



BOARD OF COMMISSIONERS

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

FOR RECORDING STAMP ONLY

BOCC MEETING MINUTES

9:00 AM

WEDNESDAY October 16, 2024

Barnes Sawyer Rooms
Live Streamed Video

Present were Commissioners Patti Adair, Tony DeBone and Phil Chang. 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 webpage www.deschutes.org/meetings.

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

PLEDGE OF ALLEGIANCE

CITIZEN INPUT:

- Ron Boozell commented on a speaker at the Board's meeting last week who presented a large volume of information using many graphs and statistics.

Commissioner Adair said County Epidemiologist Mathew Christensen was invited to share information on the number of drug overdose deaths in Oregon, which have significantly increased over the past few years.

Chair Adair announced that ballots for the November election will be mailed today.

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

1. Approval of Resolution No. 2024-047 adopting a supplemental budget and increasing appropriations in the Sheriff's Office and the District Attorney's Office
2. Approval of Resolution No. 2024-048 adopting a supplemental budget and increasing appropriations within the Health Services fund
3. Approval of Order Number 2024-040 establishing Wood Avenue and a portion of NW 39th Avenue as County Roads
4. Authorize the conveyance of real property located at 640-652 SE Wilson Avenue in Bend to the Central Oregon Intergovernmental Council
5. Consideration of Board Signature on letters thanking Dave Thomson and appointing Bob Nash for service on the Bicycle and Pedestrian Advisory Committee

DEBONE: Move to approve the Consent Agenda as presented

CHANG: Second

VOTE: CHANG: Yes

DEBONE: Yes

ADAIR: Chair votes yes. Motion Carried

Commissioner DeBone spoke to the transfer of the Wilson Ave property back to COIC, saying it will be used by J Bar J Youth Services for youth transitional housing.

Commissioner Chang said while he believed that the use of this property as originally proposed by Adult P&P would have been highly effective, he appreciated J Bar J and COIC finding a different use for this property.

Commissioner Adair commented on the challenges experienced by the Larkspur neighborhood and said this would have been the wrong location to house male justice-involved individuals on parole.

ACTION ITEMS:

6. Second reading of Ordinance No. 2024-010 – Remand of the Eden Plan Amendment / Zone Change

Haleigh King, Associate Planner, presented Ordinance No. 2024-010 for the Board's consideration of second reading and adoption, reminding that this ordinance would approve a decision on remand from the Land Use Board of

Appeals concerning an application for a Comprehensive Plan Amendment and Zone Change for property totaling approximately 710 acres to the west of Terrebonne and north of Highway 126.

King noted that at first reading of the ordinance on October 2nd, Legal had advised two changes to clarify a prior decision by the Board and the recommendation of the Hearings Officer, and to make clear that Ordinance No. 2022-013, adopted on December 24, 2022 and effective March 14, 2023, is supplemented and controlled by Ordinance No. 2024-010 rather than superseded by it.

Commissioner Chang stated his belief that the Board has not adequately addressed the issues raised by LUBA on remand of this matter.

DEBONE: Move approval of second reading of Ordinance No. 2024-010 by title only
ADAIR: Second

VOTE: CHANG: No
DEBONE: Yes
ADAIR: Chair votes yes. Motion Carried 2 - 1

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

DEBONE: Move adoption of Ordinance No. 2024-010 amending Deschutes County Code Title 23, the Deschutes County Comprehensive Plan, to change the Comprehensive Plan Map Designation for certain property From Agriculture to Rural Residential Exception Area, and amending Deschutes County Code Title 18, the Deschutes County Zoning Map, to change the Zone Designation for certain property from Exclusive Farm Use to Rural Residential

ADAIR: Second

VOTE: CHANG: No
DEBONE: Yes
ADAIR: Chair votes yes. Motion Carried 2 - 1

7. Public Hearing and Consideration of Resolution No. 2024-038 updating the Transportation System Development Charge

Chris Doty, Road Department Director, explained that System Development Charges are fees assessed to new development to fund capacity-adding improvements necessary to accommodate growth in the County's transportation

system. Doty reminded that last January, the Board approved an update to the Deschutes County Transportation System Plan (TSP), which included a 20-year Capital Improvement Plan (CIP) and funding estimates for each capital project. Staff now seeks Board approval to increase SDC charges to pay for needed improvements.

