



BOARD OF COMMISSIONERS

BOARD OF COUNTY COMMISSIONERS MEETING

9:00 AM, WEDNESDAY, MARCH 16, 2022

Barnes Sawyer Rooms - Deschutes Services Bldg - 1300 NW Wall St - Bend

(541) 388-6570 | www.deschutes.org

AGENDA

MEETING FORMAT: The Oregon legislature passed House Bill (HB) 2560, which requires that public meetings be accessible remotely, effective on January 1, 2022, with the exception of executive sessions. Public bodies must provide the public an opportunity to access and attend public meetings by phone, video, or other virtual means. Additionally, when in-person testimony, either oral or written is allowed at the meeting, then testimony must also be allowed electronically via, phone, video, email, or other electronic/virtual means.

Attendance/Participation options are described above. Members of the public may still view the BOCC meetings/hearings in real time via the Public Meeting Portal at www.deschutes.org/meetings

Citizen Input: Citizen Input is invited in order to provide the public with an opportunity to comment on any meeting topic that is not on the current agenda. Citizen Input is provided by submitting an email to: citizeninput@deschutes.org or by leaving a voice message at 541-385-1734. Citizen input received by noon on Tuesday will be included in the Citizen Input meeting record for topics that are not included on the Wednesday agenda.

Zoom Meeting Information: Staff and citizens that are presenting agenda items to the Board for consideration or who are planning to testify in a scheduled public hearing may participate via Zoom meeting. The Zoom meeting id and password will be included in either the public hearing materials or through a meeting invite once your agenda item has been included on the agenda. Upon entering the Zoom meeting, you will automatically be placed on hold and in the waiting room. Once you are ready to present your agenda item, you will be unmuted and placed in the spotlight for your presentation. If you are providing testimony during a hearing, you will be placed in the waiting room until the time of testimony, staff will announce your name and unmute your connection to be invited for testimony. Detailed instructions will be included in the public hearing materials and will be announced at the outset of the public hearing.

For Public Hearings, the link to the Zoom meeting will be posted in the Public Hearing Notice as well as posted on the Deschutes County website at <https://www.deschutes.org/bcc/page/public-hearing-notices>.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

CITIZEN INPUT: Citizen Input may be provided as comment on any topic that is not on the agenda.

***Note:** In addition to the option of providing in-person comments at the meeting, citizen input comments may be emailed to citizeninput@deschutes.org or you may leave a brief voicemail at 541.385.1734. To be timely, citizen input must be received by noon on Tuesday in order to be included in the meeting record.*

CONSENT AGENDA

- [1.](#) Consideration of Board Signature of Order No. 2022-014, Declaring Certain Deschutes County Sheriff's Office Property Surplus and Authorizing Sale
- [2.](#) Consideration of Resolution No. 2022-018 Correcting a Scrivener's Error in Resolution 2022-016 within the Deschutes County Budget.
- [3.](#) Consideration of Resolution No. 2022-019 to add 1.0 Regular FTE Maintenance Specialist II
- [4.](#) Consideration of Resolution No. 2022-020 to add 1.0 Regular FTE Administrative Assistant

ACTION ITEMS

- [5.](#) **9:05 AM** PUBLIC HEARING: and Consideration of Order 2022-010 Approving Annexation to Panoramic Access SRD
- [6.](#) **9:20 AM** Consideration of Board Signature of Resolution No. 2022-021, Declaring a Countywide State of Emergency and Requesting State Declaration of Drought Emergency within all of Deschutes County
- [7.](#) **9:30 AM** PRESENTATION: Envision Bend
- [8.](#) **10:00 AM** Consideration of Board Authorization of County Administrator on Deschutes County Investment Policy.
- [9.](#) **10:15 AM** Deliberations: Dave Swisher Plan Amendment and Zone Change
- [10.](#) **11:00 AM** Request Board approval and Chair signature of Document No. 2022-111, PacificSource Amendment #1

11. **11:10 AM** Consideration of Board approval and Chair Signature of Document #2022-233, a PacificSource Service Agreement for funding services for serious and persistent mental illness
12. **11:20 AM** Consideration of Chair Signature of document #2022-251, OHA agreement for biannual Public Health funding
13. **11:30 AM** Consider Options for Release of ARPA Funds for COVID Response Team

LUNCH RECESS

14. **1:00 PM** CPACE Discussion and Possible Board Direction

OTHER ITEMS

These can be any items not included on the agenda that the Commissioners wish to discuss as part of the meeting, pursuant to ORS 192.640.

EXECUTIVE SESSION

At any time during the meeting, an executive session could be called to address issues relating to ORS 192.660(2)(e), real property negotiations; ORS 192.660(2)(h), litigation; ORS 192.660(2)(d), labor negotiations; ORS 192.660(2)(b), personnel issues; or other executive session categories.

Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media.

15. Executive Session under ORS 192.660 (2) (f) Records Exempt from Disclosure and ORS 192.660 (2) (h) Litigation
16. Executive Session under ORS 192.660 (2) (d) Labor Negotiations
17. Executive Session under ORS 192.660 (2) (i) Employee Evaluation

ADJOURN



Deschutes County encourages persons with disabilities to participate in all programs and activities. This event/location is accessible to people with disabilities. If you need accommodations to make participation possible, please call (541) 617-4747.



BOARD OF
COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday March 16 2022

SUBJECT: Consideration of Board Signature of Order No. 2022-014, Declaring Certain Deschutes County Sheriff's Office Property Surplus and Authorizing Sale

REVIEWED
[Signature]
LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY,
OREGON

An Order Declaring Certain Deschutes County Sheriff's Office Property Surplus and Authorizing Sale. * * * ORDER NO. 2022 - 014

WHEREAS, certain property described in Exhibit A, attached hereto by this reference incorporated herein, is no longer needed for public use by the County; and

WHEREAS, it is necessary to dispose of this surplus property; and

WHEREAS, it is appropriate to dispose of such property by auction; now, therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDERS as follows:

Section 1. The Deschutes County Sheriff, or his designee, is hereby authorized and directed to dispose of the personal property described in Exhibit A to this order at public auction.

Section 2. The Chair is authorized on behalf of the County to execute any and all documents necessary to complete the transfer of any property authorized to be auctioned in accordance with this order.

APPROVED this _____ day of _____ 2022

Patti Adair, Chair

ATTEST:

Anthony DeBone, Vice Chair

Recording Secretary

Phil Chang, Commissioner

EXHIBIT A

Sheriff's Office Surplus Property

	Vehicle #	Description	VIN	Reason
1	06-02	2006 Ford Expedition	1FMPU16556LA31839	End of useful life for Sheriff's Office
2	16-11	2016 Ford Expedition	1FMJU1GT4GEF08849	End of useful life for Sheriff's Office
3	99-23	1999 International armored	1HTSCAAM4X11585476	End of useful life for Sheriff's Office
4	10-13	2010 Ford Escape	1FMCU9DG0AKB01490	End of useful life for Sheriff's Office
5	10-14	2010 Ford Escape	1FMCU9DG4AKB01489	End of useful life for Sheriff's Office
6	15-06	2015 Dodge Charger	2C3CDXKT4FH739186	End of useful life for Sheriff's Office
7	15-09	2015 Ford Expedition	1FMJU1GT3FEF10199	End of useful life for Sheriff's Office
8	07-11	2007 Ford Explorer	1FMEU73E87UA82908	End of useful life for Sheriff's Office
9	11-10	2011 Ford Expedition	1FMJU1G58BEF05866	End of useful life for Sheriff's Office
10	07-07	2007 Ford Expedition	1FMFU16517LA24335	End of useful life for Sheriff's Office
11	08-11	2008 Ford Expedition	1FMFU16548LA19566	End of useful life for Sheriff's Office
12	16-04	2016 Dodge Charger	2C3CDXKT3GH141169	End of useful life for Sheriff's Office
13	16-06	2016 Dodge Charger	2C3CDXKT1GH141171	End of useful life for Sheriff's Office
14	16-08	2016 Ford Expedition	1FMJU1GT9GEF08846	End of useful life for Sheriff's Office
15	17-01	2016 Ram 1500	1C6RR7XT2GS387324	End of useful life for Sheriff's Office
16	17-08	2017 Ford Expedition	1FMJU1GT9HEA31451	End of useful life for Sheriff's Office
17	08-12	2008 Ford F150	1FTRX14W58FA27985	End of useful life for Sheriff's Office
18	09-14	2009 Ford F150	1FTPW14V69FA01687	End of useful life for Sheriff's Office
19	10-11	2010 Ford F150	1FTFW1EV0AFA54982	End of useful life for Sheriff's Office
20	10-16	2010 Ford Explorer	1FMEU7DE0AUA26175	End of useful life for Sheriff's Office

DESCHUTES COUNTY SHERIFF'S OFFICE
DOCUMENT SUMMARY

Date: March 3, 2022

Deschutes County Sheriff's Office

Contractor/Supplier/Consultant Name: N/A

Contractor Contact: N/A

Contractor Phone #: N/A

Type of Document: Order Declaring Certain Deschutes County Sheriff's Office Property Surplus and Authorizing Sale.

Goods and/or Services: This is a BOCC order to declare certain DCSO vehicles that have reached end of life, as surplus property and request for their approval to disposition these vehicles through public auction.

Background & History: Since 2008, the Sheriff's Office has used web-based services to auction our surplus property, such as vehicles. Deschutes County Code 2.37.110 (Disposal of Surplus Property) enables the Sheriff's Office to disposition surplus property through online auction that would otherwise continue to depreciate. Since 2017, DCSO has sold approved surplus property at auction on GovDeals for a total amount of \$238,567.40.

Agreement Starting Date: N/A

Ending Date: N/A

Annual Value or Total Payment: The Sheriff's Office pays no fee for online public auction services.

Insurance Certificate Received (check box) N/A
Insurance Expiration Date:

Check all that apply: N/A

- RFP, Solicitation or Bid Process
- Informal quotes (<\$150K)
- Exempt from RFP, Solicitation or Bid Process (specify – see DCC §2.37)

Funding Source: (Included in current budget?) N/A Yes No

If **No**, has budget amendment been submitted? Yes No

Is this a Grant Agreement providing revenue to the Sheriff's Office?

Yes No

Sheriff's Office Contact and Title: Pete Martin, Automotive Supervisor

Phone #: (541) 388-6537

Legal Review: Casper

Sheriff's Approval: [Signature]
Signature

030322
Date

Distribution of Document: Please notify Jennifer L. Hill, ext. 3347 when document is ready to pick up.

Official Review:

Signature Required (check one): BOCC Sheriff (if <\$25K)

County Administrator (if >\$25K but <\$150K; if >\$150K, BOCC Order No.)

Order Number 2022-014



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 03/16/2022

SUBJECT: Consideration of Resolution No. 2022-018 Correcting a Scrivener’s Error in Resolution 2022-016 within the Deschutes County Budget.

RECOMMENDED MOTION:

Move Approval of Resolution No. 2022-018 Correcting a Scrivener’s Error in Resolution 2022-016 within the Deschutes County Budget.

BACKGROUND AND POLICY IMPLICATIONS:

Resolution 2022-016 incorrectly stated an increase in 0.9 limited duration FTE for the District Attorney’s Office, this Resolution correctly states an increase of 1.0 limited duration FTE.

BUDGET IMPACTS:

This FTE extension is covered through savings for the current Fiscal Year.

ATTENDANCE:

Daniel Emerson, Budget Manager, Finance

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY,
OREGON

A Resolution Correcting a Scriveners *
Error on Resolution 2022-016 within the * RESOLUTION NO. 2022-018
2021-2022 Deschutes County Budget *

WHEREAS, the District Attorney’s Office presented to the Board of County Commissioners on 11/03/2021, with regards to accepting the Department of Justice Improving Criminal Justice Responses to Domestic Violence Grant and extending 0.9 limited duration Domestic Violence Investigator FTE, and

WHEREAS, Resolution 2022-016 incorrectly stated an increase of 0.9 limited duration FTE, this resolution amends that scrivener’s error by correctly stating an increase of 1.0 limited duration FTE, and

WHEREAS, Deschutes County Policy HR-1 requires that a creation of or increase in FTE outside the adopted budget be approved by the Board of County Commissioners; now therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as follows:

Section 1. That the following FTE be added:

Job Class	Type	Duration	FTE
Domestic Violence Investigator	Limited Duration	4/1/2022-9/30/2024	1.00
Total FTE			1.00

Section 2. That the Human Resources Director make the appropriate entries in the Deschutes County FTE Authorized Positions Roster to reflect the above FTE changes.

DATED this _____ day of March, 2022.

BOARD OF COUNTY COMMISSIONERS OF
DESCHUTES COUNTY, OREGON

PATTI ADAIR, Chair

ATTEST:

ANTHONY DEBONE, Vice-Chair

Recording Secretary

PHIL CHANG, Commissioner



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 03/16/2022

SUBJECT: Consideration of Resolution No. 2022-019 to add 1.0 Regular FTE Maintenance Specialist II

RECOMMENDED MOTION:
Move Approval of Resolution No. 2022-019 to add 1.0 Regular FTE Maintenance Specialist II

BACKGROUND AND POLICY IMPLICATIONS:

The Facilities Department, Building Maintenance Operations team, is experiencing a workload impact due to Deschutes County's continued expansion, construction, and acquisition of additional County facilities and future upcoming projects.

On March 7, 2022, the Facilities department discussed the addition of 1.0 Regular FTE Maintenance Specialist II with the BOCC to maintain the current level of service.

BUDGET IMPACTS:

The Facilities Department has available personnel budget savings; therefore, adding a new FTE will have no impact on the 2021-22 budget. In the next fiscal year, the annual position cost will be approximately \$88,000. An increase in the Internal Service Fund charges will provide the resources needed for the new position.

ATTENDANCE:

Betsy Tucker, Senior Budget Analyst, Finance

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY,
OREGON

A Resolution Increasing *
FTE Within the 2021-22 * RESOLUTION NO. 2022-019
Deschutes County Budget *

WHEREAS, the Deschutes County Facilities department presented to the Board of County Commissioners on 3/7/2022, with regards to the addition of 1.0 regular FTE Maintenance Specialist II, in support of building maintenance operations, and

WHEREAS, Deschutes County Policy HR-1 requires that the creation of or increase in FTE outside the adopted budget be approved by the Board of County Commissioners; now, therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as follows:

Section 1. That the following FTE be added:

Job Class	Type	Duration if Limited Duration	FTE
Maintenance Specialist II	Regular		1.0
Total FTE			1.0

Section 2. That the Human Resources Director make the appropriate entries in the Deschutes County FTE Authorized Positions Roster to reflect the above FTE changes.

DATED this _____ day of March, 2022.

BOARD OF COUNTY COMMISSIONERS OF
DESCHUTES COUNTY, OREGON

PATTI ADAIR, Chair

ATTEST:

ANTHONY DEBONE, Vice-Chair

Recording Secretary

PHIL CHANG, Commissioner



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 03/16/2022

SUBJECT: Consideration of Resolution No. 2022-020 to add 1.0 Regular FTE Administrative Assistant

RECOMMENDED MOTION:
Move Approval of Resolution No. 2022-020 to add 1.0 Regular FTE Administrative Assistant

BACKGROUND AND POLICY IMPLICATIONS:
The Community Development Department, Planning Division is experiencing an increase in land use applications and presented to the BOCC on March 9, 2022, a request for a 1.0 regular FTE administrative assistant position. This position will provide additional resources to support the increasing volume of land use applications and appeals.

BUDGET IMPACTS:
The Community Development Department has available personnel budget savings; therefore, adding a new FTE will have no impact on the 2021-22 budget. In the next fiscal year, the annual position cost will be approximately \$89,000. Fees and charges revenue generated from land use applications will provide the resources needed for the new position.

ATTENDANCE:
Betsy Tucker, Senior Budget Analyst, Finance

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY,
OREGON

A Resolution Increasing *
FTE Within the 2021-22 * RESOLUTION NO. 2022-020
Deschutes County Budget *

WHEREAS, the Deschutes County Community Development Department presented to the Board of County Commissioners on 3/9/2022, with regards to the addition of 1.0 regular FTE Administrative Assistant, in support of the Planning Division, and

WHEREAS, Deschutes County Policy HR-1 requires that the creation of or increase in FTE outside the adopted budget be approved by the Board of County Commissioners; now, therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as follows:

Section 1. That the following FTE be added:

Job Class	Type	Duration if Limited Duration	FTE
Administrative Assistant	Regular		1.0
Total FTE			1.0

Section 2. That the Human Resources Director make the appropriate entries in the Deschutes County FTE Authorized Positions Roster to reflect the above FTE changes.

DATED this _____ day of March, 2022.

BOARD OF COUNTY COMMISSIONERS OF
DESCHUTES COUNTY, OREGON

PATTI ADAIR, Chair

ATTEST:

ANTHONY DEBONE, Vice-Chair

Recording Secretary

PHIL CHANG, Commissioner



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 3/16/22

SUBJECT: Public Hearing and Consideration of Order 2022-010 Approving Annexation to Panoramic Access SRD

RECOMMENDED MOTION:

Move approval of Order 2022-010

BACKGROUND AND POLICY IMPLICATIONS:

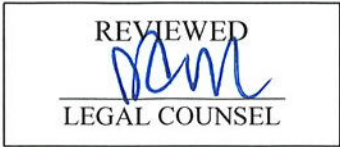
Wildhorse Meadows LLC and Sisters Aggregate & Construction LLC filed a petition to annex property into Panoramic Access Special Road District. The District approved the petition. The Assessor's Office and County Clerk certified the petition and Community Development reviewed it for consistency with the County's comprehensive plan.

BUDGET IMPACTS:

None

ATTENDANCE:

Dave Doyle, Legal Counsel



For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

Order Approving Enewetak annexation into *
Panoramic Access Special Road District * ORDER NO. 2022-010
*

WHEREAS, Matt Cyrus on behalf of Wildhorse Meadows LLC and Sisters Aggregate & Construction LLC ("Petitioner") submitted a petition requesting annexation of the property, identified in Exhibit A in the petition attached to this Order, into Panoramic Access Special Road District ("District"); and

WHEREAS, the Deschutes County Clerk's Office and Assessor's Office verified that the petition was signed by a registered voter or a landowner, respectively, for the property as indicated in Exhibit B in the petition attached to this Order; and

WHEREAS, pursuant to ORS 198.857(4), the Deschutes County Community Development Department determined the petition is consistent with the Deschutes County Comprehensive Plan, as described in Exhibit C in the petition attached to this Order; and

WHEREAS, the Board held a duly noticed public hearing on March 16, 2022, to determine whether, in accordance with the County Comprehensive Plan, any applicable service agreement between a local government and the affected district, and the criteria prescribed by ORS 197.175, the affected area would benefit by annexation of said territory into the District; now, therefore

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDAINS as follows:

Section 1. The petition for annexation and all exhibits attached to this Order are hereby incorporated by reference.

Section 2. The petition for annexation is hereby approved, and the property identified in Exhibit A is declared annexed and included in the District.

Section 3. A copy of the signed Order will be forwarded to the Oregon Department of Revenue, Oregon Secretary of State Archives Division, Deschutes County Assessor's Office and County Clerk's Office, and the District.

Section 3. The purpose of this District is to provide road services.

Dated this ___ day of _____, 2022.

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

PATTI ADAIR, CHAIR

ANTHONY DeBONE, VICE CHAIR

ATTEST:

Recording Secretary

PHIL CHANG, COMMISSIONER

EXHIBIT A

PETITION TO ANNEX PROPERTY INTO
Panoramic Access Special Road District
(Name of District)

To: The Board of County Commissioners, Deschutes County, Oregon

The undersigned, in support of this Petition, state as follows:

- 1. This Petition for Annexation is filed pursuant to ORS 198.850 to 198.859 on _____ (date) and Petitioners request the Board commence proceedings to annex the territory described herein into the Panoramic Access Special Road District (name of district), Deschutes County, Oregon.
2. This Petition for Annexation affects only Deschutes County and is not in any incorporated city limits.
3. The Board of the Panoramic Access Special Road District (name of district) approved the petition pursuant to ORS 198.850 on _____ (insert date).
4. The principal act for the Panoramic Access Special Road District (name of district) is ORS 371.305 to 371.360. (Proper statutory reference required, see ORS 198.010 for listing of appropriate principal act)
5. The territory subject to this Petition for Annexation is primarily inhabited / uninhabited (circle one). This petition is signed by land owners and/or registered voters in the area proposed to be annexed as indicated opposite their respective signature, and all signatures were obtained on or after the _____ day of, August (month) 2021.
6. The property street address(es) of land for annexation (if known) is/are small public portions of Sisters Aggregate & Construction, LLC (16900 Aspen Lakes Dr) and Wildhorse Meadows LLC (16900 Aspen Lakes Dr). The total acreage is ~0.45 acres. A description of the boundaries of the territory to be annexed is attached hereto as Exhibit "B" and depicted on the maps attached as Exhibit "A". See Explanatory Statement on page 2 for justification.
7. This Petition has been signed by at least 15 percent of the electors, or 100 electors whichever number is lesser, registered in the area proposed to be annexed; or at least 15 owners or owners of 10 percent of the land, (whichever is greater) within the area proposed to be annexed the owners of the property being proposed for annexation.
8. A security deposit form and payment is attached to this petition.

Signed this 31st day of August, 2021 by Matt Cvrus & Keith Cvrus, Chief Petitioner(s).

[Signature] Principal Member (Signature)
Wildhorse Meadows, LLC

[Signature] Managing Member (Signature)
Sisters Aggregate & Construction, LLC

PASRD, PO Box 1226, Sisters, OR, 97759

(Address, City, State, ZIP)

DATED this 31st day of August, 2021

DATED this ___ day of _____, 20__

Approved by the Board of Panoramic Access Special Road District (PASRD) (if applicable) Approved by City of
(Name of District)

[Signature] President
District Signature

____ City Signature

EXHIBIT A

NAME OF DISTRICT: Panorama Access Special Road District Withdrawal Annexation

PRINT NAME	DATE SIGNED	PROPERTY ADDRESS/ RESIDENCE ADDRESS (If Different)	LANDOWNER IN THE PROPOSED TERRITORY/ REGISTERED VOTER IN THE PROPOSED TERRITORY
1 <u>Matt Cross</u> Print Name <u>[Signature]</u> Signature	<u>12/20/21</u> Date	<u>ENOWATIAK</u> PROPERTY ADDRESS RESIDENCE ADDRESS (If Different)	Landowner Yes <input type="checkbox"/> No <input type="checkbox"/> Acreage <input type="checkbox"/> Registered Voter Yes <input type="checkbox"/> No <input type="checkbox"/> Pre <input type="checkbox"/>
2 Print Name Signature	Date	PROPERTY ADDRESS RESIDENCE ADDRESS (If Different)	Landowner Yes <input type="checkbox"/> No <input type="checkbox"/> Acreage <input type="checkbox"/> Registered Voter Yes <input type="checkbox"/> No <input type="checkbox"/> Pre <input type="checkbox"/>
3 Print Name Signature	Date	PROPERTY ADDRESS RESIDENCE ADDRESS (If Different)	Landowner Yes <input type="checkbox"/> No <input type="checkbox"/> Acreage <input type="checkbox"/> Registered Voter Yes <input type="checkbox"/> No <input type="checkbox"/> Pre <input type="checkbox"/>
4 Print Name Signature	Date	PROPERTY ADDRESS RESIDENCE ADDRESS (If Different)	Landowner Yes <input type="checkbox"/> No <input type="checkbox"/> Acreage <input type="checkbox"/> Registered Voter Yes <input type="checkbox"/> No <input type="checkbox"/> Pre <input type="checkbox"/>
5 Print Name Signature	Date	PROPERTY ADDRESS RESIDENCE ADDRESS (If Different)	Landowner Yes <input type="checkbox"/> No <input type="checkbox"/> Acreage <input type="checkbox"/> Registered Voter Yes <input type="checkbox"/> No <input type="checkbox"/> Pre <input type="checkbox"/>

I, Notary Public, certify that I circulated this petition and every person who signed this petition did so in my presence. Signature: [Signature]

County of DESS HAYES State of OREGON
 SUBSCRIBED AND SWORN before me this 11 day of MARCH, 2022
 Notary Public for Oregon. My Commission Expires: Feb. 25, 2022
 Signature: [Signature] (affix notary stamp)

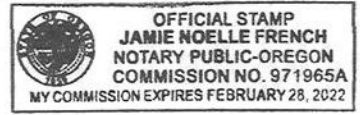


EXHIBIT A

Explanatory Attachment: This application seeks to correct an apparent oversight in the boundary of the Panoramic Access Special Road District:

The 60' right of way for the east-west portion of Enewetak Lane (see attached map – Exhibit C) consists of (i) the 20' alley and utility easement established when the Panoramic View Estates subdivision was platted in 1968 and (ii) the 40' easement dedicated to public use on the 1979 plat of "Wild Horse Plains". The 40' easement appears to lie outside the current boundary of the Panoramic Access Special Road District (PASRD). State law prohibits the district from using property taxes collected within the district to maintain roadways that lie outside the district. The proposed annexation into PASRD of the public right of way for Enewetak Lane proposes to correct this situation. The 40' easement appears to be part of two properties to the south of PASRD owned by Sisters Aggregate & Construction, LLC and Wildhorse Meadows, LLC.

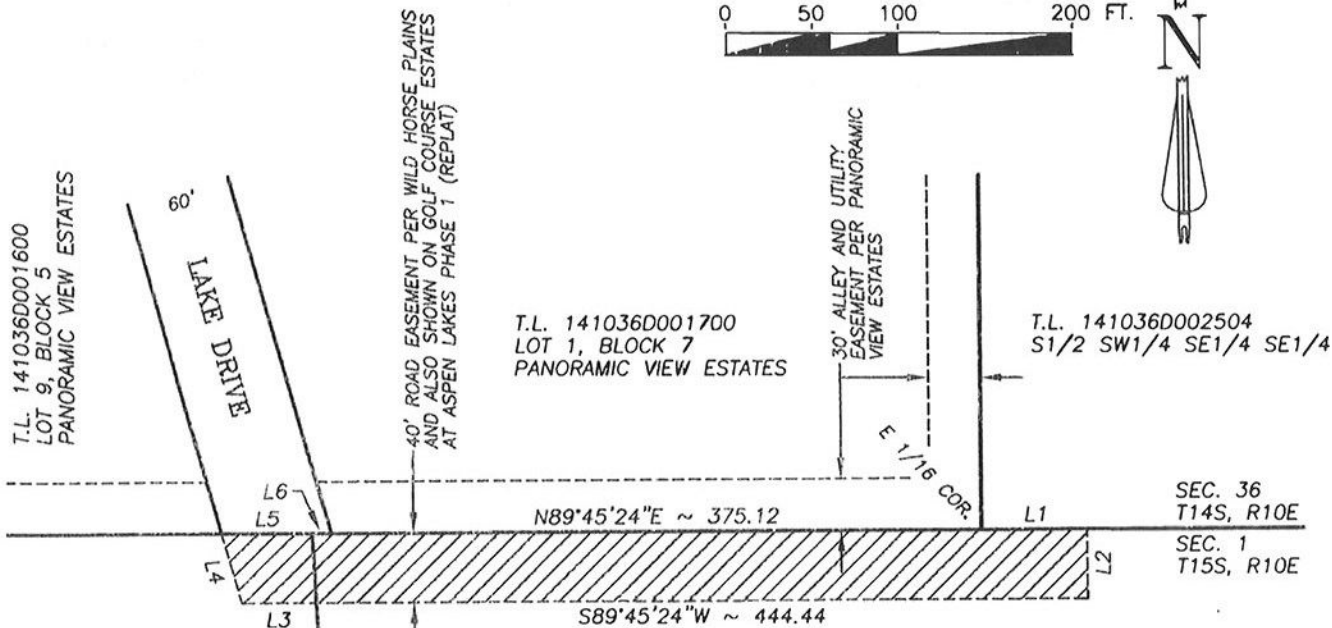
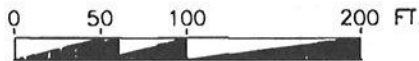
EXHIBIT A

PROPOSED ANNEXATION AREA

A PORTION OF TRACT Q OF GOLF COURSE ESTATES AT ASPEN LAKES PHASE 4 AND A PORTION OF TRACT B ADJUSTED OF GOLF COURSE ESTATES AT ASPEN LAKES PHASES 1-4 LOCATED IN THE N1/2 OF THE NE1/4 OF SECTION 1, T15S, R10E, W.M., DESCHUTES COUNTY, OREGON

EXHIBIT 'A'

SCALE 1" = 100'



LINE TABLE

NUMBER	BEARING	DISTANCE
L1	N89°45'24"E	60.34
L2	S00°14'36"E	40.00
L3	S89°45'24"W	42.28
L4	N15°33'23"W	41.47
L5	N89°45'24"E	51.28
L6	N89°45'24"E	10.93

LEGEND

- PROPERTY LINE.
- PROPOSED ANNEXATION AREA (40.00 FT. WIDE). REFER TO ATTACHED EXHIBIT 'B' FOR DESCRIPTION. ±0.45 AC.
- L1 LINE DESIGNATION - REFER TO TABLE.

