

BOARD ORDERS AND MINUTES

IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY (“the Board”) sat for the transaction of county business in formal session on July 31, 2025, at 10:00 a.m. in Room 32 of the Yamhill County courthouse, and in a virtual meeting via Zoom, Commissioners Kit Johnston, Mary Starrett and David “Bubba” King being present.

Also present were Ken Huffer, County Administrator; Kevin Perkins, Deputy County Administrator PIO; Ken Friday, Planning Director and Lance Woods, Senior Planner. Nohely Barajas-Montalvo, Legal Assistant participated via Zoom.

Guests: Grace Mackey, Amie Luttrell, Bill Paolo, Koh Murai, Mike Gelardi and John Olson. Bubba’s Fanclub, Quinn Stepan Megan Pyle and Keri Tallorin participated via Zoom.

Welcome! Thank you for attending today’s meeting. Public participation is encouraged. If you wish to address the Commissioners on any item not on the agenda, you may do so as part of the public comment period at the beginning of the meeting. If you desire to speak on any item, please raise your hand to be recognized after the Chair announces the agenda item. Please fill out a public comment card to indicate your intent to speak. **NEW** – Public participation also includes the ability to attend Formal Session via Zoom. For attendees that are attending the meeting via Zoom, the Chair will ask if any Zoom attendees wish to provide public comment in same manner as provided above. At that time, attendees will be asked to use the “raise hand” function in Zoom and staff will unmute the participant. Meetings will also continue to be available for view via a live stream on the Commissioners’ You Tube channel. Written public comments may be submitted via email at bocinfo@yamhillcounty.gov by 5:00 p.m. Wednesday.

A. CALL TO ORDER: Commissioner Johnston called the meeting to order at 10:00 a.m.

B. FLAG SALUTE

C. CALENDAR SESSION: This time is reserved for the review of the commissioners’ joint schedule (if needed).

The Commissioners reviewed the joint schedule for the week of July 28 through August 3, 2025. No other county business was discussed.

D. PUBLIC COMMENT: This time is reserved for public comment on any topic other than: 1) agenda items, 2) A quasi-judicial land use matter, or 3) a topic scheduled for public hearing. The Chair may limit the length of individual comments.

No public comments were received.

E. DEPARTMENT UPDATES: None.

F. WORK SESSION: This time is reserved for topics of discussion scheduled for the Commissioners in advance.

1. Work Session – None.

G. CONSENT AGENDA:

Commissioner Johnston moved approval of the consent agenda. The motion passed, Commissioner Johnston, Starrett and King voting aye.

Minutes

1. **B.O. 25-239** - July 17, 2025 – Formal Session
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H. OLD BUSINESS:

1. **B.O. 25-240** - Consideration of approval of a Board Order and findings in the matter of upholding the Planning Commission's decision to approve Planning Docket S-02-24, a subdivision application for Tax Lots 4411-01300 & 4411-01301. Applicant: Town Investments, LLC. *[Continued from June 26, 2025.]*

Commissioner Johnston moved approval of item H1. The motion passed, Commissioner Johnston, Starrett and King voting aye.

I. OTHER BUSINESS (Add-ons and non-consent items):

1. **B.O. 25-241** - Consideration of approval of Agreement #44300-00044294 between Yamhill County and the Oregon Health Authority for the Intoxicated Driver Program in the amount of \$100,116, retroactive to July 1, 2025, through June 30, 2027. Oracle #HHS25034IGA.

Commissioner Starrett moved approval of item I1. The motion passed, Commissioner Johnston, Starrett and King voting aye.

2. **B.O. 25-242** - Consideration of approval of Agreement #44300-00043099 between Yamhill County and the Oregon Health Authority for Problem Gambling Prevention Services (A&D 80 Services) in the amount of \$189,400, retroactive to July 1, 2025, through June 30, 2027. Oracle #HHS25035IGA.

Commissioner Starrett clarified that A&D 84 stood for alcohol and drug and was discontinued and reimbursed as A&D 81 which resulted in a reduction of funding by about \$91,000.

Commissioner Starrett moved approval of item I2. The motion passed, Commissioner Johnston, Starrett and King voting aye.

3. **B.O. 25-243** - Consideration of approval of the contract renewal to the master subscription agreement between Yamhill County and Relias Learning (B.O. 17-288), increasing the annual amount to \$66,808.69, effective August 1, 2025, through July 31, 2026.