Continuing, Doty said the updated charges are based on an analysis which considered 20-year growth projections, estimates of growth-related impact to specific CIP project categories, and project cost estimates. It's anticipated that 5,680 peak hour trips will be added to the system over the next 20 years, representing an increase of 15.2% in traffic volume.

Doty explained how the recommended new rates were calculated and said the analysis supports an SDC of \$5,691 per PM peak hour trip – this would be an increase of \$22 per trip. The impact on SDCs charged to single family residential units would be an increase of \$17 per trip, or a total of \$4,610 per single family unit. Doty shared a chart comparing the County's proposed updated SDC fees with those of other jurisdictions including Bend, Redmond, Sisters and La Pine and said the updated fees would generate approximately \$1 million to \$1.5 million annually.

Doty added that the resolution before the Board today includes, in conjunction with the recommended rate changes, some housekeeping amendments—among them the elimination of Section 4.A.1 which provided a 50% SDC reduction to developments in the Tetherow area as these are paid to the City of Bend in exchange for utility service and do not impact County transportation facilities.

Commissioner DeBone said the County's updated CIP was one subject of discussion at last night's Newberry Estates Road District meeting.

The public hearing was opened at 9:29 am. There being no one who wished to speak, the public hearing was closed at 9:29 am.

In response to Commissioner Adair, Senior Legal Assistant Counsel Kim Riley said any changes approved by the Board would take effect immediately upon adoption of the resolution.

- CFIANG: Move approval of Resolution No. 2024-038 modifying the Transportation System Development Charges established by Resolution No. 2013-020 for properties within unincorporated Deschutes County
- DEBONE: Second

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

Commissioner DeBone expressed his appreciation of staff's professionalism and work to facilitate important capacity and safety improvements.

Responding to Commissioner Adair, Assistant Road Director Cody Smith said the Buckhorn Road project will be done in two parts, with one part done by the Western Federal Lands Highway Division (FHWA) over BLM property north of Highway 126, and the second part done by the County. Although this will be constructed as two separate projects, Smith assured that the County will coordinate with the FHWA on the design of these improvements.

8. Public Hearing: CORE3 Comprehensive Plan Amendment and Zone Change for approximately 228 acres adjacent to and north of Highway 126 in Redmond

Haleigh King, Associate Planner, presented the application for a Comprehensive Plan Amendment to change the designation of approximately 228 acres from Agricultural (AG) to Redmond Urban Growth Area (RUGA) along with a corresponding Urban Growth Boundary (UGB) expansion. The applicant also requests a Zone Change to rezone the subject property from Exclusive Farm Use (EFU) to Urban Holding (UH-10). These applications are sought to enable the development of the Central Oregon Ready, Responsive, Resilient (CORE3) facility.

Commissioner DeBone disclosed that he serves on the executive board for the CORE3 project.

Continuing, King said pursuant to a Joint Management Agreement between the City of Redmond and the County, these applications have been reviewed jointly by the County and the Redmond Urban Area Planning Commission. The City has approved the applications, and the County's Hearings Officer has recommended their approval as well.

The public hearing was opened at 9:45 am.

Scott Aycock, Community and Economic Development Director for the Central Oregon Intergovernmental Council (COIC), the project applicant, stated the need for a dedicated, multi-disciplinary and multi-agency coordination center for emergency response and training to allow the continuity of operations during and after a disaster. Aycock referred to lists of project partners and funding sources and described Phase 1 of the proposed development, acknowledging

that Deschutes County donated 300 acres valued at \$13 million towards this effort.

