



## BOARD OF COMMISSIONERS

### BOARD OF COMMISSIONERS MEETING

9:00 AM, WEDNESDAY, JUNE 01, 2022

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

(541) 388-6570 | [www.deschutes.org](http://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](http://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](mailto: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](mailto: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 Document No. 2022-210, a Lease between Deschutes County and Mosaic Medical
- [2.](#) Consideration of Purchase Agreement, Document No. 2022-279, and Dedication Deed, Document No. 2022-280, from Gregory and Alisa Sullivan for Right of Way for the Hunnell Road: Loco Road to Tumalo Road Improvement Project
- [3.](#) Consideration of Purchase Agreement, Document No. 2022-290, and Dedication Deed, Document No. 2022-291, from the Ferns Revocable Trust for Right of Way for the Hunnell Road: Loco Road to Tumalo Road Improvement Project
4. Consideration of Board Signature on Letter of Thanks to Nicole Phelps for service on the Two Rivers Special Road District
5. Consideration of Board Signature on Letter of Thanks to Allen Hammerman for service on the Noxious Weed Advisory Board
6. Consideration of Board Signature on Letter of Appointment to Carol Bauer to the Newberry Estates Special Road District Board.

## CONVENE AS THE GOVERNING BODY OF SUNRIVER SERVICE DISTRICT

- [7.](#) **9:05 AM** Consideration of Board Signature of Resolution No. 2022-031, a Resolution authorizing the Sunriver Service District to proceed with issuance of full faith and credit obligations not to exceed \$7,000,000 to finance a portion of the costs to remodel and expand the Sunriver Public Safety Building

## RECONVENE AS THE GOVERNING BODY OF DESCHUTES COUNTY

## ACTION ITEMS

- [8.](#) **9:15 AM** Consideration of Chair Signature of Document No. 2022-089, a Notice of Intent to Award Contract for Engineering Services for the Smith Rock Way Bridge and Gribbling Road Bridge Replacement Projects

9. **9:20 AM** Consideration of Board Signature of Order No. 2022-029, Authorization of Rate Adjustments for Deschutes Transfer and Approval of Additional Container Services for Republic Services' Wilderness Disposal Service Area
10. **9:50 AM** DELIBERATION – Community Development Department Draft Fiscal Year 2022-23 Work Plan
11. **10:15 AM** Discussion: Measure 109 / Psilocybin

## LUNCH RECESS

12. **1:00 PM PUBLIC HEARING Continued:** Deschutes County Road Department Nighttime Noise Variance

## 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.*

13. Executive Session under ORS 192.660 (2) (e) Real Property Negotiations
14. Executive Session under ORS 192.660 (2) (h) Litigation

## 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.

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BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, June 1, 2022

SUBJECT: Consideration of Document No. 2022-210, a Lease between Deschutes County and Mosaic Medical

RECOMMENDED MOTION: Move to approve and sign Document No. 2022-210.

BACKGROUND AND POLICY IMPLICATIONS:

Deschutes County owns a 38,000 square foot building located at 2577 NE Courtney, Bend, known as the Deschutes County Health Services Building. In 2018, Deschutes County Health Services (DCHS) and Mosaic Medical (Mosaic) entered into a Memorandum of Understanding (MOU) to operate a Primary Medical Care Clinic (Clinic) at this location. The Clinic is located in Suite 100 and consists of multiple exams rooms and office space totaling +/- 2,732 square feet. The County and Mosaic entered into a Revocable License effective January 1, 2018 through June 30, 2023 to memorialize the use of the space, which included two consecutive 1-year options to extend.

Because poorly managed physical health condition are a primary reason that persons with serious mental health disorders die on average 25-years earlier than their counterparts in the general population, the Substance Abuse and Mental Health Services Administration (SAMHSA) made co-location of physical and behavioral health services a cornerstone of Certified Community Behavioral Health Clinics (CCBHCs), a demonstration project intended to transform behavioral health, improve quality of life for persons with mental health and substance use conditions, and improve payment methodologies for core services.

