



BOARD OF COMMISSIONERS

1300 NW Wall Street, Bend, Oregon
(541) 388-6570

FOR RECORDING STAMP ONLY

BOCC MEETING MINUTES

9:00 AM

WEDNESDAY February 25, 2026

Barnes Sawyer Rooms
Live Streamed Video

Present were Commissioners Phil Chang, Anthony DeBone and Patti Adair. Also present were County Administrator Nick Lelack; Senior Assistant Legal Counsel Kim Riley; and BOCC Executive Assistant Brenda Fritsvold.

This meeting was audio and video recorded and can be accessed at the Deschutes County Meeting Portal website www.deschutes.org/meetings.

CALL TO ORDER: Chair Chang called the meeting to order at 9:00 am.

PLEDGE OF ALLEGIANCE

CITIZEN INPUT: None

COMMISSIONER ANNOUNCEMENTS:

Commissioner Chang reported on his attendance at the National Association of Counties (NACo) Legislative Conference, including his participation on the NACo Transportation Committee.

Commissioner Adair reported that while in Washington, D.C. for the NACo conference, she met privately with Chief Tom Schultz of the U.S. Forest Service, at which time she reiterated that any return of overnight camping at China Hat would need heightened scrutiny.

Commissioner DeBone reported attending the St. Charles Foundation gala fundraiser at which the hospital's plans to expand its emergency department were shared. He also reported visiting the La Pine Community Kitchen to learn more about its services and attending the Boys & Girls Club annual meeting. He noted that the South County annual breakfast will take place on Thursday.

Commissioners Adair and Chang spoke to the need to advocate in favor of federal legislation that would increase the maximum number of beds allowed in certain mental health facilities from the longstanding 16-bed limit to 36.

CONSENT AGENDA: Before the Board was consideration of the Consent Agenda.

1. Authorize the purchase of real property located at 2100 NE Wyatt Court, Bend from Getz Properties LLC
2. Authorize the sale of real property located at 51575 Russell Road in La Pine to Harlan Ross Investments LLC
3. Consideration of Board Signature on letters reappointing Carrie Huddleston and Eli Ashley for service on the Deschutes County Historic Landmarks Commission
4. Consideration of Board Signature on letters appointing Joe Tucker and Shawn Hill, and thanking Amy Varner, for service on the Four Rivers Vector Control District
5. Approval of the minutes of the February 12, 2026 BOCC Legislative Update meeting

DEBONE: Move Board approval of the Consent Agenda as presented

ADAIR: Second

VOTE: DEBONE: Yes
 ADAIR: Yes
 CHANG: Chair votes yes. Motion Carried 3 – 0

ACTION ITEMS:

- 6. Public Hearing: Modification of application for a proposed commercial activity in conjunction with farm use (winery / Lava Terrace Cellars) in the Multiple Use Agricultural Zone at 20520 Bowery Lane, Bend**

Commissioner Chang announced that he will recuse himself from the discussion and action on this item as he previously did when it came before the Board.

Nathaniel Miller, Associate Planner, reviewed the procedures for the hearing.

Commissioner Chang elaborated on his decision to recuse himself from participating in this matter, saying that when friends or those who have donated to one's election campaign are involved in a land use matter, the right thing to do is to recuse oneself from the proceedings.

Commissioner DeBone objected to the view that Commissioners should recuse themselves under those circumstances, saying that to be compromised would be to have personal benefit or to get some personal value out of a decision.

Chair Chang left the dais at 9:17 am. Vice Chair DeBone presided for this item.

- Loel Jensen objected to Commissioner DeBone participating in this matter, saying she is aware of the applicant's relationship with him and she also believed that Commissioner DeBone personally knows the applicant's attorney.

Stephanie Marshall, Senior Assistant Legal Counsel, said the primary question at the heart of appearance of fairness is whether proceedings appear to be fair with no determined conflicts of interest. She explained that Commissioners are entitled to disclose a relationship and subsequently state that they can continue to participate in a fair and impartial matter, putting aside personal knowledge of the applicant or anyone else involved and basing their decision on the evidence contained in the record.

Commissioner DeBone said he has not been on the properties owned by the applicant but has simply forged connections in the community over time. He did not feel himself to be conflicted and believed that he was able to proceed.

The public hearing was opened at 9:21 am.

