borrowing") is currently paid from water system revenues;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brookings that:

1. Authorization of Financing Agreements.

- 1.1 The City is hereby authorized to enter into one or more financing agreements pursuant to ORS 271.390 and ORS Chapter 287A to refinance all or any portion of the real property and personal property that was financed with the OECDD Borrowing. The net proceeds of the financing agreements that refinance this property shall not exceed the amount estimated to be required to pay the principal amount of the OECDD Borrowing, accrued interest through the date the OECDD Borrowing is paid, and costs of the refinancing.
- 1.2 The financing agreements authorized by this Section 1 are referred to in this Resolution as the "Financing Agreements."
- 1.3 Designation of Note as "Qualified Tax Exempt Obligation." - The City has determined and certifies that (a) the Note is not a "private activity bond" within the meaning of Section 141 of the Code; (b) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) which the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Note is issued will not exceed \$10,000,000; and (c) the amount of tax-exempt obligations, including the Note, designated by the City as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Note is issued does not exceed \$10,000,000. The City designates the Note as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

2. Determination of Need.

The City hereby determines that the Improvements and the projects financed with the OECDD Borrowing are needed.

3. Delegation.

The City Manager and the Finance and Human Resources Director (each of whom is referred to in this resolution as a "City Official") may, on behalf of the City and without further action by the Council:

- 3.1 Negotiate, execute and deliver one or more escrow agreements or similar documents (the "Escrow Agreements") that provide for the issuance of one or more series of "certificates of participation" or "full faith and credit obligations" (the "Obligations") that represent ownership interests in the loan payments due from the City under the Financing Agreements. Subject to the limitations of this resolution, the Escrow Agreements and each series of Obligations may be in such form and contain such terms as the City Official may approve.
- 3.2 Select one or more commercial banks with which to negotiate and execute each Financing Agreement, solicit competitive bids for the purchase of each series of the Obligations and award their sale to the bidder offering the most favorable terms to the City, or negotiate the terms of the sale of each series of Obligations to an underwriter, and sell that series to the underwriter.
- 3.3 Deem final and authorize the distribution of a preliminary official statement for each series of Obligations, authorize the preparation and distribution of a final official statement or other disclosure document for each series of Obligations, and enter into agreements to provide continuing disclosure for owners of each series of Obligations.
- 3.4 Apply for ratings for each series of Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- 3.5 Take any actions required to prepay or defease the OECDD Borrowing.
- 3.6 Engage the services of escrow agents or trustees and any other professionals whose services are desirable for the financing.
- 3.7 Determine the final principal amount, interest rates, payment dates, prepayment rights and all other terms of each Financing Agreement. Subject to the limitations of this resolution, each Financing Agreement may be in such form and contain such terms as the City Official may approve.
- 3.8 Negotiate, execute and deliver notes to evidence amounts due under the Financing Agreements.

- 3.9 Secure any Financing Agreement with all or any portion of the revenues of the City's water system, and pledge those revenues to repay that Financing Agreement.
- 3.10 Covenant to collect water system revenues in amounts sufficient to pay any Financing Agreement that is secured by those revenues.
- 3.11 Covenant to limit the City's ability to issue future obligations that are secured by the City's water system revenues.
- 3.12 Agree to make deposits to debt service accounts for Financing Agreements up to thirteen months before the payments are required to be made to investors.
- 3.13 Covenant for the benefit of the banks providing the Financing Agreements or the owners of Obligations to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code") which are required for the interest paid under the Financing Agreements to be excluded from gross income for federal income tax purposes or issue the Financing Agreements as taxable borrowings.
- 3.14 Determine that interest on any Financing Agreement will be includable in gross income under the Code.
- 3.15 Designate each Financing Agreement as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable.
- 3.16 Execute and deliver any other certificates or documents and take any other actions which the City Official determines are desirable to carry out this resolution.

4. Security.

Each Financing Agreement shall constitute an unconditional obligation of the City, which is payable from all legally available funds of the City. The City Official may pledge the City's full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution. In addition, the City Official may secure the Financing Agreements with revenues of the City as provided in Section 3.

Passed by the City Council July 22, 2013 and made effective the same date.

Mayor

Attest:

City Recorder

City of Brookings

CITY COUNCIL MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, July 8, 2013

Call to Order

Mayor Hedenskog called the meeting to order at 7:02 PM.

