



STATE OF OREGON

INTEROFFICE MEMO

Governor

DATE: October 11, 1983

FROM: Gerry Thompson *Gerry*

SUBJECT: Update

I talked with Lee Verstandig. He very much likes your suggestion that the White House consult with Western Governors regarding the appointment of Secretary Watt's replacement. The problem is timing. This appointment could be made in the next few hours and he is not sure that the suggestion could be carried out. Therefore I suggested that they at least get on the telephone to the Western Governors for verbal consultation. Lee asked if you had any thoughts on the appointment. I advised him I knew of no real specific thoughts other than your comfort zone with Don Hodel, coming from the standpoint of knowledge of the Western region, a proven administrator, knowledge of the Department of Interior. Nevertheless, Lee was thankful for your suggestion and understood why you need it and said he would immediately be in contact with the White House.

Cabinet Meeting: Leo Hegstrom reported that their conference was very successful and that the Governor's appearance was very much appreciated. DHR will be going to the Emergency Board this month for their employee assistance program. This will be the first employee assistance program within state agencies. DOT currently has one, but it is only worked in-house, whereas DHR will be asking for an outside consultant.

I discussed in the presence of Norma Paulus the items at Eastern Oregon State Hospital for preservation. Norma also discussed the 2,200 crematories that are in need of some kind of dignified disposal as well as items that could be given by you as Governor to the Umatilla Historical Society. Leo will immediately meet with Bob Watson and Joe Treleaven to make certain that any demolition contract will protect those items worth saving. I also indicated to Norma that you had an idea for the use of the pool table.

Norma reported that her staff is moving ahead on the sales tax ballots. The issue of Rajneeshpuram as a legal city will be ignored by Norma in the election procedure until such time

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as the court rules Rajneeshpuram to be illegal. She does not believe she can operate strictly from the Attorney General's opinion until it has been tested in the court. We have scheduled a meeting with you and the Attorney General to discuss the whole scenario of the opinion and Rajneeshpuram. I asked that Norma Paulus also attend that meeting.

Jerry Brown reported that Workers Comp will be going to the Emergency Board to request the authority to begin the phase-down of field services division as of January 1984. Field services division is scheduled to sunset July 1984, but it is only logical that it is phased out gradually rather than all at once.

Bud Davis reported that enrollments are ahead of predictions at the state universities. The search is on for McVicar's replacement with retired Dean Popovich heading the search committee. I advised Bud you were concerned about the Ducks' last play of the game last Saturday. Bud said he had the same concern and when questioning the coach he was informed it was in the interest of keeping the audience for the last ten seconds of the game. Bud still believes it was a bad decision. Bud also tells me that Tektronix was invited to the ASTA meeting but did not attend.

* { I was also told that they are back on line with Cody. It appears there was a bad interview process and proper communications within the college did not happen. They are going to start over and Cody is not excluded from the choice as a result.

Rob Douglas is very discouraged about the racing bill. He feels horse breeders, county fairs, etc., have been victimized by the results of that bill. All entities will not be placed at the mercy of the racing commission and there is little confidence in the ability of the commission to make favorable decisions as long as Reagan is director. The race track has a hammer over the commission on the basis of refusing to operate, track employees have a hammer over the commission on the basis of threatening strike, etc. County fairs, lamb shows, horse breeders, et al, will be totally at the mercy of the commission with no hammer. In fact, Rob says they would all have been better off without the passage of the bill. Bob Oliver is looking at the entire situation and will prepare recommendations for you before signing the bill. It is highly likely horse breeders will be asking for a veto. I tried to reach Aaron Jones. He is either out of the state or simply unreachable. No one seems to be able to locate him.

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I met with Fred VanNatta and Burton Weast regarding your appointments to LUBA. They are both concerned about your particular appointment of DuBay. They described him as a disaster, a liar and a withholder of facts and a person not well respected in Jackson County. I indicated to them the strong support he received from respected officials in Jackson County.

The main issue in their eyes is the fact that LUBA will be comprised of three county counsels. That concerns them a great deal. Pat Amedeo tells me that you were aware that the appointment of DuBay would create three county counsels sitting on LUBA.

Fred VanNatta and Burton will be meeting with their respective boards next week. It will be at that time that the decision will be made as to how strenuous their opposition will be to DuBay. I encouraged them to try to avoid any major opposition simply because of the fact that the appointments had been made and announced and we were too far down the road to reverse our position. They will meet with their respective boards and get back to me immediately to let us know how strongly their opposition will be.

L. B. Day called. Three messages. (1) Please appoint Michael Brown as Marion County District Attorney before you leave on vacation. (2) L. B. doesn't know where Aiken is coming from on Project Pad. L.B. will follow your lead, no matter what. He would like to be one of your heavies on this project. (3) For God's sake, don't do a national recruitment for the director of DEQ. That would be assinine. And furthermore, what is the matter with Meridith Wiley, for God's sake. I calmed L.B. down and told him you would do the best you can on the Brown appointment. I was sure you would appreciate his involvement on Project Pad, but be careful of Bob Aiken. There would be no national recruitment for the DEQ director. There was nothing the matter with Wiley, she is welcome to submit her application to the EQC because they will be making the selection. However, we have only begun the process, so for God's sake, be patient because it will be awhile.