Commissioner Starrett moved approval of item I3. The motion passed, Commissioner Johnston, Starrett and King voting aye.

4. **B.O. 25-244** - Consideration of approval of a lease agreement between Yamhill County Health and Human Services and Vincent and Dana Haworth Revokable Living Trust in the not to exceed amount of \$545,268.00, retroactive to July 1, 2025, through June 30, 2030. Oracle #HHS25011LA.

Commissioner Starrett explained that the apartments were being used as housing for individuals with severe and persistent mental health issues.

Commissioner Starrett moved approval of item I4. The motion passed, Commissioner Johnston, Starrett and King voting aye.

5. **B.O. 25-245** - Consideration of approval of an intergovernmental agreement between Yamhill County and Oregon Youth Authority for Prevention Basic Services and Diversion Services in the not to exceed amount of \$568,469 retroactive to July 1, 2025, through June 30, 2027. Oracle # JV26002IGA.

Commissioner Starrett clarified that the proposed agreement aimed to keep youth out of placement with Oregon Youth Authority (OYA). Michael Tessean was appointed as the director of OYA on July 30, 2025.

Commissioner Starrett moved approval of item I5. The motion passed, Commissioner Johnston, Starrett and King voting aye.

6. **B.O. 25-246** - Consideration of approval of an Intergovernmental Agreement #PO-15000-00049618 between Yamhill County and the State of Oregon Department of Revenue for ORMAP grant funds to establish GIS-digital boundaries for taxing districts in the amount of \$60,000, effective upon full execution through July 31, 2026. Oracle #PO-15000-00049618.

Commissioner Johnston moved approval of item I6. The motion passed, Commissioner Johnston, Starrett and King voting aye.

J. PUBLIC HEARINGS:

1. Docket SDR-02-25 An appeal of the Planning Director's approval of a site design review for the phased development of a wine production facility (winery) and tasting room on a tract that has at least 15-acres of wine grapes planted. Applicant: The Stepan Family Reserve, LLC.

Commissioner Johnston opened the public hearing at 10:16 a.m.

There was no objection to the jurisdiction of the hearing or abstentions.

There were no reports of site visits or ex-parte contact. Ken Friday read the "raise it or waive it" statement required by ORS 197.763.

Staff Report:

Lance Woods presented the staff report by describing the subject parcel as located in the EF80 zone and is currently being farmed with approximately 29 acres, planted vineyard, several more acres dedicated to an orchard. There is also an aviary and hay fields on the property. All of the surrounding properties are located in the exclusive farm use district and land use in the surrounding areas is predominately agricultural with some rural residential uses as well. Farm use in the surrounding area appear to include vineyards, livestock pasturage and some grass seed

and hay production. The applicant is requesting approval for the phased development of a wine production facility, a winery and tasting room on a track that has at least 15 acres of wine grapes planted on site. The winery proposed as phase 1 of the development will be located in an existing agricultural building located along the front property line that runs parallel to northeast Morelli drive right of way. The winery and tasting room proposed as phase 2 of the development will be located in a new purpose-built structure that will be located approximately 100 feet from the southwest property line. A single-family dwelling was permitted and built under a measure 49 final order which will be located near the winery and tasting room proposed in phase 2 and will be used by a caretaker. There is also an existing single-family dwelling located on an adjacent lot owned by the applicant that was approved for use as a bed and breakfast by the Board of Commissioners in 2023 per docket C-21-22 and Board Order 23-289. Concerns about water have been raised during this land use process which is a recurring topic and while staff is sympathetic to the concerns regarding the responsible management of water, this matter is outside of our jurisdiction. In Oregon, ORS 536.220 requires that water use, water management and water allocations matters are strictly under the jurisdiction of the Oregon Department of Water Resources, therefor any concerns of water use and water management are best directed to the district water master in Salem.

Applicant Testimony:

Applicant Quinn Stepan explained that his primary business was selling grapes, but that he planned to get alcohol licenses and sell a small amount of wine primarily in other states. Mr. Stepan stated that he would not anticipate significant retail traffic to the property, nor did he plan to host many large events.

Applicant representative, Mike Gelardi stated that he had provided letters addressing the concern of large events on the property, which was not a goal of the property owner, nor was it allowed per the permit being applied for. He estimated the water use of the winery would be approximately 500 gallons per day maximum according to calculations based on Nampa County while up to 5,000 gallons per day were allowed for permit exempt wells in Oregon. The traffic would be moderate, and the applicant planned to complete a traffic plan with Public Works.