Roll Call

Council Present: Mayor Ron Hedenskog, Councilors Bill Hamilton, Brent Hodges, Jake Pieper and Kelly McClain; a quorum present.

Staff Present: Finance & Human Resources Director Janell Howard, Public Works & Development Director Loree Pryce, City Attorney Martha Rice and City Recorder Joyce Heffington.

Others Present: Pilot Reporter Jane Stebbins and 1 other.

Councilor Pieper moved, a second followed and Council voted unanimously to remove item E.1, [Resolution 13-R-1017] from the agenda at the request of the Curry Health Network.

Staff Reports

Mahar/Tribble, LLC., Infrastructure Financing Agreement.

Director Pryce provided the staff report.

Councilor Pieper asked if a 20 year reimbursement was unique and Pryce said it was typically 10 years. Pieper then asked if 10 years was stated in the Brookings Municipal Code and Pryce said she thought it was 20 years due to the amount of the investment.

Councilor Hodges said he thought this was a good deal for both the City and Mahar/Tribble.

Councilor Hamilton asked if the 61 units were to be built at one time, and Pryce said plans were still in the conceptual stage.

Councilor Pieper moved, a second followed and Council voted unanimously to authorize the Mayor to execute the Mahar/Tribble, LLC., Infrastructure Financing Agreement.

Agreement with Brookings Youth Activities for two off-season new basketball tournaments.

Director Howard provided the staff report.

Councilor Hodges asked if the funds for off-season events would be carried over to 2014 and Howard said they would be.

Councilor Hodges moved, a second followed and Council voted unanimously to

Agreement with Apple Box Media for Internet Advertising Services.

Director Howard provided the staff report.

Councilor Pieper moved, a second followed and Council voted unanimously to

Agreement with CGI Communications for a Community Promotions Video Program.

Director Howard provided the staff report.

**Councilor Hodges moved, a second followed and Council voted unanimously to
Consent Calendar**

1. Approve Council minutes for June 24, 2013.
2. Approve Liquor License Application for the Vista Pub, 1009 Chetco Avenue.
3. Accept June, 2013 Vouchers in the amount of \$248,983.02.

**Councilor Hodges moved, a second followed and Council voted unanimously to
approve the Consent Calendar as written.**

Remarks from Mayor and Councilors

Councilor Hodges remarked about the headline in Wednesday's edition of the Pilot regarding the recall, saying that while the conversation mentioned in the news article had taken place, it was regarding only one commissioner, not two being recalled, as published, and he would appreciate it if some fact checking was done in advance.

Councilor Hamilton remarked on the July 4th fireworks, saying that the show seemed smaller and rushed. He said the Veterans had worked hard to raise money for the event and he felt shorted.

Councilor McClain remarked that the Charter Committee would be out seeking signatures and urged citizens to seek out petitioners.

Adjournment

Mayor Hedenskog moved, a second followed and Council voted unanimously to adjourn by voice vote at 7:26 PM.

Respectfully submitted:

ATTESTED:
this _____ day of _____ 2013:

Ron Hedenskog, Mayor

Joyce Heffington, City Recorder

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2013

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	2,537,268.00	16,749.92	2,391,712.47	145,555.53	94.3
LICENSES AND PERMITS	94,500.00	9,659.28	120,809.05	(26,309.05)	127.8
INTERGOVERNMENTAL	589,500.00	20,736.02	341,633.48	247,866.52	58.0
CHARGES FOR SERVICES	177,500.00	20,644.49	135,134.03	42,365.97	76.1
OTHER REVENUE	86,000.00	13,921.24	85,681.56	318.44	99.6
TRANSFERS IN	193,929.00	.00	.00	193,929.00	.0
	<u>3,678,697.00</u>	<u>81,710.95</u>	<u>3,074,970.59</u>	<u>603,726.41</u>	<u>83.6</u>
<u>EXPENDITURES</u>					
JUDICIAL:					
PERSONAL SERVICES	14,048.00	1,425.74	13,207.57	840.43	94.0
MATERIAL AND SERVICES	8,300.00	339.08	4,028.03	4,271.97	48.5
CAPITAL OUTLAY	2,000.00	.00	.00	2,000.00	.0
	<u>24,348.00</u>	<u>1,764.82</u>	<u>17,235.60</u>	<u>7,112.40</u>	<u>70.8</u>
LEGISLATIVE/ADMINISTRATION:					
PERSONAL SERVICES	158,373.00	13,152.60	173,734.12	(15,361.12)	109.7
MATERIAL AND SERVICES	81,800.00	8,348.48	108,686.50	(26,886.50)	132.9
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>240,173.00</u>	<u>21,501.08</u>	<u>282,420.62</u>	<u>(42,247.62)</u>	<u>117.6</u>
POLICE:					
PERSONAL SERVICES	1,779,367.00	147,748.37	1,810,909.64	(31,542.64)	101.8
MATERIAL AND SERVICES	150,740.00	10,529.17	123,082.76	27,657.24	81.7
CAPITAL OUTLAY	401,100.00	11,382.37	401,020.56	79.44	100.0
TRANSFERS OUT	15,000.00	.00	.00	15,000.00	.0
	<u>2,346,207.00</u>	<u>169,659.91</u>	<u>2,335,012.96</u>	<u>11,194.04</u>	<u>99.5</u>
FIRE:					
PERSONAL SERVICES	168,625.00	11,838.88	156,478.21	12,146.79	92.8
MATERIAL AND SERVICES	122,500.00	9,980.84	69,465.17	53,034.83	56.7
CAPITAL OUTLAY	79,580.00	.00	30,579.01	49,000.99	38.4
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>370,705.00</u>	<u>21,819.72</u>	<u>256,522.39</u>	<u>114,182.61</u>	<u>69.2</u>
PLANNING AND BUILDING:					
PERSONAL SERVICES	191,352.00	14,410.00	182,127.03	9,224.97	95.2
MATERIAL AND SERVICES	66,000.00	1,414.37	6,145.28	59,854.72	9.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>257,352.00</u>	<u>15,824.37</u>	<u>188,272.31</u>	<u>69,079.69</u>	<u>73.2</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2013

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PARKS & RECREATION:					
PERSONAL SERVICES	54,854.00	17,687.88	165,224.84	(110,370.84)	301.2
MATERIAL AND SERVICES	78,900.00	6,549.72	58,700.73	20,199.27	74.4
CAPITAL OUTLAY	10,000.00	1,329.18	9,247.99	752.01	92.5
TRANSFERS OUT	.00	.00	.00	.00	.0
	143,754.00	25,566.78	233,173.56	(89,419.56)	162.2
FINANCE AND HUMAN RESOURCES:					
PERSONAL SERVICES	114,228.00	12,589.44	171,054.79	(56,826.79)	149.8
MATERIAL AND SERVICES	32,600.00	4,061.51	25,204.23	7,395.77	77.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	146,828.00	16,650.95	196,259.02	(49,431.02)	133.7
SWIMMING POOL:					
PERSONAL SERVICES	56,449.00	13,159.31	54,896.53	1,552.47	97.3
MATERIAL AND SERVICES	41,180.00	9,528.05	37,884.91	3,295.09	92.0
CAPITAL OUTLAY	10,000.00	2,636.61	6,947.53	3,052.47	69.5
	107,629.00	25,323.97	99,728.97	7,900.03	92.7
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	157,500.00	8,980.72	97,827.90	59,672.10	62.1
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	67,000.00	.00	.00	67,000.00	.0
CONTINGENCIES AND RESERVES	690,201.00	.00	.00	690,201.00	.0
	914,701.00	8,980.72	97,827.90	816,873.10	10.7
	4,551,697.00	307,092.32	3,706,453.33	845,243.67	81.4
	(873,000.00)	(225,381.37)	(631,482.74)	(241,517.26)	(72.3)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2013

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
INTERGOVERNMENTAL	510,000.00	27,389.53	318,459.16	191,540.84	62.4
OTHER REVENUE	300.00	80.00	3,773.33	(3,473.33)	1257.8
TRANSFER IN	.00	.00	.00	.00	.0
	<u>510,300.00</u>	<u>27,469.53</u>	<u>322,232.49</u>	<u>188,067.51</u>	<u>63.2</u>

EXPENDITURES

EXPENDITURES:

