



BOARD OF COMMISSIONERS

1300 NW Wall Street, Bend, Oregon
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BOCC 2025 RETREAT MEETING MINUTES

9:00 AM

MONDAY, JANUARY 27, 2025

Road Department
and via Zoom

Present were Commissioners Anthony DeBone, Patti Adair and Phil Chang. Also present were County Administrator Nick Lelack; Deputy County Administrator Erik Kropp; Deputy County Administrator Whitney Hale; Sheriff Kent van der Kamp; Health Services Director Janice Garceau; Behavioral Health Director Holly Harris; Public Health Director Heather Kaisner; Health Services Business Manager Cheryl Smallman; Chief Financial Officer Robert Tintle; Budget & Financial Planning Manager Cam Sparks; District Attorney Stephen Gunnels; District Attorney Business Manager Jessica Chandler; Community Justice Director Deevy Holcomb; Community Justice Business Manager Trevor Stephens; 9-1-1 Technical Systems Manager Emily van Siereveld; Public Safety Systems Specialist Nick Bittler; and 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.

Commissioner DeBone called the meeting to order at 9:01 am.

Retreat Overview

County Administrator Nick Lelack welcomed everyone and reviewed the agenda, which will begin with each Commissioner sharing their priorities for the next year.

Commissioner Priorities

Commissioner Adair:

- Internal Audit Function: Although the County has added 217 staff since 2019, the

decision was made to reduce the full-time position of the Performance Auditor to half-time instead of reducing one of the other 216 newer positions.

- Courthouse Expansion Project: After the initial cost estimate of \$27 million rose to \$40 million and then to \$43.9 million, the project proceeded with a contingency of just 3% when a contingency of 5-10% should have been budgeted. Two months ago, at a meeting of the Facilities Review Committee, it was reported that this project was \$1.2 million over budget, but now it has been determined to be \$2.9 million over budget with a total expected cost of \$46.8 million. The County should take more care with taxpayer funds.
- Mental Health Crisis: Many people are suffering from mental health issues, and the number of opioid overdose deaths grew in 2024. More information is needed on how successful harm reduction programs are, and more funding assistance is needed from the State.
- Business Regulations: Some businesses such as Dutch Bros. are leaving—it's time to have fewer regulations.
- State PERS Retirement System: The return on that investment was very small last year—less than 4%, while many private retirement accounts returned far more. This discrepancy should be looked into, and the State should try to improve that return.
- Drug Crimes: Last Thursday, two people were shot at a home in Redmond in an incident that may have been drug-related. Recognizing that Highway 97 is a corridor, law enforcement needs to address concerns related to 1) drugs and 2) speeding on the highway.
- Juniper Removal: To reduce fuels and make more water available for other uses.
- Fire Danger/Wildfire Hazard Map: In the aftermath of the devastating fires in southern California, people are getting nervous about whether Deschutes County is prepared. People need to be able to protect their homes, and part of that is carrying insurance coverage, yet insurance companies are canceling policies or refusing to extend coverage in the first place. The State must address this, including with regard to inadequate coverage limits of the Oregon FAIR plan.

Commissioner DeBone:

- Love All, Serve All: The mindset that the County is here for everyone, and trying to make things the best they can be at any point in time.
- DSL Land Swap in Redmond: Work to accomplish this by the end of 2025.
- China Hat: The federal government is working on a plan to close public access to some areas to allow for fuels reduction work.
- Juniper Ridge—Addressing unsanctioned camping in cooperation with the City of Bend.
- DCSO: A partner in making sure that unsanctioned camping is addressed on County property.
- Financial Success: Setting policy direction for budgeting in the near-term future to assess what can be done with available resources. The County is still growing, and

the cost of doing business has escalated. Need to be vigilant and keep a close eye on the dollars.

- Vibrant Business Economy: EDCO and East Cascades Works help ensure the success of foundational companies that take raw materials and process them. Construction is happening, but it's harder due to increased costs.
- Groundwater Protection: Especially in rural South County which has many private on-site systems. Well sampling has shown traces of nitrates in some areas, not in others. Explore the feasibility of installing some infrastructure (shared water and sewer) with a Goal 11 exception.
- Newberry Plan: Opportunities for beautiful rural neighborhoods.
- Fuels Reduction Efforts: Help property owners understand that 10-20 feet spacing between trees is ideal. The wildfire hazard map depicts some properties as high risk while neighboring properties are moderate risk. All of Deschutes County is at high risk for wildfires, especially during strong wind events.
- Expanded BOCC—Discuss whether to establish a committee to look at creating districts.

Commissioner DeBone suggested reaching out to Sheriff van der Kamp to ask if he is available to spend some time with the Board today during its retreat. He also suggested touring the radio tower project which is currently being installed at the Road Department, if time permits.

