

HEPPNER

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Old makes way for new



The old mini-mart across from Bank of Eastern Oregon was in the process of being demolished on Tuesday, April 25. In its place, Wheatland Insurance will be building an office building, said Jim Swanson, owner/partner of Wheatland Insurance.

Health District Board unanimous in support of speedway project

The Morrow County Health District Board, at their regular meeting Monday night, voted unanimously in support of the proposed speedway excise tax, which will go before Morrow County voters in the upcoming mail-in election. Ballots will go out this Friday, April 28, and must be received by the Morrow County Clerk's office by Tuesday, May 16.

MCHD Board members said that they believe the speedway could bring economic growth and stability to the county and a possible increase in the Morrow County tax base, which would benefit county governments, including the health district.

Also at the April 24 meeting, following MCHD CEO Victor Vander Does' annual review held in executive session, the board voted to give Vander Does a

raise of nearly \$11,000. Vander Does currently earns \$86,149, which is to be increased to \$97,000 as of April 15 of this year.

Board members credit Vander Does for rescuing the once-ailing district, which was near closure before he took over as CEO. The district's bottom line has improved to the point where it has been making a profit the last several months. Board member Linda LaRue pointed out that Vander Does took a pay cut at one point, had not taken a cost-of-living raise in 2003 or 2004, took only a three percent raise in 2005 and even bought copy paper on his own to help the district make ends meet in tight times.

The agreement with Vander Does includes five weeks' paid vacation and gives him the option of

taking an additional two months' unpaid vacation, which would bring his salary down to the \$80,000 range, if he so chooses. Vander Does had the option of taking two months' unpaid vacation this past year, but said he just hadn't had time to take it.

Spousal health benefits will also be included in the new package.

In other business, Chief Financial Officer Nicole Mahoney reported a \$47,844 gain for March. "We're in the black again," exclaimed Mahoney. The district shows a \$414,132 gain for the fiscal year, which amounts to a \$46,015 average year-to-date monthly gain.

The district has even more good news, however, with Vander Does reporting that an additional physician will begin working for the

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County Council Allen and developers address concerns Questions remain over proposed speedway tax and county-issued bonds

Questions, over a proposed speedway tax and the county-issued bonds the tax will be used to repay, have arisen lately, as voters will soon receive ballots in the mail asking approval of the 8 percent excise tax.

Concerns have surfaced that if the developers of the speedway default on the project, the county would be left to pay for the bonds, which could be up to \$70 million for construction of roads and other infrastructure projects proposed to be built near Boardman.

Speedway developers, the Morrow County Court and County Council David Allen (who is also the county District Attorney and wrote the excise tax agreement with the developers), have stated emphatically that county voters are protected and there is no possible way the county will be left holding the bag if the developers go broke.

In ballots set to be mailed this week, voters will be asked to approve the 8 percent excise tax that would be used to pay back the bonds (.5 percent of the 8 percent will be given to the county for administering the tax), but will not be asked to approve the actual tax-free, or conduit, bonds the county could issue. The excise tax would be levied on goods and services purchased only in the speedway area, and could not be expanded without a vote of the people. It would also sunset, or go out of existence after 30 years.

Concern, mostly from South Morrow County, has arisen over the proposed bonds. The Ione School Board would not endorse the tax measure at its April 17 meeting, and Lexington Mayor Valerie Doherty, who is also running for District Attorney, voiced her concerns at a recent council meeting.

Worries have essentially been in two areas. One is if a letter of credit from a major financial institution, that is to be issued to cover the bonds if there is default, will extend for the entire life of the

ICABO endorses yes vote on speedway tax

In a letter to the editor the Ione Community Agri-Business Organization has urged a yes vote on the speedway tax. See letters page two.

Heppner descendant asks for info

Brandi Heppner, of Montana, a descendant of Henry Heppner is looking for information about him. She is writing a book on the family and is looking for any information.

She can be contacted at (406) 749-0438. If you have any information about Henry or other members of the Heppner family, give her a call.