PERSONAL SERVICES	121,992.00	11,129.39	118,727.12	3,264.88	97.3
MATERIAL AND SERVICES	195,600.00	30,481.48	119,674.29	75,925.71	61.2
CAPITAL OUTLAY	208,300.00	.00	125,947.55	82,352.45	60.5
TRANSFERS OUT	24,610.00	.00	.00	24,610.00	.0
CONTINGENCIES AND RESERVES	65,798.00	.00	.00	65,798.00	.0
	<u>616,300.00</u>	<u>41,610.87</u>	<u>364,348.96</u>	<u>251,951.04</u>	<u>59.1</u>
	<u>616,300.00</u>	<u>41,610.87</u>	<u>364,348.96</u>	<u>251,951.04</u>	<u>59.1</u>
	<u>(106,000.00)</u>	<u>(14,141.34)</u>	<u>(42,116.47)</u>	<u>(63,883.53)</u>	<u>(39.7)</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2013

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	1,395,000.00	(172.94)	1,235,517.02	159,482.98	88.6
OTHER INCOME	2,000.00	.00	49,214.83	(47,214.83)	2460.7
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>1,397,000.00</u>	<u>(172.94)</u>	<u>1,284,731.85</u>	<u>112,268.15</u>	<u>92.0</u>

EXPENDITURES

WATER DISTRIBUTION:

PERSONAL SERVICES	596,281.00	42,312.31	513,028.82	83,252.18	86.0
MATERIAL AND SERVICES	325,250.00	46,114.66	332,651.38	(7,401.38)	102.3
CAPITAL OUTLAY	68,300.00	.00	43,413.68	24,886.32	63.6
	<u>989,831.00</u>	<u>88,426.97</u>	<u>889,093.88</u>	<u>100,737.12</u>	<u>89.8</u>

WATER TREATMENT:

PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	.00	585.00	585.00	(585.00)	.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	379,002.00	.00	.00	379,002.00	.0
CONTINGENCIES AND RESERVES	138,667.00	.00	.00	138,667.00	.0
	<u>517,669.00</u>	<u>585.00</u>	<u>585.00</u>	<u>517,084.00</u>	<u>.1</u>

DEPARTMENT 24:

CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>1,507,500.00</u>	<u>89,011.97</u>	<u>889,678.88</u>	<u>617,821.12</u>	<u>59.0</u>
	<u>(110,500.00)</u>	<u>(89,184.91)</u>	<u>395,052.97</u>	<u>(505,552.97)</u>	<u>357.5</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2013

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
CHARGES FOR SERVICES	2,650,500.00	34,361.28	2,540,532.51	109,967.49	95.9
OTHER REVENUE	3,000.00	.00	420,357.18	(417,357.18)	14011.
TRANSFER IN	.00	.00	.00	.00	.0
	<u>2,653,500.00</u>	<u>34,361.28</u>	<u>2,960,889.69</u>	<u>(307,389.69)</u>	<u>111.6</u>
<u>EXPENDITURES</u>					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	426,141.00	35,550.26	447,920.20	(21,779.20)	105.1
MATERIAL AND SERVICES	250,100.00	11,766.76	138,566.56	111,533.44	55.4
CAPITAL OUTLAY	24,900.00	.00	2,384.49	22,515.51	9.6
	<u>701,141.00</u>	<u>47,317.02</u>	<u>588,871.25</u>	<u>112,269.75</u>	<u>84.0</u>
WASTEWATER TREATMENT:					
PERSONAL SERVICES	436,275.00	30,982.14	381,797.85	54,477.15	87.5
MATERIAL AND SERVICES	466,600.00	22,756.08	402,230.34	64,369.66	86.2
CAPITAL OUTLAY	302,400.00	.00	68,426.41	233,973.59	22.6
TRANSFERS OUT	1,075,705.00	.00	.00	1,075,705.00	.0
CONTINGENCIES AND RESERVES	239,379.00	.00	.00	239,379.00	.0
	<u>2,520,359.00</u>	<u>53,738.22</u>	<u>852,454.60</u>	<u>1,667,904.40</u>	<u>33.8</u>
	<u>3,221,500.00</u>	<u>101,055.24</u>	<u>1,441,325.85</u>	<u>1,780,174.15</u>	<u>44.7</u>
	<u>(568,000.00)</u>	<u>(66,693.96)</u>	<u>1,519,563.84</u>	<u>(2,087,563.84)</u>	<u>267.5</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 12 MONTHS ENDING JUNE 30, 2013