Jesse Winterowd from Winterbrook Planning described the process to prepare the necessary land use applications for this project, including the proposed amendment to the Urban Growth Boundary.

In response to Commissioner Adair, Aycock said the total project is expected to cost more than \$100 million over 40 years, with the first phase (including site preparation, utilities, and environmental remediation) estimated to cost \$40 million.

Responding to Commissioner Chang, Aycock did not contemplate any lodging being provided on-site. Commissioner DeBone said the Fairgrounds would be utilized for any mass evacuation incident.

There being no one else who wished to speak the public hearing was closed at 10:13 am.

Commissioner Chang said given the very limited input received, he supported closing the written and oral records and commencing deliberations today.

DEBONE: Move to close the written and oral records and commence deliberations at this time

CHANG: Second

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

CHANG: Move to adopt the decision of the Hearings Officer as the Board's decision in this matter

DEBONE: Second

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

In response to Commissioner Adair, Aycock believed that the project partners are in a much better position to seek funding from the Legislature in the upcoming session than they were last year.

Commissioner Chang appreciated that this public hearing included information on the planned development, saying this served transparency. He hoped to see such information shared in future public hearings for Comprehensive Plan amendments and Zone changes.

Anthony Raguine, Principal Planner, said applicants are not precluded from sharing information on future development plans at a public hearing, but neither are they required to do so.

Commissioner DeBone said the CORE3 project will be developed on public property, which is different from private property. He noted the risk of publicly committing to how a private development will proceed, given the variables involved in the private market.

Commissioner Chang said because a request for a rezone involves a publicly-granted change in private property rights, he believed the public has a right to know the plans behind rezone requests.

9. Deschutes County Employee Benefits Renewal for the 2025 Plan Year

Jason Bavuso, Interim HR Director, explained the process undertaken to renew employee benefits and provided an overview of proposed changes to benefits for the upcoming year, noting that because the Health Benefits Trust fell below the required contingency level earlier this year, department charges were increased to meet those higher costs.

Commissioner Adair said an internal audit report indicated that reserves were at \$6.4 million at the end of August. Cam Sparks, Budget & Financial Planning Manager, said more updated numbers show an ending fund balance of \$4.1 million at end of FY 2024.

Commissioner Adair expressed concern that health care costs have increased dramatically in the last two years.

Bavuso shared factors contributing to the decline in reserves and described cost containment options to restore the Health Benefits reserve by the end of this fiscal year. He noted that after considering options for cost containment with a goal of recouping \$1.2 million, the Employee Benefits Advisory Committee (EBAC) unanimously recommended five cost containment measures which together would total \$1.35 million in savings. These are:

1. Move members on prescriptions for Humira to Hadlima;
2. Remove wellness staff from the DOC Clinic;

3. Adopt the standard drug formulary offered under the current Pharmacy Benefits Manager (PBM) Prescriptive;
4. Amend plan language under Durable Medical Equipment to include breast pump rentals as a covered service; and
5. Update plan language to align with current plan interpretation and Third-Party Administrator best practices.

Commissioner Adair asked if EBAC recommended increasing employee premium sharing. Bavuso said this was considered but is not being recommended.

Commissioner Adair was concerned about health care costs possibly continuing to rise and supported being proactive instead of responding to cost increases after they happen.

Commissioner DeBone noted adjustments made in premium cost-sharing which took effect January 1, 2024; spoke to the impacts of inflation; agreed that health care costs have increased drastically; and supported people getting the health care they need. He said because the County has a self-insured program, it must respond quickly to drawdowns of the reserves.

Commissioner DeBone added that with the best information available today, the proposal before the Board will get the reserves back to \$8.1 million. He appreciated the thoughtful review by EBAC.

Commissioner Adair supported employees paying a bit more in premium sharing.

Commissioner Chang agreed that this proposal will help to contain costs and replenish the reserves.

