

The Heppner GAZETTE-TIMES

Morrow County's Award-Winning Weekly Newspaper

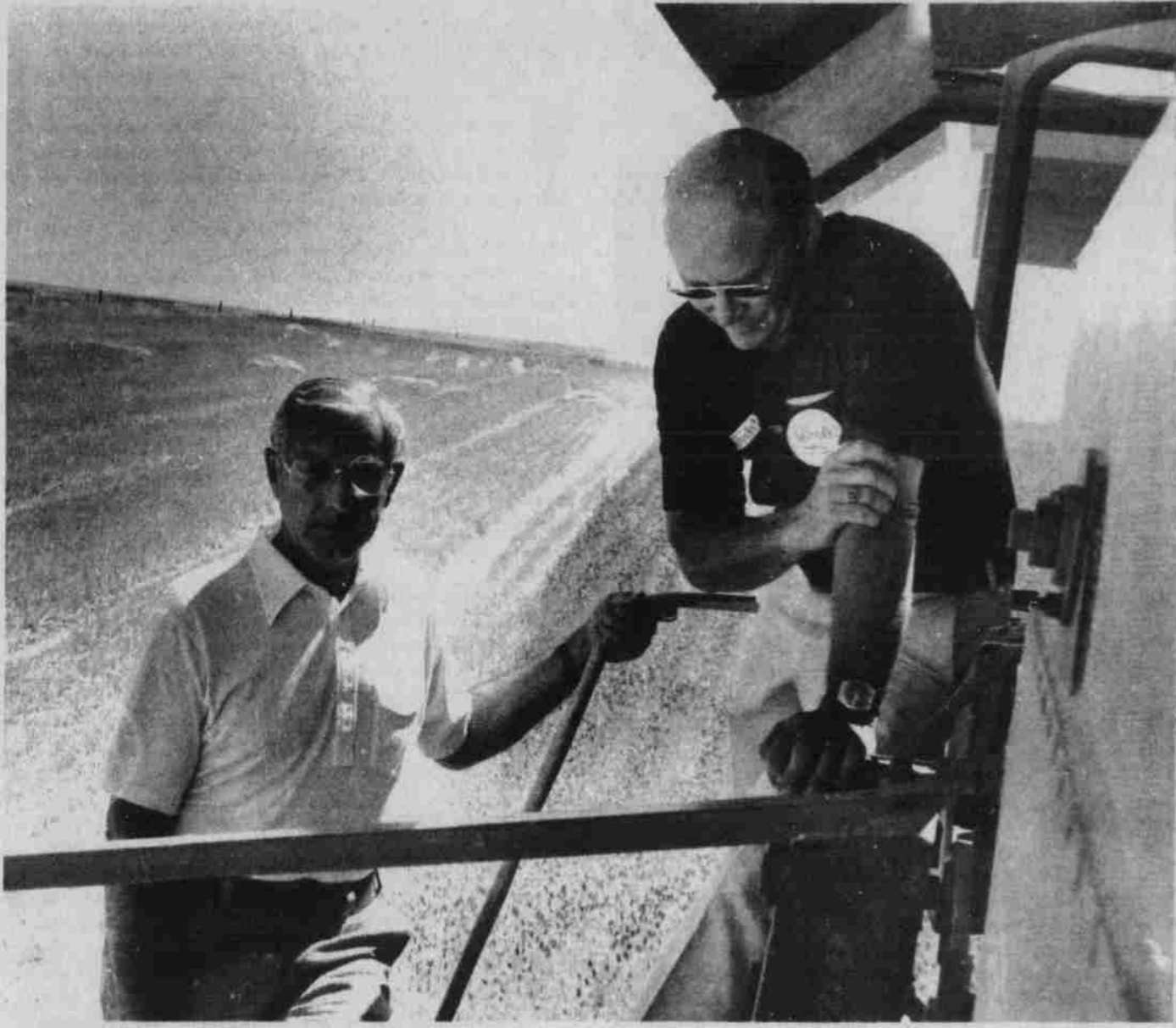
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Valby area wheat rancher Don Peterson talks about the current grain harvest with Republican gubernatorial

candidate Vic Atiyeh from Peterson's combine. Atiyeh was in Morrow County Sunday.