URBAN RENEWAL AGENCY FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	509,838.00	.00	490,436.60	19,401.40	96.2
INTERGOVERNMENTAL	.00	.00	.00	.00	.0
OTHER REVENUE	1,000,500.00	.00	329.05	1,000,170.95	.0
	<u>1,510,338.00</u>	<u>.00</u>	<u>490,765.65</u>	<u>1,019,572.35</u>	<u>32.5</u>
<u>EXPENDITURES</u>					
GENERAL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	70,000.00	258.50	16,615.67	53,384.33	23.7
CAPITAL OUTLAY	1,372,397.00	.00	176,880.67	1,195,516.33	12.9
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	417,941.00	.00	.00	417,941.00	.0
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>1,860,338.00</u>	<u>258.50</u>	<u>193,496.34</u>	<u>1,666,841.66</u>	<u>10.4</u>
DEPARTMENT 20:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 22:					
MATERIAL AND SERVICES	.00	.00	.00	.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 24:					
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>1,860,338.00</u>	<u>258.50</u>	<u>193,496.34</u>	<u>1,666,841.66</u>	<u>10.4</u>
	<u>(350,000.00)</u>	<u>(258.50)</u>	<u>297,269.31</u>	<u>(647,269.31)</u>	<u>84.9</u>

City of Brookings

URBAN RENEWAL AGENCY MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, June 24, 2013

Call to Order

Chair Hedenskog called the meeting to order at 10:07 PM, immediately following the City Council meeting.

Roll Call

Agency Present: Chair Ron Hedenskog, Directors Bill Hamilton, Brent Hodges, Jake Pieper, and Kelly McClain; a quorum present.

Staff Present: Executive Director Gary Milliman, Finance & HR Director Janell Howard, City Attorney Martha Rice and City Recorder Joyce Heffington.

Others Present: Curry Coastal Pilot Reporter Jane Stebbins and approximately 2 others.

Consent Calendar

Approve Agency minutes for May 28, 2013.

Chair Hedenskog moved, a second followed and the Agency voted unanimously to approve the Consent Calendar as written.

Public Comments

Staff Reports

Resolution 13-R-1016, transferring appropriations for the 2012-13 fiscal year budget.

Director Howard provided the staff report.

Director Pieper moved, a second followed and the Agency voted unanimously to adopt Resolution 13-R-1016, approving appropriation transfers for the Brookings Urban Renewal Agency for 2012-13.

Discussion and direction regarding Curry Health Network (CHN) System Development Charges.

Andrew Bair, CHN Executive Director, introduced Ken Landau, CHN Chief Financial Officer. Landau said CHN had \$17 million invested in the clinic, which had 55 jobs, and 22,000 visits per year. Landau said the clinic was an important part of the community and asked to have the remaining SDC balance waived so CHN would have more funds available to invest and to make their balance sheet look better.

City Manager Milliman provided the staff report.

Public Comment: Tim Patterson, Brookings, said he fully sympathized with the request, but the principle of SDC fees should be passed around for all, and if Council were to waive them for the clinic then they should do the same for the theatre.

Chair Hedenskog asked if the City had the funds to make the payments.

Milliman said the URA has revenue that exceeded demand but it was not sufficient to meet this request; payment would have to be spread over a longer period. One option, Milliman advised, was for the URA to assume responsibility for the debt at a 0% interest

rate. He said staff had not yet calculated a reduced payment and an analysis would be needed if this was a direction Council wanted to explore.

Director Pieper said he had no desire to write down the debt. He said he thought the 9% interest rate was high, given current interest rates, and he would support coming up with a different interest rate for a certain class, such as non-profits.

Director McClain said it would be easier to make headway if the clinic were converted to a hospital and asked if they'd applied for the change. He said he would hate to make concessions and have it not be converted to a hospital and that any concessions would need to be tied to goals.

Bair said application had not yet been made, but it was his belief it must happen. Bair said CHN had goals, such as providing dialysis and chemotherapy, and the rate of spending at the current high interest rate was impeding their ability to move forward on some of these things. He said he understood what was needed and was very interested in meeting those needs. He also said he understood Council's hesitancy, and asked that Council consider letting history go and to look at what was needed.

Director Hodges said the clinic employed 55 people which put it in a different class. He said he wasn't in favor of eliminating the debt, but would possibly be in favor of reducing the interest rate or taking on some of the debt. He said he didn't see the debt going away.

Director Hamilton said he agreed the interest rate, or some amount of the debt, should be reduced, but was against waiving the full amount and asked if more SDCs would be involved if the hospital were to expand?