REGISTERED PROFESSIONAL LAND SURVEYOR

Jerry D. Stichler

06/23/21

OREGON
JULY 28, 1991
JERRY D. STICHLER
2527

RENEWS 6/30/22

DATE: 06/23/21 ACAD: 2194_DESC1

EXHIBIT 'A'
PROPOSED ANNEXATION AREA
LOCATED IN THE N1/2 OF THE NE1/4 OF SECTION 1, T15S, R10E, W.M.,
DESCHUTES COUNTY, OREGON

PRECISION LAND SURVEYING, INC.
P.O. BOX 2062
REDMOND, OREGON 97756
(541) 548-6092
pl:surveying@gmail.com

EXHIBIT A
Precision Land Surveying, Inc.
Professional Land Surveyors

PROPOSED ANNEXATION AREA

A PORTION OF TRACT Q OF GOLF COURSE ESTATES AT ASPEN LAKES PHASE 4 AND A PORTION OF TRACT B ADJUSTED OF GOLF COURSE ESTATES AT ASPEN LAKES PHASES 1-4 LOCATED WITHIN THE N1/2 OF THE NE1/4 OF SECTION 1, T15S, R10E, W.M., DESCHUTES COUNTY, OREGON

CURRENT TAX LOTS 15-10-0100-04826 AND 04800

EXHIBIT 'B'

A STRIP OF LAND 40.00 FEET WIDE BEING A PORTION OF TRACT Q OF GOLF COURSE ESTATES AT ASPEN LAKES PHASE 4 AND A PORTION OF TRACT B ADJUSTED OF GOLF COURSE ESTATES AT ASPEN LAKES PHASES 1-4 AND FURTHERMORE LOCATED WITHIN THE N1/2 OF THE NE1/4 OF SECTION 1, T15S, R10E, W.M., DESCHUTES COUNTY, OREGON, THE BOUNDARY OF WHICH BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE NE1/4 OF THE NE1/4 OF SECTION 1, T15S, R10E, W.M.; THENCE N89°45'24"E - 60.34 FEET ALONG THE NORTH LINE OF SAID NE1/4 NE1/4; THENCE S00°14'36"E - 40.00 FEET; THENCE S89°45'24"W - 444.44 FEET TO THE EASTERLY BOUNDARY LINE OF TRACT Q OF GOLF COURSE ESTATES AT ASPEN LAKES PHASE 4, ACCORDING TO THE OFFICIAL PLAT THEREOF AS RECORDED IN THE OFFICE OF COUNTY CLERK FOR DESCHUTES COUNTY, OREGON; THENCE S89°45'24"W - 42.28 FEET; THENCE N15°33'23"W - 41.47 FEET TO THE NORTH LINE OF THE NW1/4 OF THE NE1/4 OF SAID SECTION 1; THENCE N89°45'24"E - 51.28 FEET ALONG THE NORTH LINE OF SAID NW1/4 NE1/4 TO THE NORTHEAST CORNER OF SAID TRACT Q; THENCE N89°45'24"E - 10.93 FEET ALONG THE NORTH LINE OF SAID NW1/4 NE1/4 TO THE EASTERLY RIGHT-OF-WAY LINE FOR LAKE DRIVE; THENCE N89°45'24"E - 375.12 FEET ALONG THE NORTH LINE OF SAID NW1/4 NE1/4 TO THE POINT OF BEGINNING.

STRIP OF LAND CONTAINS ±0.45 ACRES SUBJECT TO ALL OTHER EASEMENTS, RESTRICTIONS, AND RIGHTS-OF-WAY OF RECORD PERTAINING TO THE ABOVE DESCRIBED LANDS.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Jerry D. Stichler

06/23/21

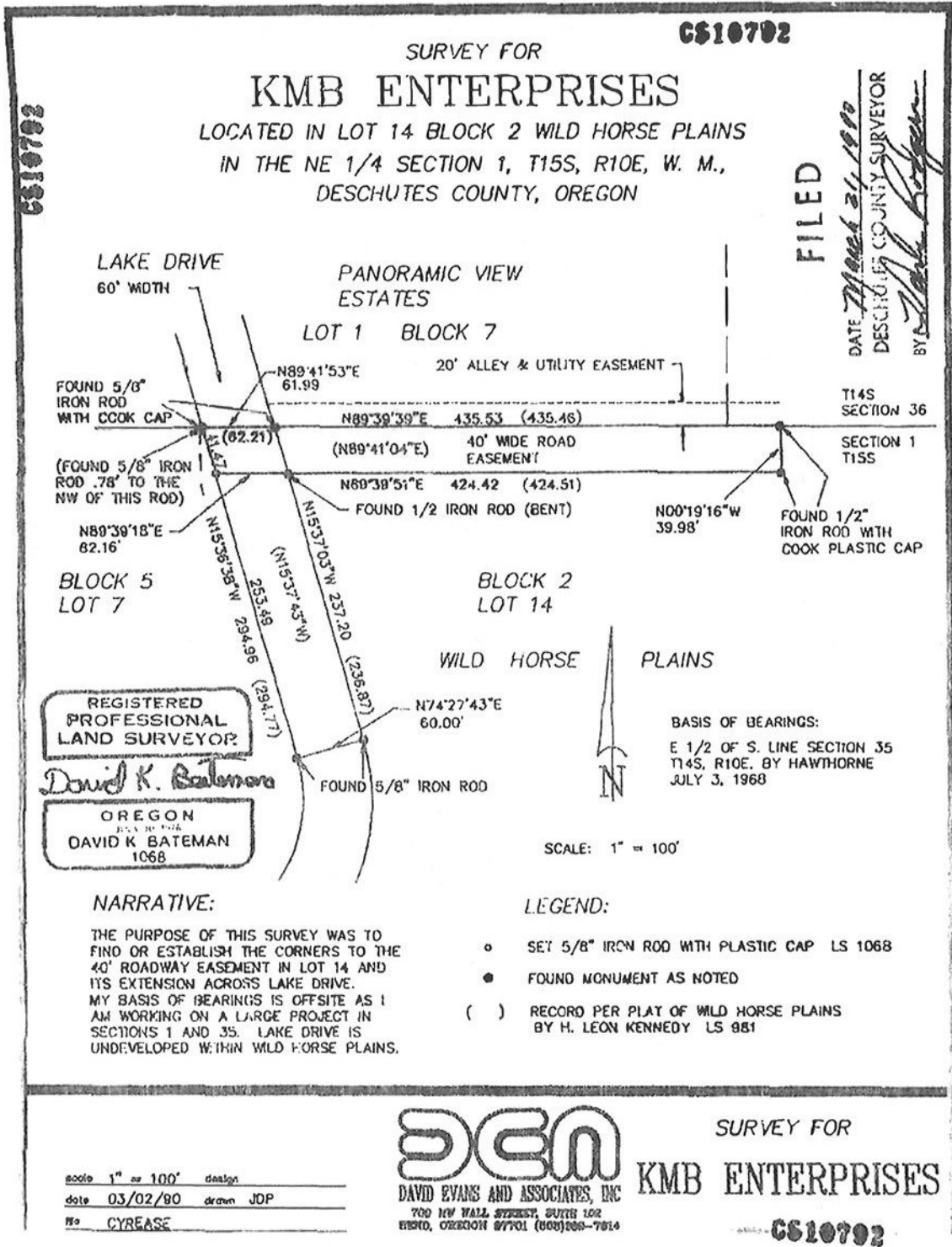
OREGON
JULY 25, 1901
JERRY D. STICHLER
2527

RENEWS 6/30/22

PO Box 2062
Redmond, Oregon 97756

(541) 548-6092
plsurveying@gmail.com

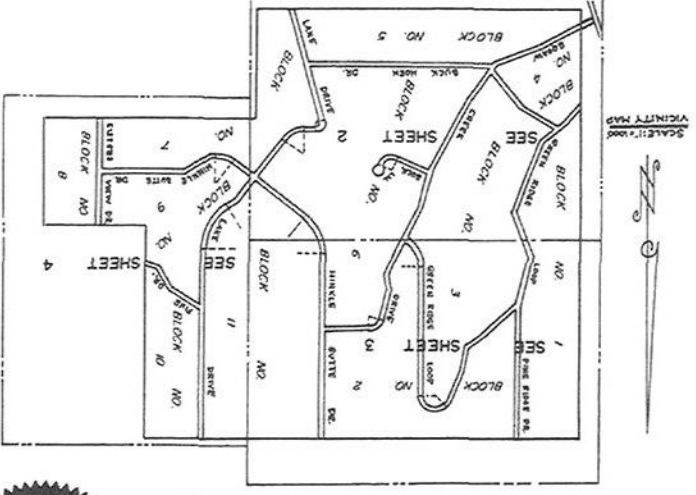
EXHIBIT A



SURVEY FOR
KMB ENTERPRISES
CS10702

DEA
DAVID EVANS AND ASSOCIATES, INC.
700 NW WALL STREET, SUITE 102
HEISTO, OREGON 97101 (503)266-7014

scale 1" = 100' design
date 03/02/80 drawn JDP
No CYREASE



REGISTERED
O REGON
LAND SURVEYOR
PLN 66
JULY 12, 1988
RICHARD W. BURTON
642

All block corners being marked with 5/0" x 5/0" iron rods all 101 corners are marked with 1/2" x 2 1/2" iron rods and the accompanying tracing is an exact copy of the original.
Subscribed and sworn to before me this 26th day of December 1969
My commission expires March 7, 1969
Notary Public for the State of Oregon
Catherine R. [Signature]

PANORAMIC VIEW ESTATES

PLAT OF
BEING A SUBDIVISION OF A PORTION OF SEC. 36
T.14.S., R.10.E. AND A PORTION OF THE COUNTY OF DESCHUTES, STATE OF OREGON.

SURVEYORS CERTIFICATE :

I, Richard W. Burton, being first duly sworn, depose and say that I have correctly surveyed the lands hereunto shown on the plat "PANORAMIC VIEW ESTATES". Located in a portion of Sec. 36 T.14.S., R.10.E. a portion of Section 31, T.14.S., R.11.E., W.M. in Deschutes County, State of Oregon, the initial point being a 2' x 36" iron pipe set in the southwest corner of said Sec. 36; thence along the southerly line of said S.E. 1/4 of said S.E. 1/4 of said Sec. 36, N. 89° 43' 39" E. 1,527.22' to the N.W. corner of said S.E. 1/4, thence along the northerly line of said S.E. 1/4, N. 89° 43' 39" E. 1,527.22' to the S.W. corner of said S.E. 1/4, thence along the southerly line of said Sec. 36, N. 14° 54' 36" E. 1,126.09' to the N.E. corner of said N.W. 1/4 S.W. 1/4; thence along the northerly line of said Sec. 36, N. 89° 43' 39" E. 1,262.22' to the east line corner of said Sec. 36; thence along the southerly line of said N.W. 1/4 S.W. 1/4 of said Sec. 36, N. 14° 54' 36" E. 1,126.09' to the S.E. corner of the N.W. 1/4 S.W. 1/4 of said Sec. 36; thence along the northerly line of said Sec. 36, N. 89° 43' 39" E. 1,527.22' to the initial point. The N.W. 1/4 of said Sec. 36, N. 89° 43' 39" E. 1,527.22' to the initial point. 5,326.84' to the initial point.

known all men by these presents that Street Cross and Sarah Cross, William R. Mayfield and D. Marion Mayfield and Dan H. Heerman and Alice A. Heerman husbands and wives, do hereby make, establish and declare the plat of PANORAMIC VIEW ESTATES" as described in the accompanying surveyors certificate to be a true and correct map and plat thereof; all lots being of the dimensions shown and all ways forever all streets shown on said plat.

DEDICATION :

This certifies that on this 11th day of December, 1969, before me, a Notary Public in and for the State and County of Oregon, deposed Sidney Gross and Sarah Cross, William R. Mayfield and D. Marion Mayfield and Dan H. Heerman and Alice A. Heerman husbands and wives, who being first duly sworn did say that the plat of PANORAMIC VIEW ESTATES" and that their signatures affixed to said dedication was their witness my hand and official seal of my office as Notary Public for the State of Oregon.

APPROVALS:

Approved December 30, 1969
[Signature] County Assessor
Approved February 11, 1969
[Signature] County Commissioners



BY: BURTON BROS., ENGINEERS & LAND SURVEYORS • BEND, OREGON

I hereby certify that all of herein tables and all special assessments, fees and other charges required by law to be placed on the 1969-70 tax roll which became a lien or will become a lien during this calendar year, but not yet collected by the tax collector for collection have been paid to me.

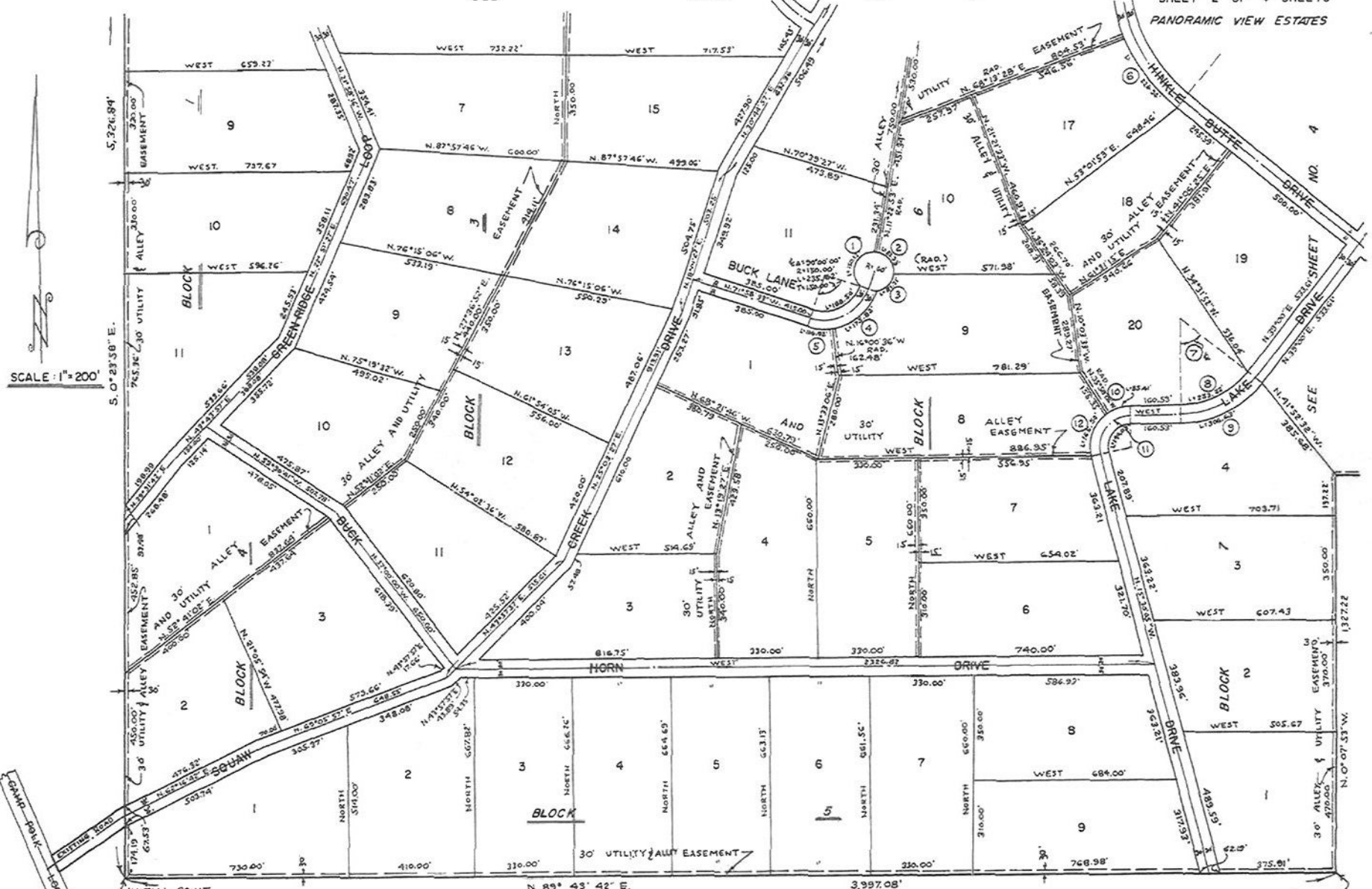
All taxes, assessment, fees or other charges as provided by ORS 90-095 have been paid as of [Signature] 1969 County Assessor

FILED
MAY 5 1969
HELEN M. DACEY, CO. CLERK

EXHIBIT A

SEE SHEET NO. 3

SHEET 2 OF 4 SHEETS
PANORAMIC VIEW ESTATES



SCALE: 1" = 200'

INITIAL POINT
S.W. CORNER SEC.
36, T.14.S, R.10.E.

- ① Δ=143°21'26" L=150.12' R=66.00 T=181.20
- ② Δ=78°37'07" L=82.33' R=60.00 T=49.13
- ③ Δ=70°01'27" L=81.71' R=60.00 T=48.61
- ④ Δ=58°57'57" L=175.85' R=180.00 T=95.64
- ⑤ Δ=34°02'05" L=106.92' R=180.00 T=35.09
- ⑥ Δ=21°46'31" L=226.34' R=256.07 T=114.65
- ⑦ Δ=51°00'00" L=279.92' R=214.48 T=150.00
- ⑧ Δ=31°00'00" L=233.71' R=284.40 T=129.09
- ⑨ Δ=51°00'00" L=176.63' R=244.48 T=164.31
- ⑩ Δ=35°58'26" L=85.91' R=113.65 T=44.12
- ⑪ Δ=102°30'05" L=135.23' R=106.05 T=129.47
- ⑫ Δ=45°41'53" L=165.50' R=126.05 T=94.73

S.W. CORNER OF
SE 1/4, SE 1/4 OF
SEC. 36, T.14.S,
R.10.E. W.M.

EXHIBIT A

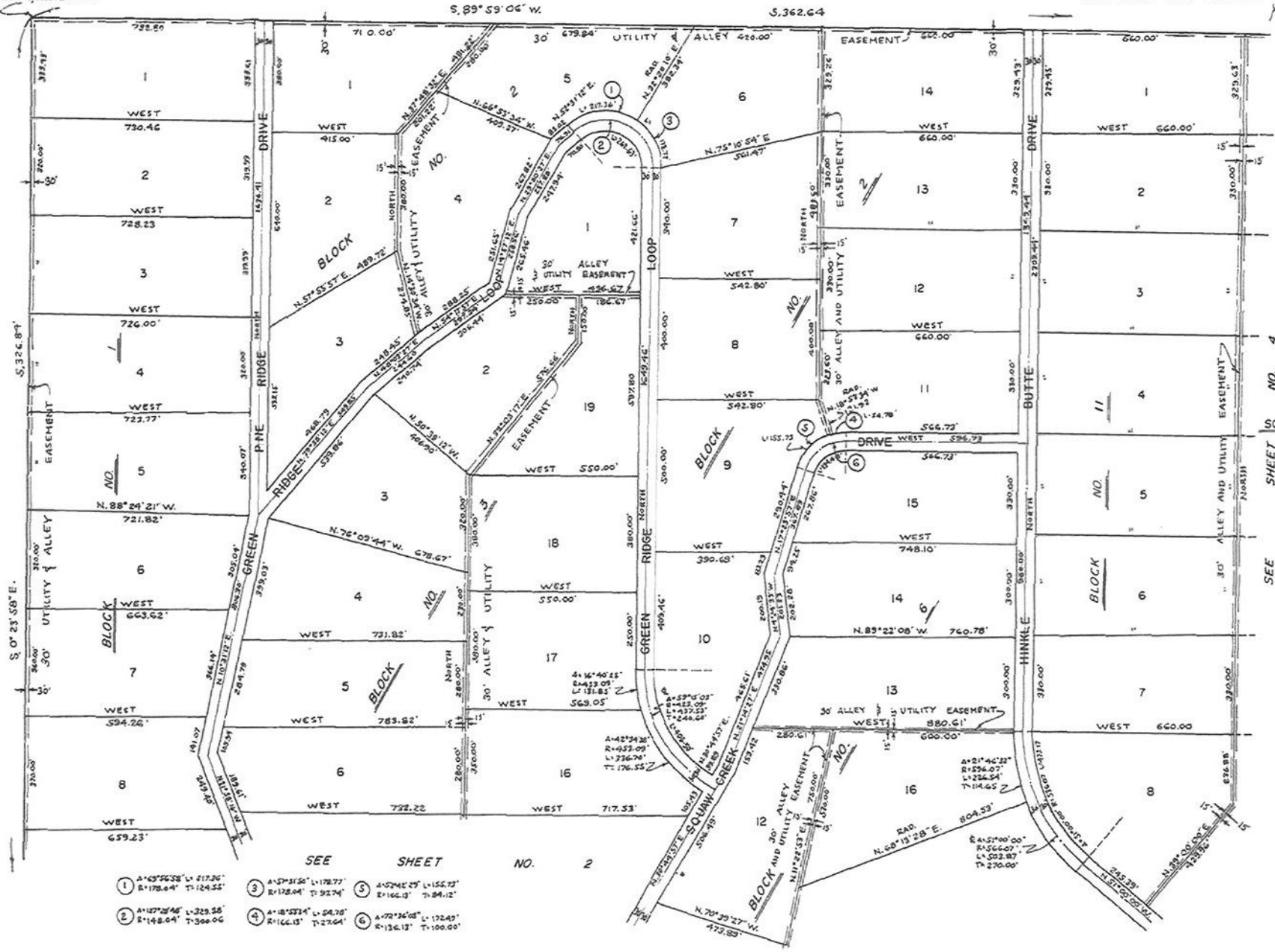
03/16/2022 Item #5.

SHEET 3 OF 4 SHEETS

PANORAMIC VIEW ESTATES

123

N.W. CORNER OF SEC. 36
T.14.S., R.10.E., W.M.



- SEE SHEET NO. 2
- ① A=63°56'38" L=173.30'
R=178.64' T=124.55'
 - ② A=127°27'48" L=328.58'
R=148.64' T=304.06'
 - ③ A=57°31'56" L=178.77'
R=128.04' T=92.74'
 - ④ A=10°53'14" L=54.78'
R=166.13' T=27.64'
 - ⑤ A=57°41'05" L=155.73'
R=166.13' T=84.12'
 - ⑥ A=72°36'08" L=172.45'
R=136.13' T=100.00'

EXHIBIT A

P-14
SHEET 4 OF 4 SHEETS
PANORAMIC VIEW ESTATES

SEE SHEET NO. 3

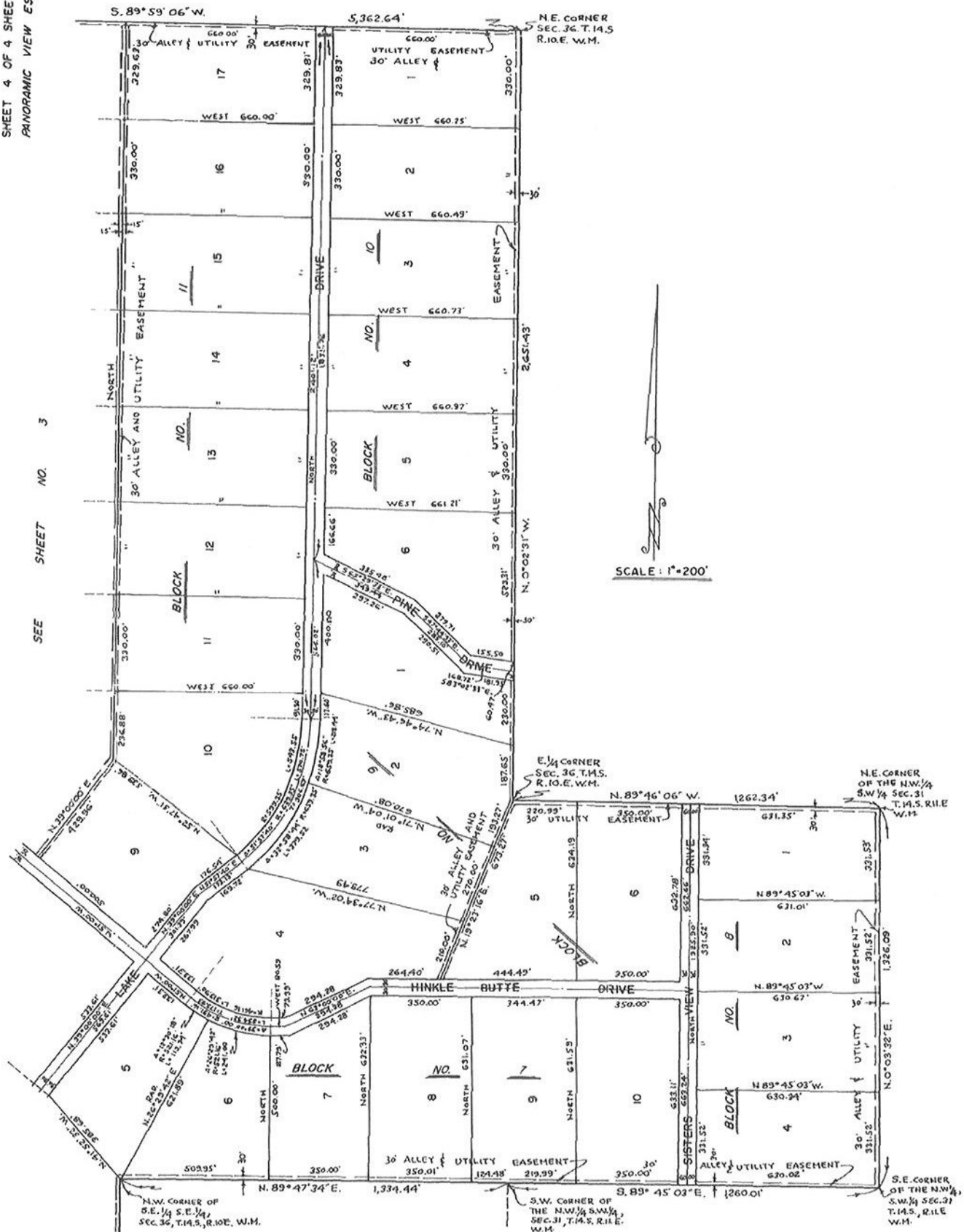


EXHIBIT A
Deschutes County

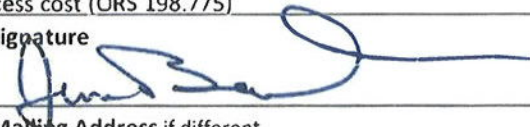
Security Deposit
Special District Formation or Reorganization

SEL 704
rev 01/18
ORS 198.775

Formation Annexation Withdrawal Dissolution

District and Precinct Information		
Name of District		
Panoramic Access Special Road District		
Number of Precincts in District	Amount of Deposit per Precinct	Total Deposit (max of \$10,000)
1	1	\$ 100.00

Chief Petitioners
I/We hereby declare if the costs of the attempted formation annexation, withdrawal or dissolution of Panoramic Access Special Road district exceeds the deposit, I/we will pay to the county treasurer the amount of the excess cost (ORS 198.775)

Name print	Signature				
Jim Becker					
Residence	Mailing Address if different				
69431 Lake Drive	P O Box 1226				
City	State	Zip Code	City	State	Zip Code
Sisters	Or	97759	Sisters	Or	97759

Amount of Contribution/Value of Secured Deposit	Kind of Contribution*
	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Bond <input type="checkbox"/> Other Security Deposit

Name print	Signature				
Residence	Mailing Address if different				
City	State	Zip Code	City	State	Zip Code

Amount of Contribution/Value of Secured Deposit	Kind of Contribution*
	<input type="checkbox"/> Cash <input type="checkbox"/> Bond <input type="checkbox"/> Other Security Deposit


Name print	Signature				
Residence	Mailing Address if different				
City	State	Zip Code	City	State	Zip Code

Amount of Contribution/Value of Secured Deposit	Kind of Contribution*
	<input type="checkbox"/> Cash <input type="checkbox"/> Bond <input type="checkbox"/> Other Security Deposit

Continued on the reverse side of this form

EXHIBIT A

Person/Organizations Providing Any Part of Cash/Security Deposit

Name print Jim Becker			Signature 				
Residence 69431 Lake Drive			Mailing Address if different PO Box 1226				
City	Sisters	State Or	Zip Code	City	Sisters	State Or	Zip Code
			97759				97759
Amount of Contribution/Value of Secured Deposit \$ 100.00			Kind of Contribution*				
			Cash <input checked="" type="checkbox"/>		Bond <input type="checkbox"/>	Other Security Deposit <input type="checkbox"/>	

Name print			Signature			
Residence			Mailing Address if different			
City	State	Zip Code	City	State	Zip Code	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Amount of Contribution/Value of Secured Deposit			Kind of Contribution*			
			Cash <input type="checkbox"/>		Bond <input type="checkbox"/>	Other Security Deposit <input type="checkbox"/>

Name print			Signature			
Residence			Mailing Address if different			
City	State	Zip Code	City	State	Zip Code	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Amount of Contribution/Value of Secured Deposit			Kind of Contribution*			
			Cash <input type="checkbox"/>		Bond <input type="checkbox"/>	Other Security Deposit <input type="checkbox"/>

Additional Description

*Provide additional description of security deposit below, on the back of this form or on separate sheets. Additional contributors may be listed on separate sheets and attached.



EXHIBIT B
**DESCHUTES COUNTY ASSESSOR'S OFFICE
CARTOGRAPHY DEPARTMENT**

1300 NW Wall Street, Suite 204 | Bend, Oregon 97703
Office: (541) 388-6508 | **Fax:** (541) 382-1692
Website: <https://www.deschutes.org/assessor>
Property Info: <https://dial.deschutes.org/>

February 7, 2022

Steve Dennison

Deschutes County Clerk

Re: **Panoramic Access Special Road District** (Wildhorse Meadows LLC & Sisters Aggregate & Construction LLC)

Please be advised the attached petition meets the requirements of ORS 198.

Sincerely,

Gregg Rossi



Gregg Rossi | Chief Cartographer
Deschutes County Assessor's Office, Cartography Dept.
1300 NW Wall St. Suite 204 | Bend, Oregon 97703 PO Box 6005 | Bend, Oregon 97708
Tel: (541) 617-4703 | Fax: (541) 382-1692

EXHIBIT B



County Clerk

**Petition for Annexation to
Panoramic Access Special Road District
(Taxlot 1510010004800 & 1510010004826)**

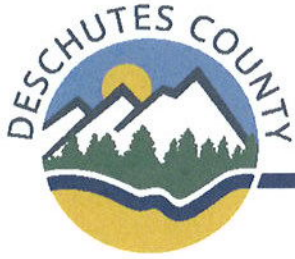
Clerk's Certification

I, Steve Dennison, Deschutes County Clerk, do hereby certify that the signatures on the attached petition sheet are not voters within the proposed area to be annexed. There are zero (0) voters within the proposed area to be annexed. There are zero (0) valid signatures on the attached petition within the area proposed for annexation.

Dated this 11th day of February, 2022.

Steve Dennison
Deschutes County Clerk

EXHIBIT C



COMMUNITY DEVELOPMENT

TO: Deschutes County Board of Commissioners

FROM: Will Groves, Planning Manager

DATE: February 10, 2022

SUBJECT: Land Use Compatibility, Panoramic Access Special Road District

The materials contained in the petition propose to annex lands to the Panoramic Access Special Road District. The total acreage is -0.45 acres.

This annexation is consistent with Title 18, Deschutes County Zoning Ordinance, and Title 23, Deschutes County Comprehensive Plan. There are no local land use regulations or policies that specifically address this annexation¹.

¹ Policy 3.6.1 “encourages the formation of special service districts to serve rural needs rather than have the County serve those needs.” Policy 3.8.1 recognizes the importance to “cooperate with public agencies and local park districts to provide park and recreation lands, facilities and opportunities.”