Commissioner DeBone stated his support for increasing cost sharing if EBAC recommends that. He suggested planning on doing this in the future and setting this as an expectation for next year's budget process.

Commissioner Chang asked if the proposed changes will help the County withstand a new big jump in health care costs. Cam Sparks, Budget & Financial Planning Manager, said Finance is forecasting a 12% increase in health care costs for both FY 2025 and FY 2026, although that level of increase may not be experienced given that some costs appear to be stabilizing rather than growing.

Robert Tintle, Chief Financial Officer, added that historically, health care annual increases have been in the range of 5.5% to 6.5%.

Sparks said with the proposed changes, an ending fund balance of \$8.1 million is projected on June 30, 2025. Tittle said Finance anticipates having a reserve of \$10 to \$11 million in the future.

Noting the effects of the pandemic when much medical care was delayed, Commissioner DeBone expressed appreciation for EBAC and staff's work on this.

Commissioner Chang said while the drop in reserves the last two years has been alarming, the purpose of reserves is to be able to withstand unanticipated cost increases. He agreed that now that these cost increases have been covered, it's time to rebuild the reserves.

DEBONE: Move to approve a contract (including deductible limits for the 2025 plan year) with a Stop Loss provider who presents the best financial options for the County

CHANG: Second

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

Commissioner Adair asked when the Board will know what contract is signed for stop loss coverage. Trygve Bolken, HR Analyst, said it's expected this will be decided by next week.

CHANG: Move to approve renewing with PacificSource, the current Third Party Administrator (TPA), for the 2025 plan year

DEBONE: Second

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

DEBONE: Move to approve the staff-recommended Employee Benefit Plan changes #1-5

CHANG: Second

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

Commissioner Adair said in light of the reduced reserves and higher costs, more changes were warranted to the benefits plan.

CHANG: Move to approve County Administrator signature of the final Deschutes County Employee Benefits Health Plan documents and service agreements for the 2025 plan year

DEBONE: Second

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

Commissioner DeBone commented that health maintenance is the best investment any of us can make.

A break was announced at 11:16 am. The meeting resumed at 11:18 am.

EXECUTIVE SESSION:

At 11:18 am, the Board moved into Executive Session under ORS 192.660 (2) (e) Real Property Negotiations.

The Board came out of Executive Session at 11:24 am, and the public was invited back into the room. The Board then directed staff to proceed as discussed during the Executive Session.

Commissioner Adair announced that ballots were mailed to registered voters today and advised that persons contact the Elections Office if their ballot is not received by October 23rd.

A lunch recess was announced at 11:45 am. The meeting reconvened at 1:01 pm.

Continued ACTION ITEMS:

11. Public Hearing and Consideration of Draft Resolutions to Assist the City and County with Management of Land Northeast of Bend (commonly referred to as Juniper Ridge)

The public hearing was opened at 1:02 pm.

Erik Kropp, Deputy County Administrator, reviewed the format of the public hearing and provided information on the background of this matter, sharing a map showing the location of properties owned by the County and the City of Bend northeast of Bend in an area commonly referred to as Juniper Ridge. Kropp recapped the discussion at the joint meeting of the County and City on

September 4th, which culminated in an agreement to establish a Temporary Safe Stay Area and work collaboratively to mitigate the public health and other issues resulting from unsanctioned camping at Juniper Ridge.

Kropp said at this time, two resolutions have been put forth for consideration. Resolution No. 2024-046 would establish a Temporary Safe Stay Area (TSSA) on 170 acres for persons already camping on the properties indicated. Kropp listed key elements of this resolution, including an intended closing date of the TSSA by December 31, 2026.

Alternatively, Resolution No. 2024-049 would provide for cooperative efforts by the County and City to offer supportive services and housing-focused case management services to persons living at Juniper Ridge. Kropp explained the differences between the two resolutions.