Miller then presented background on the application for a winery/tasting room use as a commercial activity in conjunction with farm use in the Multiple Use Agricultural Zone, noting that after the Hearings Officer's decision had been appealed to the Board by Toby Bayard, the applicant submitted a modified application intended to address issues raised during evaluation of the original application. Miller summarized that the applicants seek to convert an existing accessory building into a tasting room and office space, and also convert an existing barn for small-scale wine production and wine storage.

Caroline Cilek, representing the applicant, provided background information on the property (including its location and accesses), summarized key changes made

to the application since the original submission, and addressed how the proposed use is compatible with the surrounding area and also how it promotes the regional wine economy. Cilek stressed that the proposed use is a conditional use allowed in the MUA10 zone, and the owners are already allowed to process, store, and market farm products. The applicant proposes adding a tasting room open three to four days each week from 12 noon to 7 pm, by appointment or invitation only.

Cilek reviewed the updated site plan and asked that the Board approve having just 12 parking spaces instead of the 21 required by the Hearings Officer. She further reviewed the proposed changes to the landscaping and responded to comments regarding traffic safety and wastewater concerns, among other issues, and said the tasting room will have an ADA-complaint bathroom.

Dina Barker, applicant, said that she and her husband recognize that the Board's land use decisions are a balancing act between current and future residents. Stressing that this application has already been approved and that the owners seek only approval of modifications made to the original application, she confirmed that the property has 4.3 acres of irrigation rights, which is more than is needed for the business operations.

Discussion ensued of the request to allow additional time to move grapevines from the right-of-way to establish the required width for sufficient access.

- Doug Maragas said a different winery and tasting room operated off of Gosney Road with no complaints received. He spoke to various benefits of growing grapes, including aesthetic improvements.
- Sterling Respass expressed support for the application because of the active participation by the owners in fundraising efforts which benefit area organizations.
- Ken Cook agreed that having vineyards and tasting rooms in rural areas benefits the aesthetic value of a community.
- Michael Sipe attested to the good character of the property owners and objected to spurious claims by detractors which can derail projects.
- Kerry Damon, president of the Central Oregon Wine Growers Association, supported approval of the modified application, saying that the property owners are dedicated to responsible land stewardship.
- Chera Sowers spoke on behalf of the business owners and said they have integrity as farmers, refusing to use pesticides or herbicides as well as chemical fertilizers.
- Robert Sowers supported approval of the application and referred to the regenerative farming practices utilized by the property owners.

- Kevin Riley shared that he resides adjacent to the property owned by the Barkers and spoke in support of the modified application, saying the proposed operations would be a net positive for the community.
- Phil Brey supported the property owners as a fellow winemaker, noted that grapevines are a long-term investment, and said having a tasting room would help to keep the business viable.
- Greg Vann spoke in support of the application, saying it would help further agritourism in the area and that traffic impacts from the tasting room would be minimal.
- Abel Magaria supported the application, saying it would help to keep agricultural land in production. He added that the property owners have worked for years to develop their vineyards.
- Aaron Dixon said he shares a property line with the Barkers and spoke in support of the application.
- Crystal Dollhausen said it is not true that the winery has divided the neighborhood—rather, that was done by a detrimental campaign to establish a homeowners association. She supported regenerative farming and said that winery traffic on the road which borders her property would not bother her.
- Phil Henderson referred to a letter he had submitted supporting the application, stressing that no homeowners association was ever established, and the neighborhood's CC&Rs do not prevent commercial activity.
- Appellant Michel Bayard said the neighborhood's 1966 CC&Rs did establish a homeowners association, which is still in effect and does not allow commercial activities. He added that because the Barkers' property contains just 3.2 acres of vines, the winery would have to purchase grapes from other vineyards for processing into wine, thereby rendering the property's farm use incidental to its commercial use.

Continuing, Bayard referenced Oregon state law with respect to the minimum acreage of wineries and stated concerns about commercial activities which would generate wastewater, saying that generating 25,000 to 28,000 gallons of wastewater in the production of 1,500 cases of wine is not *de minimus*. He questioned where the wastewater would be stored as it's being treated and expressed concerns about possible groundwater pollution, given the number of domestic wells in the area.

Bayard added that most of those who have expressed support for this endeavor do not live on Bowery Lane and will not be directly affected by the proposed commercial activity.