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

A Resolution Declaring a Countywide State of Emergency and Requesting State Declaration of Drought Emergency within all of Deschutes County *
* RESOLUTION NO. 2022-021
*

WHEREAS, ORS 401.309 and the Deschutes County Emergency Operations Plan (EOP) authorize the county governing body to declare a state of emergency within the county or within a designated portion of the county; and

WHEREAS, drought conditions endanger crops and livestock, endanger the health and safety of the county's population, jeopardize economic vitality within the county, and imperil the quality of the environment; and

WHEREAS, the Deschutes Basin Board of Control has informed Deschutes County that continuing extreme weather conditions within the county are likely to cause widespread and severe damage to livestock, wildlife, natural resources, recreation, tourism and related economies; and

WHEREAS, the Deschutes Basin snowpack, which feeds all water sources within the county is at 75% of average and the latest drought monitor shows most of Deschutes County is currently under extreme or exceptional drought; and

WHEREAS, Wickiup Reservoir is at 97,404 acre feet on March 3rd, and is expected to peak around April 1st at record low levels; and

WHEREAS, Crescent Lake is at 9% capacity; and

WHEREAS, it is unlikely we will receive adequate precipitation in the coming months to prevent the persistence of drought conditions; and

WHEREAS, the Deschutes River is experiencing extremely low natural flow levels such that all irrigation districts dependent upon water flows from the Deschutes River will be impacted; and

WHEREAS, these low flows will result in widespread impact and damage to livestock, natural resources, recreation, tourism and the economy; and

WHEREAS, Deschutes County encourages water users to voluntarily share water with water users in Jefferson County,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as follows:

Section 1. Pursuant to ORS 401.309, the Deschutes County EOP, and information provided to Deschutes County by the Deschutes Basin Board of Control, a State of Emergency is presently declared within Deschutes County.

Section 2. Pursuant to ORS 401.032(2), the governing body for Deschutes County finds that the appropriate response is beyond the capability of Deschutes County.

Section 3. The governing body for Deschutes County respectfully submits the Request contained immediately below in Section 4.

Section 4. Request: The Honorable Kate Brown, Governor of Oregon, declare a Drought Emergency for all of Deschutes County under the provisions of ORS 401.165 and ORS Chp. 536 due to severe and continuing drought conditions beginning at this time and continuing to October 31, 2022; and direct the Oregon Department of Water Resources and other Oregon executive branch agencies to make available for all purveyors of water within Deschutes County Temporary Transfers of Water Rights, Emergency Water Use Permits, and Use of Existing Right Option/Agreement; and other federal and state drought assistance and programs as needed.

Section 5. This Resolution shall take effect immediately from and after its adoption.

Dated this _____ of _____, 2022

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

PATTI ADAIR, Chair

ANTHONY DeBONE, Vice Chair

ATTEST:

Recording Secretary

PHIL CHANG, Commissioner



BOARD OF
COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, March 16, 2022

SUBJECT: Consideration of Board Signature of Resolution No. 2022-021, Declaring a Countywide State of Emergency and Requesting State Declaration of Drought Emergency within all of Deschutes County

ATTENDANCE:
Sgt. Nathan Garibay, Emergency Manager



BOARD OF
COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, March 16, 2022

SUBJECT: PRESENTATION: Envision Bend

ENVISION BEND

SHAPING OUR FUTURE



Bend Vision Project

**Presentation to the
Deschutes County Commission
March 16, 2022**

**Laura Fritz, Executive Director, Envision Bend
Steven Ames, NXT Consulting Group**

OVERVIEW

- Background/brief history of Envision Bend (formerly Bend 2030)
- What is Envision Bend doing today?
- The Bend Vision Project
- Vision project activities and outcomes
- Reaching out to potential project supporters

ENVISION BEND

Community Convener

Champion of our Community's Vision

Our Mission – **Envision Bend** brings diverse stakeholders together to educate, engage and empower all members of the Bend community to have a voice in our city's future

Our Role – **Envision Bend** serves as the steward and champion of our community's Vision and works to ensure the Vision remains vibrant, relevant and strategic

2022 Envision Bend Board of Directors

- **Zak Boone**, COCC
- **James Dorofi**, Old Farm District
Neighborhood Association
- **Kelly Cannon-Miller**, Deschutes County
Historical Society
- **Kevney Dugan**, Visit Bend
- **Erika McCalpine**, OSU-Cascades
- **Peter McCaffrey**, William Smith Properties
& The Old Mill District
- **Presley Quon**, Mt. Bachelor
- **Ted Schoenborn**, ret., former Bend Park &
Recreation District board
- **Kathy Schroeder**, Council on Aging of CO
- **Michelle Solley**, St. Charles Foundation
- **Emily Tompkins**, Forest Futures, LLC

Bend 2030 / Envision Bend Timeline

- **2005-2006** – Original vision and action planning project led by City of Bend
- **2007** – Bend 2030 incorporates as 501c3 nonprofit to advance community's vision
- **2007-11** – Bend 2030 works with lead partners to implement vision. By 2011, 85% of first Action Plan is implemented or underway

Bend 2030 / Envision Bend Timeline

- **2012** – Bend 2030 launches *Accelerate Bend* – streamlined public engagement effort to update the 2030 vision

- **2014-2018** – Bend 2030 focuses on vision initiatives and special projects addressing critical community concerns
 - Housing Affordability
 - Bend City Charter Reform
 - Transportation
 - Civic Equity Project

WHAT'S ENVISION BEND DOING TODAY?

Why a New Vision? Why Now?

- 16 years of rapid change since 2006
- Bend as ‘growth magnet’ – from big town to small city
- Emerging/continuing challenges and issues: affordability, health, resiliency, social equity, etc.
- The global pandemic has accelerated change
- Bend area residents are hungry for genuine dialogue on community’s future

What is a Community Vision?

- Serves as community's North Star
- Plans for our preferred future – not leaving it to chance
- Identifies core community values
- Emphasizes collaboration and consensus

Community Visioning Works!



Sisters Country Vision Project (2018-19)



BEND
VISION
PROJECT | SHAPING OUR FUTURE

The logo features a stylized sun or compass rose icon on the left, composed of yellow and orange segments. To its right, the word "BEND" is written in a smaller, blue, sans-serif font. Below "BEND", the word "VISION" is written in a large, bold, blue, sans-serif font with a slight gradient. Underneath "VISION", the words "PROJECT | SHAPING OUR FUTURE" are written in a smaller, blue, sans-serif font, with a vertical line separating "PROJECT" and "SHAPING OUR FUTURE".

The Bend Vision Project

- Timeline – Dec. 2021 - March 2023
- Reach – focus on greater Bend area
- Emphasis – inclusion, dialogue, visionary thinking, consensus building
- Design – five phases with engagement in every phase
- Result – ‘whole-of-community,’ nonpartisan conversation; investment in well-being of the entire community

A Five-Phase Process



Phase One

PHASE 1

FRAMING THE PROCESS

DEC 2021 – MAR 2022



In Phase 1, we will establish a framework and conduct research for the visioning process, including stakeholder and community leader interviews, information on existing plans and policies, and an analysis of emerging trends.

Phase Two

PHASE 2

SETTING THE STAGE

FEB–APR 2022



In Phase 2, we will facilitate community listening sessions across the city, establish shared community values, and conduct extensive outreach to promote a comprehensive community dialogue.

Phase Three

PHASE 3

CREATING THE VISION

APR–AUG 2022



In Phase 3, we will host an in-depth community conversation including major visioning events, workshops, and an online survey, resulting in a new community vision and draft strategies to achieve it.

Phase Four

PHASE 4

DEVELOPING THE PLAN

SEP-DEC 2022



In Phase 4, a citizen action team will develop an action plan including key strategies, plan partners, and success measures. The plan will include a short list of signature projects, along with ideas for personal action.

Phase Five

PHASE 5

LAUNCHING THE PLAN

JAN–MAR 2023



In Phase 5, we will launch action plan implementation, producing a final plan document, promoting and supporting implementation activities by our plan partners and monitoring their implementation progress over time.

Major Project Outcomes

- **Statement of Core Community Values**
- **Long-term Community Vision Statement**
- **Near-term (5-year) Vision Action Plan including:**
 - **Specific Actions**
 - **'Signature Projects'**
 - **Identified Plan Partners**
 - **Success Measures (indicators/metrics)**
 - **Ideas for Personal Action**

Other Bend Vision Project Activities

- Analysis of key trends, strategic issues affecting greater Bend area
- Robust, intentional outreach to underrepresented communities of all backgrounds
- Listening sessions, interviews, workshops, online surveys, community summit

Supporting Deschutes County Planning

- Bend Vision Project is a broad conversation focused on high-level community aspirations
- Resulting action plan will feature collaborative initiatives adopted by our community partners
- Community conversations will be coordinated to align with, inform and support City and County planning – but not compete with specific planning initiatives

Let's plan our brightest future together!
www.envisionbend.org





Questions?



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 16, 2022

SUBJECT: Consideration of Board Authorization of County Administrator on Deschutes County Investment Policy.

RECOMMENDED MOTION:

Approve County Investment Policy F-10 and authorize County Administrator to sign the policy document.

BACKGROUND AND POLICY IMPLICATIONS:

The County is required to have its investment policy approved by the governing body annually. The policy was last approved by the Board in March 2021 at which time no changes were made to the policy.

A review of the policy by our investment brokers, the state treasury and our Investment Advisory Committee suggested a few minor changes to clarify the policy language. Attached is the current investment policy with proposed changes noted and a clean version for approval.

Changes to the investment policy normally are required to be reviewed by the Oregon Short Term Fund Board for comment. Due to the limited changes being suggested to the policy, the staff at the State Treasurer's office stated that a review by the Short Term Fund Board was not required.

BUDGET IMPACTS:

The Board is required to approve the investment policy each year for the County to investment funds with a maturity beyond 18 months.

ATTENDANCE:

Greg Munn, Treasurer and Chief Financial Officer



Deschutes County Administrative Policy No. F-10
Effective Date: January 7, 2008 **Revised Date: March 20, 2019**
Revised Date: June 24, 2009 **Revised Date: March 11, 2020**
Revised Date: September 20, 2012 **Revised Date: March 17, 2021**
Revised Date: December 11, 2013
Revised Date: December 15, 2014
Revised Date: December 17, 2015
Revised Date: December 27, 2017

INVESTMENT POLICY GUIDELINES

PURPOSE

This Investment Policy defines the parameters within which funds are to be invested by Deschutes County. Deschutes County’s purpose is to provide County Level Services for a large portion of Central Oregon. This policy also formalizes the framework, pursuant to ORS 294.135, for Deschutes County’s investment activities to ensure effective and judicious management of funds within the scope of this policy.

These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

GOVERNING AUTHORITY

Deschutes County’s investment program shall be operated in conformance with Oregon Revised Statutes and applicable Federal Law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to Laws established by the State of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

SCOPE

This policy applies to activities of Deschutes County with regard to investing the financial assets of all County funds including County Service Districts and Trust Funds. Investments of employees' retirement funds, deferred compensation plans, and other funds are not covered by this policy. The amount of funds falling within the scope of this policy over the next three years is expected to range between \$160 million and \$230 million.

GENERAL OBJECTIVES

The primary objectives, in priority order, of investment activities shall be:

1. **Preservation of Invested Capital.** Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to **mitigate manage** credit risk and interest rate risk.
2. **Liquidity.** The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in the Oregon

Short Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

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STANDARDS OF CARE

- 1. **Prudence.** The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

The "prudent person" standard states that *“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”*

- 2. **Ethics and Conflicts of Interest.** Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the County. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

3. **Delegation of Authority and Responsibilities**

- a. **Governing Body.** The Board of County Commissioners will retain ultimate fiduciary responsibility for invested funds. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and 294.155.
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No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

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- c. **Periodic (at least annual) review** of all authorized broker/dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider would be:
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- i. Pending investigations by securities regulators.
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 - iv. Regulatory enforcement actions.
3. **Depositories.** All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.
4. **Competitive Transactions**
- a. The Investment Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
 - b. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, the Investment Officer shall document quotations for comparable or alternative securities.
 - c. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
 - d. If an investment adviser provides investment management services, the adviser must retain documentation of competitive pricing execution on each transaction and provide upon request.

ADMINISTRATION AND OPERATIONS

- 1. **Delivery vs. Payment.** All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the County’s safekeeping institution prior to the release of funds.
- 2. **Third-Party Safekeeping.** Securities will be held by an independent third-party safekeeping institution selected by the County. All securities will be evidenced by safekeeping receipts in the County’s name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

- 3. **Internal Controls.** The investment officer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing. The established control structure shall be reviewed and updated periodically by the Investment Officer.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- a. Compliance with Investment Policy.
 - b. Control of collusion.
 - c. Separation of transaction authority from accounting and record keeping.
 - d. Custodial safekeeping.
 - e. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary.
 - f. Clear delegation of authority to subordinate staff members.
 - g. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form.
 - h. Dual authorizations of wire and automated clearing house (ACH) transfers.
 - i. Staff training.
 - j. Review, maintenance and monitoring of security procedures both manual and automated.
- 4. An external auditor in conjunction with the annual County audit shall review compliance with Oregon state law and Deschutes County policies and procedures.

SUITABLE AND AUTHORIZED INVESTMENTS

- 1. **Permitted Investments.** The following investments are permitted pursuant to ORS 294.035, 294.040, and ORS 294.810. (Note: Permitted investments may be more restrictive than ORS 294.035 and 294.810).
 - a. US Treasury Obligations. U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest.
 - b. US Agency Obligations. Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE).
 - c. Oregon Short Term Fund.

- d. Corporate Indebtedness.
 - e. Commercial Paper issued under the authority of section 3(a)2 or 3(a)3 of the Securities Act of 1933.
 - f. Corporate Bonds.
 - g. Municipal Debt.
 - h. Bankers Acceptances.
 - i. Qualified Institution Time Deposits/Savings Accounts/Certificates of Deposit.
2. **Approval of Permitted Investments.** If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by Deschutes County.
3. **Prohibited Investments**
- a. Private Placement or “144A” Securities. Private placement or “144A” securities are not allowed. For purposes of the policy, SEC Rule 144A securities are defined to include commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.
 - b. US Agency Mortgage-backed Securities. US agency mortgage-backed securities such as those securities issued by FNMA and FHLMC are not allowed.
 - c. Securities Lending. The County shall not lend securities nor directly participate in a securities lending program.
4. **Demand Deposits and Time Deposits**
- a. All demand deposits and time deposits (Examples of time deposits are: certificates of deposit and savings accounts) shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.
 - b. Demand deposits in qualified depository institutions are considered cash vehicles and not investments and are therefore outside the scope and restrictions of this policy. Pursuant to ORS 294.035(3)(d), time deposits, certificates of deposit and savings accounts are considered investments and within the scope of this policy.

INVESTMENT PARAMETERS

1. **Credit Risk.** Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be **mitigated managed** by the following guidelines:
- a. Diversification. It is the policy of Deschutes County to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and security type. Allowed security types and Investment exposure limitations are detailed in the table below.
 - b. Recognized Credit Ratings. Investments must have a rating from at least one of the following nationally recognized statistical ratings organizations (NRSRO): Moody’s Investors Service;

Standard & Poor’s; and Fitch Ratings Service as detailed in the table below. At least one such rating must meet the minimum rating requirements shown in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.

- c. **Portfolio Average Credit Rating.** The minimum weighted average credit rating of the portfolio’s rated investments shall be Aa2/AA/AA by Moody’s Investors Service; Standard & Poor’s; and Fitch Ratings Service respectively. For purposes of evaluating the average credit rating for the portfolio, the County will use the single rating for those securities that only have one rating, the lower of two ratings for those securities that have two ratings and the middle rating for those securities that have three ratings.
- d. **Exposure Constraints and Minimum Investment Credit Ratings.** The following table limits exposures among investments permitted by this policy.

Issue Type	Maximum % Holdings	Minimum Ratings Moody’s/S&P/Fitch	Oregon Revised Statue Reference
US Treasury Obligations	100%	N/A	
US Agency Securities	100%		
Per Agency (Senior Obligations Only)	33%		
Oregon Short Term Fund	Maximum allowed per ORS 294.810		
Bankers’ Acceptances	25%	A1+/P1/F1+	25% maximum holding per ORS 294.035(3)(h)(C).
Time Deposits, Savings Accounts, Certificates of Deposit	50%		Authorized by ORS 294.035(3)(d).
Per Institution	25%		
Corporate Debt (Total)	25%		35% maximum holding per ORS 294.035(3)(h)(D).
Corporate Commercial Paper per Issuer	5%	A1/P1/F1	5% maximum holding per ORS 294.035(3)(h)(D).
Corporate Bonds			
Per Oregon Issuer	5%	A2/A/A	5% max holding per ORS 294.035(3)(h)(D), A- min rating per ORS 294.035(3)(b).
All Other Issuers	5%	Aa3/AA-/AA-	5% max holding per ORS 294.035(3)(h)(D), AA- min rating for CA, WA & ID per ORS 294.035(3)(b).
Municipal Debt	25%		
Municipal Bonds		Aa3/AA-/AA-	

- e. **Restriction on Issuers with Prior Default History.** Per ORS 294.040, the bonds of issuers listed in ORS 294.035 (3)(a) to (c) may be purchased only if there has been no default in payment of either the principal of or the interest on the obligations of the issuing county, port, school district or city, for a period of five years next preceding the date of the investment.

2. **Liquidity Risk.** Liquidity risk is the risk that an investment may not be easily marketable or redeemable. The following strategies will be employed to **mitigate manage** liquidity risks:
 - a. The value of at least 10% of funds available for investing or three months of budgeted operating expenditures will be invested in the Oregon Short Term Fund, with a qualified depository institution, or investments maturing in less than 30 days to provide sufficient liquidity for expected disbursements.
 - b. Funds in excess of liquidity requirements are allowed for investments maturing in greater than one year. However, longer-term investments tend to be less liquid than shorter term investments.

Portfolio investment maturities will be limited as follows:

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10% or three months est. operating expenditures
Under 1 year	25%
Under 5 years	100%
Weighted Average Maturity of Portfolio	2.0 years

- c. Reserve or Capital Improvement Project funds may be invested in securities exceeding the maximum term if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.
- d. Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.
- e. Limiting investment in a specific debt issuance improves secondary market liquidity by assuring there are other owners of the issuance.

Issue Type	Maximum % of Issuance (Par)
US Agency Securities	50%
Corporate Debt	
Corporate Commercial Paper	25%
Corporate Bonds	25%
Municipal Bonds	25%

3. **Interest Rate Risk.** Longer-term investments have the potential to achieve higher returns but are also likely to exhibit higher market value volatility due to the changes in the general level of interest rates over the life of the investment(s). Interest rate risk will be mitigated managed by providing adequate liquidity for short term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. Certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the interest rate risk profile of the portfolio differently in different interest rate environments. The following strategies will be employed to control and mitigate manage adverse changes in the market value of the portfolio due to changes in interest rates:

- a. Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate manage market risk.
- b. To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to mitigate manage re-investment risk.
- c. No commitments to buy or sell securities may be made more than 14 21 calendar days prior to the anticipated settlement date or receive a fee other than interest for future deliveries.

- d. The maximum percent of callable securities in the portfolio shall be 25%;
- e. The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in this policy.
- f. The maximum portfolio average maturity (measured with stated final maturity) shall be 2.0 years.

INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE

- 1. Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy and the applicable bond covenants and tax laws.
- 2. Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and are maturity matched with outflows. Consequently, surplus funds within the scope of ORS 294.052 are not subject to this policy’s liquidity risk constraints within section IX (2).

INVESTMENT OF RESERVE OR CAPITAL IMPROVEMENT FUNDS

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project funds may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the county, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

GUIDELINE MEASUREMENT AND ADHERENCE

- 1. **Guideline Measurement.** Guideline measurements will use par value of investments.
- 2. **Guideline Compliance.**
 - a. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
 - b. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the Board of County Commissioners.
 - c. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

REPORTING AND DISCLOSURE

- 1. **Compliance.** The Investment Officer shall prepare a report at least monthly that allows the Board of County Commissioners to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will also be provided to the investment advisory committee. The report will include, at a minimum, the following:

- a. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
 - b. Average maturity of the portfolio at period-end.
 - c. Maturity distribution of the portfolio at period-end.
 - d. Average portfolio credit quality of the portfolio at period-end.
 - e. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio.
 - f. Distribution by type of investment.
 - g. Transactions since last report.
 - h. Distribution of transactions among financial counterparties such as broker/dealers.
 - i. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.
2. **Performance Standards/ Evaluation.** At least annually, the Investment Officer shall report comparisons of investment returns to relevant alternative investments and comparative Bond Indexes. The performance of the portfolio should be compared to the performance of alternative investments such as available certificates of deposit; the Oregon Short Term Fund; US Treasury rates; or against one or more bond indices with a similar risk profile (e.g., Bond indexes comprised of high grade investments and maximum maturities of three years).

When comparing performance, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.

3. **Marking to Market.** The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be included in the monthly report.
4. **Audits.** Management shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

POLICY MAINTENANCE AND CONSIDERATIONS

1. **Review.** The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The annual report should also serve as a venue to suggest policies and improvements to the investment program, and shall include an investment plan for the coming year.

2. **Exemptions.** Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided

by this policy.

- 3. **Policy Adoption and Amendments.** This investment policy and any modifications to this policy must be formally approved in writing by the Board of County Commissioners.

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if:

- a. This policy allows maturities beyond 18 months unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the Board of County Commissioners, the maximum maturity date matches the anticipated use of the funds (ORS 294.135(1)(b) and 294.135(3)).
- b. And either:
 - i. This policy has never been submitted to the OSTF Board for comment; or
 - ii. Material changes have been made since the last review by the OSTF Board.

Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than annually to the Board of County Commissioners for approval.

Approved by the Board of Commissioners _____.

Tom Anderson Nick Lelack
County Administrator



Deschutes County Administrative Policy No. F-10

Effective Date: January 7, 2008 Revised Date: March 20, 2019
Revised Date: June 24, 2009 Revised Date: March 11, 2020
Revised Date: September 20, 2012 Revised Date: March 17, 2021
Revised Date: December 11, 2013
Revised Date: December 15, 2014
Revised Date: December 17, 2015
Revised Date: December 27, 2017

INVESTMENT POLICY GUIDELINES

PURPOSE

This Investment Policy defines the parameters within which funds are to be invested by Deschutes County. Deschutes County’s purpose is to provide County Level Services for a large portion of Central Oregon. This policy also formalizes the framework, pursuant to ORS 294.135, for Deschutes County’s investment activities to ensure effective and judicious management of funds within the scope of this policy.

These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

GOVERNING AUTHORITY

Deschutes County’s investment program shall be operated in conformance with Oregon Revised Statutes and applicable Federal Law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to Laws established by the State of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

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 - iv. Certification, by all of the adviser representatives conducting investment transactions on behalf of Deschutes County, of having read, understood and agreed to comply with this investment policy.
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 - iv. Regulatory enforcement actions.
3. **Depositories.** All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.
4. **Competitive Transactions**
- a. The Investment Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
 - b. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, the Investment Officer shall document quotations for comparable or alternative securities.
 - c. When purchasing original issue securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
 - d. If an investment adviser provides investment management services, the adviser must retain documentation of competitive pricing execution on each transaction and provide upon request.

ADMINISTRATION AND OPERATIONS

1. **Delivery vs. Payment.** All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the County's safekeeping institution prior to the release of funds.
2. **Third-Party Safekeeping.** Securities will be held by an independent third-party safekeeping institution selected by the County. All securities will be evidenced by safekeeping receipts in the County's name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

- 3. **Internal Controls.** The investment officer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing. The established control structure shall be reviewed and updated periodically by the Investment Officer.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- a. Compliance with Investment Policy.
 - b. Control of collusion.
 - c. Separation of transaction authority from accounting and record keeping.
 - d. Custodial safekeeping.
 - e. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary.
 - f. Clear delegation of authority to subordinate staff members.
 - g. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form.
 - h. Dual authorizations of wire and automated clearing house (ACH) transfers.
 - i. Staff training.
 - j. Review, maintenance and monitoring of security procedures both manual and automated.
- 4. An external auditor in conjunction with the annual County audit shall review compliance with Oregon state law and Deschutes County policies and procedures.

SUITABLE AND AUTHORIZED INVESTMENTS

- 1. **Permitted Investments.** The following investments are permitted pursuant to ORS 294.035, 294.040, and ORS 294.810. (Note: Permitted investments may be more restrictive than ORS 294.035 and 294.810).
 - a. US Treasury Obligations. U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest.
 - b. US Agency Obligations. Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE).
 - c. Oregon Short Term Fund.

- d. Corporate Indebtedness.
 - e. Commercial Paper issued under the authority of section 3(a)2 or 3(a)3 of the Securities Act of 1933.
 - f. Corporate Bonds.
 - g. Municipal Debt.
 - h. Bankers Acceptances.
 - i. Qualified Institution Time Deposits/Savings Accounts/Certificates of Deposit.
2. **Approval of Permitted Investments.** If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by Deschutes County.
3. **Prohibited Investments**
- a. Private Placement or “144A” Securities. Private placement or “144A” securities are not allowed. For purposes of the policy, SEC Rule 144A securities are defined to include commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.
 - b. US Agency Mortgage-backed Securities. US agency mortgage-backed securities such as those securities issued by FNMA and FHLMC are not allowed.
 - c. Securities Lending. The County shall not lend securities nor directly participate in a securities lending program.
4. **Demand Deposits and Time Deposits**
- a. All demand deposits and time deposits (Examples of time deposits are: certificates of deposit and savings accounts) shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.
 - b. Demand deposits in qualified depository institutions are considered cash vehicles and not investments and are therefore outside the scope and restrictions of this policy. Pursuant to ORS 294.035(3)(d), time deposits, certificates of deposit and savings accounts are considered investments and within the scope of this policy.

INVESTMENT PARAMETERS

1. **Credit Risk.** Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be managed by the following guidelines:
- a. Diversification. It is the policy of Deschutes County to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and security type. Allowed security types and Investment exposure limitations are detailed in the table below.
 - b. Recognized Credit Ratings. Investments must have a rating from at least one of the following nationally recognized statistical ratings organizations (NRSRO): Moody’s Investors Service;

Standard & Poor’s; and Fitch Ratings Service as detailed in the table below. At least one such rating must meet the minimum rating requirements shown in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.

- c. Portfolio Average Credit Rating. The minimum weighted average credit rating of the portfolio’s rated investments shall be Aa2/AA/AA by Moody’s Investors Service; Standard & Poor’s; and Fitch Ratings Service respectively. For purposes of evaluating the average credit rating for the portfolio, the County will use the single rating for those securities that only have one rating, the lower of two ratings for those securities that have two ratings and the middle rating for those securities that have three ratings.
- d. Exposure Constraints and Minimum Investment Credit Ratings. The following table limits exposures among investments permitted by this policy.

Issue Type	Maximum % Holdings	Minimum Ratings Moody’s/S&P/Fitch	Oregon Revised Statue Reference
US Treasury Obligations	100%	N/A	
US Agency Securities	100%		
Per Agency (Senior Obligations Only)	33%		
Oregon Short Term Fund	Maximum allowed per ORS 294.810		
Bankers’ Acceptances	25%	A1+/P1/F1+	25% maximum holding per ORS 294.035(3)(h)(C).
Time Deposits, Savings Accounts, Certificates of Deposit	50%		Authorized by ORS 294.035(3)(d).
Per Institution	25%		
Corporate Debt (Total)	25%		35% maximum holding per ORS 294.035(3)(h)(D).
Corporate Commercial Paper per Issuer	5%	A1/P1/F1	5% maximum holding per ORS 294.035(3)(h)(D).
Corporate Bonds			
Per Oregon Issuer	5%	A2/A/A	5% max holding per ORS 294.035(3)(h)(D), A- min rating per ORS 294.035(3)(b).
All Other Issuers	5%	Aa3/AA-/AA-	5% max holding per ORS 294.035(3)(h)(D), AA- min rating for CA, WA & ID per ORS 294.035(3)(b).
Municipal Debt	25%		
Municipal Bonds		Aa3/AA-/AA-	

- e. Restriction on Issuers with Prior Default History. Per ORS 294.040, the bonds of issuers listed in ORS 294.035 (3)(a) to (c) may be purchased only if there has been no default in payment of either the principal of or the interest on the obligations of the issuing county, port, school district or city, for a period of five years next preceding the date of the investment.

2. **Liquidity Risk.** Liquidity risk is the risk that an investment may not be easily marketable or redeemable. The following strategies will be employed to manage liquidity risks:
 - a. The value of at least 10% of funds available for investing or three months of budgeted operating expenditures will be invested in the Oregon Short Term Fund, with a qualified depository institution, or investments maturing in less than 30 days to provide sufficient liquidity for expected disbursements.
 - b. Funds in excess of liquidity requirements are allowed for investments maturing in greater than one year. However, longer-term investments tend to be less liquid than shorter term investments.

Portfolio investment maturities will be limited as follows:

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10% or three months est. operating expenditures
Under 1 year	25%
Under 5 years	100%
Weighted Average Maturity of Portfolio	2.0 years

- c. Reserve or Capital Improvement Project funds may be invested in securities exceeding the maximum term if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.
- d. Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.
- e. Limiting investment in a specific debt issuance improves secondary market liquidity by assuring there are other owners of the issuance.

Issue Type	Maximum % of Issuance (Par)
US Agency Securities	50%
Corporate Debt	
Corporate Commercial Paper	25%
Corporate Bonds	25%
Municipal Bonds	25%

3. **Interest Rate Risk.** Longer-term investments have the potential to achieve higher returns but are also likely to exhibit higher market value volatility due to the changes in the general level of interest rates over the life of the investment(s). Interest rate risk will be managed by providing adequate liquidity for short term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. Certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the interest rate risk profile of the portfolio differently in different interest rate environments. The following strategies will be employed to control and manage adverse changes in the market value of the portfolio due to changes in interest rates:

- a. Where feasible and prudent, investment maturities should be matched with expected cash outflows to manage market risk.
- b. To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to manage re-investment risk.
- c. No commitments to buy or sell securities may be made more than 21 calendar days prior to the anticipated settlement date or receive a fee other than interest for future deliveries.

- d. The maximum percent of callable securities in the portfolio shall be 25%;
- e. The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in this policy.
- f. The maximum portfolio average maturity (measured with stated final maturity) shall be 2.0 years.

INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE

- 1. Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy and the applicable bond covenants and tax laws.
- 2. Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and are maturity matched with outflows. Consequently, surplus funds within the scope of ORS 294.052 are not subject to this policy’s liquidity risk constraints within section IX (2).