Chair Hedenskog said it very possible that more SDCs would be applied. He said the City had a very nice clinic facility that hadn't cost the City anything and added, "We need to put some skin in the game." The least Council could do, he said, was to reduce the interest rate.

Director McClain said he had no issue with reducing the debt but would like to see it tied to specific goals.

Milliman suggested possibly crediting some of the interest already paid toward the principal.

Director Howard said the City was paying Urban Renewal debt at 4.66% interest, and she felt that reducing it to 3% might be possible. However, if the City were to take on the debt, she said she would not have the revenue to debt ratio to decrease that debt. Howard said she was looking to decrease the interest rate to less than 3%, but the City also had to get financing in two years for the Railroad project match and that something between 4.66% and 3% interest might be possible.

Councilor McClain asked Landau if the debt was limiting CHN's ability to get financing and Landau said they could borrow more from funding agencies if this were not on their balance sheet. He said it was both a cash flow and an outstanding debt issue and of the two, reducing the interest rate was the most important issue as it would allow CHN to reduce the debt at a faster rate.

Director Hodges said he was definitely in favor of the City doing what it could. He said CHN could fulfill certain community-wide needs to the betterment of the community, but he didn't want to do something that would be a detriment of the City.

Howard said a possibility might be to tie the interest rate to whatever interest rate the City might be paying at a given time.

Director McClain advised caution against doing something the City would later regret.

Director Pieper said not receiving interest on the debt was a cost to the City and that the City already had "skin in the game." He also said the City couldn't make promises when two years down the road there may be different people on the Council.

Chair Hedenskog suggested dropping the interest rate to 3% and providing CHN a rebate on past interest toward the remaining principal.

Milliman said he would come back with alternatives.

Adjournment

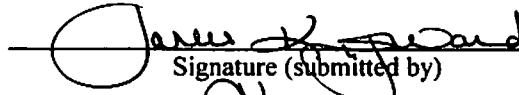
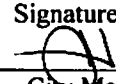
Chair Hedenskog moved, a second followed and the Agency voted unanimously to adjourn by voice vote at 10:50 PM.

BROOKINGS URBAN RENEWAL AGENCY

AGENDA REPORT

Meeting Date: July 22, 2013

Originating Dept: Finance & HR


Signature (submitted by)

City Manager Approval

Subject:

Adoption of Resolution 13-R-1019, refinancing of the current Urban Renewal loan.

Recommended Motion:

Adopt Resolution 13-R-1019, authorizing the refinancing of outstanding Urban Renewal obligations.

Financial Impact:

The estimated savings from the refinancing of the Urban Renewal Loan is \$230,000.

Background/Discussion:

In 2008, the Agency bonded \$3.4 million to make infrastructure improvements. On July 1st, the balance was \$2.685 million plus accrued interest.

The current interest rate is 4.66%. The refinancing interest rate is estimated at 2.53%. This refinancing allows us to save approximately \$230,000 over 7 years.

Attachment:

Resolution 13-R-1019

URBAN RENEWAL AGENCY OF THE CITY OF BROOKINGS

RESOLUTION 13-R-1019

A RESOLUTION OF THE BROOKINGS URBAN RENEWAL AGENCY AUTHORIZING FULL FAITH AND CREDIT BORROWINGS TO REFINANCE AN OUTSTANDING URBAN RENEWAL OBLIGATION OF THE AGENCY.

WHEREAS, the Brookings Urban Renewal Agency, Oregon (the "Agency") is authorized by Oregon Revised Statutes Section 271.390 and 457.190 to enter into financing agreements to finance or refinance real or personal property which the Board determines is needed; and,

WHEREAS, the Agency previously borrowed money from US Bank to finance infrastructure improvements, approximately \$2.7 million of that borrowing is currently outstanding, and current market conditions allow the Agency to reduce its debt service expense by refinancing that borrowing; and,

WHEREAS, the outstanding borrowing from US Bank (the "US Bank Borrowing") is currently paid from tax increment revenues;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Brookings Urban Renewal Agency that:

