

Industrial development bill gains traction in Senate

Hansell touts local control to adding development

By MATEUSZ PERKOWSKI
EO Media Group

A proposal to allow industrial development outside cities in 10 Eastern Oregon counties has passed a key legislative committee without encountering opposition from farm and conservation advocates.

Senate Bill 2 would allow each of the counties — Baker, Gilliam, Grant, Harney, Lake, Malheur, Sherman, Union, Wallowa and Wheeler — to designate up to 10 sites totaling 50 acres outside urban growth boundaries for “industrial uses or other employment uses.”

Each designation would be based on an economic opportunity analysis and the development could not occur on high-value farmland or sage grouse habitat.

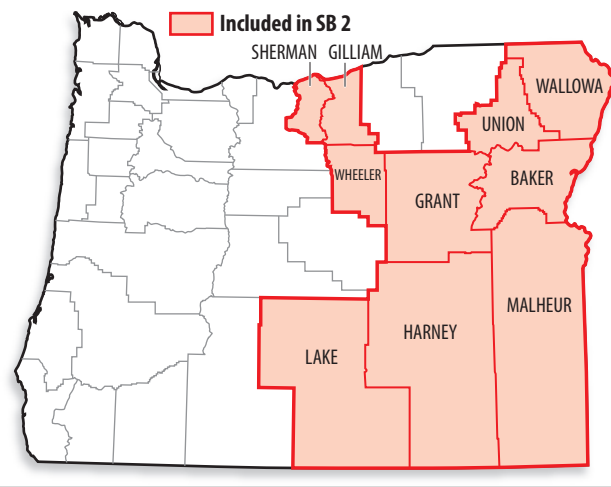
The Senate Committee on Environment and Natural Resources recommended the bill for approval 3-1 during a Feb. 12 work session.

“It’s totally local control. If the local people don’t want it, they don’t have to do it,” said Sen. Bill Hansell, R-Athena, during an earlier public hearing on the bill.

While SB 2 doesn’t solve all the land use problems facing Eastern Oregon, the proposal “recognizes the incredible difference between Eastern Oregon and the Willamette Valley,” where growth is more robust, said Sen. Cliff Bentz, R-Ontario.

Land use bill clears first hurdle

A proposal to allow industrial development in 10 Eastern Oregon counties is making its way through the state Senate. Senate Bill 2 would allow these counties to designate up to 10 sites totaling 50 acres outside urban growth boundaries for development.



Capital Press graphic

The legislation aims to provide flexibility for “very rural” parts of Oregon without harming the state’s

overall land use system, said Senate President Peter Courtney, D-Salem.

Sen. Arnie Roblan, D-Coos Bay, said it’s “remarkable” that groups with disparate interests could reach a consensus on the proposal, even if it doesn’t resolve every land use disagreement in Eastern Oregon.

While studying the issue, a workgroup that crafted the proposal found rural counties often didn’t have the planning staff or resources to guide large-scale development through the existing land use process, said Mary Kyle McCurdy, deputy director of the 1,000 Friends of Oregon conservation group.

These rural areas also came across development opportunities that weren’t an easy fit under current

land use laws and were too different to encompass with one legislative proposal, McCurdy said.

Stakeholders reached an agreement on SB 2 “as kind of a pilot project” that “no one loves but perhaps we can all live with,” she said.

Members of the Oregon Farm Bureau disagreed with the reasons for a lack of economic opportunity in Eastern Oregon but appreciated that SB 2 was kept “limited in scope” and the organization is neutral on the bill, said Jonathan Sandau, a government affairs specialist with the group.

Once a county designates 50 acres for industrial development under the bill, it cannot enlarge the footprint without another legislative change or an “exception” to Oregon’s land use goals under existing law.

Analysis shows that Pendleton’s streets are worse than most

Councilors frustrated by lack of progress, funding

By ANTONIO SIERRA
East Oregonian

While the Pendleton City Council continues to make headway toward a modest boost in funding next year, a path toward a long-term solution for the city’s road maintenance woes could be as much as two months away.

The council met Tuesday for a workshop, where councilors expressed frustration over a lack of movement on the issue.

One of their targets was a recently released transportation funding analysis prepared by a Portland consultant.

“I don’t need a score to know when I’m going down a road, I gotta lock down my hubs to get through it,” Councilor Paul Chalmers

“IF MY ROUGH ESTIMATES ARE RIGHT, IT’S OVER \$1,000 A DAY WE ADD IN DEFERRED MAINTENANCE JUST BY TALKING ABOUT THIS STUFF.”

— Scott Fairley,
Pendleton city councilor

said. “And that’s disheartening to me.”

The city hired Jensen Strategies to analyze its road system. The consultant compared Pendleton to public street systems in Hermiston, La Grande, Prineville, Redmond, and Klamath Falls and concluded that Pendleton had the worst pavement condition index — a metric that measures street quality on a 1-100 scale — but spent the second-most money per centerline mile on road maintenance.

But city officials picked apart some of the informa-

tion shared in the report.