INVESTMENT OF RESERVE OR CAPITAL IMPROVEMENT FUNDS

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project funds may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the county, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

GUIDELINE MEASUREMENT AND ADHERENCE

- 1. **Guideline Measurement.** Guideline measurements will use par value of investments.
- 2. **Guideline Compliance.**
 - a. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
 - b. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the Board of County Commissioners.
 - c. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

REPORTING AND DISCLOSURE

- 1. **Compliance.** The Investment Officer shall prepare a report at least monthly that allows the Board of County Commissioners to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will also be provided to the investment advisory committee. The report will include, at a minimum, the following:

- a. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
 - b. Average maturity of the portfolio at period-end.
 - c. Maturity distribution of the portfolio at period-end.
 - d. Average portfolio credit quality of the portfolio at period-end.
 - e. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio.
 - f. Distribution by type of investment.
 - g. Transactions since last report.
 - h. Distribution of transactions among financial counterparties such as broker/dealers.
 - i. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.
2. **Performance Standards/ Evaluation.** At least annually, the Investment Officer shall report comparisons of investment returns to relevant alternative investments and comparative Bond Indexes. The performance of the portfolio should be compared to the performance of alternative investments such as available certificates of deposit; the Oregon Short Term Fund; US Treasury rates; or against one or more bond indices with a similar risk profile (e.g., Bond indexes comprised of high grade investments and maximum maturities of three years).

When comparing performance, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.

3. **Marking to Market.** The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be included in the monthly report.
4. **Audits.** Management shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

POLICY MAINTENANCE AND CONSIDERATIONS

1. **Review.** The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The annual report should also serve as a venue to suggest policies and improvements to the investment program, and shall include an investment plan for the coming year.

2. **Exemptions.** Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided

by this policy.

- 3. **Policy Adoption and Amendments.** This investment policy and any modifications to this policy must be formally approved in writing by the Board of County Commissioners.

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if:

- a. This policy allows maturities beyond 18 months unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the Board of County Commissioners, the maximum maturity date matches the anticipated use of the funds (ORS 294.135(1)(b) and 294.135(3)).
- b. And either:
 - i. This policy has never been submitted to the OSTF Board for comment; or
 - ii. Material changes have been made since the last review by the OSTF Board.

Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than annually to the Board of County Commissioners for approval.

Approved by the Board of Commissioners _____.

Nick Lelack
County Administrator



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, March 16, 2022

SUBJECT: Deliberations: Dave Swisher Plan Amendment and Zone Change

RECOMMENDED MOTION:

Hearings Officer recommends approval of file nos. 247-21-000616-PA, 617-ZC pursuant to DCC 22.28.030.

BACKGROUND AND POLICY IMPLICATIONS:

The Board will deliberate on March 16, 2022 in relation to a request for a Plan Amendment and Zone Change (file nos. 247-21-000616-PA, 617-ZC) for two (2) 40-acre properties located on Abbey Road, approximately 1.3 miles east of the City of Bend, submitted by Dave Swisher. A public hearing was held on February 2, 2022 and the open record period associated with the request ended on February 23, 2022.

The addresses associated with the subject properties are as follows:

Property 1:
Map and Taxlot: 171318C000100
Account: 109158
Situs Address: 63350 ABBEY RD, BEND, OR 97701

Property 2:
Map and Taxlot: 1713180000600
Account: 106933
Situs Address: NO SITUS ADDRESS

BUDGET IMPACTS:

None

ATTENDANCE:

Kyle Collins, Associate Planner



MEMORANDUM

TO: Deschutes County Board of Commissioners (Board)

FROM: Kyle Collins, Associate Planner
Will Groves, Planning Manager

DATE: March 9, 2022

SUBJECT: Deliberations – Dave Swisher Plan Amendment and Zone Change

The Board of County Commissioners (Board) held a public hearing on February 2, 2022 to consider a request for a Plan Amendment and Zone Change (file nos. 247-21-000616-PA, 617-ZC) for two (2) 40-acre properties located on Abbey Road, approximately 1.3 miles east of the City of Bend. The Board is scheduled to deliberate on March 16, 2022 in consideration of the request.

I. BACKGROUND

The Applicant, Dave Swisher, is requesting a Comprehensive Plan Amendment to redesignate the subject properties from Agriculture to Rural Residential Exception Area and a Zoning Map Amendment to rezone the properties from Exclusive Farm Use (EFU) to Multiple Use Agricultural (MUA-10). The Applicant’s reasoning for the request is that the properties were mistakenly identified as farmland, do not contain high-value soils or other characteristics of high value farmland, and therefore should be redesignated and rezoned for residential use. The Applicant has provided a supplementary soil study that identifies non-high value soils on a majority (~96%) of the subject properties. Additionally, the Applicant has provided findings within the burden of proof that demonstrate compliance with state and local requirements and policies. A public hearing before a Hearings Officer was conducted on September 21, 2021 with the Hearings Officer’s recommendation of approval issued on November 24, 2021. The Board held a public hearing on February 2, 2022 and initiated a 21-day open record period, which concluded February 23, 2022 at 4:00pm.

II. OPEN RECORD PERIOD

During the initial 7-day segment of the 21-day open record period, staff received two (2) public comments as new evidence and testimony. During the second 7-day segment of the open record period, staff received one (1) rebuttal of the new evidence and testimony that was received. The Applicant’s final legal argument was received on February 23, 2022 at the conclusion of the open record period.

The new evidence and testimony received during the open record largely reiterated concerns and arguments that were raised during public testimony of the Board’s public hearing on February 2, 2022. These concerns include: growth management, future potential development of the subject property, traffic impacts, and the validity of the Applicant’s supplemental soil study in reclassifying the agricultural designations for the subject properties. The rebuttal testimony received during the open record period focused exclusively on the validity of the Applicant’s supplemental soil study in reclassifying the agricultural designations for the subject properties.

III. BOARD DELIBERATIONS

On March 16, 2022, the Board will deliberate on the proposed Plan Amendment and Zone Change requests. If the Board finds that additional deliberations are necessary, the Board may schedule a future date for continued deliberations. If the Board finds no additional deliberations are necessary, the Board may then vote on whether to uphold or overturn the Hearings Officer’s recommendation of approval.

Per DCC Section 22.20.040(D), the review of the proposed quasi-judicial Plan Amendment and Zone Change is not subject to the 150-day review period typically associated with land use decisions. The full record is available for inspection at the Planning Division and at the following link: <https://www.deschutes.org/cd/page/247-21-000616-pa617-zc-applicant-initiated-plan-amendment-and-zone-change>

Board Decision Matrix

A more thorough review and discussion of the subject proposal’s compliance with the applicable approval criteria and issues is provided in the associated Board Decision Matrix, prepared in conjunction with this deliberation memorandum.

IV. NEXT STEPS

If the Board determines that additional deliberations are necessary, staff will work with the Board to schedule a future meeting for continued deliberations. If the Board concludes their deliberations during the March 16, 2022 meeting, the Board may then vote on whether to uphold or overturn the Hearings Officer’s recommendation of approval. If the Board renders a vote during the March 16, 2022 meeting, staff will coordinate with the Board to return for a future meeting during which a draft ordinance and relevant exhibits will be presented and a first reading of the ordinance initiated.

V. SUGGESTED MOTION

To the extent the Board decides to uphold the Hearings Officer’s decisions, a motion as follows will likely be appropriate:

The Board moves to accept the recommendation of the Hearings Officer for file nos. 247-21-000616-PA and 247-21-000617-ZC in approving the proposed Plan Amendment and Zone Change.

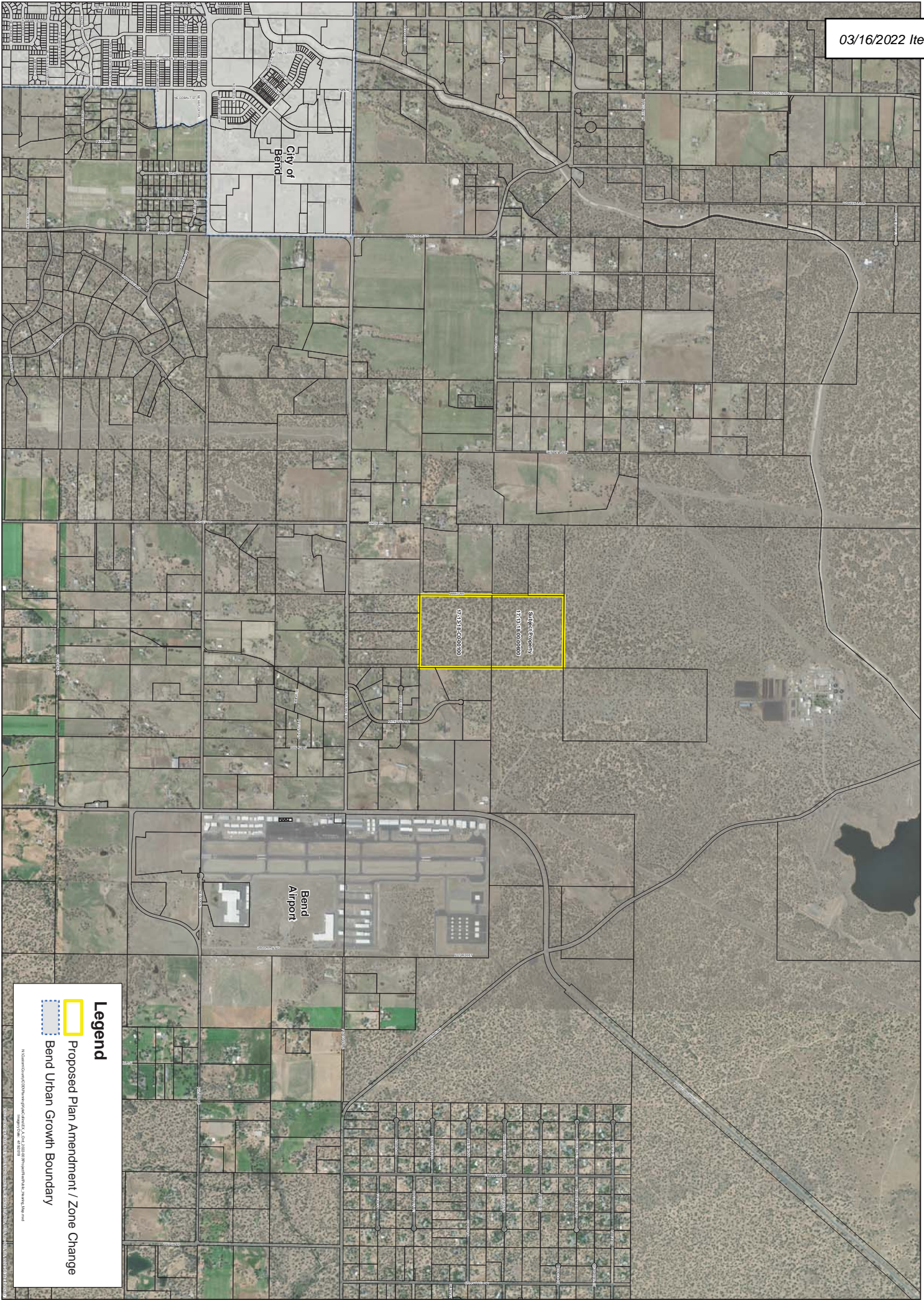
To the extent the Board decides to modify or reverse the Hearings Officer's decision, that motion will need to be crafted to address the Board's specific concerns, as discussed in the deliberations.

ATTACHMENTS:

- 1) Area Map
- 2) Board Decision Matrix

Proposed Comprehensive Plan Amendment / Zone Change

63350 Abbey Rd, Bend



63350 Abbey Rd
Bend, OR 97701

Legend

- Proposed Plan Amendment / Zone Change
- Bend Urban Growth Boundary

HOUGHTON CONSULTING ENGINEERS, A CORP. 20208 PHOENIX AVENUE, SUITE 100
BEND, OR 97701
PROJECT NO. 21-0001

BOCC DECISION MATRIX

DAVE SWISHER PLAN AMENDMENT / ZONE CHANGE Land Use File Nos. 247-21-000616-PA, 617-ZC

	Issue Area	Applicable Approval Criterion	Applicant and Oppositional Responses	Hearings Officer	Staff Comment
1	Growth Management: The proposal could bring development that may impact quality of life for neighboring residents	The opposition does not point to specific approval criteria associated with this issue area.	<p>The Applicant asserts the County’s Comprehensive Plan provisions anticipate the need for additional rural residential lots as the region continues to grow. This includes providing a mechanism to rezone farmlands with poor soils to a rural residential zoning designation. While the rezone application does not include the creation of new residential lots, the Applicant has demonstrated the subject properties are comprised of poor soils that are adjacent to existing rural residential MUA-10 zone uses to the south and many surrounding EFU zoned properties are developed with low density residential uses. <u>Oppositional comments</u> focus on whether the subject property is appropriate to serve future residential development and whether there are other non-resource designated areas in the county that are more appropriate to absorb population and housing growth in the county, city, and regional area.</p>	<p>The Hearings Officer found that rezoning the subject properties to MUA-10 is consistent with Section 3.2, Chapter 3 of the Deschutes County Comprehensive Plan as it will provide for an orderly and efficient transition from urban to rural and agricultural lands (HO Decision p. 48). Further, the Hearings Officer states they do not have authority to deny the requested applications on the basis of concerns about growth as the proposal otherwise complies with applicable criteria.</p>	<p>Staff agrees with the Applicant and Hearings Officer on this issue area.</p>
2	Traffic Impacts: The project create traffic issues in the area.	The opposition does not point to specific approval criteria associated with this issue area, although staff notes that OAR 660-012-0060(1)(a-c) are criteria that may relate to this particular issue.	<p>The Applicant’s traffic study indicates the project will not generate traffic that exceeds the capacity of local roads. Additionally, the traffic study noted that access to the MUA-10 zoned Classic Estates lots to the south is provided by Peterman Lane and Parker Lane. Traffic associated with potential future development of the subject properties will not rely on either road for access. Finally, the traffic study notes that impacts to the greater area arterial street network will be negligible. <u>Oppositional comments</u> focus on current traffic trends, general traffic growth concerns, and overall road design in the project area.</p>	<p>The Hearings Officer found the following regarding the proposed project: 1) It will be consistent with the identified function, capacity, and performance standards of the County’s transportation facilities in the area. 2) The proposed changes will not change the functional classification of any existing or planned transportation facility or change the standards implementing a functional classification system. 3) The changes will not allow types or levels of land uses, which would result in levels of travel or access, which are inconsistent with the functional classification of nearby transportation facilities. 4) It will not reduce the performance standards of the facility below the minimum acceptable level in the County’s transportation system plan. (HO Decision p. 70)</p>	<p>Staff agrees with the Applicant, the Applicant's transportation engineer, and Hearings Officer on this issue area.</p>

BOCC DECISION MATRIX

DAVE SWISHER PLAN AMENDMENT / ZONE CHANGE

Land Use File Nos. 247-21-000616-PA, 617-ZC

	Issue Area	Applicable Approval Criterion	Applicant and Oppositional Responses	Hearings Officer	Staff Comment
3	Farming: The project may prevent or preclude farming activities taking place on the subject property.	The opposition does not point to specific approval criteria associated with this issue area. However, staff notes that OAR 660-033-0020(1)(a)(B) is the criterion under which the applicant's soil study was reviewed.	<u>The Applicant</u> asserts the subject properties are not suited to full-time commercial farming and that the proposed MUA-10 zone will still allow property owners to engage in hobby farming. <u>Oppositional comments</u> focus on a concern that farm potential on the subject and surrounding properties will be impacted, as well as potential water impacts to surrounding properties from residential irrigation uses.	The Hearings Officer found the subject properties, primarily comprised of Class 7 and 8 soils, are not suitable for farm use as defined in ORS 215.203(2)(a), taking into consideration the soil fertility, suitability for grazing, climactic conditions, existing and future availability of water for farm irrigation purposes, existing land use patterns, technological and energy outputs required and accepted farming practices. The Hearings Officer pointed to substantial evidence in the record that supports a determination that the subject properties cannot be employed for the primary purpose of obtaining a profit in money through farming-related endeavors, considering the costs of engaging in farm use. (HO Decision p. 56).	Staff agrees with the Applicant and Hearings Officer on this issue area. The Board may uphold the Hearings Officer's decision (including DLCD-approved soil study) or overturn based on a finding that the subject property is suitable for farm use, counter to OAR 660-033-0020(1)(a)(B)
4	Wildlife Impacts: The project may impact wildlife habitat and wildlife populations.	The opposition does not point to specific approval criteria associated with this issue area.	<u>The Applicant</u> asserts that their submitted burden of proof addresses County Comprehensive Plan Goals for rural development, economy, transportation, public facilities, recreation, energy, natural hazards, destination resorts, open spaces, wildlife, and forest lands. <u>Oppositional comments</u> focus on preserving the subject property for perceived wildlife habitat value based on past wildlife sightings from neighboring property owners.	The Hearings Officer found that the property does not include a wildlife overlay (WA) designation and, more importantly, no development is proposed at this time. The Hearings Officer further found rezoning the subject properties will not, in and of itself, impact wildlife and protections for wildlife must be sanctioned by the County's Goal 5 ESEEs and WA or similar wildlife overlay zoning (HO Decision p. 28, 72-73).	Staff agrees with the Applicant and Hearings Officer on this issue area.

BOCC DECISION MATRIX

DAVE SWISHER PLAN AMENDMENT / ZONE CHANGE

Land Use File Nos. 247-21-000616-PA, 617-ZC

	Issue Area	Applicable Approval Criterion	Applicant and Oppositional Responses	Hearings Officer	Staff Comment
5	Soil Study: The Applicant’s supplemental soil study does not legally alter agricultural designations for the subject properties based on the National Resources Conservation Service (NRCS) soil classification system.	The opposition states the property meets the legal definition of “agricultural land” based on OAR 660-033-0020(1)(a)(A).	<p>The Applicant submits that Goal 3 does not state that “agricultural land” is land mapped by NRCS soil studies as Class I, II, III, IV, V and VI. The Applicant argues that DLCD rules supplement the goal, stating that NRCS mapped soils in Class I-VI are agricultural land, but they also provide property owners with the right to challenge NRCS soil study results by hiring a certified soil scientist to conduct a more detailed soils study and obtaining DLCD approval to use the study in a plan amendment/rezone application. The Applicant states that a soil classification system and soil study maps are not one and the same thing. The Applicant notes that the right to challenge NRCS mapping is allowed both by the text of Goal 3 itself and by ORS 215.211 and in the event of conflict, ORS 215.211 controls over the conflicting provisions of the Goal 3 rules adopted by LCDC. The Applicant notes that OAR 660-033-0030(5)(a) requires soil scientists to study and report on the soils based on the SCS soil classification. <u>Oppositional comments</u> state that lands classified as Class I-VI by the NRCS in Eastern Oregon are agricultural lands <i>per se</i> and cannot be rezoned or reclassified without a Goal 3 exception. The opposition states that OAR 660-033-0030 requires that any land meeting a NRCS Class 1-VI classification “shall be inventoried as agricultural land.”</p>	<p>The Hearings Officer found that NRCS soil survey maps are not definitive or “binding” with respect to a determination of whether the subject properties are, or are not, agricultural land. The Hearings Officer cited LUBA findings in the <i>Aceti</i> case, OAR 660-033-0030(5)(a) and (5)(b) which allow the County to rely on more detailed data on soil capability than provided by NRCS soil maps to define agricultural land, provided the soils survey has been certified by DLCD. (HO Decision p. 40). As such, the Hearings Officer found the Applicant met its burden of proving the property is not agricultural land and does not require an exception to Goal 3 under state law and the applications are consistent with Policy 2.2.3 of the County Comprehensive Plan (HO Decision p. 45).</p>	<p>Staff agrees with the Applicant and Hearings Officer on this issue area. Additionally, staff points to specific findings highlighted by County Legal Counsel from the LUBA <i>Aceti</i> case highlighting the allowance of DLCD certified soil studies when making determinations of properties proper agricultural designation.</p>



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 16, 2022

SUBJECT: Request Board approval and Chair signature of PacificSource Amendment #1, Document No. 2022-111.

RECOMMENDED MOTION:

Request Board approval and Chair signature of PacificSource Amendment #1, Document No. 2022-111.

BACKGROUND AND POLICY IMPLICATIONS:

PacificSource Community Solutions, Inc. (PSCS) delivers healthcare solutions to businesses and individuals throughout the Northwest and is an independent, wholly-owned subsidiary of PacificSource Health Plans, a non-profit community health plan. PSCS has been providing Medicaid plans to Oregonians since 1995 and currently offers Oregon Health Plans (OHP) coverage to individuals who need help through the PacificSource Coordinated Care Organization (CCO).

Deschutes County Health Services serves as a Wraparound Provider specializing in providing supports to eligible members, pursuant to Fidelity Wraparound requirements. Wraparound is an intensive care coordination process for youth with emotional and behavioral disorders who are involved in multiple systems. These systems include mental health, addictions, child welfare, intellectual or developmental disabilities, juvenile justice, and education. Wraparound is a team-based, strengths-based process that organizes a youth-and-family driven system of services and supports. Services and supports are individualized for a youth and family to achieve a positive set of outcomes.

This Amendment #1 modifies language regarding wraparound work and implementing System of Care for the children's system. Reimbursement is based on a per-member per-month (PMPM) at a rate of \$1,319.

Wraparound care coordination includes, but is not limited, to the following:

- Certified provider administer the Child and Adolescent Needs and Strengths Assessment (CANS);
- Staff are trained in integration and foundations of Trauma Informed Care, recovery principles, motivational interviewing, and rendering services in a culturally and linguistically appropriate manner;
- Adhere to applicable elements of the System of Care Wraparound Initiative Guidance Document;
- Complete required documents for enrolled youth and their family pursuant to the Fidelity model.

BUDGET IMPACTS:

Amount contingent upon total caseload. Estimated projected totals consist of sixty-five (65) youth enrolled in Wrap services at the rate of \$1,319, which comes to \$85,735 per month and \$1,028,820 annually.

ATTENDANCE:

Shannon Brister-Raugust, Program Manager



AMENDMENT TO

**PacificSource / Central Oregon Community Mental Health Programs
Deschutes County Mental Health**

PARTICIPATING PROVIDER SERVICE AGREEMENT

Effective January 01, 2022 the PacificSource Participating Provider Service Agreement with Central Oregon Community Mental Health Programs is amended as follows:

- I. **Fidelity Wraparound Attachment A** shall be added dated effective 01/01/2022.
- II. **Fidelity Wraparound Addendum** shall be added dated effective 01/01/2022.

Except for the changes described herein, the Participating Provider Service Agreement remains unchanged.

PACIFICSOURCE HEALTH PLANS

**CENTRAL OREGON COMMUNITY MENTAL
HEALTH PROGRAMS – DESCHUTES
COUNTY MENTAL HEALTH**

By: _____
(Signature)

_____ Peter McGarry

Title: Vice President – Provider Network

Date: _____

By: _____
(Signature)

(Print or type name)

Title: _____

Date: _____

**Attachment A – Fidelity Wraparound
Central Oregon Community Mental Health Programs
Deschutes County Mental Health
01/01/2022**

1.0 Program-Based Reimbursement

Reimbursement for wraparound program defined below will be calculated as a per-member per-month (PMPM) payment. Starting 1/1/2022, the PMPM payment will be made based on the rates listed below.

Program	Unit of Measure	Payment per Unit
Youth Fidelity Wraparound Program (Inclusive of all services, including those subcontracted)	Per member per month	\$1,319.00

2.0 Program Description, Conditions and Reporting

2.1 Condition. Fidelity to OHA model

2.2 Reporting. Monthly enrollment and enrollee encounters. On or before the 5th of the month, Provider shall send an invoice to PacificSource Community Solutions for invoicing purposes. This invoice shall indicate members served in a previous month and include the following data: Member name, Member date of birth, Member identification number. PacificSource shall verify member eligibility and coverage, prorating the monthly rate should the member have not been eligible for services for the entire month. Provider will submit additional data elements as determined by PacificSource in order to verify the services rendered and member eligibility.

Central Oregon Community Mental Health Programs

Deschutes County Mental Health

01/01/2022

Fidelity Wraparound Addendum

RECITALS

- A. Provider is committed to implementing Oregon Health Policy Board Policy #26 (“System of Care (SOC) to be fully implemented for the children’s system”) and Policy #27 (“Require wraparound is available to all children and young adults who meet criteria”), reducing billing system and policy barriers that may prevent community-based providers from billing for services, and developing payment methodologies to reimburse for evidence-based treatments in a community setting.
- B. Wraparound is an intensive care coordination process for youth with emotional and behavioral disorders who are involved in multiple systems. These systems include mental health, addictions, child welfare, intellectual or developmental disabilities, juvenile justice, and education. Wraparound is a team-based, strengths-based process that organizes a youth-and-family-driven system of services and supports. Services and supports are individualized for a youth and family to achieve a positive set of outcomes.
- C. Provider is also committed to participating in supporting the continuum of care that integrates health services by means of implementing a System of Care approach that includes models such as wraparound for children with behavioral health disorders.
- D. Provider serves as a Wraparound Provider or supports multiple Wraparound Providers, and Provider specializes in providing wraparound supports to eligible Members in accordance with OAR 309-019-0326. Provider delivers wraparound supports pursuant to Fidelity Wraparound requirements, as required by OAR 309-019-0326 and Exhibit M of the CCO Contract.
- E. Provider is including this Addendum for the express purpose of supporting wraparound services.

1. WRAPAROUND WORK.

Provider retains Provider to create, support, and manage the services for its Members in the Service Area as described and in accordance with this Section 1 (the “Wraparound Work”). Provider agrees to render all Wraparound Work in accordance with the terms and conditions of the Agreement and this Attachment, applicable state and federal law, applicable government regulations and guidance, and in conformity with appropriate and accepted standards of care for those services. Nothing herein is intended to create, and shall not create, any exclusive arrangement between Provider and Provider. This Agreement shall not restrict either Party from acquiring similar, equal or like goods or services from other entities or sources. The Parties acknowledge that there may be changes in OHA guidance or interpretation in the future that impact this Agreement. The Parties agree to work together to adjust and incorporate such OHA guidance and interpretations into this Agreement and/or

into the work performed hereunder, as well as any new requirements from an amendment to the CCO Contract or as otherwise required by OHA. Provider shall perform Wraparound Work, as described in greater detail below:

1.1 Wraparound Services. Provider shall administer wraparound care coordination services to Fidelity, consistent with the obligations set forth in Exhibit M of the CCO Contract. In particular, Provider shall:

- 1.1.1 Ensure certified providers administer the Child and Adolescent Needs and Strengths Assessment (“CANS”) Oregon to members, consistent with the reporting requirements set forth in Exhibit M of the CCO Contract;
- 1.1.2 Ensure its providers and staff are trained in integration and foundations of Trauma Informed Care, recovery principles, motivational interviewing, assessing for Adverse Childhood Experiences, and rendering services in a Culturally and Linguistically Appropriate manner;
- 1.1.3 Adhere to applicable elements of the System of Care Wraparound Initiative Guidance Document published by the OHA; and
- 1.1.4 Complete required documents for each enrolled youth and their family pursuant to the Fidelity model.

1.2 Clients Served. Provider shall be reimbursed for the number of clients served identified in Attachment A. Should Provider serve less than the budgeted number of Members and families per month, Provider’s reimbursement shall be adjusted in accordance with the guidelines set forth in Attachment A.

1.3 Provider’s Wraparound Policies. Provider agrees to comply with Provider’s Wraparound policies and procedures, including those policies and procedures described in Exhibit M of the CCO Contract. Provider also agrees to provide feedback not less than annually in order to support Provider in improving its policies and procedures to meet the needs of the local community.

1.4 Wraparound Staff. Provider will ensure the implementation of Fidelity Wraparound by hiring and training the following staff required in Exhibit M to deliver Wraparound Work:

- Wraparound Care Coordinator;
- Wraparound Supervisor;
- Wraparound Coach;
- Youth Peer Delivered Service Provider;
- Family Peer Delivered Service Provider; and
- Peer Delivered Service Provider Supervisor.

1.5 Workforce. On not less than an annual basis, Provider agrees to share with Provider a summary of its workforce, including whether any of its employed or contracted workforce are certified or grandfathered as traditional health workers, as well as their corresponding scope of practice. This information will assist Provider in meeting the OHA’s mandate to align local interests with state-level expectations and increase the number of certified Traditional Health Workers serving the community. After Provider produces this analysis, the Parties agree to meet and review the analysis to discuss barriers and opportunities.

- 1.6 Assistance in Meeting OHA Obligations.** Provider agrees to cooperate with and assist Provider in fulfilling Provider’s obligations to the OHA with regard to services performed under this Agreement.
- 1.7 Behavioral Health Report.** Provider agrees to collaborate with Provider to complete reporting to the OHA, including the Behavioral Health Report that Provider must submit to the OHA on an annual basis.
- 1.8 Wraparound Care Coordinators.** Provider agrees to work collaboratively with Provider’s wraparound care coordinators and supervisors (“Wraparound Staff”) and other community care coordinators, as reasonably requested. Provider also agrees to participate in technical assistance offered by Provider, including training in trauma-informed care principles.
- 1.9 Participation in System of Care Governance.** Provider agrees to participate in System of Care work groups, including the Practice Level Workgroup, to support a comprehensive, person-centered, individualized, and integrated community-based array of child and youth behavioral health services using System of Care principles.
- 1.10 Participation in Community Governance.** Provider agrees to participate in the local Community Health Assessment and Community Health Improvement Plan, as may be requested by Provider or the [insert Health Council], from time to time. In addition, Provider agrees to participate in the Community Advisory Council to share valuable perspectives with the community and the [Health Council].
- 1.11 Caseloads.** Provider shall track the ratio of care coordinators, family support specialists, and youth support specialists to families served. Provider shall maintain adequate staffing in order to ensure that at no time the ratio of providers to families served exceeds 1:15. If at any time the ratio exceeds 1:15, Provider shall immediately notify Provider so that Provider may take appropriate next steps pursuant to Provider’s policies and procedures.
- 1.12 Data Collection and Reporting.** In order to support Provider and Provider’s joint efforts to serve Members and in service of the OHA’s requirements to collect data about the delivery of wraparound services, Provider agrees to provide reporting to Provider that includes the following:

 - Wraparound Annual Utilization Report (annually)
 - Total number of youth served (quarterly)
 - Ratio of employed or contracted staff to total number of youth served (quarterly)
 - Number of requests for Wraparound services and number enrolled in Wraparound, including explanations for those not enrolled (quarterly)
 - Number of youth discharged from Wraparound (quarterly)
 - Race/Ethnicity and Language of eligible members enrolled in and discharged from Wraparound (quarterly)
- 1.13 Reporting Penalties.** Provider agrees to supply the reporting deliverables listed in Section 1.12. Provider agrees to indemnify and hold Provider harmless against any and all fines, fees, and/or assessments assessed by the Oregon Health Authority as

a result of Provider's failure to timely meet the reporting deliverables identified in this Agreement.

1.14 Workforce Training. Provider, in partnership with Provider, shall identify training needs of its staff and shall address such needs to improve the ability of Provider to deliver Services to assigned Members. Provider shall ensure that all staff receive training as required in the Contract such as, but not limited to, Cultural Responsiveness, Implicit Bias, CLAS Standards, Trauma Informed Care, and uses of data to advance health equity to name a few. Provider shall have mechanisms in place that enable reporting to Provider, at Provider's reasonable request, details of training activities, annual training plans, training subjects, content outlines, objectives, target audiences, delivery system, evaluations, training hours, training attendance, and trainer qualifications. At a minimum, Provider shall provide Provider with an Annual Training and Education Report so that Provider may compile such information into Provider's report to the OHA.