Atiyeh tours hospital, wheat fields in swing through Morrow

A tour of trouble-plagued Pioneer Memorial Hospital, visits to area wheat ranches, a talk to a large group of county Republicans, and a quick round of golf combined to make GOP gubernatorial candidate Vic Atiyeh's presence known during a whirlwind campaign swing through Morrow County Sunday.

Arriving at Lexington airport early Sunday morning, Atiyeh went on to attend services at Valby Lutheran Church, then appeared at a brunch with about 50 county Republicans at the home of his local campaign chairman, Don Peterson.

After touring the Heppner hospital with nursing supervisor Karmon Bjella, Atiyeh stressed the importance of keeping the facility open and staffed. While admitting that there was little he could do directly to help the hospital out of its plight should he be elected governor, Atiyeh said he could "make an issue of it" to generate publicity, "to make the Doctor Search Committee's job easier."

Prior to his impromptu tour of the hospital, Atiyeh surveyed Valby area wheatland, stopping at one point to climb aboard a combine with Peterson to get a firsthand, if brief, feel of the current harvest season. The Republican candidate later played in a foursome with Peterson, Roberta Klaus, and Harold Kerr during Family Day golf activities at the Willow Creek Country Club.

In an interview with the Gazette-Times, Atiyeh stated that he was still undecided on whether or not to support the controversial—but popular—Ballot Measure Six, a referendum calling for a 1½ per cent property tax limitation. Atiyeh's opponent in the gubernatorial showdown, in-

cumbant Bob Straub, has come out against the measure, terming it "the most serious threat that government in Oregon has faced for a long time."

"I will make up my mind in my own good time—plenty of time ahead of the election," Atiyeh told the Gazette-Times. "It's too important and complex an issue to jump on right away...I'm not playing any games," he added.

Atiyeh said he saw positive points of the measure as being the forced limitation of state government spending, the fact that direct property tax relief would result, and that decreased property taxes would "make it easier for young people to buy homes, and make it easier for homeowners to stay in their homes."

On the negative side, the Republican hopeful said, were inequities in the measure between owners of residential and commercial property, haziness on whether farm property would retain its current special property tax status, and a possible cooling effect on the bond market for Oregon bond-funded projects.

In addition, Atiyeh said, passage of the property tax initiative would mean less money that could be claimed under property tax deductions in state and federal income tax forms. The decrease in deductions would mean that the state would collect an estimated \$8 million, and the federal government would collect about \$90 million extra in income taxes from Oregonians.

Despite problems with the tax initiative, Atiyeh said he, as governor, would be able to cope with the measure should it pass. The state could guarantee local bond issues, he said, and the anticipated \$8 million extra the state would

receive from income taxes due to reduced property tax deductions could be rebated.

"What the people are telling us is that they want less government spending and more property tax relief," Atiyeh said. If we (lawmakers) tell them we'll take care of property tax relief during the next session, I don't think the people would believe us."

With Ballot Measure Six, "the people have a tool in hand," continued Atiyeh. "It may be a crude one, but it's the only one they have."

The Republican candidate stated that Gov. Straub's statement that he plans to use an estimated \$200 million in surplus state income for property tax relief marks "the first time he's ever said anything constructive about property tax relief...But if he expects us to believe that we can count on this in future years, he's wrong. You can't tell if you're going to have a surplus two or three years from now."

Atiyeh said he expects the property tax initiative to pass.

Turning to local issues, Atiyeh said that as governor, he "would fight for Columbia River water" for irrigation use, to ensure that Oregon farmers get "their fair share." A moratorium on the proposed Columbia diversion project—which would provide irrigation water to farmers in both Washington and Oregon—was extended last week.

A more pressing local issue, Atiyeh said, is the groundwater situation affecting

North Morrow County farmers irrigating by use of wells. The Buttercreek area is among several in the region that may face well use restrictions from the state Department of Water Resources.

"The water table is dropping," said Atiyeh, "so the state ought to be solving the problem ahead of the crisis, working with the agricultural community to find a solution."