1. Authorization of Financing Agreements.

- 1.1 The City is hereby authorized to enter into one or more financing agreements pursuant to ORS 271.390 and ORS Chapter 287A to refinance all or any portion of the real property and personal property that was financed with US Bank Borrowing. The net proceeds of the financing agreements that refinance this property shall not exceed the amount estimated to be required to pay the principal amount of the US Bank Borrowing, accrued interest through the date the US Bank Borrowing is paid, and costs of the refinancing.
- 1.2 The financing agreements authorized by this Section 1 are referred to in this Resolution as the "Financing Agreements."
- 1.3 Designation of Note as "Qualified Tax Exempt Obligation." - The Agency has determined and certifies that (a) the Note is not a "private activity bond" within the meaning of Section 141 of the Code; (b) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) which the Agency and any entity subordinate to the Agency (including any entity that the Agency controls, that derives its authority to issue tax-exempt obligations from the Agency, or that issues tax-exempt obligations on behalf of the Agency) will issue during the calendar year in which the Note is issued will not exceed \$10,000,000; and (c) the amount of tax-exempt obligations, including the Note, designated by the Agency as "qualified tax-exempt obligations" for the purposes of

Section 265(b)(3) of the Code during the calendar year in which the Note is issued does not exceed \$10,000,000. The Agency designates the Note as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code.

2. Determination of Need.

The City hereby determines that the Improvements and the projects financed with the US Bank Borrowing are needed.

3. Delegation.

The Executive Director and the Finance and Human Resources Director (each of whom is referred to in this resolution as a “Agency Official”) may, on behalf of the Agency and without further action by the Board:

- 3.1 Negotiate, execute and deliver one or more escrow agreements or similar documents (the “Escrow Agreements”) that provide for the issuance of one or more series of “certificates of participation” or “full faith and credit obligations” (the “Obligations”) that represent ownership interests in the loan payments due from the Agency under the Financing Agreements. Subject to the limitations of this resolution, the Escrow Agreements and each series of Obligations may be in such form and contain such terms as the Agency Official may approve.
- 3.2 Select one or more commercial banks with which to negotiate and execute each Financing Agreement, solicit competitive bids for the purchase of each series of the Obligations and award their sale to the bidder offering the most favorable terms to the Agency, or negotiate the terms of the sale of each series of Obligations to an underwriter, and sell that series to the underwriter.
- 3.3 Deem final and authorize the distribution of a preliminary official statement for each series of Obligations, authorize the preparation and distribution of a final official statement or other disclosure document for each series of Obligations, and enter into agreements to provide continuing disclosure for owners of each series of Obligations.
- 3.4 Apply for ratings for each series of Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- 3.5 Take any actions required to prepay or defease the US Bank Borrowing.
- 3.6 Engage the services of escrow agents or trustees and any other professionals whose services are desirable for the financing.
- 3.7 Determine the final principal amount, interest rates, payment dates, prepayment rights and all other terms of each Financing Agreement. Subject to the limitations of this resolution,

each Financing Agreement may be in such form and contain such terms as the Agency Official may approve.

- 3.8 Negotiate, execute and deliver notes to evidence amounts due under the Financing Agreements.
- 3.9 Secure any Financing Agreement with all or any portion of the revenues of the Agency's tax increment revenues, and pledge those revenues to repay that Financing Agreement.
- 3.10 Covenant to collect water system revenues in amounts sufficient to pay any Financing Agreement that is secured by those revenues.
- 3.11 Covenant to limit the Agency's ability to issue future obligations that are secured by the Agency's tax increment revenues.
- 3.12 Agree to make deposits to debt service accounts for Financing Agreements up to thirteen months before the payments are required to be made to investors.
- 3.13 Covenant for the benefit of the banks providing the Financing Agreements or the owners of Obligations to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code") which are required for the interest paid under the Financing Agreements to be excluded from gross income for federal income tax purposes or issue the Financing Agreements as taxable borrowings.
- 3.14 Determine that interest on any Financing Agreement will be includable in gross income under the Code.
- 3.15 Designate each Financing Agreement as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable.
- 3.16 Execute and deliver any other certificates or documents and take any other actions which the Agency Official determines are desirable to carry out this resolution.

4. Security.

Each Financing Agreement shall constitute an unconditional obligation of the Agency, which is payable from all legally available funds of the Agency. The Agency Official may pledge the Agency's full faith and credit and taxing power within the limitations of Section 1c of Article IX of the Oregon Constitution. In addition, the Agency Official may secure the Financing Agreements with revenues of the Agency as provided in Section 3.

Passed by the Board July 22, 2013 and made effective the same date.

Chair

Attest:

Recorder