Appellant Testimony:

The appellant, Amie Luttrell referred to the single-family home on the subject property as an Airbnb and inquired about whether the applicant had obtained proper permits to operate a short-term rental. She stated that individuals who were visiting the Airbnb had mistakenly come onto her property and expressed concern that the addition of a winery and tasting room would increase that traffic. Ms. Luttrell stated that the water in her well had diminished and took issue with the additional water needed to operate the winery and tasting room that could exacerbate the problem. Ms. Luttrell also claimed that previous paving of the subject property caused rainwater to no longer be absorbed into the earth and resulted in flooding.

Appellant Bill Paolo questioned whether there was a full-term residence on the subject property which was required to have a domestic well. Mr. Paolo explained that the well on his property went dry after the Stepan's initial development of the property and worried whether the

well he drilled to replace his original well would also be depleted by the proposed water use of the development.

Appellant Koh Murai stated that access to the road was impeded by a sink hole, and he had concerns about additional traffic increasing the severity of the sink hole. He reiterated that the water table in the area had been dropping and took heed of increasing water use. Mr. Murai pointed out that item 15 of the tentatively approved development was for malt beverages and a brewery. He stated that if a future property owner were to develop a brewery, the traffic could be significantly more compared to that of a winery. Because item 15 did not apply to the applicant's plans for the property, Mr. Mauri requested it be amended.

Public Agency Reports:

Lance Woods explained that there were no public agency reports.

Applicant Rebuttal:

Applicant representative, Mike Gilardi clarified that the short-term rental use of the subject property had been approved by the Board of Commissioners via Board Order 23-289. Testimony in opposition of that use would have been accepted as a part of the land use hearing on August 3, 2023, but it could not be considered as part of the current application. Mr. Gilardi stated that the County Enforcement Officer, who completed a site visit and investigation of the caretaker cottage, confirmed that there is a full-time resident on the property. Rainwater capture and storage was approved by the Oregon Watermaster. He also explained that a maximum of 18 annual events could only be held if additional permits were acquired which was not the intent of the applicant. Lastly, Mr. Gilardi disputed Ms. Luttrell's claim that paving had caused flooding citing that record rainfall had occurred during that time which might have caused the flooding she referenced. Quinn Stepan stated that he would prefer to purchase and bring in water due to the expense and poor water pressure of drilling wells in the area.

Staff Recommendations:

Lance Woods read the staff recommendations for the phased development of a winery and tasting room including additional conditions addressing drainage concerns.

Commissioner Johnston closed the public hearing at 11:14 a.m.

Deliberations:

Commissioner King inquired about speed limit signs to mitigate traffic concerns and dust abatement. Ken Friday stated that the fire department would have to inspect the property and require turn outs or widening of the road so that emergency vehicles could reasonably get to and from the commercial establishment before building permits could be obtained. Commissioner Johnston recommended a visual barrier be added to the driveway to help reduce the Luttrell's view of the winery.

Commissioner Johnston moved to uphold the Planning Director's approval of a site design review for the phased development of a wine production facility (winery) and tasting room on a tract that has at least 15-acres of wine grapes planted with amended conditions. The motion passed unanimously. Findings were scheduled to come before the Board for consideration of approval by August 21, 2025.

K. ANNOUNCEMENTS:

1. For information on county advisory committee vacancies, please refer to the county's website, <https://www.yamhillcounty.gov/765/Boards-and-Committees>, or call the Board of Commissioners' office at 503-434-7501 or 503-554-7801 (toll-free from Newberg).
2. For questions regarding accessibility or to request an accommodation contact the Board of Commissioners' office at (503)-434-7501 or (503)-554-7801 (toll-free from Newberg) or email at bocinfo@yamhillcounty.gov
3. Electronic versions of all meeting agendas and meeting information packets can be found at the county's website: <https://www.yamhillcounty.gov/AgendaCenter>.

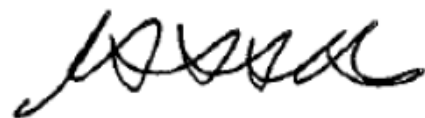
Following Commissioner announcements, the meeting adjourned at 11:34 a.m.

Bailey Barnhart
Secretary

YAMHILL COUNTY BOARD OF COMMISSIONERS



Chair KIT JOHNSTON



Commissioner MARY STARRETT



Commissioner DAVID "BUBBA" KING