Atiyeh added that he would do "everything in my power" towards getting the U.S. Navy to vacate its huge bombing range tract near Boardman, so that the site could be put to use by private agricultural concerns. "The Navy doesn't need that land," he said. But, he noted, "the Navy hasn't been very respectful of Oregon governors in the past."

Turning to Morrow County's less-than-desirable highway situation, Atiyeh said he would consider diverting money from park budgets, and transferring state police funding from sources other than the Department of Transportation, in order to free up money for road improvements.

The Republican candidate stated that he was opposed to the regional government system (such as the Eastern Oregon Association of Counties), since such bodies "are eroding the power of county and city governments."

Atiyeh's wife, Dolores, accompanied him through his Morrow County campaign sweep.

Weather by Don Gilliam

Prec. July—28
Normal—32
1977—07

	Hi	Low
Wed., Jul. 26	96	72
Thurs., Jul. 27	84	54
Fri., Jul. 28	89	51
Sat., Jul. 29	93	52
Sun., Jul. 30	94	56
Mon., Jul. 31	90	54
Tues., Aug. 1	92	52

County, hospital levy elections are Tuesday

Morrow County voters will go to the polls next Tuesday, August 8, to cast their ballots on two tax measures. Pioneer Memorial Hospital is asking voter approval of a \$146,598 levy outside the six per cent limitation—cut back for the \$190,882 levy bid that voters turned down June 27. The County's general fund budget requires a levy of \$246,655 outside the six per cent limitation—the same levy amount submitted to voters on June 27 which ended in a tie vote, 513-513.

Although Pioneer Memorial Hospital is county owned and operated, earlier this year the County Court and the hospital board of directors decided to put the two levy requests on separate ballots.

This year marks the first time in over a decade that Morrow County has had to go to the people for tax money outside the annual six per cent increase allowed by law without a vote of the people. County Judge D.O. Nelson cited

escalating personnel costs, equipment replacement and a loss in federal revenues as the reason the County budgets exceeded the six per cent limitation.

"It is imperative that both levy requests get voter approval this time around," said Nelson, "because if they are defeated it will mean cutting back on essential services the people of Morrow County have come to expect and enjoy."

The polls are open next Tuesday from 8 a.m. to 8 p.m. Polling places are: Heppner, City Hall (Old Library); Lexington, School District Office Bldg.; Ione, City Hall; Boardman, Greenfield Grange Hall; Irrigon, Morrow County Office Bldg.

Persons who have not registered to vote may still do so at the County Clerk's office.

Hospital budget cut, MD search \$\$added County submits same budget; 'all needed'

Pioneer Memorial Hospital's special levy request for \$146,598 is a must if health care in Morrow County is to remain at the level currently enjoyed by area residents, Hospital Administrator Bob Byrnes told the Gazette-Times this week.

Byrnes said patient revenues won't provide the funds necessary to operate the hospital for the next year even though cost savings are being realized throughout the hospital.

In addition the hospital budget includes more than \$50,000 for equipment and improvements—much of which is being required by state and federal regulatory agencies to meet minimum health care standards.

Another \$20,000 item in the budget is earmarked for physician recruitment, an item that was added to the budget after voters turned down a hospital levy request

June 27. Hospital administration and the board of directors have cut more than \$43,000 from the levy request defeated by voters in June.

"We feel the budget before the voters is the minimum necessary to maintain satisfactory in-patient, emergency and nursing home services," said Board Member Larry Mills.

"The people let us know last time that they were unhappy with things at the hospital and we have responded in the best way we know," commented Mills, referring to a public meeting held last week and another scheduled for Thursday, August 3 at 7:30 p.m. in the Courthouse.

"We have listened to the people, made some budget cuts, established an employee's relations committee and are working hard to

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Billed as a "no-frills" budget, the Morrow County Court is expecting voter approval of a \$246,655 special levy request needed to balance the budget for 1978-79.

County Judge D.O. Nelson told the Gazette-Times this week, "We think the people of Morrow County realize that we have held the line on expenses and are asking for only what we absolutely need—both in the County's general fund budget and in the Pioneer Memorial Hospital budget."