2. PAYMENT.

Provider shall be paid for providing the Wraparound Work pursuant to Attachment A of the Agreement.

3. TERM AND TERMINATION.

This Addendum shall be in full force and effect for the Term of the Agreement, unless earlier terminated as provided herein. Either Party may terminate this Addendum, without impacting the Agreement, with the other Party's written consent, which shall not be unreasonably withheld.

4. DATA USE.

The Parties recognize and agree that it may be necessary to share certain data with each other that was not anticipated to give this Addendum its full force and effect. The Parties agree that they will meet and determine the exact data to provide, in accordance with the terms of this Addendum, as it becomes necessary. The additional specifications for that data may be added as an amendment, at any time, to this Addendum as mutually agreed to by the Parties. The Parties acknowledge that the CCO Contract requires significant reporting to OHA, including documentation establishing compliance with OAR 309-019-0326, and agree to work together to ensure the proper completion and filing of such reports so that Provider may fulfill its obligations under the CCO Contract. Provider acknowledges that OHA will post many of the reports on its website. Where redaction of certain information is allowed, the Parties will coordinate on the identification of those redactions, although Provider will have the right to make the final redactions based on its sole discretion.

DESCHUTES COUNTY DOCUMENT SUMMARY

(NOTE: This form is required to be submitted with ALL contracts and other agreements, regardless of whether the document is to be on a Board agenda or can be signed by the County Administrator or Department Director. If the document is to be on a Board agenda, the Agenda Request Form is also required. If this form is not included with the document, the document will be returned to the Department. Please submit documents to the Board Secretary for tracking purposes, and not directly to Legal Counsel, the County Administrator or the Commissioners. In addition to submitting this form with your documents, please submit this form electronically to the Board Secretary.)

Please complete all sections **above** the Official Review line.

Date: January 12, 2022

Department: Health Services, Behavioral Health

Contractor/Supplier/Consultant Name: PacificSource Community Solutions, Inc.

Contact: Shannon Brister-Raugust

Type of Document: Amendment #1 to CMHP Agreement 2021-323

Goods and/or Services: PacificSource Community Solutions, Inc. (PSCS) contracts with Deschutes County Health Services as a Community Mental Health Program (CMHP). Deschutes County Health Services provides treatment to Oregon Health Plan (OHP) members for mental health, mental illness, addiction disorders and substance use disorders. Deschutes County Health Services is paid on a monthly capitation basis and PacificSource provides an incentive payment for meeting performance measures.

This Amendment #1 modifies language regarding wraparound work and implementing System of Care for the children’s system. Reimbursement is based on a per-member per-month (PMPM) at a rate of \$1,319.

Background & History: PSCS delivers healthcare solutions to businesses and individuals throughout the Northwest and is an independent, wholly-owned subsidiary of PacificSource Health Plans, a non-profit community health plan. PSCS has been providing Medicaid plans to Oregonians since 1995 and currently offers Oregon Health Plans (OHP) coverage to individuals who need help through the PacificSource Coordinated Care Organization (CCO).

Deschutes County Health Services serves as a Wraparound Provider specializing in providing supports to eligible members, pursuant to Fidelity Wraparound requirements. Wraparound is an intensive care coordination process for youth with emotional and behavioral disorders who are involved in multiple systems. These systems include mental health, addictions, child welfare, intellectual or developmental disabilities, juvenile justice, and education. Wraparound is a team-based, strengths-based process that organizes a youth-and-family driven system of services and supports. Services and supports are individualized for a youth and family to achieve a positive set of outcomes.

This Amendment #1 outlines the expectations and services administered for wraparound care coordination. These services include but are not limited to ensuring the following:

- Certified provider administer the Child and Adolescent Needs and Strengths Assessment (CANS);
- Staff are trained in integration and foundations of Trauma Informed Care, recovery principles, motivational interviewing, and rendering services in a culturally and linguistically appropriate manner;
- Adhere to applicable elements of the System of Care Wraparound Initiative Guidance Document;
- Complete required documents for enrolled youth and their family pursuant to the Fidelity model.

Starting Date: January 1, 2022

Ending Date: Auto Renew

Annual Value or Total Payment: Amount contingent upon total caseload. Estimated projected totals consist of 65 youth enrolled in Wrap services at the rate of \$1,319, which comes to \$85,735 per month and \$1,028,820 annually,

Insurance Certificate Received (check box)
Insurance Expiration Date:

Check all that apply:

- RFP, Solicitation or Bid Process
- Informal quotes (<\$150K)
- Exempt from RFP, Solicitation or Bid Process (specify – see DCC §2.37)

Funding Source: (Included in current budget? Yes No

If **No**, has budget amendment been submitted? Yes No

Is this a Grant Agreement providing revenue to the County? Yes No

Special conditions attached to this grant:

Deadlines for reporting to the grantor:

If a new FTE will be hired with grant funds, confirm that Personnel has been notified that it is a grant-funded position so that this will be noted in the offer letter: Yes No

Contact information for the person responsible for grant compliance: Name:
Phone #:

Departmental Contact and Title:
Phone #:

Deputy Director Approval:

Department Director Approval:

Signature: Janice Garceau
Janice Garceau (Mar 4, 2022 13:51 PST)

Email: janice.garceau@deschutes.org

Title: Behavioral Health Director

Company: Deschutes County Health Services

Signature: Erik Kropp
Erik Kropp (Mar 4, 2022 14:38 PST)

Email: erik.kropp@deschutes.org

Title: Interim Health Services Director

Company: Deschutes County

Distribution of Document: Grace Justice Evans, Deschutes County Health Services

Official Review:

County Signature Required (check one): BOCC Department Director (if <\$50K)
 Administrator (if >\$50K but <\$150K; if >\$150K, BOCC Order No. _____)

Legal Review _____ Date _____

Document Number 2022-111



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 16, 2022

SUBJECT: Consideration of Board approval and Chair Signature of Document #2022-233, a PacificSource Service Agreement

RECOMMENDED MOTION:

Move approval of Chair signature of Document #2022-233, Pacificsource Choice Model Services Agreement.

BACKGROUND AND POLICY IMPLICATIONS:

PacificSource Community Solutions (PSCS) delivers healthcare solutions to businesses and individuals throughout the Northwest and is an independent, wholly-owned subsidiary of PacificSource Health Plans a non-profit community health plan. PSCS has been providing Medicaid plans to Oregonians since 1995 and currently offers Oregon Health Plans (OHP) coverage to individuals who need help through the PacificSource Coordinated Care Organization (CCO).

Deschutes County Health Services provides Choice Model Services which are designed to promote more effective utilization of current capacity in facility based treatment settings and community based settings, increase care coordination, and increase accountability at a local and state level. Services are designed to promote the availability and quality of individualized community-based services and supports so that adults with mental illness are served in the least restrictive environment possible, and use of long-term institutional care is minimized.

PSCS is contracting with Deschutes County Health Services to provide oversight and care coordination for adults with serious and persistent mental illness (SPMI). The contract term is January 1, 2022 through December 31, 2022.

BUDGET IMPACTS:

Annual payment, from PSCS, for Choice Model Services is capped at \$407,889.02 for the contract period January 1, 2022 through December 31, 2022. Additionally, two performance payments in the amount of \$11,181.17 may be available, if all regional PSCS Choice Model contractors meet performance measures, for the periods January 1 through June 30, 2022 and July 1 through December 31, 2022.

ATTENDANCE:

Kara Cronin, Behavioral Health Program Manager

DESCHUTES COUNTY DOCUMENT SUMMARY

(NOTE: This form is required to be submitted with ALL contracts and other agreements, regardless of whether the document is to be on a Board agenda or can be signed by the County Administrator or Department Director. If the document is to be on a Board agenda, the Agenda Request Form is also required. If this form is not included with the document, the document will be returned to the Department. Please submit documents to the Board Secretary for tracking purposes, and not directly to Legal Counsel, the County Administrator or the Commissioners. In addition to submitting this form with your documents, please submit this form electronically to the Board Secretary.)

Please complete all sections **above** the Official Review line.

Date:

Department:

Contractor/Supplier/Consultant Name:

Contractor Contact: **Contractor Phone #:**

Type of Document: Personal Services Contract

Goods and/or Services: PacificSource Community Solutions (PSCS) is contracting with Deschutes County Health Services to provide oversight and care coordination for adults with serious and persistent mental illness (SPMI). PSCS will provide funding up to \$407,889.02 with two potential performance payments of \$11,181.17 available if all regional PSCS Choice Model contractors meet the performance measures. The contract term is January 1, 2022 through December 31, 2022.

Background & History: PSCS delivers healthcare solutions to businesses and individuals throughout the Northwest and is an independent, wholly-owned subsidiary of PacificSource Health Plans a non-profit community health plan. PSCS has been providing Medicaid plans to Oregonians since 1995 and currently offers Oregon Health Plans (OHP) coverage to individuals who need help through the PacificSource Coordinated Care Organization (CCO).

Deschutes County Health Services provides Choice Model Services which are designed to promote more effective utilization of current capacity in facility based treatment settings and community based settings, increase care coordination and increase accountability at a local and state level. Services are designed to promote the availability and quality of individualized community-based services and supports so that adults with mental illness are served in the least restrictive environment possible and use of long-term institutional care is minimized.

Annual payment for Choice Model Services is capped at \$407,889.02 for the contract period January 1, 2022 through December 31, 2022. Performance payments each in the amount of \$11,181.17, may be available if the applicable conditions are achieved for the periods January 1 through June 30, 2022 and July 1 through December 31, 2022.

Start Date: **Ending Date:**

Annual Value or Total Payment:

Insurance Certificate Received (check box)
Insurance Expiration Date:

Check all that apply:

- RFP, Solicitation or Bid Process
- Informal quotes (<\$150K)

Exempt from RFP, Solicitation or Bid Process (specify – see DCC §2.37)

Funding Source: (Included in current budget? Yes No)

If **No**, has budget amendment been submitted? Yes No

Is this a Grant Agreement providing revenue to the County? Yes No

Special conditions attached to this grant: Monthly invoices and Client Status Reports

Deadlines for reporting to the grantor:

If a new FTE will be hired with grant funds, confirm that Personnel has been notified that it is a grant-funded position so that this will be noted in the offer letter: Yes No

Contact information for the person responsible for grant compliance: Name: _____
Phone #:

Departmental Contact and Title: Kara Cronin, BH Program Manager
Phone #: 547-322-7526

Deputy Director Approval:

Department Director Approval:

Signature: Janice Garceau
Janice Garceau (Mar 2, 2022 09:27 PST)

Signature: Erik Kropp
Erik Kropp (Mar 2, 2022 13:29 PST)

Email: janice.garceau@deschutes.org

Email: erik.kropp@deschutes.org

Title: Behavioral Health Director

Title: Interim Health Services Director

Company: Deschutes County Health Services

Company: Deschutes County

Distribution of Document: Michele Carroll, Deschutes County Health Services.

Official Review:

County Signature Required (check one): BOCC Department Director (if <\$50K)

Administrator (if >\$50K but <\$150K; if >\$150K, BOCC Order No. _____)

Legal Review _____ Date _____

Document Number 2022-233



CHOICE MODEL SERVICES AGREEMENT



**Choice Model Services Agreement
Deschutes County Health Services**

Effective: January 1, 2022 – December 31, 2022

This Choice Model Services Agreement is entered into effective as of the 1st day of January, 2022 (hereinafter referred to as the Effective Date) by and between, **PacificSource Community Solutions**, an Oregon non-profit corporation (“**Health Plan**”) and **Deschutes County Health Services** (“**Provider**”) and shall expire on the 31st day of December, 2022 unless extended or terminated earlier in accordance with its terms.

RECITALS

WHEREAS, Health Plan is Contracted with the State of Oregon, acting by and through the Oregon Health Authority (“OHA”), Health Systems Division (“HSD”), to implement and administer services under the Oregon Health Plan and other target populations as defined in this agreement;

WHEREAS, Health Plan desires to enter into this Agreement with Provider to provide Covered Services to Individuals as described in this Agreement.

WHEREAS, the parties intend that should any ambiguity arise in the interpretation of a provision of this Agreement, the provision shall be construed to be consistent with the legal requirements of the state of Oregon, any Agreements between Health Plan and state or government agencies, or other legal requirements, as applicable.

NOW, THEREFORE, in consideration of the mutual covenants and agreements, and subject to the conditions and limitations set forth in this Agreement, and for the mutual reliance of the parties in this Agreement, the parties hereby agree as follows:

AGREEMENTS

1. Definitions.

- 1.1 “Acute Care Psychiatric Facility” or “Acute Care Psychiatric Hospital” shall mean a hospital that provides 24 hour-a-day psychiatric, multi-disciplinary, inpatient or residential stabilization, care and treatment, for adults ages 18 years of age or older with serious psychiatric disabilities.
- 1.2 “Agreement” shall mean Choice Model Services Agreement, including any and all amendments, exhibits, attachments, schedules, and addenda, now or hereafter entered into, between Provider and Health Plan.
- 1.3 “Assertive Community Treatment (ACT)” shall mean an evidence-based practice designed to provide comprehensive treatment and support services to Individuals with SPMI. ACT is intended to serve Individuals who have serious functional impairments and who have not responded to traditional psychiatric outpatient treatment. ACT services are provided by a single multi-disciplinary team, which typically includes a

psychiatrist, a nurse, and at least two case managers, and are designed to meet the individual needs of each Individual and to help keep the Individual in the community and out of a structured service setting, such as residential or hospital care. ACT is characterized by:

- a. Low client to staff ratios;
 - b. Providing services in the community rather than in the office;
 - c. Shared caseloads among team members;
 - d. 24-hour staff availability;
 - e. Direct provision of all services by the team (rather than referring Individuals to other agencies); and
 - f. Time-unlimited services.
- 1.4 “Behavioral Health Treatment” shall mean treatment for mental illness, substance use disorders, or problem gambling.
 - 1.5 “County of Responsibility” (COR) shall mean the county in which an Individual most recently maintained a postal address, or if residence is otherwise indeterminate, the county where the Individual was last present before being transported to an acute psychiatric hospital such as where the Individual was placed on a police officer custody, director’s custody or transport custody. Incarceration or placement on an involuntary hold, at OHS or a licensed 24-hour facility, is not to be used to make this determination. OHA will determine COR if there is a disagreement between counties.
 - 1.6 “Discharge Plan” shall mean a written document prepared by the Provider beginning at admission and updated through the Discharge Planning process which identifies housing, treatment and other services needed to support the continuity of care necessary to maintain the Individual’s stability in the community. This report shall combine information from the Individual, OHS, community providers, recovery plan, and other resources.
 - 1.7 “Discharge Planning” shall mean a process that begins upon admission to OSH or licensed residential setting and is based on the presumption that with sufficient supports and services, all Individuals can live in an integrated community setting. Discharge planning is developed and implemented through a person-centered planning process in which the Individual has a primary role in creating, and is based on principles of self-determination.
 - 1.8 “Exceptional Needs Care Coordination (ENCC)” shall mean a process-oriented activity to facilitate ongoing communication and collaboration with the Individual to arrange Services appropriate to their needs, preferences and choices, including but not limited to:
 - a. Facilitating communication between the Individual, family, natural supports and community resources, involved providers, and agencies;
 - b. Organizing, facilitating, and participating in interdisciplinary team meetings when the Individual is in the community;

- c. Emphasizing discharge planning in IDTs at OSH by collaborating with IDT members, providing recommendations in collaboration with CCO Care Coordinators towards discharge preparation and sharing revisions of the Discharge Plan;
 - d. Providing for continuity of care by creating linkages to and managing transitions between levels of care and transitions for adults with SPMI; and
 - e. In collaboration with CCO Care Coordinators, facilitating all referrals from OSH with the goal of providing oversight and care coordination for Adults with SPMI.
- 1.9 “Face-to-Face” shall mean a personal interaction where both words can be heard and facial expressions can be seen in person or through telehealth services where there is a live streaming audio and video.
- 1.10 “Home and Community-Based Services (HCBS)” shall mean the 1915 (i) state Medicaid plan amendment that allows for the use of Medicaid funding for home-based habilitation, behavioral habilitation, and psychosocial rehabilitation services for qualified Medicaid recipients who have been diagnosed with a mental illness.
- 1.11 “Home CCO” shall mean enrollment in a Coordinated Care Organization (CCO) in a given service area, based upon an Individual’s most recent permanent residency, determined at the time of original eligibility determination or most current point of CCO enrollment prior to hospitalization per enrollment requirements in OAR 410-141-306.
- 1.12 “Individual” or “Client” shall mean, with respect to a particular Service, any person who is enrolled in that Service, in whole or in part, with payments provided under this Agreement.
- 1.13 “In-Reach Services” shall mean services delivered from community-based service providers to an Individual while at the Oregon State Hospital (OSH) or acute care psychiatric hospital to:
- a. Maintain the Individual’s connection to ongoing services and supports;
 - b. Assist with stabilization and discharge planning; and
 - c. Provide transition support for Individuals determined Ready to Transfer from the OSH or determined appropriate for diversion from OSH while in an acute care psychiatric hospital.
- 1.14 “Integrated Setting” shall mean a setting that enables Individuals with disabilities to interact with non-disabled persons to the fullest extent possible. Integrated settings are those that provide Individuals with disabilities opportunities to live, work, and receive services in the greater community, like individuals without disabilities. Integrated settings are:
- a. Located in mainstream society;
 - b. Offer access to community activities and opportunities at times, frequencies and with persons of an Individual’s choosing;
 - c. Afford Individuals choice in their daily life activities; and
 - d. Provide Individuals with disabilities the opportunity to interact with non-disabled persons to the fullest extent possible.

- 1.15 “Long-Term Psychiatric Care (LTPC)” shall mean inpatient psychiatric services delivered in an Oregon State-operated Hospital after usual and customary care has been provided in an acute inpatient hospital psychiatric care setting and the Individual continues to require a hospital level of care.
- 1.16 “Oregon State Hospital (OSH)” shall mean any campus of the Oregon State Hospital system.
- 1.17 “Peer Delivered Services” shall mean community-based services and supports provided by peers, and Peer Support Specialists, to Individuals or family members with similar lived experience. These services are intended to support Individuals and families, to engage Individuals in ongoing treatment, and to live successfully in the community.
- 1.18 “Ready To Transition (RTT)” shall mean the date that, consistent with the scope of the order of commitment, OSH has determined that an Individual is no longer in need of hospital-based care as described in OAR 309-091-0035.
- 1.19 “Records” refers to all financial records, other records, books, documents, papers, plans, records of shipments and payments and writings of Provider whether in paper, electronic or other form, that are pertinent to this Agreement.
- 1.20 “Recovery” shall mean a process of change through which Individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.
- 1.21 “Recovery Plan” shall mean a written document created by the Individual and facilitated by a Peer Support Specialist, or an alternative as determined by the Individual, to help identify the Individual’s strengths (e.g. knowledge gained from dealing with adversity, personal or professional roles, talents, personal traits) that can act as resources to the Individual and the Individual’s recovery planning team in pursuing personal and treatment goals.
- 1.22 “Serious and Persistent Mental Illness (SPMI)” shall mean the current DSM diagnostic criteria for at least one of the following conditions, as a primary diagnosis for an adult 18 years of age or older:
 - a. Schizophrenia and other psychotic disorders;
 - b. Major depressive disorder;
 - c. Bipolar disorder;
 - d. Anxiety disorders limited to Obsessive Compulsive Disorder (OCD) and Post Traumatic Stress Disorder (PTSD);
 - e. Schizotypal personality disorder; or
 - f. Borderline personality disorder.
- 1.23 “Supported Housing” shall mean permanent housing with tenancy rights and support services that enables Individuals to attain and maintain integrated affordable housing. Support services offered to Individuals living in supported housing are flexible and are available as needed and desired, but are not mandated as a condition of obtaining tenancy. Tenants have a private and secure place to make their home, just like other members of the community, with the same rights and responsibilities. Supported housing enables Individuals with disabilities to interact with individuals without disabilities to the fullest extent possible. Supported housing is scattered site housing. To

be considered supported housing under this Plan, for buildings with two or three units, no more than one unit may be used to provide supported housing for tenants with SPMI who are referred by Health Plan or its Providers, and for buildings or complexes with four or more units, no more than 25% of the units in a building or complex may be used to provide supported housing for tenants with SPMI who are referred by Health Plan or its Providers. Supported housing has no more than two Individuals in a given apartment or house, with a private bedroom for each Individual. If two people are living together in an apartment or house, the Individuals must be able to select their own roommates. Supported housing does not include housing where providers can reject Individuals for placement due to medical needs or substance abuse history.

1.24 “Voluntary by Guardian” shall mean that an Individual’s legal guardian has signed consent for admission to an acute psychiatric facility, Oregon State Hospital, or licensed residential facility.

2. **Service Description.**

2.1 Provider shall provide oversight and care coordination for Adults with Serious and Persistent Mental Illness (SPMI) as follows:

- a. Facilitate access to quality individualized community-based services and supports so that adults with SPMI are served in the most integrated setting possible; and
- b. Facilitate effective utilization of services and facility-based care in the community; and

2.2 Identify anticipated capacity needs across the system and communicate with Coordinated Care Organizations (CCO), Community Mental Health Programs (CMHP), and Oregon Health Authority (OHA).

2.3 The Provider’s service area shall align primarily with the Home CCO and when no CCO is identified or the Home CCO has multiple Choice Providers, then the service area will align with the County of Responsibility (COR) as follows:

- a. Home CCO is the designated service area for Individuals who are:
 - i. CCO enrolled members; or
 - ii. CCO members at the time of referral to Oregon State Hospital (OSH); or
- b. COR is the designated service area for Individuals who are:
 - i. Fee-For-Service Medicaid Eligible;
 - ii. Uninsured, underinsured, not eligible for Medicaid, or have exhausted Medicaid services, including those who meet the criteria for the Citizen Alien Waived Medical Program;
 - iii. Undocumented;
 - iv. Privately insured;
 - v. Funded through Veterans Administration; or
 - vi. Other as approved by OHA.

2.4 Service Population

Individuals who meet the following criteria shall be enrolled in Choice Model Services:

- a. Have been civilly committed and admitted to OSH under ORS Chapter 426;
 - b. Have been civilly committed under ORS Chapter 426 and are referred to or at risk of being referred to OSH;
 - c. Admitted to OSH under guardian authorization; secured or non-secure licensed residential facility as defined in ORS 443.400 including licensed programs designated specifically for young adults in transition;
 - d. Are residing in a license adult foster home as defined in ORS 443.705 due to SPMI; or
 - e. As directed by OHA.
- 2.5 Individuals who, due to SPMI, meet the following criteria may be enrolled, per Provider's policies and procedures in Choice Model Services:
- a. Are placed on outpatient commitment pursuant to ORS 426.127;
 - b. Are placed in assisted outpatient treatment pursuant to ORS 426.133;
 - c. Have transitioned from civil commitment pursuant to ORS 426.060 within the past 12 months;
 - d. Have been found to lack fitness to proceed pursuant to ORS 161.370;
 - e. Will end jurisdiction within the next six months or ended jurisdiction under the Psychiatric Security Review Board (PSRB) within the past 12 months;
 - f. Have been determined service eligible through the Department of Human Services (DHS), Aging & People with Disabilities (APD) and Intellectual/Developmental Disabilities (I/DD) Divisions to support the behavioral health service needs of Individuals determined service eligible for APD or I/DD; or
 - g. Are at risk of meeting the above criteria without supports offered through Choice Model Services.
- 2.6 Eligible Services
- a. Exceptional Needs Care Coordination as appropriate to the needs, preferences, and choices of each Individual.
 - b. Coordination of behavioral health treatment services and supports not funded through other sources including, but not limited to:
 - i. Medicaid;
 - ii. Medicare;
 - iii. County Financial Assistance Agreements; or
 - iv. Coordinated Care Organization Contracts.
 - c. Activities to remove barriers and facilitate access to integrated services and supports, which are not funded through other sources. Especially when Individuals are being discharged from OSH and when establishing residence in Supported Housing. These activities may include, but are not limited to:
 - i. Room and board payments;
 - ii. Rental assistance, security deposits, and application fees;

- iii. Utility payments and deposits;
- iv. Prescription or over-the-counter medications and medical supplies not covered by Medicaid or other sources;
- v. Transportation;
- vi. Activities to secure and maintain Guardianship Services, including but not limited to:
 - a. Paying the costs of:
 - i. Court hearings to determine the necessity, continuation or termination of a guardianship.
 - ii. Guardianship services to make decisions related to overseeing the care and supervision of an Individual.
 - b. If guardianship is expected to continue beyond a transitional period of time (6 months or less) then other payment options should be sought in order to maintain guardianship services;
- vii. Activities to secure and maintain representative payee services; or
- viii. Peer Delivered Services.
- d. Support CCO Care Coordination efforts to gather documents such as the Community Questionnaire, develop a preliminary discharge plan from OSH and sign for final authorization for the Long-Term Psychiatric Care referral.
- e. Other services and supports necessary to facilitate provision of services in the most integrated setting and the prevention of admission to higher levels of care.

3. **Performance Requirements.**

Provider shall perform the following services:

- 3.1 Exceptional Needs Care Coordination for Individuals enrolled in Choice Model Services to facilitate access to services in the most integrated setting appropriate to the Individual’s needs and strengths, including:
 - a. Care coordination and Discharge Planning for Individuals receiving services in licensed residential programs, even when placed outside the Provider’s service area;
 - b. Facilitate access to community-based rehabilitative mental health treatment services that are recovery-oriented, culturally responsive, and geographically accessible;
 - c. Facilitate access to peer delivered services;
 - d. Serve as the Single Point of Contact (SPOC) for all referrals from OSH to Assertive Community Treatment as described in OAR 309-019-025 (25) Definition of SPOC in ACT Admission Process 309-019-0248;
 - e. Collaborate with CCO Care Coordination concerning Acute Care Psychiatric Hospitals to divert Individuals approved for LTTPC from admission to OSH and toward community-based services and supports, when indicated to be appropriate;
 - f. Collaborate with the Department of Human Services (DSH), Aging & People with Disabilities (APD) and Intellectual/Developmental Disabilities (I/DD) Divisions to

support the behavioral health service needs of Individuals determined service eligible for APD or I/DD;

- g. Coordinate the transition from forensic services for Individuals ending jurisdiction under the Psychiatric Security Review Board within six months and who will be enrolled in Choice Model Services;
- h. Coordinate the transition from forensic services for Individuals found to lack fitness to proceed pursuant to ORS 161.370 and who will be enrolled in Choice Model Services; and
- i. Serve as a resource for community partners and service agencies in locating local community-based behavioral health treatment services and supports.

3.2 In collaboration with CCO Care Coordinators, facilitate transition for adults with SPMI out of hospital settings into the most integrated community settings by completing the following:

- a. Provider will hold a face-to-face meeting with each individual within the Provider’s service area being referred to OSH from Acute Care Psychiatric Hospitals prior to being referred but no later than seventy-two (72) hours from the date of approval for LTPC to identify services, and facilitate access to those services and supports in order to divert Individuals from admission to OSH whenever possible.
- b. Provider will hold a face-to-face meeting with each Individual within the Provider’s service area who is civilly committed, and to the extent practical for Voluntary by Guardian, admitted to OSH within seven (7) calendar days of admission.
- c. Provider will participate in OSH IDT meeting for each Individual within the Provider’s service area to update the Discharge Plan and to coordinate appropriate community-based services and supports.
- d. Provider will arrange, advocate and coordinate appropriate In-Reach Services from CCOs and community providers who are delegated or identified as having responsibility for providing mental health services upon discharge.
- e. Provider will facilitate development of a person-centered Discharge Plan within ten (10) calendar days of admission to OSH and update the plan as appropriate after each IDT or discharge planning meeting with the Individual.
- f. Provider will coordinate and facilitate access to community-based resources of those civilly committed at OSH to support discharge from OSH within seventy-two (72) hours of being determined RTT whenever possible for Individuals with SPMI who have been civilly committed ensuring that:
 - i. No less than 90% of Individuals shall be discharged within twenty (20) calendar days of being determined RTT.
 - ii. If not discharged within the above timeframe then each Individual shall be discharged no later than sixty (60) calendar days from the date placed on RTT.
- g. Provider will collaborate with OSH to verify that entitlement enrollments (e.g. Medicaid, Medicare, SSI/SSDI) are in place and active upon discharge.
- h. For Individuals not enrolled in Choice Model Services, Provider will collaborate and serve as a resource to support Discharge Planning for Individuals:

- i. Determined services eligible for APD or I/DD;
- ii. Under the jurisdiction of ORS 161.370 to determine fitness to proceed; or
- iii. Under the jurisdiction of the Psychiatric Security Review Board.

3.3 Transition Planning and Management.

- a. Provider and Health Plan will collaborate to ensure utilization management of existing residential resources;
- b. Provider and Health Plan will collaborate to ensure residential treatment coordination occurs to assist both non-Medicaid and Medicaid enrolled individuals who are not enrolled in managed care in transitioning between licensed facilities and from licensed facilities to independent living; and
- c. Provider and Health Plan will collaborate to provide OHA with admission and discharge information for both non-Medicaid and Medicaid enrolled individuals who are not enrolled in managed care receiving personal care and rehabilitative mental health services in licensed community-based settings.

3.4 Develop and promote Peer Run and Peer Delivered Services.

- a. Peer run and peer delivered services are provided by individuals who have successfully engaged in their own personal recovery and demonstrate the core competencies for Peer Support Specialists, as defined by OAR 410-180- 0300 through 410-180-0380, which may be revised from time to time;
- b. Peer Support Specialists are compensated for delivering Peer Delivered Services;
- c. The provider shall maintain policies and procedures that facilitate and document accessibility to a full range of peer run and peer delivered services;
- d. Ensure each individual reported to OHA as an MHS 37 - Choice Model Services recipient has an individualized recovery plan subject to recipient choice; and
- e. Match individuals with peers who are best suited to assist in achieving goals in the individualized recovery plan. These services are provided by individuals who share a similar experience and promote recovery.

3.5 Recovery-oriented services.

- a. Develop recovery oriented services based on identified individual and community needs that are culturally responsive and geographically accessible; and
- b. Develop purchasing strategies that encourage consumer self-direction, including but not limited to, developing voucher payment methods for some services.

3.6 Guardianship, conservator and/or payee.

- a. Provider may establish criteria for financially supporting guardianship; and
- b. Provider may prioritize support of court costs to establish non-paid family member as guardian.