Commissioner Chang:

- 2025 Legislative Session: Focus in a concerted way on items with budgetary ramifications for the County (e.g., ensuring adequate snowplowing by ODOT this winter and that direct investments are made in public health services). A number of things can and perhaps will affect the County's bottom line.
- Adult and Youth Residential Facilities: The opportunity for a youth acute/respite mental health facility which St. Charles has been envisioning and which is supported by the County's Behavioral Health department. A secure adult residential facility is moving forward in Redmond. At the State level, designate a site for a regional youth psychiatric emergency center. The potential for State and/or Congressionally-directed funding for this, which will require coordinated legislative advocacy efforts.
- Wildfires: The reminder from the California fires that fire events can happen throughout the year, and it's not a question of if, but of when. Promoting fire-resistant building materials and the creation of defensible space. Focus, with the help of the Solid Waste Department, on the disposal of yard debris and biomass material. Push the insurance industry to acknowledge that property owners who create defensible space, use fire-resistant building materials, and reduce fuels on their property to protect it should be insured.

Lelack confirmed that Sheriff van der Kamp will be invited to attend today's meeting. A tour of the radio tower will be offered midday.

Committee Assignments for 2025:

The Commissioners reviewed their appointments and concurred in the following changes:

Coordinated Homeless Response Office (CHRO) Board--transfer from Adair to Chang
Redmond Economic Development (REDI)—transfer from Chang to DeBone
Economic Development Board (EDCO)—transfer from Chang to Adair effective March 1st
Project Wildfire—transfer from Adair to DeBone
Fair Master Plan Steering Committee—appoint DeBone
Redmond Airport Community Advisory Committee—transfer from DeBone to Chang
Behavioral Health Advisory Board liaison—transfer from Adair to DeBone
Deschutes County Fair Association—name Adair as liaison

FY 2026 Budget Discussion

Robert Tintle, Chief Financial Officer, described work undertaken to develop the FY 26 budget in a way that will address the projected near-term shortfall in the General Fund. Some cost savings have already been identified, and departments have been directed to limit the growth of their General Fund expenditures to 3.3% in the interest of long-term financial stability.

Cam Sparks, Budget & Financial Planning Manager, said resetting the previous trajectory of expenditure growth will also require limiting next year's internal service charges to 108% of this year's. Finance has made departments aware of the new budget parameters and has asked that each department determine how it will meet the specified targets, with some deciding to use vacancy savings and others proposing FTE eliminations. Three departments will present their strategies to the Board later this morning.

Commissioner DeBone said Deschutes County has been in the enviable position of having a growing budget and being able to pay down debt with relative ease, but must focus on limited growth in the near-term future.

Commissioner Adair noted that her property taxes have doubled in ten years.

Commissioner Chang suggested considering discrete ballot measures to fund some needs, noting this would take engaging voters to further understanding of what is needed.

Commissioner Adair commented on public trust, saying that youth 4H programs were not accommodated in the expansion of the Fair although that commitment had been made.

Break: A break was taken at 10:25 am. The meeting resumed at 10:39 am.

Department/Office Participation:

County Administrator Lelack shared that Sheriff van der Kamp will join the meeting at 1:00 today.

In a revision to the published agenda, the Health Services Department presented before Community Justice.

Health Services

Heather Kaisner, Director of Public Health, distributed a proposal for how the department will meet its targeted savings of \$1,825,000 in FY 2026, as follows: close the reproductive health clinic (\$520,000 savings); eliminate a vacant position and reduce FY 2025 discretionary spending (\$200,000 savings); secure new revenue and/or use one-time COHC Quality Incentive Measure funds (\$560,000 savings); and implement certain Environmental Health fee decisions (\$545,000 savings).

In response to Commissioner Adair, Cheryl Smallman, Health Services Business Manager, said Health Services has 424.50 total FTE, of which 90 work in Public Health.

Responding to Commissioner DeBone, Kaisner said public health modernization is not a priority for the governor, whose proposed budget includes just \$2 million more for this effort. Kaisner added that the Eastern Oregon Council of Independent Living will assume the support of clients living with HIV.

Discussion ensued regarding the County's inspection fees for restaurants and mobile food units, and how these compare with fees assessed by other counties.

Reminding that video lottery funds were intended to invest in economic development, including for the leisure and hospitality sectors, Commissioner Chang did not find it inappropriate to use these funds for restaurant inspections. He viewed the proposed Scenario A—which would continue the current \$250,000 contribution of video lottery funds to Environmental Health in conjunction with fee increases—as a workable solution for fiscal year 2026 and suggested that this contribution come from the video lottery fund's reserve.

Sparks confirmed that the video lottery fund has about \$1.1 million in reserve/contingency.

Commissioner DeBone stated his agreement with Commissioner Chang that video lottery funds should be used for economic development.