- Toby Bayard said according to Oregon law, wineries can only be sited on land zoned for Exclusive Farm Use. She expected that, if approved, this case will be appealed to the State Land Use Board of Appeals.
- William McVicker shared that he lives across the street from the Barkers, who are good neighbors. Explaining that he works from home and has three young children, he was concerned that many if not most of the winery's customers would utilize Bowery Lane instead of the alternate route highlighted by the applicant. Because Bowery Lane is a small gravel road with no sidewalks, he worried about the safety of pedestrians and cyclists if vehicle traffic were to increase.
- Tarik Rawlings, Senior Transportation Planner for the County, reiterated the Road Department's position that no exception should be granted to the requirement that all encroaching materials, including grapevines, must be removed from the ROW in the interest of safety. The department is, however, amenable to extending the date for removal of all obstructing items to April of 2027.

In rebuttal for the applicant, Elaine Aldrich stressed that the applicant's proposal has been refined to more than meet Code requirements and also address concerns from some of the neighbors.

Commissioner DeBone commented on the presumed process used to clean and rinse equipment, noting that the State's Department of Environmental Quality had reviewed and approved a wastewater management plan.

In response to Commissioner Adair, Celik said there are three 275,000 gallon tanks on the property.

Responding to Commissioner DeBone, Celik said the applicants plan to grow the vineyard as much as possible.

In response to Commissioner Adair regarding the purchase of grapes grown off-site, Celik said the grapes grown on the property are the most integral factor in the Barkers' winemaking.

There being no one else who wished to speak, the public hearing was closed at 11:19 am.

Elaine Aldrich stated an objection for the record with regard to the process used to decide this matter, specifically regarding the applicant's inability to reword any text of the decision matrix which staff will provide for the Board's deliberations.

Acting Chair DeBone noted Aldrich's objection as well as the consensus of the Board to close the record at this time and conduct deliberations at a future date.

Commissioner Chang returned to the dais and resumed chairing the meeting.

A break was announced at 11:28 am. The meeting resumed at 11:33 am.

7. Consideration of First Reading of Ordinance No. 2026-005 – Cascades Academy Plan Amendment and Zone Change

Nicole Mardell, Principal Planner, said the proposed ordinance would rezone certain property owned by Cascades Academy from Surface Mine and Exclusive Farm Use to Multiple Use Agricultural. She reminded of prior public hearings on the application and the Board’s vote to approve the request last August.

Commissioner Chang said while he supported schools and Cascades Academy, he questioned why a rezone was sought since schools were already allowed in the current zone. He was concerned that, if rezoned, some of the property could be converted to rural residential development and noted that the property owner declined to commit that such development would never happen.

DEBONE: Move approval of first reading of Ordinance No. 2026-005 by title only
ADAIR: Second

VOTE: DEBONE: Yes
 ADAIR: Yes
 CHANG: Chair votes no. Motion Carried 2 – 1

Chair Chang read the title of the ordinance into the record.

8. Request to extend a 0.8 limited duration FTE Community Health Specialist II position through June 30, 2027 using grant funding

Jessica Jacks, Program Manager with Deschutes County Health Services, sought Board authorization to extend a 0.8 limited duration Community Health Specialist II position through June 30, 2027 using grant funding. Jacks described the position’s role in community collaboration efforts focused on reducing youth substance use and shared information on the projected cost to extend the position.

ADAIR: Move to approve extending a 0.8 limited duration FTE Community Health Specialist II position through June 30, 2027 using grant funding
DEBONE: Second

VOTE: DEBONE: Yes

ADAIR: Yes
CHANG: Chair votes yes. Motion Carried 3 – 0

9. Courthouse Expansion Update

Lee Randall, Facilities Director, introduced the monthly update of the Courthouse expansion project.

Eric Nielsen, Capital Projects Manager, reviewed progress made since the last update, including installation of a backup generator, and described ongoing exterior and interior work and right-of-way improvements, including the installation of crash-rated bollards and other safety measures.

Kirk Schwabauer from Pence Construction reviewed work anticipated in the next several weeks, including continuing site improvements, completing major exterior work elements, and installation of elevators and plumbing fixtures.

Project timeline milestones were reviewed with substantial completion anticipated in late March and a planned “soft opening” of the expansion in May. Work would continue on renovations in the existing courthouse building following expansion completion, with final completion anticipated later in 2026.

Wayne Powderly from the Cumming Group reviewed budget status, including costs to date and contingency levels on both the contractor and owner sides. Randall described change orders that have been processed and items being monitored as work transitions toward the remodel phase. Any funds remaining at the end of the project would be returned to reserves for future re-allocation.