3.7 Supportive and Supported Employment.

Choice Model payments may be used to purchase services and for system development as mutually agreed upon between Health Plan and Provider as prescribed in Choice Model

Services procedures located at https://www.oregon.gov/oha/HSD/AMH/Pages/Choice-Model.aspx?wp3656=p:1&wp8654=p:1#g_8bd821e7_6e2e_4f47_b279_1a2ab30189af, as it may be revised from time to time.

4. **Monitoring and Administrative Functions.**

Provider shall perform the following monitoring and administrative functions:

- 4.1 Monitor the Choice Model Services Client outcomes, service access and utilization;
- 4.2 Analyze and prepare the Choice Model Services performance reports, which include outcomes, access and utilization;
- 4.3 Distribute and review reports with Provider management, Provider staff and Health Plan;
- 4.4 Document, track and report all qualifying events which justify performance payments as described in this Agreement;
- 4.5 Document and track individual's level of care movement against established benchmarks and performance standards to ensure clients are transitioning toward independent living;
- 4.6 Track outcomes, access and service utilization patterns and uses data to drive service delivery improvements;
- 4.7 Use reports and data to drive improvement processes at all levels; and
- 4.8 Submit all reports as directed within this Agreement which are complete and accurate within the prescribed time frames.

5. **Designating a Lead.**

Provider shall designate a staff person as the Choice Model Services Lead ("Lead"). Health Plan shall contact the Lead for all matters related to the work performed by Provider under this agreement.

The Lead shall:

- 5.1 Using the definition of the Choice Model Services target population, review medical record documentation, Level of Care Utilization System (LOCUS) results and other source materials to evaluate whether the Choice Model Services criteria is met and determines if each referral will be accepted into Choice Model Services and when clients will be discharged;
- 5.2 Receive and monitor RTT and ADP OSH reports;
- 5.3 Ensure the administration of the Level of Care Utilization System (LOCUS) at specified intervals and/or when clinical indicated as the client progresses through the continuum of care and ensure LOCUS supports individual's current Level of Care (LOC) placement within the continuum of care;
- 5.4 Perform care coordination, transitional planning and management which facilitates timely access to services and supports consistent with clinical needs of the client, and the Choice Model Services which includes monitoring utilization of the target population;
- 5.5 Coordinate local treatment planning team meetings and develop a plan which ensures a smooth and rapid transition to a lower level of care for clients in the service area temporarily residing at OSH;

- 5.6 Assure Provider is represented at all IDT meetings and ensure appropriate community based services and supports are developed and available prior to and upon IDT determination that the client no longer requires hospital level of services;
- 5.7 Coordinate all individual placements, receive and review clinical packets from OSH and make appropriate LOC referrals ensuring timely transfer of information required for placement;
- 5.8 Contact other Choice Model Services Leads throughout the state to facilitate placements when regional resources are not available;
- 5.9 Systemically monitor individual needs and provide assistance to ensure individuals have access to and obtain services, resources, and appropriate benefits in support of an individualized recovery processes;
- 5.10 Perform utilization management of existing residential resources by coordinating and tracking client transitions between licensed facilities, and from licensed facilities to independent living;
- 5.11 Work with providers to ensure clients are receiving recovery-oriented, culturally responsive, and geographically accessible services and supports which promote autonomy, community integration and independent living; and
- 5.12 Attend all Choice Model Services meetings hosted by Health Plan and disseminate information appropriately.

6. **Special Reporting Requirements.**

- 6.1 Provider shall prepare and electronically submit to Health Plan the following written reports using forms and procedures as prescribed on OHA's website, located at <https://www.oregon.gov/OHA/HSD/AMH/Pages/Reporting-Requirements.aspx>:
 - a. Maintain for reference but not submit policies and procedures for enrollment in Choice Model Services.
 - b. Monthly invoice specifying eligible expenditures for services and supports to eligible individuals shall be submitted no later than the fifth day of the month after a period following the reporting subject month (i.e. January's report would submitted to PacificSource on March 5th). Date range of the invoice time period must be specified on each invoice.
 - c. Monthly Choice Model Client Status Reports shall be submitted no later than the fifth day of the month after a period following the reporting subject month (i.e. January's report would submitted to PacificSource on March 5th) during the term of the Agreement for review and approval.
 - d. Any other reports as mutually agreed upon between OHA, Health Plan, and the Provider.
- 6.2 Upon Health Plan's identification of any deficiencies in the Provider's performance under this Agreement, including failure to submit reports as required, failure to expend available funding, or failure to meet performance requirements, Provider shall prepare and submit to Health Plan within 30 calendar days a Corrective Action Plan (CAP) to be reviewed and approved by Health Plan. The CAP must include, but is not limited to, the following information:

- a. Reason or reasons for the CAP;
 - b. The date the CAP will become effective with timelines for implementation;
 - c. Planned action already taken to correct the deficiencies as well as proposed resolutions to address remaining deficits identified with oversight and monitoring by Health Plan; and
 - d. Proposed remedies, short of termination, should Provider not come into compliance within the timeframe set forth in the CAP.
- 6.3 Provider shall submit the reports required under this Agreement via the PacificSource ShareFile platform.

Email: Hannah.tacke@pacificsource.com

Reports must be prepared using forms provided by the CCO Behavioral Health Clinical Quality Improvement Team.

7. **Responsibilities of Health Plan.**

Health Plan shall perform the following duties for the Choice Model Services program:

- 7.1 Interface with OHA Health Systems Division regarding Choice Model Services Agreement administration, planning, development, performance, payment or other issues as deemed necessary and appropriate by Health Plan, in its sole discretion;
- 7.2 Process payments received, and review, prepare and submit all Choice Model Services financial reports to OHA Health Systems Division;
- 7.3 Monitor Provider’s performance to ensure all reports are accurate, complete and submitted within required timeframes and that performance standards are met;
- 7.4 Provide technical assistance as it relates to quality assurance and meeting performance requirements; and
- 7.5 Ensure corrective action plans are developed and submitted to OHA as needed which includes enforcement and tracking of corrective action plans through to resolution.

8. **Payment Calculation, Disbursement, and Settlement Procedures.**

8.1 Disbursement of Payment: Provider agrees to submit monthly invoices no later than the fifth day of the month after a period following the reporting subject month (i.e. January’s report would submitted to PacificSource on March 5th) for work performed on or after effective date and on or before termination date. Provider will be reimbursed by Health Plan via direct deposit within 30 (thirty) business days of monthly invoice submission. Annual payment for Choice Model Services shall be capped at: \$407,889.02 for contract period January 1, 2022 through December 31, 2022. A performance payment of \$11,181.17 for the time frame of January 1, 2022 through June 30, 2022 and a performance payment of \$11,181.17 for the time frame of July 1, 2022 through December 31, 2022 may be available if the applicable conditions described below are achieved for the entire region Health Plan’s Choice Model contract covers. Refer to attached Table 1.

- 8.2 Calculation of Performance Payment: Contractor will qualify for a performance payment at the end of the calendar year if it was operational, as defined by serving Individuals for a minimum of 180 calendar days per fiscal year and who submit the Monthly Choice Model Client Status Report no later than the fifth day of the month after a period following the reporting subject month (i.e. January's report would be submitted to PacificSource on March 5th) during the term of the contract and address any deficiencies identified by the Contract Administrator. All reports shall be submitted in accordance with the "Reporting Requirements" section above.
- 8.3 Disbursement of Carry-Over Funds. In the event there are undisbursed Choice Model Services funds from previous agreement periods, such funds will be disbursed based upon Provider invoice and brief description of proposed use of carry-over funds in addition to monthly Choice Model payments under this Agreement. Health Plan will evaluate proposals to assure compliance with the stated purpose of this Agreement and any other guidance from OHA for use of these funds.
- 8.4 Disbursement of Performance Payment. The performance payment is based on achievement of the performance criteria as prescribed in OHA's website located at <http://www.oregon.gov/oha/HPA/CSI-BHP/Pages/Oregon-Performance-Plan.aspx>. Upon Health Plan's determination that Provider met or exceeded the performance criteria, Health Plan will request funds from OHA and distribute to Provider within 30 (thirty) days of receiving funds from OHA. The Performance Payment is only dispersed if both Central Oregon and the Columbia Gorge regions have met the criteria as outlined in 8.3.
- 8.5 Agreement Settlement. Agreement Settlement will be used to confirm implementation of the project described herein based on data properly reported. Payments will be recovered for unconfirmed services, as noted by incomplete or missing reporting requirements, as percentage of the payment made for that subject reporting period. There is no Settlement on Performance Payments.

9. **Attachments.**

The following attachments are incorporated herein and made a part hereof by this reference: Attachment A – Special Provisions; Attachment B – Standard Terms and Conditions; and Attachment C – Insurance Requirements.

IN WITNESS WHEREOF, the Parties have executed this Agreement by and through their duly authorized representatives.

PACIFICSOURCE COMMUNITY SOLUTIONS

DESCHUTES COUNTY HEALTH SERVICES

By: _____

By: _____

Peter McGarry

(Signature)

(Print or type name)

Title: Vice President – Provider Network

Title: _____

Date: _____

Date: _____

Address: PO Box 7469
Bend, OR 97708

Address:

Table 1

<u>Deschutes County Health Services</u>	
Payment Period January 1, 2022 through June 30, 2022	Not to exceed: \$203,944.91
Payment Period July 1, 2022 through December 31, 2022	Not to exceed: \$203,944.91
Eligible Performance Payment January 1, 2022 through June 30, 2022	\$11,181.17
Eligible Performance Payment July 1, 2022 through December 31, 2022	\$11,181.17
Performance payment is received only if all regions meet the required performance measure in Section 8.3 of the Choice Model Services Agreement.	

ATTACHMENT A**Special Provisions
Effective 01/01/2022****1. Confidential Information:****1.1 Client Information.**

- a. All information as to personal facts and circumstances obtained by the Provider on the client (“Client Information”) shall be treated as privileged communications, shall be held confidential, and shall not be divulged without the written consent of the client, his or her guardian, or the responsible parent when the client is a minor child, or except as required by other terms of this Agreement. Nothing prohibits the disclosure of information in summaries, statistical, or other form, which does not identify particular individuals.
- b. The use or disclosure of Client Information shall be limited to persons directly connected with the administration of this Agreement. Confidentiality policies shall be applied to all requests from outside sources.
- c. If Provider, or any of its officers, directors, employees, agents, or subcontractors receives or has access to confidential Social Security Administration (SSA) or Federal Tax Information (FTI) records in the performance of Services under this Agreement, Provider shall comply, and ensure that all of Provider’s officers, directors, employees, agents and subcontractors comply, with the following provisions:
 - i. With respect to SSA records:
 - A. Provide a current list of employees and employees of any agent or subcontractor with access to SSA records;
 - B. Adhere to the same security requirements as employees of OHA.
 - C. Abide by all relevant Federal Law, restrictions on access, use, disclosure, and the security requirements contained within OHA’s agreement with SSA;
 - D. Provide its employees and agents the same security awareness training as OHA’s employees; and
 - E. Include the provisions of this Section 1.1(c)(i) in any subcontract related to this Agreement.
 - ii. With respect to Federal Tax Information (FTI), as defined in IRS Publication 1075;
 - A. Provider and its officers, directors, and employees with access to, or who use FTI provided by OHA must meet the background check requirements defined in IRS Publication 1075;

- B. Any FTI made available to Provider shall be used only for the purpose of carrying out the provisions of this Agreement. Provider shall treat all information contained in FTI as confidential and that information shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Agreement. Inspection by or disclosure to anyone other than an officer or employee of Provider is prohibited;
 - C. Provider shall account for all FTI upon receipt and shall properly store all FTI before, during, and after processing. In addition, all FTI related output and products will be given the same level of protection as required for the source material;
 - D. No work involving FTI furnished under this Agreement will be subcontracted without prior written approval of the IRS;
 - E. Maintain a list of employees who are authorized access to FTI. Such list will be provided to OHA and, upon request, to the IRS reviewing office; and
 - F. Include the provisions of this Section 1.1(c)(ii) in any subcontract related to this Agreement.
- iii. Failure to abide by any of the requirements in this subsection could result in criminal or civil penalties and result in termination of this Agreement.
 - iv. Provider may be subject to periodic and ongoing security reviews to ensure compliance with the requirements of Section 1.1(c).
- d. Except as prohibited by Section 1.1(c) above, OHA, Health Plan, Provider and any subcontractor will share information as necessary to effectively serve Health Plan clients.

1.2 Non-Client Information.

- a. Each Party acknowledges that it and any of its officers, directors, employees and agents may, in the course of performing its responsibilities under the Agreement, be exposed to or acquire information that is confidential to the other Party. To the extent permitted by law, any and all information of any form provided to a Party or its officers, directors, employees and agents in the performance of the Agreement that reasonably could at the time of its disclosure be understood to be confidential shall be deemed to be confidential information of the originating Party (“Confidential Non-Client Information”).
- b. Confidential Non-Client Information shall be deemed not to include information that:
 - i. Is or becomes (other than by disclosure by the Party acquiring such information) publicly known or is contained in a publicly available document except to the extent applicable law still restricts disclosure;

- ii. Is furnished by the originating Party to others without restrictions similar to those imposed on the receiving Party under the Agreement;
- iii. Is rightfully in the receiving Party’s possession without the obligation of nondisclosure prior to the time of its disclosure by the originating Party under the Agreement;
- iv. Is obtained from a source other than the originating Party without the obligation of confidentiality;
- v. Is disclosed with the written consent of the originating Party; or
- vi. Is independently developed by the receiving Party’s officers, directors, employees and agents who can be shown to have had no access to the Confidential Non-Client Information.

1.3 Nondisclosure. The receiving Party shall hold all Confidential Non-Client Information in strict confidence, using at least the same degree of care that it uses in maintaining the confidentiality of its own confidential information; shall not sell, assign, license, market, transfer or otherwise dispose of, give or disclose Confidential Non-Client Information to third parties; shall not use Confidential Non-Client Information for any purposes whatsoever other than as contemplated by this Agreement or reasonably related thereto; and shall advise any of its officers, directors, employees and agents that receive or have access to the Confidential Non-Client Information of their obligations to keep Confidential Non-Client Information confidential. These confidentiality obligations do not restrict disclosure of information otherwise qualifying as Confidential Non-Client Information if the receiving Party can show that either of the following conditions exists: (i) the information was disclosed in response to a subpoena or court order duly issued in a judicial or legislative process, in which case the receiving Party shall notify the originating Party of the subpoena five days prior to the disclosure, unless such notice could not reasonably be given; or (ii) the disclosure was required to respond to a request for the information made under the Oregon Public Records Law, ORS 192.410 to 192.505. The receiving Party shall notify the originating Party of a public records request five days prior to the disclosure.

- a. Upon request and pursuant to the instructions of Health Plan, Provider shall return or destroy all copies of Confidential Information, and Provider shall certify in writing the return or destruction of all Confidential Information.
- b. “Client” means any individual, family or Provider:
 - i. For whom an Agency must provide Services and incidental or specialized Goods, in any combination thereof (“Services and Incidental Supplies”), according to state, federal law, rule, and policy. Those Services and Incidental Supplies include but are not limited to treatment, care, protection, and support without regard to the proximity of the services being provided;
 - ii. Who in fact receives and utilizes services provided by an Agency primarily for that individual’s or family’s benefit;
 - iii. Who is under the custody, care, or both of the Agency; or

- iv. Who provides direct care or Services and is a proxy or representative of the non-Provider Client.

2. **Amendments.**

2.1 Health Plan reserves the right to amend or extend the Agreement under the following general circumstances:

1.1 Health Plan may extend the Agreement for additional periods of time up to a total Agreement period of 5 (five) years, and for additional money associated with the extended period(s) of time. The determination for any extension for time may be based on Health Plan’s satisfaction with performance of the work or services provided by the Provider under this Agreement.

2.1 Health Plan may periodically amend any payment rates throughout the life of the Agreement proportionate to increases in Portland Metropolitan Consumer Price Index; and to provide Cost Of Living Adjustments (COLA) if Health Plan so chooses. Any negation of increases in rates to implement a COLA will be as directed by the Oregon State Legislature.

2.2 Health Plan further reserves the right to amend the Statement of Work for the following:

1.1 Programmatic changes, additions, or modifications deemed necessary to accurately reflect the original scope of work that may not have been expressed in the original Agreement or previous amendments to the Agreement;

2.1 Implement additional phases of the Work; or

3.1 As necessitated by changes in Code of Federal Regulations, Oregon Revised Statutes, or Oregon Administrative Rules which, in part or in combination, govern the provision of services provided under this Agreement.

2.3 Upon identification, by any party to this Agreement, of any circumstance which may require an amendment to this Agreement, the parties may enter into negotiations regarding the proposed modifications. Any resulting amendment must be in writing and be signed by all parties to the Agreement before the modified or additional provisions are binding on either party. All amendments must comply with the “Amendments; Waiver; Consent” provision of this Agreement.

3. **Provider Requirements to Report Abuse of Certain Classes of Persons.**

3.1 Provider shall comply with, and cause its employees, agents and subcontractors to comply with, the applicable laws for mandatory reporting of abuse including but not limited to abuse of the following classes of persons in Oregon:

1.1 Children (ORS 419B.005 through 419B.045);

2.1 Elderly Persons (ORS 124.055 through 124.065);

3.1 Residents of Long Term Care Facilities (ORS 441.630 through 441.645); and

4.1 Adults with Mental Illness or Developmental Disabilities (ORS 430.735 through 430.743).

- 3.2 In addition to the requirements of Section 3.1., if law enforcement is notified regarding a report of child abuse, Provider shall also notify the local Child Protective Services Office of the Department of Human Services within 24 (twenty-four) hours. If law enforcement is notified regarding a report of abuse of elderly, long term care facility residents, adults with mental illness or developmental disabilities, the Provider shall also notify the local Aging and People with Disabilities Office of the Department of Human Services within 24 (twenty-four) hours.
- 3.3 If known, the abuse report should contain the following:
- a. The name and address of the abused person and any persons responsible for that person's care;
 - b. The abused person's age;
 - c. The nature and extent of the abuse, including any evidence of previous abuse;
 - d. The explanation given for abuse;
 - e. The date of the incident; and
 - f. Any other information that might be helpful in establishing the cause of the abuse and the identity of the abuser.

ATTACHMENT B

Standard Terms and Conditions

Effective 01/01/2022

1. **Governing Law, Consent to Jurisdiction.**

This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between Health Plan or any other agency or department of the State of Oregon, or both, and Provider that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. This Section shall survive expiration or termination of this Agreement.

2. **Compliance with Law.**

Provider shall comply and cause all subcontractors to comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to this Agreement. Health Plan's performance under the Agreement is conditioned upon Provider's compliance with the obligations of providers under ORS 279B.220, 279B.230 and 279B.235, which are incorporated by reference herein. This Section shall survive expiration or termination of this Agreement.

3. **Independent Provider.**

3.1 Provider is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.

3.2 If Provider is currently performing work for the State of Oregon or the federal government, Provider by signature to this Agreement, represents and warrants that Provider's Services to be performed under this Agreement creates no potential or conflict of interest as defined by ORS Chapter 244 and that no statutes, rules or regulations of the State of Oregon or federal agency for which Provider currently performs work would prohibit Provider's services under this Agreement. If compensation under this Agreement is to be charged against federal funds, Provider certifies that it is not currently employed by the federal government.

3.3 Provider is responsible for all federal and state taxes applicable to compensation paid to Provider under this Agreement and, unless Provider is subject to backup withholding, Health Plan will not withhold from such compensation any amounts to cover Provider's federal or state tax obligations. Provider is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation paid to Provider under this Agreement, except as a self-employed individual.

3.4 Provider shall perform all Services under this Agreement as an Independent Provider, as defined in ORS 670.600. Health Plan reserves the right (i) to determine and modify the delivery schedule for the Services and (ii) to evaluate the quality of the Services, however, Health Plan may not and will not control the means or manner of Provider's performance. Provider is responsible for determining the appropriate means and manner of performing the Services

4. **Representations and Warranties.**

4.1 Provider's Representations and Warranties. Provider represents and warrants to Health Plan that:

- a. Provider has the power and authority to enter into and perform this Agreement;
- b. This Agreement, when executed and delivered, shall be a valid and binding obligation of Provider enforceable in accordance with its terms;
- c. Provider has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Provider will apply that skill and knowledge with care and diligence to perform the Services in a professional manner and in accordance with standards prevalent in Provider's industry, trade or profession;
- d. Provider shall, at all times during the term of this Agreement, be qualified, professionally competent, and duly licensed to perform the Work; and
- e. Provider prepared its proposal related to this Agreement, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty.

4.2 Warranties Cumulative. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

5. **Time is of the Essence.**

Provider agrees that time is of the essence under this Agreement.

6. **Funds available and Authorized; Payments.**

6.1 Provider shall not be compensated for Work performed under this Agreement by any other agency or department of the State of Oregon or the federal government.

Provider understands and agrees that Health Plan's payment for Work performed is contingent on Health Plan receiving funding from OHA.

6.2 **Payment Method.** Payments under this Agreement will be made by Electronic Funds Transfer (EFT) and shall be processed in accordance with the provisions of OAR 407-120-0100 through 407-120-0380 or OAR 410-120-1260 through OAR 410-120-1460, as applicable, and any other OHA Oregon Administrative Rules that are program-specific to the billings and payments. Upon request, Provider shall provide its taxpayer identification number (TIN) and other necessary banking information to receive EFT payment. Provider shall maintain at its own expense a single financial institution or authorized payment agent capable of receiving and processing EFT using the Automated Clearing House (ACH) transfer method. The most current designation and EFT information will be used for all payments under this Agreement. Provider shall provide this designation and information on a form provided by Health

Plan. In the event that EFT information changes or the Provider elects to designate a different financial institution for the receipt of any payment made using EFT procedures, the Provider shall provide the changed information or designation to Health Plan on a Health Plan-approved form. Health Plan is not required to make any payment under this Agreement until receipt of the correct EFT designation and payment information from the Provider.

7. **Recovery of Overpayments.**

If billings under this Agreement, or under any other Agreement between Provider and Health Plan, result in payments to Provider to which Provider is not entitled, Health Plan, after giving written notification to Provider may withhold from payments due to Provider such amounts, over such periods of time, as are necessary to recover the amount of the overpayment unless Provider provides a written objection within fourteen (14) calendar days from the date of the notice. Absent timely written objection, Provider hereby reassigns to Health Plan any right Provider may have to receive such payments. If Provider provides a timely written objection to Health Plan's withholding of such payments, the Parties agree to confer in good faith regarding the nature and amount of the overpayment in dispute and the manner in which the overpayment is to be repaid. Health Plan reserves the right to pursue any or all of the remedies available to it under this Agreement and at law or in equity including Health Plan's right to setoff.

8. **Ownership of Work Product.**

8.1 **Definitions.** As used in this Section 8, and elsewhere in this Agreement, the following terms have the meanings set forth below:

- a. "Provider Intellectual Property" means any intellectual property owned by Provider and developed independently from the Work.
- b. "Third Party Intellectual Property" means any intellectual property owned by parties other than Health Plan or Provider.
- c. "Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all intellectual property rights therein that Provider is required to deliver to Health Plan pursuant to the Work.

8.2 **Original Works.** All Work Product created by Provider pursuant to the Work, including derivative works and compilations, and whether or not such Work Product is considered a "work made for hire," shall be the exclusive property of Health Plan. Health Plan and Provider agree that all Work Product is "work made for hire" of which Health Plan is the author within the meaning of the United States Copyright Act. If for any reason the original Work Product created pursuant to the Work is not "work made for hire," Provider hereby irrevocably assigns to Health Plan any and all of its rights, title, and interest in all original Work Product created pursuant to the Work, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Upon Health Plan's reasonable request, Provider shall execute such further documents and instruments necessary to fully vest such rights in Health Plan. Provider forever waives any and all rights relating to original Work Product created pursuant to the Work, including without

limitation, any and all rights arising under 17 U.S.C. §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

- a. In the event that Work Product is Provider Intellectual Property, a derivative work based on Provider Intellectual Property or a compilation that includes Provider Intellectual Property, Provider hereby grants to Health Plan an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display Provider Intellectual Property and the pre-existing elements of the Provider Intellectual Property employed in the Work Product, and to authorize others to do the same on Health Plan's behalf.
- b. In the event that Work Product is Third Party Intellectual Property, a derivative work based on Third Party Intellectual Property or a compilation that includes Third Party Intellectual Property, Provider shall secure on Health Plan's behalf and in the name of Health Plan an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Third Party Intellectual Property and the pre-existing elements of the Third Party Intellectual Property employed in the Work Product, and to authorize others to do the same on Health Plan's behalf.

9. **Indemnity.**

9.1 **Provider** shall defend (subject to ORS chapter 180), save, hold harmless, and indemnify the State of Oregon and Health Plan and their officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever, including attorney's fees, resulting from, arising out of, or relating to the activities of Provider or its officers, employees, sub-providers, or agents under this Agreement.

9.2 **Indemnity for Infringement Claims.** Without limiting the generality of section 9.a., Provider expressly agrees to defend, indemnify, and hold Health Plan, OHA, and the State of Oregon and their agencies, subdivisions, officers, directors, agents, and employees harmless from any and all claims, suites, actions, losses, liabilities, costs, expenses, including attorney's fees, and damages arising out of or related to any claims that the work, the work product, or any other tangible or intangible items delivered to Health Plan or OHA by Provider that may be the subject of protection under any State or Federal intellectual property law or doctrine, or Health Plan or OHA's use thereof, infringes any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other proprietary right of any third party; provided, that the indemnified party shall provide Provider with prompt written notice of any infringement claim.

THIS SECTION SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

10. **Default; Remedies; Termination.**

10.1 **Default by Provider.** Provider shall be in default under this Agreement if:

- a. Provider institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or
- b. Provider no longer holds a license or certificate that is required for Provider to perform its obligations under the Agreement and Provider has not obtained such license or certificate within 14 (fourteen) calendar days after Health Plan's notice or such longer period as Health Plan may specify in such notice; or
- c. Provider commits any material breach or default of any covenant, warranty, obligation or agreement under this Agreement, fails to perform the Work under this Agreement within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Provider's performance under this Agreement in accordance with its terms, and such breach, default or failure is not cured within 14 (fourteen) calendar days after Health Plan's notice, or such longer period as Health Plan may specify in such notice.

10.2 **Health Plan's Remedies for Provider's Default.** In the event Provider is in default, Health Plan may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to:

- a. termination of this Agreement;
- b. withholding all monies due for Work and Work Products that Provider has failed to deliver within any scheduled completion dates or has performed inadequately or defectively;
- c. initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief; or
- d. exercise of its right of recovery of overpayments.

These remedies are cumulative to the extent the remedies are not inconsistent, and Health Plan may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If a court determines that Provider was not in default, then Provider shall be entitled to the same remedies as if this Agreement was terminated.

10.2 **Default by Health Plan.** Health Plan shall be in default under this Agreement if Health Plan commits any material breach or default of any covenant, warranty, or obligation under this Agreement, and such breach or default is not cured within 30 (thirty) calendar days after Provider's notice or such longer period as Provider may specify in such notice.

10.3 **Provider's Remedies for Health Plan's Default.** In the event Health Plan terminates the Agreement under Section, or in the event Health Plan is in default and whether or not Provider elects to exercise its right to terminate the Agreement, Provider's sole monetary remedy shall be (i) with respect to Work compensable at a

stated rate, a claim for unpaid invoices, time worked within any limits set forth in this Agreement but not yet invoiced, authorized expenses incurred and interest within the limits permitted under ORS 293.462, and (ii) with respect to deliverable-based Work, a claim for the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by Health Plan, less previous amounts paid and any claim(s) that Health Plan has against Provider. In no event shall Health Plan be liable to Provider for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to Provider exceed the amount due to Provider under this Section, Provider shall immediately pay any excess to Health Plan upon written demand. If Provider does not immediately pay the excess, Health Plan may recover the overpayments, and may pursue any other remedy that may be available to it.

10.4 Termination.

At its sole discretion, Health Plan may terminate this Agreement:

- a. For its convenience upon 30 (thirty) days’ prior written notice by Health Plan to Provider;
- b. Immediately upon written notice if Health Plan fails to receive funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to pay for the Work or Work Products; or
- c. Immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that Health Plan’s purchase of the Work or Work Products under this Agreement is prohibited or Health Plan is prohibited from paying for such Work or Work Products from the planned funding source.
- d. Immediately upon written notice to Provider if there is a threat to the health, safety, or welfare of any recipient of Services under this Agreement, including any Medicaid Eligible Individual, under its care.

10.5 Health Plan’s Right to Terminate for Cause. In addition to any other rights and remedies Health Plan may have under this Agreement, Health Plan may terminate this Agreement immediately upon written notice to Provider, or at such later date as Health Plan may establish in such notice, if Provider is in default.

10.6 Provider's Right to Terminate for Cause. Provider may terminate this Agreement upon 30 (thirty) days written notice to Health Plan, or at such later date as Provider may establish in such notice, if Health Plan is in default and Health Plan fails to cure such default within 30 (thirty) calendar days after Health Plan receives Provider's notice or such longer period as Provider may specify in such notice.

10.7 Mutual Termination. The Agreement may be terminated immediately upon mutual written consent of the parties or at such other time as the parties may agree in the written consent.

10.8 Return of Property. Upon termination of this Agreement, for any reason whatsoever, Provider shall immediately deliver to Health Plan all of Health Plan’s

property that is in the possession or under the control of Provider at that time. This Section survives the expiration or termination of this Agreement.

10.9 **Effect of Termination.** Upon receiving a notice of termination of this Agreement, or upon issuing a notice of termination to Health Plan, Provider shall immediately cease all activities under this Agreement, unless in a notice issued by Health Plan, Health Plan expressly directs otherwise.

10.10 **Stop-Work Order.** Health Plan may, at any time, by written notice to the Provider, require the Provider to stop all, or any part of the work required by this Agreement for a period of up to 90 days after the date of the notice, or for any further period to which the parties may agree through a duly executed amendment. Upon receipt of the notice, Provider shall immediately comply with the Stop-Work Order terms and take all necessary steps to minimize the incurrence of costs allocable to the work affected by the stop work order notice. Within a period of 90 days after issuance of the written notice, or within any extension of that period to which the parties have agreed, Health Plan shall either:

- a. Cancel or modify the stop work order by a supplementary written notice; or
- b. Terminate the work as permitted by either the Default or the Convenience provisions.

If the Stop Work Order is canceled, Health Plan may, after receiving and evaluating a request by the Provider, make an adjustment in the time required to complete this Agreement and the Agreement price by a duly executed amendment.

11. **Limitation of Liabilities.**

Except for liability arising under or related to section 9. Indemnity, neither party shall be liable for incidental or consequential damages arising out of or related to this Agreement.