In response to a question from Commissioner DeBone regarding the level of expected billing revenues from Medicaid and Medicare in the near future, Holly Harris, Director of Behavioral Health, said the department works hard to bill these funding sources for every

service possible.

Janice Garceau, Health Services Director, said efforts are being made to secure the ability to reimburse for all mandated services, only some of which are currently reimbursable.

Discussion ensued regarding the need for residential care facilities and funding sources.

Community Justice

Deevy Holcomb, Community Justice Director, reviewed the submitted proposal for \$350,000 in budget reductions in the Juvenile Justice division, which includes eliminating three FTE positions (two Community Service specialists and one Community Justice officer) that have been held open for some time. Holcomb explained that Juvenile Justice will navigate these reductions by being flexible in terms of work duties—for example, a Community Justice officer might take a shift in detention or fill in as needed in other ways.

Holcomb also shared the proposal to achieve \$640,000 in savings in the Adult Parole & Probation (AP&P) division by eliminating 1.75 FTE and holding three positions open.

Discussion ensued regarding the funding formula used by the State to allocate money for community corrections. Holcomb reminded that the juvenile division is 90% funded by the General Fund, while AP&P is 90% funded by the State.

Holcomb assured that the department is looking ahead to 2026 and beyond and assessing its operations to determine how to best help youth and their families with limited resources.

Commissioner DeBone suggested that Juvenile Justice could partner with neighboring counties to optimize its ability to provide services. In response to Commissioner Adair, Holcomb confirmed that Crook and Jefferson counties are already served by Deschutes County. Commissioner DeBone asked if new partnerships could be added and noted that the current market rate for some services is less than the cost of providing them.

Holcomb said the department is actively seeking Medicaid billing status for substance use treatment, which would help reimburse the cost of services provided under this program.

Break: A break was taken at 11:38 am. The meeting resumed at 11:52 am.

District Attorney's Office

District Attorney Stephen Gunnels spoke to a previous external review of the staffing needs of the District Attorney's Office, which had recommended that four Deputy DAs be added to accommodate the department's workload. Two Deputy DAs were added in 2021, but

none since then although a large increase in high-level cases (i.e., murders and homicides) has occurred since 2020. Noting that in the last two months alone, four murders have been committed, he said although it is not ideal to have him involved in these cases, that is necessary due to the number of cases and the shortage of Deputy DAs.

Saying that the County's budget reduction strategies would cause additional strain on the DA's Office, Gunnels listed possible vacancy savings which could be utilized to achieve the required savings.

In response to Commissioner DeBone, Jessica Campbell, Business Manager for the DA's Office, said there have been years when the department has spent 100% of its allocated funds, or come close to that. Other years, the department is able to realize vacancy savings or has less need for expert witnesses and other variable costs which has enabled it to return unused budgeted funds at the end of the year.

In response to Commissioner Adair, Gunnels said drugs and mental illness are factors in each murder case, without exception. Explaining that cocaine and methamphetamine use can lead to violent behavior because users experience paranoia, he referred to increasing use of cocaine in the community and was hopeful that HB 4002 will result in more people being deflected into treatment.

Responding to Commissioner Chang, Gunnels said he had not heard any discussion about possible advocacy coordination to urge that the State increase its allocation for DA offices, although he doubted that any such effort would gain traction. He offered to bring this up at the next statewide DA's association meeting.

Lunch: A lunch break was taken at 12:20 pm. The meeting reconvened at 12:40 pm.

9-1-1 Update on Radio Tower Site Work

The Board received an update from Emily van Sierveld, 9-1-1 Technical Systems Manager and Nick Bittler, Public Safety Systems Specialist on the radio tower site being constructed at the Road Department for back-up/redundancy.

Break: A break was taken at 12:53 pm. The meeting resumed at 1:09 pm.

Sheriff's Office

Deschutes County Sheriff Kent van der Kamp shared that Aaron Wells, previously employed by the City of Redmond, has joined the DCSO as Undersheriff. Van der Kamp described his efforts to overhaul the DCSO's policies and culture, noting that many staff have applied for promotions as those were made available and that he has altered the promotion process to invite members of the community to sit on the selection panels. In addition, work is

being done to: design a mentoring program to advance skills and knowledge; offer corrections staff the opportunity to move to patrol; and modify work schedules to reduce burnout experienced by those who work night shifts.

The Sheriff also spoke to efforts to strengthen the department's relationship with the downtown community, referred to his open-door policy, and said since taking office he has already met with 20-30 staff individually. With regard to the department's budget, he intends to establish strong internal and accounting controls with the goal of budgeting conservatively, identifying potential cost-savings, and reducing the budget over the next two years.