Commissioner Chang explained why he asked for an alternate resolution on this matter, saying that while he fully supports the County and City cooperating to provide facilities and services to help persons who are camping at Juniper Ridge move out of homelessness, the County is already providing sanitation and other services on the land it owns without having designated a Temporary Safe Stay Area and without asserting that this use is allowed under HB 2006.

- Bend Mayor Melanie Kebler referred to a letter submitted by the City to the County yesterday on this subject, stressing that action is needed to address the unsanctioned camping happening in this area. She encouraged adoption of Resolution No. 2024-046 as agreed to at the September 4th joint meeting.
- Chuck Hemingway was opposed the joint resolution as drafted, saying that non-vehicle camping should be allowed in addition to vehicle camping. He was concerned about the stated intention to close the TSSA by December 31, 2026 as he believed people will still be camping in this area at that time. He suggested that the TSSA be downsized from 170 acres and said it may be possible to establish a managed camp on just five acres.
- Linda Murrer concurred that 170 acres is too large of an area and bemoaned the missed opportunity to use Juniper Ridge as a triage site for persons camping in other locations such as China Hat. She said if people are camping in tents and not allowed to do that at Juniper Ridge, they will move to China Hat. She said another fire happened last night in China Hat, started by someone who built a warming fire which then ignited a brush fire. Saying that the provision of case management services is imperative, she urged coordination with service providers as well as defined metrics to measure success.
- Jessica Gamble urged consideration of those who are already camping on the east side of the tracks—including many who live in immovable structures—saying it would be inhumane to ask them to pack up and leave without offering a

viable alternative. Adding that tents are the only shelter options available to some campers, she said disallowing tents would place such persons in precarious situations. She supported making sanitation and case management services available to all who need them.

In response to Commissioner Chang, Peter Gutowsky, Community Development Director, said neither of the proposed resolutions comply with HB 2006 or ORS 195.520. Referring to the interpretation offered by the City of Bend regarding the definition of a TSSA, he said Resolution No. 2024-046 would render the form and function of the defined property as a homeless camp. He cautioned that this would constitute a land use decision that could be challenged by an appeal directly to LUBA.

Adding that people living in tents or makeshift shelters do not constitute temporary safe parking, Gutowsky said the County-owned property in this area is currently functioning as a homeless encampment, and someone could challenge a decision by the Board to formally commit resources towards this use as the land is zoned Exclusive Farm Use. He concluded that formally memorializing a commitment to provide resources to homeless persons camping in an area that cannot be used for a homeless encampment would make the County vulnerable to a legal challenge.

Commissioner Chang noted that the County is currently faced with a Code Compliance action regarding homeless campers on the 50 acres owned by it at Juniper Ridge, with the result that the County has taken temporary measures to provide limited services and security patrols in that area.

In response to Commissioner Adair, Kropp said the County began providing sanitation and other services in Juniper Ridge in the summer of 2023.

Commissioner Adair said many people living on the property owned by the City in Juniper Ridge are utilizing pallet houses or RVs.

The public hearing was closed at 1:47 pm.

Commissioner DeBone supported Resolution No. 2024-046 as presented or as amended to reference the County's Code Enforcement case. He encouraged working together with the community and service providers, saying that progress reports could be shared every few weeks regarding the results of the case management services. He agreed that the threat of fires must be addressed and said residents want to see that something is being done.

Commissioner Chang said while he supported co-investing and co-offering support services, he did not think that the TSSA as proposed was the right framework for these efforts.

Commissioner Adair referred to a suggestion that this property be used to relocate persons who are camping at China Hat. Saying that 170 acres is too large of an area to allow camping on, she noted that the County has been expending \$15,000 per month at Juniper Ridge and stressed the need to address the risk of danger to other residents in the County.

Commissioner Chang said he did not want this to be about land use but rather about offering supportive services, and a resolution which does not assert that camping is an allowable use under HB 2006 could yet accomplish many of the desired results. He suggested entering into an intergovernmental agreement (IGA) with the City to secure the needed case management and support services, noted the proposed restriction on people camping outside of vehicles, and said some people who are camping on the 50 acres owned by the County are not using vehicles.