The county budget of \$1,867,318—including the serial road levy passed by voters earlier this year—would require \$2.20 per \$1,000 assessed valuation if approved by voters.

"That's a bargain rate for the support of county services the citizens of Morrow County enjoy," said Nelson.

The budget contains no money for new construction

projects or capital improvements. Essentially, passage of the budget would mean that county government and its services would carry on as they have been.

The Court also received some bad news last week from the federal government. A reduction of nearly \$50,000 in federal revenues is expected for 1978-79; monies already counted on to help balance the budget.

"What that means is that we already have to start thinking about places to cut to make up that loss in revenues," said Nelson, "even without passage of the special levy."

At the same time, negotiations with union employees in the road and sheriff's departments is continuing. The county has budgeted only six per cent for salary increases while the union request is reportedly much higher.

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Wilson resignation stands despite council vote of confidence

Heppner City Council, meeting in a special session last week, gave a unanimous vote of confidence to Councilman Hubert Wilson, negating a letter of resignation he had tendered at the outset of the meeting.

Wilson had offered his resignation following a July 21 council meeting, in which he introduced a motion to present former city watermaster Vic Groshens with \$100 in cash, to express the city's gratitude for Groshens' efforts during the recent water crisis.

During the July 21 meeting, Wilson said he had talked with Groshens, and learned that the retired water superintendent had an income that was approaching the limit that would jeopardize his receiving Social Security payments. Groshens had indicated that he did not want the city's money.

Nevertheless, the council voted to "designate \$100 in cash to Vic Groshens for his services, and publicly extend thanks to Victor and to Kinzua corporation and all others who extended help during the crisis."

Avon Melby of the East Oregonian, the only reporter present at the July 21 meeting, wrote an account of the meeting, noting Groshens'

Social Security status and the fact that the \$100 appreciation payment was specifically to be made in cash.

When the article appeared in print, it raised a furor among council members, and prompted Wilson to tender his resignation.

"Because of the misunderstanding as to what I intended to say at the council meeting of July 21, I feel I have embarrassed the city of Heppner, the council and Mr. Vic Groshens," Wilson stated in

his letter of resignation. "It was not my intent to say anything that would embarrass or offend anyone. It was only my intent to thank Mr. Groshens. I'm truly sorry if I embarrassed anyone."

"We all have foot-in-mouth disease once in a while," Wilson added during Wednesday's meeting.

Although none of the council members present during the Groshens gift vote disputed the facts contained in Mrs. Melby's account, during Wednesday's special meeting, the reporter was asked to comment on her reasons for writing the piece.

Councilman Larry Mills, who voted for the gift,

acknowledged that the facts were correct, but stated that "the implications made in the article were not the intent of this body." City Administrator Marshall Lovgren said that Melby's story "was essentially correct," but "the intent was not," sentiments echoed by Councilman Cliff Green, who also voted for the gift.

Mrs. Melby, when called on to explain her article, stated that "the intent of the council was commendable, but the

method was wrong...Had I not reported it, I would have been doing a disservice." She also noted that tapes and council minutes would verify the facts contained in her story.

Business moved on to a public discussion of the city's water woes during July 18-20.

Councilman Green noted that Wednesday's meeting had originally been called as a council water committee meeting, only to learn later that Mayor Jerry Sweeney had changed the meeting into a special public hearing on the water crisis.

Green said the water problems would have been better addressed in a committee situation, since the performance of employees would be discussed.

The council authorized the city attorney to draw up an ordinance for a future vote on a measure that would permit the mayor to call special council meetings only with the concurrence of at least three council members.

Mayor Sweeney reacted by dissolving all council committees. "From now on, the whole council will have to study problems" as a group, he said. Sweeney had done away with committees once before during past years.

Wilson resigns

Citing health reasons, Hubert Wilson has resigned his positions as a city councilman and a member of the Pioneer Hospital Board of Directors.

Wilson submitted his letters of resignation to the respective government units last week. He received a vote of confidence from the Heppner City Council (see separate story this page), but decided to resign anyway.