Saying he is always looking for opportunities to collaborate to address homelessness, van der Kamp referred to talks with the Forest Service about the temporary prohibition on access to the China Hat area, noting that although the cities of Redmond and Bend are concerned about possible impacts from this closure, he expected that DCSO's presence will help alleviate those concerns.

Adding that staffing continues to be a challenge, van der Kamp anticipated 13 patrol openings after the upcoming promotions take effect, although his goal was that the department be fully staffed by the summer. Noting that DCSO receives numerous calls regarding illegal immigration but will not be involved as the County cannot enforce federal law, he concluded that he is encouraging his staff to think of how to do things better for less expense.

In response to Commissioner DeBone, van der Kamp allowed that the DCSO can enforce dog license requirements on federal land. With respect to decomposing cars/vehicles, he said it is not profitable for tow companies to recover and scrap such vehicles. He added that the east section of Dirt World has been fortified against anyone coming in by the installation of booby-traps and other means.

Commissioner DeBone said not all homeless persons are involved in criminal activity and some of them are experiencing heart-wrenching situations. He supported allowing people to use the land if they are not causing environmental damage.

Responding to Commissioner Chang, van der Kamp spoke to efforts to find out and address the reasons why people are living in the forest, noting that some people will accept services which enable them to relocate, but others will not. In the case of the latter, he advocated being clear about the consequences of not relocating (e.g., citations).

Commissioner DeBone shared information on the State Interoperability Council, saying that 9-1-1 funding comes from Oregon Emergency Management and the next generation 9-1-1 will enable many new features.

BOCC Discussion and Feedback

County Administrator Nick Lelack invited feedback from the Board on items discussed today. Noting that staff is in the early stages of drafting the FY 2026 Budget, Lelack asked if the Board supports building that budget with a 3.3% growth limit as proposed.

Chief Financial Officer Tittle also sought direction on preparing next year's budget for the Board's review and referred to staff's assumption that no special requests from departments for General Fund appropriations will be accepted or considered.

In response to Commissioner Adair, Budget & Financial Planning Manager Sparks said the Health Benefits Fund increased by 30% two years in a row in fiscal years 2024 and 2025. The proposal is to increase it by 1% in FY 2026.

Commissioner Adair asked if Finance has looked into why the PERS investment gain was much lower than the gain shown by the County's investments.

Commissioner DeBone stated his support for planning the FY 2026 budget based on what was presented today.

5-Member BOCC Preparation: Update/Discussion

Deputy County Administrator Whitney Hale shared that Facilities is working to complete changes in the BOCC/Administration's workspace to delineate new offices for the two added commissioners by November of 2026.

Lelack said no changes are being contemplated for the Board's meeting space in the Barnes Sawyer rooms at this time. Noting that all seven members of the Planning Commission sit together at the dais during its meetings, he said the five-member BOCC could be seated at the dais with himself and County Counsel at the side.

Commissioner DeBone supported discussing the creation of districts for the BOCC, saying this question may be put before the voters in November of 2026.

Commissioner Adair agreed it is important to resolve this, even though the first two years of the terms of the two new positions would be at-large rather than districted.

Discussion ensued about Measure 943, rejected by the voters in 2006, which would have expanded the Commission to five positions and created districts.

Commissioner Adair favored the idea of establishing a blue-ribbon committee to develop a recommendation on how to create districts.

Saying that a ballot measure would need to be ready by August of 2026 to go on the November 2026 ballot, Lelack asked if the Board supported convening a work session this spring to discuss establishing such a committee.

Commissioner Chang said if a committee is formed, it should look at a five-district scenario and a separate scenario where four positions are elected via district and one position is elected at-large.

Commissioner DeBone was interested to hear all of the options. Commissioner Adair said this process should start sooner rather than later.

Break: A break was taken at 2:12 pm. The meeting reconvened at 2:24 pm.

FY 2026 County Goals & Objectives

Lelack introduced the discussion of the Board's adopted Goals & Objectives, saying these inform the budgeting process and asking if the Board desired to make any changes.

Following Commissioner DeBone's review of the list, Commissioner Chang said the listed items serve as fine high-level umbrella goals.

Commissioner Adair spoke to the problems of crime and recidivism and concurred with District Attorney Gunnels that drugs and mental illness impact these.

Discussion ensued about not having departments continue to report to the Board quarterly on the status of meeting established targets in line with the Board's adopted goals and objectives, but rather reduce these reports to two or three times each year.

Commissioner Adair said more than one person is needed to staff the Veterans Services office on Fridays.

ADJOURN: Being no further discussion, the meeting was adjourned at 2:35 p.m.

DATED this 26th day of Feb. 2025 for the Deschutes County Board of Commissioners.



ANTHONY DEBONE, CHAIR

ATTEST:



PATTI ADAIR, VICE CHAIR



RECORDING SECRETARY



PHIL CHANG, COMMISSIONER