Commissioners asked questions regarding weather and schedule, work hours, construction logistics, and heated sidewalk/ramp features. It was confirmed that the County and the contractor are coordinating with the City regarding right-of-way work and public access transitions.

Chair Chang announced that items #10 and #11 will be taken up after #13.

12. Request from SLED to sponsor a table at its annual luncheon on April 30th

Strategic Initiatives Manager Jen Patterson presented a request for Board direction on a sponsorship level for the Sunriver/La Pine Economic Development (SLED) annual luncheon scheduled for April 30th. Patterson reviewed the Board’s fiscal year sponsorship allocation status, including prior expenditures and remaining balance. Commissioners discussed the request and directed staff to proceed with a \$600 sponsorship consistent with a table sponsorship level.

(Note: see modified Board direction on page 10.)

A break was announced at 12:11 pm. The meeting resumed at 12:13 pm.

EXECUTIVE SESSION:

At 12:13 pm, the Board entered Executive Session under ORS 192.660 (2) (e) Real Property Negotiations.

At 12:39 pm, the Board exited Executive Session and directed staff to proceed as discussed.

A lunch recess was announced at 12:39 pm. The meeting resumed at 1:01 pm.

Chair Chang announced that item #13 will be taken next followed by item #s 10 and 11.

13. 2026 Legislative Session Update

Jen Patterson, Strategic Initiatives Manager, introduced the latest update on the 2026 Legislative session, noting there are no new bills listed on the bill tracker report.

In response to Commissioner Adair, Doug Riggs from Northwest Policy Advocates said it is not clear whether SB 1599, which would reschedule the referendum on the gas tax and other transportation fees from November to May, will meet the statutory deadline which requires legislative approval and signature by the governor 91 days before the ballot.

Riggs then provided information on timing and activity remaining in the short session, which will end on March 8th, and summarized developments on multiple measures including HB 4148 regarding Transient Lodging Taxes which was passed by the House after a last-minute compromise, the passage of the battery responsibility bill out of Ways and Means, the need to close a \$6.5 million funding gap, concerns about upcoming revenue forecasts, and if and from where transportation maintenance funding might be found.

Discussion ensued of a request from COIC that the County advocate in support of the Oregon Conservation Corps and fuels reduction sections of HB 4134, which is scheduled for a public hearing on Thursday.

In response to comments, Commissioner Chang said this past January, the Oregon Transportation Committee discussed ODOT debt financing and debt servicing liability, and a report on these subjects is available with ODOT having provided a great deal of information.

Road Director Chris Doty supported allowing COIC to be a qualified entity to receive and distribute STIF funds, which would make for a more efficient process.

OTHER ITEMS:

- Reference was made to tomorrow's South County breakfast during which the Commissioners will take part in an informal Q&A session.
- Patterson presented additional information regarding sponsorship requests and available fiscal year funds, including recent requests from Jericho Road and Bethlehem Inn. Noting that allocating more funds for sponsorship requests would lower the amount available for the FY 2027 video lottery allocations, Patterson said the submitted requests for video lottery funds in FY 2027 currently exceed available funds by \$384,000. The reserve is \$956,668.

Robert Tintle, Chief Financial Officer, explained efforts to maintain the reserve at the level of at least one-year's worth of video lottery receipts. It is currently less than that as it's been drawn down in recent years.

Following discussion, the Board was in consensus to allocate \$400 each to SLED, Jericho Road, and Bethlehem Inn from available sponsorship funds, leaving a \$200 remaining balance.

- Commissioner Adair raised a question for future consideration regarding the manufacturer of a courthouse mechanical unit and requested the matter be scheduled for future agenda discussion.

10. Treasury Report for January 2026

Bill Kuhn, Treasurer, presented the Treasury Report for January 2026, including a high-level overview of national economic and market conditions and notable federal developments. He reviewed the County investment portfolio status, including month-end balances, monthly earnings, yield information, and investment activity and maturity positioning.

11. Finance Report for January 2026

Chief Financial Officer Robert Tintle presented the Finance Report for January 2026 along with preliminary comments regarding the fiscal year 2027 budget development process which is currently underway.

Commissioner Adair left the meeting at 2:08 pm.

ADJOURN:

Being no further items to come before the Board, the meeting was adjourned at 2:14 pm.

DATED this 18th day of March 2026 for the Deschutes County Board of Commissioners.



PHIL CHANG, CHAIR

ATTEST:


RECORDING SECRETARY



ANTHONY DEBONE, VICE CHAIR



PATTI ADAIR, COMMISSIONER