12. **Insurance.**

Provider shall maintain insurance as set forth in Attachment C.

13. **Records Maintenance, Access.**

Provider shall maintain all financial records relating to this Agreement in accordance with generally accepted accounting principles. In addition, Provider shall maintain any other records, books, documents, papers, plans, records of shipments and payments and writings of Provider, whether in paper, electronic or other form, that are pertinent to this Agreement, in such a manner as to clearly document Provider's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments and writings of Provider whether in paper, electronic or other form, that are pertinent to this Agreement, are collectively referred to as "Records." Provider acknowledges and agrees that Health Plan and the Secretary of State's Office and the federal government and their duly authorized representatives shall have access to all Records to perform examinations and audits and make excerpts and transcripts. Provider shall retain and keep accessible all Records for the longest of:

- 13.1 Six (6) years following final payment and termination of this Agreement;
- 13.2 The period as may be required by applicable law, including the records retention schedules set forth in OAR Chapter 166; or
- 13.3 Until the conclusion of any audit, controversy or litigation arising out of or related to this Agreement.

14. **Information Privacy/Security/Access.**

If the Work performed under this Agreement requires Provider or, when allowed, its sub Provider(s), to have access to or use of any OHA computer system or other OHA Information Asset for which OHA imposes security requirements, and OHA grants Provider or its sub Provider(s) access to such OHA Information Assets or Network and Information Systems, Provider shall comply and require all sub Provider(s) to which such access has been granted to comply with OAR 407-014-0300 through OAR 407-014-0320, as such rules may be revised from time to time. For purposes of this Section, “Information Asset” and “Network and Information System” have the meaning set forth in OAR 407-014-0305, as such rule may be revised from time to time.

15. **Force Majeure.**

No party is responsible for delay or default caused by an event beyond its reasonable control. Health Plan may terminate this Agreement upon written notice after reasonably determining the delay or default reasonably prevents performance of this Agreement.

16. **Foreign Provider.**

If Provider is not domiciled in or registered to do business in the State of Oregon, Provider shall promptly provide to the Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Agreement.

17. **Subcontracts; Assignment; Successors.**

Provider shall not assign, transfer, or subcontract rights or responsibilities under this Agreement in whole or in part, without the prior written approval of Health Plan. This Agreement’s provisions are binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns.

18. **No Third Party Beneficiaries.**

Health Plan and Provider are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement. This Section shall survive expiration or termination of this Agreement.

19. **Severability.**

The parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining

terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid. This Section shall survive expiration or termination of this Agreement.

20. **Notice.**

Except as otherwise expressly provided in this Agreement, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, or mailing the same, postage prepaid to Provider or Health Plan at the address or number set forth in this Agreement, or to such other addresses or numbers as either party may indicate pursuant to this Section. Any communication or notice so addressed and mailed by regular mail shall be deemed received and effective five days after the date of mailing. Any communication or notice delivered by facsimile shall be deemed received and effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours of the recipient, or on the next business day if transmission was outside normal business hours of the recipient. Notwithstanding the foregoing, to be effective against the other party, any notice transmitted by facsimile must be confirmed by telephone notice to the other party. Any communication or notice given by personal delivery shall be deemed effective when actually delivered to the addressee.

Health Plan:

Peter McGarry
PO Box 7469
Bend, OR 97708
Telephone: 503-802-5338
Fax: 541-330-4910

Deschutes County Health Services

Kara Cronin
1128 NW Harriman St.
Bend, OR 97703
Telephone: 541-322-7526

This Section shall survive expiration or termination of this Agreement.

21. **Headings.**

The headings and captions to sections of this Agreement have been inserted for identification and reference purposes only and shall not be used to construe the meaning or to interpret this Agreement.

22. **Merger Clause.**

This Agreement constitutes the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein, regarding this Agreement.

23. **Amendments; Waiver; Consent.**

Health Plan may amend this Agreement to the extent provided herein, the solicitation document, if any from which this Agreement arose, and to the extent permitted by applicable statutes and administrative rules. No amendment, waiver, or other consent under this Agreement shall bind either party unless it is in writing and signed by both parties and when required, the Department of Justice. Such amendment, waiver, or consent shall be effective only in the specific instance and for the specific purpose given. The failure of either party to enforce any provision of this Agreement shall not constitute a waiver by that party of that or any other provision. This Section shall survive the expiration or termination of this Agreement.

24. **Provider's Failure to Perform.**

Provider's failure to perform the statement of work specified in this Agreement or to meet the performance standards established in this Agreement, may result in consequences that include, but are not limited to:

- 24.1 Reducing or withholding payment under this Agreement;
- 24.2 Requiring Provider to perform at Provider's expense additional work necessary to perform the statement of work or meet performance standards; and
- 24.3 Declaring a default of this Agreement and pursuing any available remedies for default, including termination of the Agreement as permitted in Section 10.

ATTACHMENT C
Insurance Requirements
Effective 01/01/2022

Provider shall obtain at Provider's expense the insurance specified in this section to performing under this Agreement and shall maintain it in full force and at its own expense throughout the duration of this Agreement, as required by any extended reporting period or tail coverage requirements, and all warranty periods that apply. Provider shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to Health Plan, Coverage shall be primary and non-contributory with any other insurance and self-insurance. Provider shall pay for all deductibles, self-insured retention and self-insurance, if any:

1. **Workers' Compensation & Employers' Liability.**

All employers, including Provider, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for all those workers, unless they meet the requirements for an exemption under ORS 656.126(2). Provider shall require and ensure that each of its subcontractors complies with these requirements. If Provider is a subject employer, as defined in ORS 656.023, Provider shall also obtain employers' liability insurance coverage with limits not less than \$500,000 each accident. If Provider is an employer subject to any other state's workers' compensation law, Provider shall provide workers' compensation laws including employers' liability insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

2. **Professional Liability.**

Covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Agreement by the Provider and Provider's subcontractors, agents, officers or employees in an amount not less than \$1,000,000 per occurrence. Annual aggregate limit shall not be less than \$2,000,000. If coverage is on a claims made basis, then either an extended reporting period of not less than twenty-four (24) months shall be included in the Professional Liability insurance coverage, or the Provider shall provide Tail Coverage as stated below.

3. **Commercial General Liability.**

Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to Health Plan. This insurance shall include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Agreement, and have no limitation of coverage to designated premises, project or operation. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence. Annual aggregate limit shall not be less than \$2,000,000.

4. **Automobile Liability.**

Automobile Liability Insurance covering Provider's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000 for bodily injury and property damage. This coverage may be written in

combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

5. **Additional Insured.**

The Commercial General Liability insurance and Automobile Liability insurance required under this Agreement must include an additional insured endorsement specifying the State of Oregon, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Provider’s activities to be performed under this Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on ISO Form CG 20 10 07 04 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 04 13 or equivalent.

6. **Notice of Cancellation or Change.**

Provider shall or its insurer must provide at least 30 days’ written notice to OHA before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

7. **Certificate(s) and Proof of Insurance.**

Provider shall provide to Health Plan Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Agreement. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as an endorsed Additional Insured. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance Health Plan has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Agreement.

8. **Tail Coverage.**

If any of the required policies is on a claims made basis and does not include an extended reporting period of at least twenty-four (24) months, Provider shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Agreement, for a minimum of twenty-four (24) months following the later of (i) Provider’s completion and OHA’s acceptance of all Services required under this Agreement, or, (ii) Health Plan or Provider termination of agreement, or, (iii) The expiration of all warranty periods provided under this Agreement.

9. **Excess/Umbrella Insurance.**

A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance.

10. **Insurance Requirement Review.**

Provider agrees to periodic review of insurance requirements by Health Plan under this Agreement and to provide updated requirements as mutually agreed upon by Provider and Health Plan.

11. **Health Plan Acceptance.**

All insurance providers are subject to Health Plan acceptance. If requested by Health Plan, Provider shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Health Plan's representatives responsible for verification of the insurance coverages required under this Section.



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 16, 2022

SUBJECT: Consideration of Chair Signature of document #2022-251, OHA agreement #169509-6

RECOMMENDED MOTION:

Move approval of Chair signature of document #2022-251, OHA agreement #169509-6

BACKGROUND AND POLICY IMPLICATIONS:

In July of 2021, the Deschutes County Board of Commissioners approved the signing of Oregon Health Authority (OHA) Intergovernmental Agreement #169509, which outlines the services and financing of Public Health for the two year period of July 1, 2021 to June 30, 2023.

Amendment #6 increases funding for PE 51-02, Regional Partnership Implementation, by \$181,752 for the period 7/1/21 to 6/30/22, increasing overall funding for this project element from \$6,958,961.08 (amendment 5) to \$7,140,713.08. The amendment also modifies Exhibit J to include information required by the Code of Federal Regulations.

BUDGET IMPACTS:

\$181,752 Revenue

ATTENDANCE:

Thomas Kuhn, Public Health Program Manager

DESCHUTES COUNTY DOCUMENT SUMMARY

(NOTE: This form is required to be submitted with ALL contracts and other agreements, regardless of whether the document is to be on a Board agenda or can be signed by the County Administrator or Department Director. If the document is to be on a Board agenda, the Agenda Request Form is also required. If this form is not included with the document, the document will be returned to the Department. Please submit documents to the Board Secretary for tracking purposes, and not directly to Legal Counsel, the County Administrator or the Commissioners. In addition to submitting this form with your documents, please submit this form electronically to the Board Secretary.)

Please complete all sections **above** the Official Review line.

Date:

Department:

Contractor/Supplier/Consultant Name:

Contractor Contact:

Contractor Phone #:

Type of Document: Amendment #6 to Intergovernmental Agreement #169509

Goods and/or Services: Intergovernmental Agreement (IGA) #169509 between the Oregon Health Authority (OHA) and Deschutes County outlines the program descriptions and funding for Deschutes County's Public Health Division for fiscal years 2022 and 2023.

Amendment #6 increases funding for PE 51-02, Regional Partnership Implementation, by \$181,752 for the period 7/1/21 to 6/30/22. It also modifies Exhibit J to include information required by the Code of Federal Regulations.

Background & History: In July of 2021, the Deschutes County Board of Commissioners approved the signing of Oregon Health Authority Intergovernmental Agreement #169509, which outlines the services and financing of Public Health for the two year period of July 1, 2021 to June 30, 2023.

This amendment increases overall funding from \$6,958,961.08 (amendment 5) to \$7,140,713.08.

Agreement Starting Date:

Ending Date:

Annual Value or Total Payment:

Insurance Certificate Received (check box)
Insurance Expiration Date:

Check all that apply:

- RFP, Solicitation or Bid Process
- Informal quotes (<\$150K)
- Exempt from RFP, Solicitation or Bid Process (specify – see DCC §2.37)

Funding Source: (Included in current budget? Yes No

If **No**, has budget amendment been submitted? Yes No

Is this a Grant Agreement providing revenue to the County? Yes No

Special conditions attached to this grant:

Deadlines for reporting to the grantor:

If a new FTE will be hired with grant funds, confirm that Personnel has been notified that it is a grant-funded position so that this will be noted in the offer letter: Yes No

Contact information for the person responsible for grant compliance: Name:
Phone #:

Departmental Contact: Thomas Kuhn, Public Health Program Manager

Deputy Director Approval:

Director Approval:

Signature: *nahad sadr-azodi*
nahad sadr-azodi (Mar 8, 2022 14:27 PST)

Signature: *Erik Kropp*
Erik Kropp (Mar 8, 2022 14:30 PST)

Email: nahad.sadr-azodi@deschutes.org

Email: erik.kropp@deschutes.org

Title: Director of PH

Title: Interim Health Services Director

Company: DCHS

Company: Deschutes County

Distribution of Document: Michele Carroll, Deschutes County Health Services.

Official Review:

County Signature Required (check one): BOCC Department Director (if <\$50K)

Administrator (if >\$50K but <\$150K; if >\$150K, BOCC Order No. _____)

Document Number 2022-251_____

DOCUMENT RETURN STATEMENT

Please complete the following statement and return with the completed signature page and the Contractor Data and Certification page and/or Contractor Tax Identification Information (CTII) form, if applicable.

If you have any questions or find errors in the above referenced Document, please contact the contract specialist.

Document number: OHA #169509-6 , hereinafter referred to as "Document."

I, _____
Name Title

received a copy of the above referenced Document, between the State of Oregon, acting by and through the Department of Human Services, the Oregon Health Authority, and

_____ by email.

Contractor's name

On _____ ,
Date

I signed the electronically transmitted Document without change. I am returning the completed signature page, Contractor Data and Certification page and/or Contractor Tax Identification Information (CTII) form, if applicable, with this Document Return Statement.

Authorizing signature

Date

Please attach this completed form with your signed document(s) and return to the contract specialist via email.

Agreement #169509



**SIXTH AMENDMENT TO OREGON HEALTH AUTHORITY
2021-2023 INTERGOVERNMENTAL AGREEMENT FOR THE
FINANCING OF PUBLIC HEALTH SERVICES**

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to dhs-oha.publicationrequest@state.or.us or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

This Sixth Amendment to Oregon Health Authority 2021-2023 Intergovernmental Agreement for the Financing of Public Health Services, effective July 1, 2021, (as amended the “Agreement”), is between the State of Oregon acting by and through its Oregon Health Authority (“OHA”) and Deschutes County, (“LPHA”), the entity designated, pursuant to ORS 431.003, as the Local Public Health Authority for Deschutes County. OHA and LPHA are each a “Party” and together the “Parties” to the Agreement.

RECITALS

WHEREAS, OHA and LPHA wish to modify the Fiscal Year 2022 (FY22) Financial Assistance Award set forth in Exhibit C of the Agreement.

WHEREAS, OHA and LPHA wish to modify the Exhibit J information required by 2 CFR Subtitle B with guidance at 2 CFR Part 200;

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. This Amendment is effective on January 1, 2022, regardless of the date this amendment has been fully executed with signatures by every Party and when required, approved by the Department of Justice. However, payments may not be disbursed until the Amendment is fully executed.
2. The Agreement is hereby amended as follows:
 - a. Section 1 of Exhibit C of the Agreement, entitled “Financial Assistance Award” for FY22 is hereby superseded and replaced in its entirety by Attachment A, entitled “Financial Assistance Award (FY22)”, attached hereto and incorporated herein by this reference. Attachment A must be read in conjunction with Section 3 of Exhibit C.
 - b. Exhibit J of the Agreement entitled “Information required by 2 CFR Subtitle B with guidance at 2 CFR Part 200” is amended to add to the federal award information datasheet as set forth in Attachment B, attached hereto and incorporated herein by this reference.
3. LPHA represents and warrants to OHA that the representations and warranties of LPHA set forth in Section 4 of Exhibit F of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
4. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
5. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
6. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below their respective signatures.

7. Signatures.

STATE OF OREGON, ACTING BY AND THROUGH ITS OREGON HEALTH AUTHORITY

Signature: _____

Name: /for/ Nadia A. Davidson

Title: Director of Finance

Date: _____

DESCHUTES COUNTY LOCAL PUBLIC HEALTH AUTHORITY

Signature: _____

Printed Name: _____

Title: _____

Date: _____

DEPARTMENT OF JUSTICE – APPROVED FOR LEGAL SUFFICIENCY

Approved by Wendy Johnson, Senior Assistant Attorney General on July 27, 2021. Copy of emailed approval on file at OHA, OC&P.

REVIEWED BY OHA PUBLIC HEALTH ADMINISTRATION

Signature: _____

Name: Derrick Clark (or designee)

Title: Program Support Manager

Date: _____

**Attachment A
Financial Assistance Award (FY22)**

State of Oregon Oregon Health Authority Public Health Division		
1) Grantee Name: Deschutes County Street: 2577 NE Courtney Dr. City: Bend State: OR Zip: 97701-7638	2) Issue Date Saturday, January 1, 2022	This Action Amendment
	3) Award Period From July 1, 2021 through June 30, 2022	

4) OHA Public Health Funds Approved				
Number	Program	Previous Award Balance	Increase / Decrease	Current Award Balance
PE40-02	WIC NSA: October - June	\$565,302.00	\$0.00	\$565,302.00
PE40-05	Farmer's Market	\$7,760.00	\$0.00	\$7,760.00
PE42-03	MCAH Perinatal General Funds & Title XIX	\$6,279.00	\$0.00	\$6,279.00
PE42-04	MCAH Babies First! General Funds	\$20,064.00	\$0.00	\$20,064.00
PE42-06	MCAH General Funds & Title XIX	\$11,779.00	\$0.00	\$11,779.00
PE42-11	MCAH Title V	\$66,429.00	\$0.00	\$66,429.00
PE42-12	MCAH Oregon Mothers Care Title V	\$58,730.00	\$0.00	\$58,730.00
PE42-14	Home Visiting	\$29,507.71	\$0.00	\$29,507.71
PE43-01	Public Health Practice (PHP) - Immunization Services	\$46,614.00	\$0.00	\$46,614.00
PE43-06	CARES Flu	\$11,548.94	\$0.00	\$11,548.94
PE44-01	SBHC Base	\$330,000.00	\$0.00	\$330,000.00
PE44-02	SBHC - Mental Health Expansion	\$431,081.00	\$0.00	\$431,081.00
PE46-05	RH Community Participation & Assurance of Access	\$29,982.00	\$0.00	\$29,982.00
PE50	Safe Drinking Water (SDW) Program (Vendors)	\$112,636.00	\$0.00	\$112,636.00

4) OHA Public Health Funds Approved				
Number	Program	Previous Award Balance	Increase / Decrease	Current Award Balance
PE51-01	LPHA Leadership, Governance and Program Implementation	\$489,655.00	\$0.00	\$489,655.00
PE51-02	Regional Partnership Implementation	\$146,534.00	\$181,752.00	\$328,286.00
PE51-03	ARPA WF Funding	\$187,890.00	\$0.00	\$187,890.00
PE60	Suicide Prevention, Intervention and Postvention	\$117,003.00	\$0.00	\$117,003.00
		\$6,958,961.08	\$181,752.00	\$7,140,713.08

5) Foot Notes:	
PE01-01	5/1/21: Bridge funding for July-Sept 2021. Additional funds to be awarded once budgets are final.
PE01-01	9/1/21: Prior comment null and void. Funding is now for FY22 7/1/2021-6/30/2022.
PE01-07	9/1/2021: Funds are available 07/01/2021 - 06/30/2023
PE01-08	9/1/2021: Funds are available 07/01/2021 - 06/30/2023
PE01-09	9/1/2021: Funds are available 7/1/2021 - 06/30/2023
PE01-10	Awarded funds can be spent on allowable costs for the period of 7/1/2021 - 6/30/2024. Any unspent funds as of 6/30/22 will be rolled over into the FY23 award. Please see provided budget guidance for more details on roll over information.
PE40-01	5/2021: All SFY2022 Q1 funding award needs to be spent down by 9/30/2021. No unspent funds carryover to Q2-4 period is allowed.
PE40-02	5/2021: SFY2022 Q2-4 funds need to be spent by 6/30/2022.
PE40-02	12/2021: December grant adjustment for one-time funding.
PE40-05	7/2021: Funds will be paid in two installments in August and October of 2021.
PE43-06	9/1/2021: Activities funded under PE43-06 are the same as PE01-10. Please use PE43-06 funds first and if possible, use by 6/30/2022. No additional funds will be added to PE43-06. Current FY22 awards are a rollover of unspent FY21 awards.
PE51-01	5/1/21: Bridge funding for July-Sept 2021. Additional funds to be awarded once budgets are final.
PE51-01	9/1/21. Prior comment null and void. Award is for FY22 7/1/2021-6/30/2022.
PE51-02	5/1/21: Bridge funding for July-Sept 2021. Additional funds to be awarded once budgets are final.
PE51-02	9/1/21: Prior comment null and void. Please refer to County specific comments for award timelines and restrictions.

6) Comments:	
PE01-09	9/2021: Rollover of unspent funds from FY21 to FY22
PE01-10	9/2021: Rollover of Unspent funds 622,202 from FY21 to FY22
PE12-01	10/2021: SFY22 award of unspent funds from SFY21 - must be spent by 06/30/2022 and an updated Budget is required by 12/31/2021
PE12-02	10/2021: SFY22 Rollover of unspent funds from SFY21 - must be spent by 03/15/2022
PE13-01	12/2021: decrease award by 56,260 from 288,499 to 232,239; 07/2021: increase award from 263,159 by 25,340 to 288,499
PE40-01	5/2021: SFY22 Q1 funding: Spend \$36,92 on Nutrition Ed, \$5,768 on BF Promotion
PE40-02	5/2021: SFY2022 Q2-4 funding: spend \$107,188 on Nutrition Ed, \$17,304 on BF Promotion.
PE40-05	07/2021: WIC FDNP Season 2021. Funds must be spent by 12/31/2021.
PE42-14	12/2021: Award of \$29,507.71 is for the period of 7/1/21 to 12/31/21 of that amount \$25,411 is start up funding for the Family Connects OR (FCO) program and the remainder is estimated general fund match for FCO visits: SFY22 Initial: Award is for the period of 7/1/2021 to 12/31/2021
PE43-06	9/2021: Rollover of unspent funds from FY21
PE44-01	12/2021: DEC SFY22 Amendment
PE51-01	9/2021: added funding for FY22
PE51-02	1/2022: Funding is for 7/1/21-6/30/22; 9/2021: Bridge funding for 7/1/21-12/31/21
PE60	08/2021: This award is for July 1, 2021-June 29, 2022-prior comment null and void; 5/2021: This award is for July 1-September 30, 2021 only.

7) Capital outlay Requested in this action:				
Prior approval is required for Capital Outlay. Capital Outlay is defined as an expenditure for equipment with a purchase price in excess of \$5,000 and a life expectancy greater than one year.				
Program	Item Description	Cost	PROG APPROV	

Attachment B
Information required by CFR Subtitle B with guidance at 2 CFR Part 200

PE50 Safe Drinking Water (SDW) Program (Vendors)

Federal Award Identification Number:	State Funds	State Funds	00031221	00031222	98009020	98009021
Federal Award Date:			07/15/2021	12/10/2021	09/09/2020	09/29/2021
Budget Performance Period:			10/01/2020-09/30/2022	10/01/2021-09/30/2022	10/01/2020-09/30/2023	10/01/2021-09/30/2024
Awarding Agency:			EPA	EPA	EPA	EPA
CDFA Number:			66.432	66.432	66.468	66.468
CDFA Name:			State Public Water System Supervision	State Public Water System Supervision	Capitalization Grants for Drinking Water State Revolving Funds	Capitalization Grants for Drinking Water State Revolving Funds
Total Federal Award:			1,841,000	1,841,000	17384400	17,368,800.00
Project Description:			FFY2021 Oregon State Public Water System Supervision (PWSS)	FFY2022 Oregon State Public Water System Supervision (PWSS)	FFY 2020 Oregon's Drinking Water State Revolving Fund Capitalization Grant	FFY 2021 Oregon's Drinking Water State Revolving Fund Capitalization Grant
Awarding Official:			Neverley Wake	Neverley Wake	Harold Rogers	Richard Green
Indirect Cost Rate:			17.64%	17.64%	17.64%	17.64%
Research and Development (T/F):	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
PCA:	51283	51058	51315	51320	51987	51865
Index:	50204	50204	50204	50204	50204	50204

Agency	DUNS No.	Amount	Amount	Amount	Amount	Amount	Amount	Grand Total:
Deschutes	030805147	\$39,422.00	\$11,264.00	\$7,040.00	\$21,119.00	\$11,264.00	\$22,527.00	\$112,636.00



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 16, 2022

SUBJECT: Release of ARPA Funds for COVID Response Team

RECOMMENDED MOTION: Release funds as determined by the Board

BACKGROUND AND POLICY IMPLICATIONS:

On February 9, 2022, the Board approved up to \$350,000 for the next round of ARPA funds to support the COVID Response Team. The Board approved up to \$55,000 per week through the end of March 2022. The COVID Response Team is comprised of 6.0 limited duration (staggered end dates) FTEs and temporary employees.

The COVID Response Team has adjusted expenditures based on the demand for services. The recent "Management of Pandemic Case Investigation and Contact Tracing audit concluded the following (page 11, section 2.1 of the audit): "Overall temporary worker costs being spent through Public Health – Communicable diseases (and the primary temp worker vendor) have moved with the surges of the pandemic." The most recent weekly (beginning of March 2022) temporary staffing cost was \$32,000, although the Board approved of expenditures of up to \$55,000 per week. In addition, the Health Services Department recently discontinued the practice of paying COVID premium pay which compensated salaried employees for consistently working well beyond a regular work week.

Board Policy Discussion

Based on COVID Response Team's reduced costs (due to adjusting to the demand for services) and additional FEMA reimbursement, the current Board ARPA fund approval is estimated to cover costs until late April 2022. For temporary staffing for COVID response, the Board has allocated a total of \$ 2,350,000 and authorized expenditures of up to \$1,971,705. Therefore, \$378,295 remains for COVID temporary staffing, which will fund the current temporary staffing levels (at a rate of \$55,000 per week) for at least for another 7 months.

Board policy discussion/decision:

1. What is the “up to” amount the Board wants to authorize per week?
 - a. Up to \$55,000 per week.
 - b. Up to \$30,000 per week.
 - c. Other

Listed in the staff report below are the service impacts associated with the options listed above.

2. How long does the Board want to approve the weekly “up to” amount?
 - a. 1 month
 - b. 2 months
 - c. 3 months
 - d. other

Attached are statistics related to the Covid Hotline.

COVID Response Team

The COVID Response Team provides and/or coordinates the following:

1. COVID Hotline: provides public education/information, outreach and data.
2. Testing: manages outbreak testing, distributes test kits to high need individuals and entities, provide onsite support for high consequence settings (such as congregate settings, day care, schools, and businesses) and situations requiring testing.
3. Vaccination: community clinics, targeted clinics, mass vax events (not currently holding mass vax events).
4. Outbreak response for high consequence settings (such as congregate settings, day care, schools, and businesses).
5. Wrap around support services and isolation motel service delivery: manage all requirements and priorities at isolation motel (hot meal delivery, food box delivery, medication delivery, security, etc.), case management and support, collaborate with non-profits for placement at the motel.

Scenario where demand continues to drop:

- We could continue to balance staffing with service level. In other words, we could either eliminate some temp positions or increase service level (or some permutation).

Scenario if there is a surge:

- We could increase our temp capacity compared to our current level with the understanding that it will take 4 to 6 weeks to get capacitated. If we are in a low demand scenario, then it will take longer than 6 weeks to build capacity.

Key tradeoff:

- Letting too many temps go, it will take 4 to 6 weeks to ramp up (identify, hire, train, etc.). Also, reliance on the state and/or other entities does not take form overnight, it takes weeks (especially as demand throughout the state has increased).

Baseline Services

Baseline services and operations service delivery will continue regardless of service level (position duration).

Service Delivery:

- Coordinate with community partners and OHA to plan and execute events like testing and vaccines
- Strategic governance of budgeting and funding support to properly disseminate funds
- Contract oversight with vendors and community partners (i.e. facilities, medical teams)
- Admin support for each service delivery line (i.e. document control, project management, meeting organization)
- Testing support (i.e. organizing and planning at-home test kits distribution)

Service Level:

- Provides timely and quality support for all areas
- Consistent coordination between internal and external teams and service lines
- Minimal burden on County and DCHS Administration

Limited Duration Position: 6 (5 + 1 Recovery Manager)

What ~55k per week (current service level) provides the County?

This is the current expenditure which facilitates high level services (commensurate with demand).

A. Hotline, Public Education/Information, Outreach, and Data:

Service Delivery:

Public information, distribution and education: connecting to vaccine information/sites, testing information and resources

- Connection to Wrap Around services and CBO's for services: food resources, mortgage and utility assistance, lost wage assistance
- Connection to highly trained case management team to identify, process and refer to escalated services/resources (e.g LTCFs, businesses, schools, etc.)

- Onsite outreach for BIPOC and other vulnerable groups, and/or individuals, and businesses
- Preparation, analysis and reporting out data: cases rates, outbreaks, vaccination rates & testing volume
- Regular social media and dashboard updates (up to 15,000 public hits/week)

Service Level:

- Call Center Schedule: 10 hours M-F (8am-6pm), 6 hours on Saturday (10am-4pm), check voicemails Sunday
 - Up to a 4 minute wait time
 - Not offering 24 hour support service
- Call Center increases accessibility to those who are not comfortable and/or with limited internet/ technology capabilities to address DEI/socioeconomic challenges
- Outreach Schedule: 7 days/week
 - Multi-language (3 languages) team reaching up to 500 community contacts/month

Data: providing timely, accurate, quality information to the public and on public facing media sites

Current Staffing-

Limited Duration: 2.0

Temp FTE equivalency: 9.5

B. Testing

Service Delivery:

- Manage outbreak testing through OSPHL and other entities
- Distributing test kits to high need individuals (e.g. homeless) and entities
 - Distribute both "lab" tests and home tests
- Provide onsite support for high consequence settings and situations requiring testing

Service Level:

- Highly focused on congregant setting testing, respond within hours/ day
- Facilitation and community assurance around testing capacity in the community (serve as community hub)
- Not offering high throughput or community testing events

Current Staffing:

- Limited Duration: 0
- Temp FTE equivalency: 1

C. Vaccination

Service Delivery:

- 4 Standing community clinics/week (locations include: Bend, La Pine, Sisters)

- Capacity to provide other targeted clinics as needed, example:
 - Pediatric clinics
 - Employee clinics
 - Redmond Airport
 - County staff
 - Equity informed efforts (settings like: nonprofits, Latino Community Association, local restaurants, low income housing)
 - Congregate settings (e.g. homebound, jails, LTCF, etc.).
 - Interpreters/translators for community accessibility.
- Mass Vax population events (through coordination with OHA/ FEMA)

Service Level:

- Schedule: consistent days/times and evening hours
 - Current wait time less than 20 minute (during high volume, up to 1 hour)
 - Productivity up to 1600 vaccines/week
- Collaborate with communities to set up clinic events
- Increase accessibility with a DEI lens (e.g. rural settings)
- Interpreter/translating: offered at each vaccine clinic and translates all COVID-related materials (in-house)

Current Staffing-

Limited Duration Positions: 3

Temp FTE equivalency: 9

D. Outbreak response for high consequential settings (e.g. congregate settings, day care, schools, and businesses)

Service Delivery:

- Case Management for individuals (high risk/need or linked to outbreak)
- Infection prevention and outbreak management
- Business outreach and educational outreach to businesses through community business partners like Chambers of Commerce, Business Advocates and other business organizations

Service level:

- Schedule: offering services 7 days/week, respond within hours
- High quality, reliable, specialized services and consultancy
- Consultants to these groups/ quasi-enforcement/ regulatory body

Current Staffing-

LTD: 4

Temp FTE equivalency: 8

E. Wrap around support and Isolation Motel

Service Delivery:

- Management of all requirements and priorities at isolation motel sites: high priority needs, hot meal delivery, food box delivery, medication delivery, security, etc.
- Case management and support, and referral to CBO's for collaborative support services

Service Level:

- Schedule: offering services 7 days/week (all day)
- Case management capacity:
 - 40 clients/ households/week (including isolation motel)
 - Serve up to 600 individuals per month – mix of DCHS and CBO support (some duplication with above)
- Availability of up to 12 isolation rooms/16 beds (and Super 8 Redmond overflow: 8 rooms, 13 beds)

Current Staffing-

Limited Duration Positions: 3

Temp FTE equivalency: 4

What ~30k per week (current service level) could get the County?