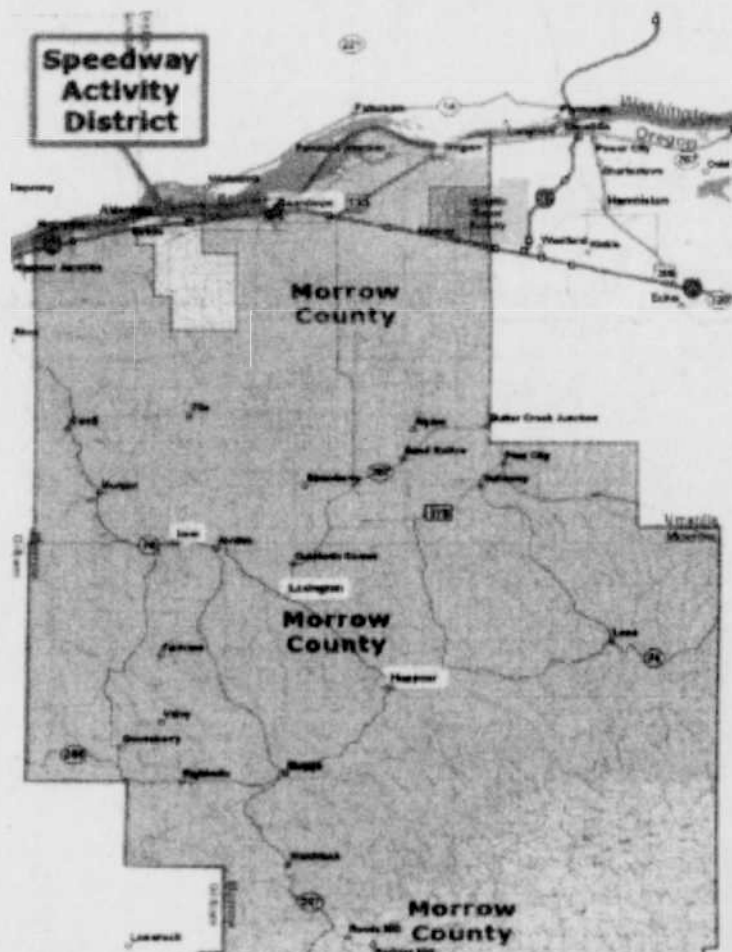
bonds, or if it will expire and leave county residents vulnerable. Some critics say the agreement between the county and developers seems to suggest the "credit enhancement," or letter of credit, would terminate six months after the revenue from the tax is sufficient to pay the debt service on the bonds. The agreement states that the developer will pay the debt service if the tax revenue isn't sufficient, but some are saying there is not a guarantee provided by a letter of credit on an ongoing basis.

In response to these concerns, Allen and the developers point out several assurances that debt will never fall to the county to repay. Allen also said that bond lawyers working for the county will be looking at any bonds issued "very carefully." Allen said the intent of the tax agreement and issuing the bonds is not to have county residents at risk. "Morrow County will have the bond council structure this so there is no way the citizens of Morrow County are going to end up owing this," Allen told the Heppner Gazette-Times Tuesday. Allen also said the bond market would not be conducive to selling bonds

without a letter of credit or some sort of other "revenue enhancement" in place.

Steve Brucker, of Oregon International Speedway (OIS), who has been putting on town hall meetings around the county to gain support for the excise tax vote, says voters should be assured that bond council, or special bonding lawyers, will be working for the county if any bonds are issued. He said the bond council will insure that county residents are not liable for debt of the developers. Brucker also points out a section of the county-speedway agreement which states, "In the event that Economic Activity Tax revenue is insufficient to enable the County to pay the debt service in full or in part on the bonds issued... as it becomes due, the Developer will pay the difference between the amount that the county can pay and the cost of the debt service."

"This paragraph of the agreement makes it very clear the 'amount that the County can pay' is based on the 'Economic Activity Tax revenue,' not some other source of County funds," Brucker said in an email addressing the concerns.



Health District receives over \$12,000 in grants

Morrow County Health District has recently been awarded several grants totaling over \$12,000, announced District Administrator Victor Vander Does.

The district received \$3760 from the Governor John A. Kitzhaber Community Hospital Traffic Safety Grant program. These funds will be used to purchase reflective vests for all ambulance personnel, Stop/Slow signs, traffic flashlights, rechargeable high-beam flashlights and related equipment for all ambulances in Heppner, Lexington, Ione, Irrigon and Boardman.

A matching grant of \$2606 was received from Special Districts Association of Oregon for the purchase of a transfer lift for Pioneer Memorial Hospital. This piece of equipment will provide safety to both patients and staff in moving patients and can also be used for patient exercise and to safely obtain weight measures for those who cannot stand.

A total of \$6500 was received from Oregon Health Sciences University's Office of Rural Health; \$2000 for training purposes and \$4500 for evaluating and upgrading the district's phone and data line system.

"These grants enable the Health District to improve our services in several different areas of operation without cost to the county's taxpayers," Vander Does said.

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