Commissioner Adair said the work done at Juniper Ridge for over a year has not accomplished enough. More clean-up is needed, and the chop shop should be removed.

Kristie Bollinger, Property Manager, said the City is not interested to provide or share in the cost for security services.

Elizabeth Oshel, Assistant City Attorney for the City of Bend, said the City proposes to cost share in the provision of sanitation facilities, handwashing stations and garbage disposal. A separate agreement could address funding the cost of case management/supportive services.

Responding to Commissioner Chang, Oshel said the City may possibly want to co-invest in the provision of security services. Oshel said fuels reduction work is already happening and the City expects this would be independently pursued by both jurisdictions.

In response to Commissioner Adair, Amy Fraley, Affordable Housing Coordinator for the City of Bend, estimated that case management services at Juniper Ridge would cost \$658,000 through the end of 2026.

Commissioner Chang supported entering IGAs with the City to collaboratively provide case management and supportive services to persons camping in the

Juniper Ridge area on land owned by the County and the City. He asked that staff draft such IGAs.

Mary Winters, City Attorney for Bend, said the City does not believe that proposed Resolution No. 2024-046 constitutes a land use decision under HB 2006.

In response to Commissioner Adair, Bollinger said the County plans to budget \$30,000 for clean-up on the County's property at Juniper Ridge. Commissioner Adair asked to know the date of the original drafted cost-share IGA referenced at today's meeting and noted her support for adding security patrols to this agreement.

OTHER ITEMS:

- Commissioner DeBone relayed an opportunity communicated from Representative Bentz's office for a federal land transfer at the base of Finley Butte and asked if the County is interested to receive approximately 40 acres southeast of La Pine.

Commissioner Chang was interested to learn more and asked what would be the public purpose of this property.

Commissioner DeBone described the property as a low-risk, hard rock resource.

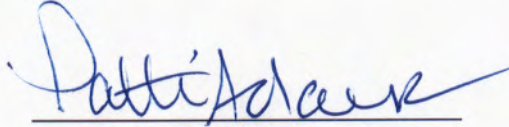
The Board was in consensus to seek more information about this opportunity.

- In response to Commissioner DeBone, Commissioners Adair and Chang did not support allocating lobbying resources to reduce the number of required meetings of the Cannabis Advisory Board.
- Commissioner DeBone shared that he will meet with the Governor on Friday along with county commissioners from Eastern Oregon, at which time he'll mention the CORE3 project.
- With regard to the process for appointments to the La Pine Parks & Recreation District Board, the BOCC concurred to conduct interviews as a group on October 23rd.
- Commissioner Chang said he will be in Clatsop County next week for the AOC Commissioner exchange.
- Commissioner Adair reported on the Fair Board meeting where the theme was decided for next year's event.
- Commissioner Adair reported on the Project Wildfire meeting, saying the desired grant funding was not awarded.
- Commissioner DeBone said Community Development has been notified that the County's EPA Community Change grant was not approved.

ADJOURN:

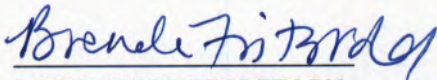
Being no further items to come before the Board, the meeting was adjourned at 2:53 pm.

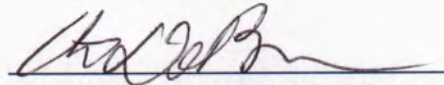
DATED this 4th day of December 2024 for the Deschutes County Board of Commissioners.



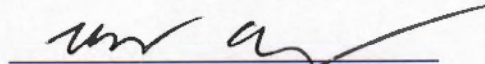
PATTI ADAIR, CHAIR

ATTEST:


RECORDING SECRETARY



ANTHONY DEBONE, VICE CHAIR



PHIL CHANG, COMMISSIONER