This is assuming same demand level as current state with varying service level.

A. Hotline, Public Education/Information, Outreach, and Data:

Service Delivery:

- Public information, distribution and education: connecting to vaccine information/sites, testing information and resources
- Connection to Wrap Around services and CBO's for services: food resources, mortgage and utility assistance, lost wage assistance
- Connection to highly trained case management team to identify, process and refer to escalated services/resources (e.g LTCFs, businesses, schools, etc)
- Onsite outreach for BIPOC groups, and/or individuals, and businesses
- Preparation, analysis and reporting out data: cases rates, outbreaks, vaccination rates & testing volume
- Regular social media and dashboard updates (up to 15,000 public hits/week)

Service Level:

- Hotline Schedule: 8 hours M-F (9am-5pm), Saturday: only check voicemails & no services on Sunday
 - Reduced hours and days
 - Wait time and drop calls will increase
- Outreach Schedule: reduced from 7 days/week to 5 days/week with reduced hours
- Outreach accessibility reduced from 3 languages to only Spanish
- Data quality remains consistent

Change in Staffing:

LTD: 2.0

Temp FTE equivalency: 7.5

B. Testing

Service Delivery:

- Maintain only minimal outbreak testing response
- Minimal distribution of free rapid testing supplies
- No additional community testing and/or technical support for community entities

Service Level:

- Will not provide high throughput or community testing events
- Provide remote technical assistance with limited onsite support

Change in Staffing-

Limited Duration Positions: 0

Temp FTE equivalency: 0.5

C. Vaccination

Service Delivery:

- Standing community clinics/week (locations will vary)
- Assist with targeted clinics:
 - Pediatric clinics
 - Congregate settings (e.g. homebound, jails, LTCF, etc)
(with interpreters/translators for community accessibility)
- Facilitate mass vax population events (through coordination with OHA/ FEMA)

Service Level:

- Schedule: reduce days and/or hours of operation (decisions based on demand, access and equity)
- Equity focus on the community clinic
- Reduce vaccine productivity up to 1,000 doses/week (from 1600 doses)
 - potential increase in wait times depending on volume

Change in Staffing-

Limited Duration Positions: 3

Temp FTE equivalency: 6

D. Outbreak response for congregate settings and businesses

Service Delivery:

- Case Management for individuals (high risk/need or linked to outbreak)
- Infection prevention and outbreak management
- Business outreach and educational outreach to businesses through community business partners like Chambers of Commerce, Business Advocates and other business organizations

Service Level:

- Schedule: reduced from 7 days/ week to 5 days/ week
- Limited comprehensive case management for high risk individuals
- Limited business outreach

Change in Staffing-

Limited Duration Positions: 4

Temp FTE equivalency: 4

E. Wrap around support and isolation motel

Service Delivery:

- Management of all requirements and priorities at isolation motel sites: high priority needs, hot meal delivery, food box delivery, medication delivery etc.
- case management and referral to CBO's for collaborative support services

Service Level:

- Schedule: Maintain 7days/week with reduced hours to 10-3pm
- Increase in wait time for referrals and placement, impacting hospital system's bed capacity
- Case management capacity:
 - ~30 clients/ households/week (including isolation motel)
 - Serve up to 400 individuals per month – mix of DCHS and CBO support (some duplication with above)
- Availability of 9 isolation rooms/13 beds at Super 8 in Redmond

Change in Staffing-

Limited Duration Positions: 3

Temp FTE equivalency: 0

BUDGET IMPACTS:

Budget impacts depend on Board policy decision.

ATTENDANCE:

Erik Kropp, Interim Health Services Director

Nahad Sadr-Azodi, Public Health Director

Cheryl Smallman, Business Manager

Deschutes County COVID-19 Hotline Overview:

Situation:

Currently the Hotline is open the same hours that the OHA Line is open.

This way OHA can transfer community members directly to us for support services.

- Monday-Friday: 0800-1800
- Saturday: 1000-1600
- Sunday: VM is checked between 10-1600

Our focus on the Hotline continues to be vulnerable populations; like our community seniors, those less technologically savvy, without reliable internet and/or limited internet access, BIPOC, etc.

We are able to access verified data for the previous month on the 15th of each month

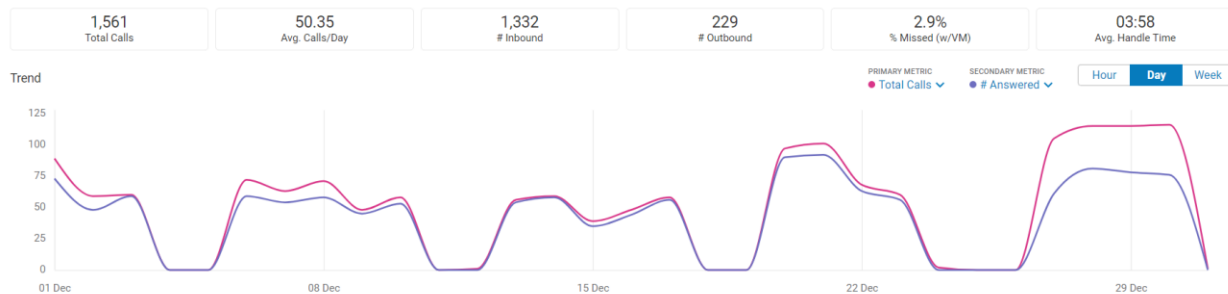
Current Month Highlights:

- Average call time is almost 6 minutes
- Average wait time is <2 minutes
- 100% of VM's left are returned within the same business day
- Longest call time was 41 minutes
- Busiest times are early in the week and in the earlier half of the day
- Majority of our calls are received between 0800-1400 (higher core staff during these times)

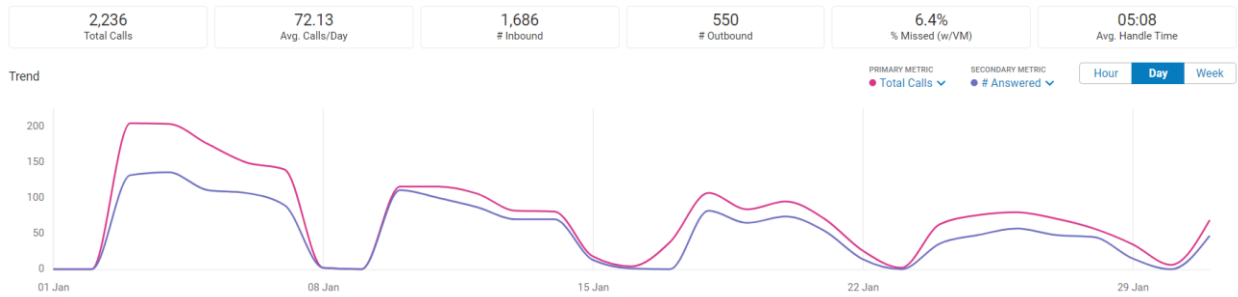
Impressions/Feedback:

Some community members have provided feedback that they could easily find the Hotline number at the beginning of the pandemic (it was on billboards in Redmond and Bend for what seemed like months), they had difficulty finding it now and they have many more questions now. Food for thought, on how we market/raise awareness.

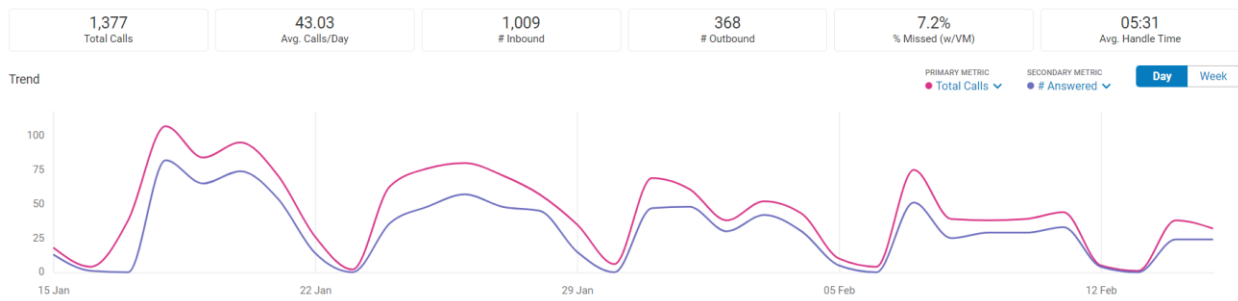
December Data:



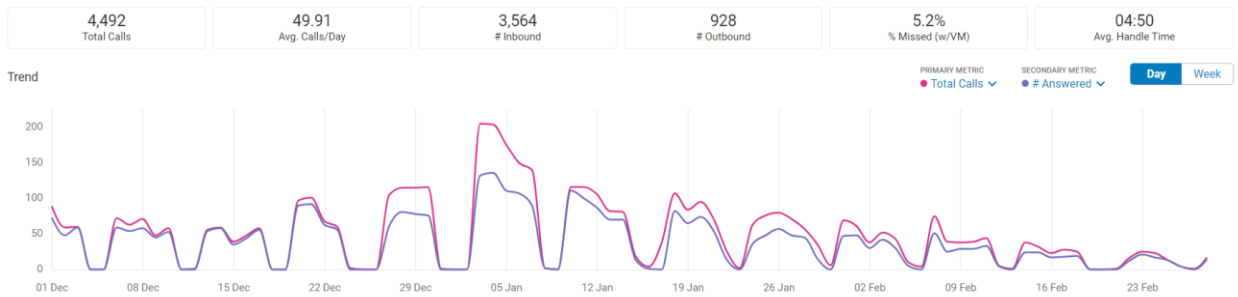
January Data:



January 15- February 15 Data ****Most Recent****



Last Quarter:



****Reflects busier times earlier in the week/earlier in the day****

COVID RESPONSE TEAM FUNDING

Board Meeting: March 16,
2022



BOARD PREVIOUS ACTION

- February 9, 2022, BOCC approved up to \$350,000 to support COVID response team, up to \$55,000 per week for 5 main areas
 - COVID Hotline
 - Testing
 - Vaccination
 - Outbreak response for high consequence settings (such as congregate settings, day care, schools, and businesses).
 - Wrap around support services and isolation motel service delivery



CURRENT STATUS

- Reduced costs (due to adjusting to demand) and FEMA reimbursements – current approved funds will last until late April 2022.
- Board allocated a total of \$ 2,350,000 for temporary COVID staffing.
 - \$378,295 remains – which will fund the current temporary staffing levels (at a rate of \$55,000 per week) for at least another 7 months.



ADDITIONAL INFORMATION

- Audit: “Overall temporary worker costs being spent through Public Health – Communicable diseases (and the primary temp worker vendor) have moved with the surges of the pandemic.”
- The most recent weekly (beginning of March 2022) temporary staffing cost was \$32,000.
- The Health Services Department recently discontinued the practice of paying COVID premium pay for salaried employees.



BOARD POLICY DECISIONS

Board policy discussion/decision:

1. What is the “up to” amount the Board wants to authorize per week?
 - Up to \$55,000 per week.
 - Up to \$30,000 per week.
 - Other

2. How long does the Board want to approve the weekly “up to” amount?
 - 1 month
 - 2 months
 - 3 months
 - other





BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 16, 2022

SUBJECT: CPACE Discussion and Possible Board Direction

RECOMMENDED MOTION:

Provide staff direction.

BACKGROUND AND POLICY IMPLICATIONS:

On December 6, 2021, staff presented to the Board the Commercial Property Assessed Clean Energy (CPACE) concept. This staff report provides an update on items the Board requested as well as other general updates.

CPACE OVERVIEW

Commercial Property Assessed Clean Energy (CPACE) is a funding mechanism to pay for clean energy projects. CPACE programs vary based on specific state and local government guidelines. Generally, the mechanics work as follows: a commercial building owner receives long-term financing for capital improvements that reduce energy consumption or generate energy. The building owner repays the cost of eligible improvements through a benefits assessment (similar to a local improvement district assessment).

FOLLOW-UP and OTHER UPDATES

Below is a list of follow-up items and other updates since the Board's discussion on CPACE in December.

- Questions about Benton County and the City of Corvallis CPACE efforts. See attached memo from County Counsel Dave Doyle dated December 10, 2021. Benton County and the City of Corvallis are not currently adopting jurisdiction-specific CPACE programs. Instead, they have determined that a single statewide program

would be more efficient, provide more funding opportunities, allow more people to use the program, and reduce costs with a single administrator.

- Discussion with 350 Deschutes that Michael Yaki, Senior Vice President and Sr. Counsel for Petros PACE Finance, LLC has offered to provide model Oregon CPACE Local Program document – see attached memo dated January 13, 2022 from County Counsel Dave Doyle.
- Input from County Assessor Scot Langton on CPACE administration – see attached memo dated February 3, 2022 from Scot Langton.
- Commissioner Chang recently asked for a list of possible CPACE projects that may be ready to go should the program be approved. In response, staff reached out to business that have contacted the Board about CPACE as well as to 350Deschutes. “Attachment A” lists potential projects as reported by businesses and individuals who have contacted the Board.
- Commissioner DeBone asked how CPACE financing mechanics work versus a traditional bank loan. “Attachment B” shows a side by side comparison of funding energy conservation projects via bank loan compared to a CPACE lien.

C-PACE OPTIONS

The following are options for Board discussion/consideration:

1. Status quo – not move forward with CPACE.
 - Pros:
 - Allows time for Oregon CPACE programs to mature. The County could see if a statewide program moves forward and/or see how other CPACE program perform.
 - With rapid development already occurring in Central Oregon, the program may not be necessary to spur development.
 - Maintains the intended purpose and use of the property tax system.
 - Doesn't change the order of lien holders on a property. The CPACE assessment becomes senior above any other liens.
 - Not all CPACE program have been successful. Some have resulted in no projects or a low number of projects. The Clark County, Washington program has been identified as a model program. However, the state of Washington has requirements for commercial building energy efficiency measures which increases demand for CPACE projects.
 - Cons:

- Missed opportunities to fund projects that may be ready to go now.
 - Program provides incentives for energy conservation that may not happen without CPACE.
2. Establish the tax assessment process and allow interested cities to set up CPACE programs for their jurisdiction.
- Pros:
 - Most CPACE development will occur in cities, let cities implement CPACE if they are interested.
 - Cons:
 - If individual cities implement CPACE, there may be a lack of uniformity and missed opportunity to pool together staff resources for one program.
 - Implementation will likely take longer as compared to option 3.
3. Set up a Deschutes County CPACE program for projects in the rural county and identified cities. If this option is selected, then decide whether to:
- a. Find a third-party to operate and manage the program. For example, Multnomah County contracts with Prosper Portland (formerly the Portland Development Commission) to manage its program; or
 - b. Move forward with CPACE with a mix of using Deschutes County staff and a third-party administrator; or
 - c. Explore the possibility of forming a consortium of Oregon cities/counties to operate and manage the program.
- Pros:
 - Provides uniformity for CPACE within Deschutes County.
 - Sooner implementation than options 2 or 4.
 - Cons:
 - As CPACE programs are implemented in other parts of Oregon, there may be a lack of uniformity among the programs.
 - The County would take the lead on a program that is likely to have a majority of projects in the cities.
 - Additional county resources required to implement and manage program.
4. Wait for a statewide CPACE program. There is a consortium of Oregon cities/counties that are meeting regularly to discuss a path forward for a statewide program.
- Pros:
 - A statewide program would provide uniformity, efficiencies, more financing opportunities, and reduce administration costs.

- Cons:
 - Less local control.
 - No guarantee that a statewide program will develop.
 - If it did, longer timeline before the program is up and running, possibly missing out on projects that are ready to go now or in the short run.

If the Board directs staff to implement options 2 or 3, the Board will need to direct staff to first prepare a draft ordinance for Board consideration and possible adoption. Also, if the Board adopts a CPACE ordinance, staff anticipates needing several months to develop the program and materials before accepting applications as well as adding additional staff capacity to start up and manage the program.

CONCLUSION

Staff will lead the discussion and seek Board direction on CPACE.

BUDGET IMPACTS:

TBD, based on Board direction.

ATTENDANCE:

Erik Kropp, Deputy County Administrator

Scot Langton, County Assessor

Greg Munn, CFO/Finance Director



COUNTY LEGAL

Christopher Bell, Sr. Assistant Legal Counsel
John E. Laherty, Sr. Assistant Legal Counsel
D. Adam Smith, Assistant Legal Counsel

David Doyle, Legal Counsel

STAFF REPORT

TO: BOCC
FROM: County Legal
DATE: December 10, 2021
RE: C-PACE

Following the Board meeting on December 6th, I reached out to Benton County and the City of Corvallis. Neither is adopting a jurisdiction-specific C-PACE program.

Benton County and the City of Corvallis have determined that a single statewide program would be much more efficient, providing more financing opportunities, allowing more people to use the program, and reducing costs with a single administrator. Ongoing efforts (minimal according to County Counsel) are directed at participating in a statewide program.

I also reached out to Michael Yaki, SVP and Sr. Counsel for Petros Pace Finance. He is not a proponent of the statewide approach, telling me: "If there are property owners who would be ready to utilize CPACE in short order, the time that would be required to put together a statewide program administrator (ie, who would it be, under what criteria, and what would be the criteria of a program) are time consuming and expensive (and explains the high fees often associated with such entities to recover costs)."

Mr. Yaki prefers local programs, telling me: "The program docs I put together for communities, such as those in Washington state and others, are tailored to reduce the administrative burden on local governments. In our experience, the set up is minimal (enactment of an ordinance) and designation of an official to review and approve an application. The application itself is simplified to be a "check the box" review. For example, a fairly complicated transaction that would result in \$19M in CPACE financing was approved in a few hours of review. In return, to compensate the locality for the time and effort spent reviewing the ordinance and documents, a processing fee of 1% of the amount financed, capped at \$15k, is often a reasonable exchange."

Mr. Yaki has promised to send me a packet of documents to review by early January. In addition, on the issue of default/foreclosure he shared this: "Only the delinquent installments are subject to foreclosure, not the balance which runs with the land. Since lender consent is required, the likelihood that the lender will step in to cure is high and avoid foreclosure. Nationwide out of 1500+ high value (over \$1M) there has been 1 default and no foreclosures."



COUNTY LEGAL

Christopher Bell, Sr. Assistant Legal Counsel
John E. Laherty, Sr. Assistant Legal Counsel
D. Adam Smith, Assistant Legal Counsel

David Doyle, Legal Counsel

STAFF REPORT

TO: BOCC
FROM: County Legal
DATE: January 13, 2022
RE: CPACE

As promised, Mr. Yaki, SVP and Sr. Counsel for Petros Pace Finance sent me a packet of Model Oregon CPACE Local Program documents.

I have completed my review, and if the BOCC is inclined to launch a local CPACE program, I am comfortable recommending adoption and utilization of the Model Oregon CPACE Local Program documents.

The system is essentially a “check the box” model which shifts all burden, risk and liability to the property owner and capital provider. The County operates as a conduit for the transaction and is compensated for associated staff time.



Assessor's Office
Scot Langton, Assessor

1300 NW Wall St, Suite 200 Bend, Oregon 97701
(541) 388-6508 FAX: (541) 330-4629
www.co.deschutes.or.us

February 3, 2022

To: Erik Kropp, Deputy County Administrator
From: Scot Langton, Deschutes County Assessor
RE: CPACE

Erik,

You had asked for feedback from my office regarding the administration of a proposed CPACE program. As you probably remember from earlier conversations, Assessors typically have a limited role regarding administration of the program; though that could vary depending on how it's adopted.

If the County adopts a CPACE program that provides for billing and collection through the property tax statement, this Office would become involved in just those cases where an individual property was in default of the loan agreement.

In those default scenarios the lender would certify to the Assessor's Office the amount of loan delinquency, which would be placed as a lien on that property and billed on the next appropriate tax roll by adding that amount as a collectable on the tax statement. The collection of those outstanding default amounts would be billed and collected by the Tax Collector's Office in the same manner as the other outstanding property taxes, which could lead ultimately to tax foreclosure if not paid timely.

Therefore if I understand the proposed County ordinance correctly the involvement of my office would simply be to post as a collectable lien those amounts that were outstanding. This would have minimal resource requirements for this office.

Though it should be noted that if the County is proposing to utilize the property tax statement for the primary collection of annual loan payments and not just limited to those that are in default, such a system will have much more significant impacts on resources which will necessitate additional analysis to identify impacts and costs.

Attachment A
Local CPACE Interest

The following pages summarize CPACE interest from:

- Perry Brooks, Partner at Roost Development
- Tom Kelly, President at the Neil Kelly Company
- Todd Gray, CFO for Mereté Hotel Management and Sycan B Corp.
- Joe Mazarella, Sunlight Solar Energy, Inc.
- Tyler Neese, Central Oregon Association of Realtors (COAR)

RESPONSE FROM PERRY BROOKS, ROOST DEVELOPMENT

Email from Perry Brooks, Roost Development Partner, to Erik Kropp, March 7, 2022

“Hi Erik,

Thanks for reaching out. I am completely comfortable with you sharing this information in the staff report. The projects I will be referring to are headed towards development, but until we have a shovel in the ground, there's always the chance that they won't be built. But for the time being, we are definitely on track for development. CPACE financing would increase the probability of making the projects happen due to better financial terms for the measures that reduce energy burden and increase resiliency.

The first project we're working on that would work well for CPACE financing is a 36-unit, net zero, 54,000 sf apartment building on 4th and Olney. I've attached the land use entitlement package that we submitted to the City for their review and approval. The target for this building is to be net zero, meaning it produces more electricity than it requires. The goal is to start construction at the end of 2022 or early 2023. This project is ideal for CPACE financing being a net zero project and designing the project around sustainability.

The second project is a, 5600 sf multi-use building with commercial space on the lower floor and three apartments on the second floor. This project is located on Colorado just east of Bond St. Similar to the first project, it is also proposed to be a net zero building. This project is a little further along in development with building permits being submitted this month and we plan to start construction in late summer, early fall of 2022. I've attached the conceptual drawings for this building.

Our development company has several other multi-family and commercial projects in the future, all of which would benefit from CPACE financing.

Let me know if there is any other information I can provide.

Thanks,

Perry”

RESPONSE FROM TOM KELLY, PRESIDENT, NEIL KELLY COMPANY

Via email from Neil Kelly to Erik Kropp on March 7, 2022

1. If CPACE were available, do you anticipate using the program?

We would be a potential C-Pace user in 2023 or 24.

2. If yes, for what type of projects (for example, solar panels, LED light upgrades, more energy efficient HVAC system, etc.)?

We are planning a new roof and solar for our Bend building.

3. If yes, what is your desired timeline (right now there are projects ready to go, within the next 6 months, within the next year, within next 1.5 years, 2 years, 2 years plus)?

2 years.

4. Do you have other information you would like me to share with the Board?

The C-Pace program in Portland allowed us to pursue a project on our headquarters a few years earlier than we might have otherwise. We did pay it off early.

INPUT FROM TODD GRAY, MERETE HOTELS

Email from Todd Gray, CFO for Mereté Hotel Management and Sycan B Corp.

From: Todd Gray <TGray@meretehotels.com>
Sent: Friday, February 18, 2022 1:49 PM
To: citizeninput <citizeninput@deschutes.org>
Subject: Citizen Input Request to Speak 2/23

I am the Chief Financial Officer for Mereté Hotel Management and Sycan B Corp. As you may be aware, we are active in the Bend community, having recently opened the Element Hotel and Holiday Inn Express respectively, and are preparing to break ground on a small commercial development adjacent to the Element. **As a stakeholder, I would like to express my desire to speak in person at the meeting scheduled on February 23rd, 2022, as part of the Citizen Input Process.**

A few of the benefits of CPACE:

- CPACE provides funds that otherwise would have to be provided by traditional bank debt or investment capital. In practice, CPACE has the benefit of lowering the amount of investment capital required and increasing the potential overall return of a project. As a result, CPACE can literally move a project from one that does not pencil to a potentially profitable project. We have run various numbers on potential new projects, with and without CPACE, the estimates with CPACE demonstrated far superior returns than those without CPACE.
- As develop across the Pacific Northwest. All things considered equal, a community that offers CPACE compared to one that doesn't have a distinct competitive advantage. Development dollars are going to flow into markets with CPACE compared to those without.
- CPACE has successfully been implemented within several jurisdictions and communities. A good example of a successful CPACE program can be found within Clark County Washington. There is no need to reinvent the wheel with successful programs already operating.
- Time is of the essence, the economic impact of COVID is still a barrier to many new developments and with interest rates only increasing alternative financing sources are needed for new development activity. We are currently looking at another hotel project in Deschutes County, its marginal at best. With CPACE, the likelihood of moving forward only increase.



Todd Gray | CFO
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RESPONSE FROM CENTRAL OREGON ASSOCIATION OF REALTORS (COAR)

Email from Tyler Neese, COAR

1. If CPACE were available, do you anticipate using the program?

In order to get a sense of how and if a CPACE program might be utilized in Deschutes County, we solicited feedback from commercial brokers through both committees and an online survey. We asked them to think about projects and properties they're working on, as well as clients they represent. Overall, the brokers who weighed in were supportive and said they anticipate using the program either personally or on behalf of a client.

2. If yes, for what type of projects (for example, solar panels, LED light upgrades, more energy efficient HVAC system, etc.)?

Solar panels, LED lights, HVAC, electric car charging stations, and multi-family projects.

3. If yes, what is your desired timeline (right now there are projects ready to go, within the next 6 months, within the next year, within next 1.5 years, 2 years, 2 years plus)?

The answers varied from "within the next 6 months" to "2 years."

4. Do you have other information you would like me to share with the Board?

The Central Oregon Association of REALTORS® (COAR) supports the creation of a Commercial Property Assessed Clean Energy (CPACE) Program in Deschutes County. A CPACE program would be a valuable option for commercial building owners and developers and could prove to be both an economic boost for the County and a helpful tool in achieving greater sustainability in development by providing commercial building owners and developers supplemental financing options for performance improvements on new and existing buildings. We encourage the Board of County Commissioners to authorize a CPACE program, and we would welcome the opportunity to provide input and offer expertise in its development and implementation.

RESPONSE FROM SUNLIGHT SOLAR ENERGY, INC.

Email from Joe Mazzarella to Erik Kropp on March 7, 2022

“Hello Erik,

I just wanted to reach out in regards to the discussions on creating C-PACE financing for commercial energy projects in Deschutes County. I have been developing commercial and residential solar projects here in Central Oregon with Sunlight Solar Energy for 10 years.

In my experience, the biggest hurdle in developing commercial solar electric systems is not the simple payback or ROI, but being able to offer reliable and attractive financing options to fund these energy projects. Although I don't have any projects 'in hand' that I can say would surely move forward with C-PACE financing, as it is difficult to promote or discuss it before it is actually a reality, I do believe that this is something that if done right can be a very attractive option for businesses here in Central Oregon.

So, please consider this a letter of support and I look forward to learning more about how this is structured and being able to present it to potential customers in the region.

Thank you,

Joe Mazzarella”

--

Joe Mazzarella, System Design and Project Development
Sunlight Solar Energy, Inc.

**Attachment B
Hypothetical Traditional Bank Loan vs CPACE Financing**

Capital Expenditures Related to Energy Savings: examples may include solar panels, LED lighting upgrade, new energy efficient HVAC system, etc.	Bank Loan	CPACE Lien
Cost for energy conservation measure	\$500,000	\$500,000
Down payment (15%)	\$ 75,000	\$ 0
Loan	\$ 425,000	\$ 500,000
Loan term	5 years	20 years
Interest rate %	5%	6%
5-Year Net Cash Flow		
Annual Debt Service	\$ 96,243	\$ 42,986
Annual energy savings	\$ 55,000	\$ 55,000
Net annual cash flow	\$ (41,243)	\$ 12,014
Cash flow over 5 years	\$ (206,216)	\$ 60,070
Down payment cash flow	\$ (75,000)	\$ 0
5 Year Net Cash Flow	\$ (281,216)	\$ 60,070

CPACE (Commercial Property Assessed Clean Energy

Board Meeting: March 16, 2022



Update

- Benton County and City of Corvallis efforts
- Model Oregon CPACE Local Program document
- Input from County Assessor
- Potential local interest in CPACE
- CPACE Financing vs Traditional Bank Loan
- Options
- BOCC direction to staff



Benton County and City of Corvallis Efforts

December 10, 2021 memo from County Counsel:

- Benton County and City of Corvallis: not currently adopting CPACE Program
- Advocate single statewide program



Model Oregon CPACE Local Program Documents

January 13, 2022 memo from County Counsel:

- Michael Yaki, SVP and Sr. Counsel for Petros Pace Finance, sent model program documents
- “Check box” model: all burden, risk, and liability is with the property owner and capital provider



Input from County Assessor

February 3, 2022 memo from Scot Langton:

- Assessor's Office role depends on how program is adopted
- If Assessor's Office simply post a collectable lien on defaults, minimal impact on workload
- If property tax statement used as primary collection of annual loan payment, more significant impact on workload



Local CPACE Interest

- **Input received from the following (Attachment A)**
- Perry Brooks, Partner at Roost Development
- Tom Kelly, President at the Neil Kelly Company
- Todd Gray, CFO for Mereté Hotel Management and Sycan B Corp.
- Joe Mazzarella, Sunlight Solar Energy, Inc.
- Tyler Neese, Central Oregon Association of Realtors (COAR)



Traditional Bank Loan vs CPACE Financing

- **Attachment B**
 - Traditional Bank Loan
 - Down payment
 - Shorter loan term
 - Less net cash flow
 - Security is trust deed
 - CPACE Financing
 - No down payment
 - Longer term loan
 - Higher net cash flow
 - Loan secured by County lien



Options

- 1. Not approve CPACE
- 2. Establish CPACE tax assessment process for interested cities
- 3. Establish CPACE for unincorporated County and interested cities
- 4. Wait and see if statewide CPACE program develops



Next Steps

- If Board directs staff to move forward with CPACE (options 2 or 3):
 - Direct staff to draft and bring back draft ordinance
 - Emergency clause?
 - Discussion of need for additional staff resources