Public Works Director Bob Patterson said some of the cities used different pavement rating methods that might bring down their overall score.

And Councilor McKennon McDonald said it might be unfair to compare Pendleton’s street system to others because Pendleton had unique issues.

City Manager Robb Corbett said Pendleton wouldn’t be able to replicate many of the methods other cities used to bolster road funding. A former Prineville city

manager, Corbett said the Central Oregon city can afford to transfer a significant amount from its general fund to street maintenance because of the revenue it receives from Facebook and Apple data centers.

And although Hermiston raised its franchise fees to supplement its road funding, Pendleton’s franchise fees are already maxed out.

Councilor Scott Fairley was also disappointed in the Jensen Strategies report because he thought it would take a more comprehensive look at whether the city was spending money on roads efficiently.

Councilor Carole Innes said the council couldn’t return to the issue in six months still not having done anything.

“We’d look pretty ineffective,” she said.

The council could take some action on the issue in the late spring when members pass a budget for the new fiscal year.

Corbett refined a pro-

posal that he originally made as a part of a January budget exercise that aimed to boost street funding without raising taxes or fees.

Corbett’s new calculation no longer includes selling the Vert, which it helps offset with reductions to equipment replacement and materials and supplies in the street fund.

There would still be a hit to the general fund, but certain services like economic development, city decorations, public art, and insurance for the senior center would be reduced instead of axed completely.

All of these savings combined with others would help the city generate \$1.2 million per year for street maintenance, but that may not be enough.

Although a 2018 pavement condition report states that at least \$1.1 million would keep the pavement condition flat over the next 10 years, the city has calculated that it would take \$3.5 million to keep the black-

log of deferred maintenance from growing.

It would take \$4.1 million per year to wipe away all the deferred maintenance, raising Pendleton’s pavement score from 61 to 84.

Fairley challenged the council to think bigger.

“This \$1.2 (million) goal essentially says we are endorsing building our maintenance backlog, we are endorsing a failing street system,” he said. “It sounds well and good to say we should stage it, but we’re doing our taxpayers and citizens a huge disservice by continuing to build up this deferred maintenance backlog. If my rough estimates are right, it’s over \$1,000 a day we add in deferred maintenance just by talking about this stuff.”

Corbett said he could work with staff to come up with a recommendation on long-term funding for road maintenance, but it would likely take them eight weeks before they could present it to the council.

Heppner doctor pleads guilty to tax evasion

By JAYATI RAMAKRISHNAN
East Oregonian

A doctor from Heppner has pleaded guilty in federal court to tax evasion.

Kenneth Wenberg, 72, failed to report income that led to a tax loss of about \$187,000. He faces up to five years in prison, a \$250,000 fine, and three years of supervision after release. He will be sentenced on June 6.

Wenberg is still listed as a provider on the Morrow County Health District website. According to the website, he has worked with Morrow County Health Dis-

trict since 1987.

Bob Houser, CEO of Morrow County Health District, said Wenberg is an independent practitioner and was not an employee of the district, nor had he ever been.

“The only thing he does for us now is contract work in the ER,” Houser said.

He said the company MCHD hired Wenberg through, Opal Butte Health Services, was not a sham organization.

“Every year we issue a 1099, and obviously, it’s not Morrow County Health District’s responsibility to see that that corporation pays its

taxes,” he said.

Houser said he couldn’t comment about whether MCHD would continue contracting with Wenberg.

“We’re currently investigating our options,” he said.

Wenberg was indicted in December 2017 for creating several accounts to hide his earnings while providing medical services to Morrow County Health District and Urgent Health Care Center in Heppner.

In an indictment from 2017, Wenberg is charged with three counts of tax evasion, one for each year from 2012 through 2014.

Wenberg was charged

with opening several sham accounts, and putting money he earned into them to avoid paying income taxes. Federal court documents state that he also paid for personal and family expenses out of money he put in those accounts.

Wenberg opened two companies in 2000, including Opal Butte Health Services, as well as several bank accounts in the name of those companies. The same year, he entered into agreements to start providing services for both Morrow County Health District and Urgent Health Care Center.

Hermiston man accused of trying to sell stolen property online

East Oregonian

Hermiston Police Department arrested Dustin Sanders, 35, over the weekend, and he is suspected of possessing stolen property.

Sanders is suspected of stealing several tools from a resident in Pendleton, and was lodged in the Umatilla County Jail for theft, as well as for computer crime. He also had several warrants out for his arrest for failure to appear, contempt of court, and possession of methamphetamine.

According to a press release from the Hermiston Police Department, in

December, a Pendleton resident reported several tools stolen from his vehicle. On Feb. 9, someone spotted tools matching that description on a regional classified website.

Officers spoke to the victim and made a plan to meet the alleged seller, Dustin Sanders, and examine the property. The victim identified the property by some unique markings.

HPD said the investigation is ongoing, but anyone with additional information can contact the department on the anonymous tip line at 541-667-5148, or at 541-567-5519.

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