Mosaic is a Federally Qualified Health Center and serves a similar role to the Community Mental Health Program in that it provides safety net physical health services to individuals, regardless of their ability to pay. The Clinic is open to the public, and serves many behavioral health clients also seen by Deschutes County Behavioral Health in the same building. Co-location enables integration of services for both Behavioral Health and Public Health clients. Co-location also improves collaboration on client care, increasing referrals and engagement in care and coordination of patient care plans. In addition, the capacity

for Mosaic to offer a viable primary care service at the Clinic ensures behavioral health clients have access to the full span of health care services and that integration is fiscally viable for both partners at this location.

Deschutes County has successfully participated in the CCBHC project since 2017, increasing access to behavioral health care, improving health outcomes and generating revenue needed to cover the costs of expanded services. Co-location with Mosaic Medical is key to the success of those efforts.

Due to the significant benefit to Behavioral Health and Public Health clients and the CCBHC revenue generated that is dependent on co-location, Mosaic is provided space for zero consideration. Due to the nature of the Clinic and its exclusive use of certain exam rooms and office space, it was determined that a Lease should be executed for the use of space at the Clinic (versus a Revocable License). Additionally, rooms at the building were recently renumbered, two rooms were added to the Clinic's space, and contact information and insurance requirements have been updated; a new Lease will memorialize those changes and will include the original expiration date of June 30, 2023 and the original two 1-year options to extend.

Under the terms of the Lease and contingent MOU, Mosaic is responsible for materials, supplies and expenses necessary to operate the Clinic, and Mosaic reimburses DCHS for utilities specific to Suite 100.

**BUDGET IMPACTS:**

Zero rent; Mosaic Medical reimburses Deschutes County Health Services for utilities.

**ATTENDANCE:**

Kristie Bollinger, Property Manager  
Christopher Weiler, Health Services Operations Officer

# DESCHUTES COUNTY DOCUMENT SUMMARY

06/01/2022 Item #1.

(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: May 11, 2022

Department: Administrative: Property Management

Contractor/Supplier/Consultant Name: Mosaic Medical

Contractor Contact: Steve Strang, CFO Contractor Phone #: 541-383-3005

Type of Document: Lease, Document No. 2022-210

Goods and/or Services: N/A

**Background & History:** This Lease is for a Memorandum of Understanding (MOU) between Deschutes County Health Services and Mosaic Medical for the operation of a Primary Medical Care Clinic at the Deschutes County Health Services Building, located at 2577 NE Courtney Drive, Bend.

Agreement Starting Date: Upon signatures

Ending Date: June 30, 2023

Annual Value or Total Payment: \$0 Rent, with reimbursement of utilities to the County.

N/A – statutory coverage

X Insurance Certificate Received (check box)

Insurance Expiration Date: 7/1/2022

N/A 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? X Yes  No)

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

Departmental Contact and Title: Kristie Bollinger Phone #: 541-385-1414

Department Director Approval:

  
Signature

5/11/2022  
Date

**Distribution of Document:** Return copy to Property Management at [Deborah.Cook@deschutes.org](mailto:Deborah.Cook@deschutes.org)

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**Official Review:**

County Signature Required (check one):  BOCC     Department Director (if <\$25K)

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

Legal Review \_\_\_\_\_                      Date \_\_\_\_\_

Document Number: 2022-210

REVIEWED  
LEGAL COUNSEL

## LEASE

This Lease is made by and between DESCHUTES COUNTY, a political subdivision of the State of Oregon ("Lessor") and MOSAIC MEDICAL, a Federally-Qualified Health Center, LLC ("Lessee").

This Lease supersedes and entirely replaces the Revocable Lease and Memorandum of Understanding (MOU), Document Number 2018-020, with effective date of January 29, 2018. Lessor hereby leases to Lessee and Lessee takes from Lessor the "Premises" described as follows:

Approximately Two Thousand Seven Hundred and Thirty-Two (2,732) square feet of office and health services rooms, Suite 100, as shown in Exhibit A, attached hereto and incorporated herein, on the first floor of the Deschutes County Health Services Building, located at 2577 N.E. Courtney Drive, Bend, Oregon 97701, together with necessary ingress and egress for such space, referred to herein as "the Premises". Exhibit A shall be updated when minor space usage occur, with approximate square footage to remain the same. If any change in overall square footage occurs, the Lease will be amended.

Lessee shall be entitled to use of common areas, such as conference rooms, breakrooms, lobby, and restrooms, as agreed upon per MOU, Exhibit B, attached hereto and incorporated herein.

The Parties agree that the terms of this Lease are as follows:

- 1. Term. The effective date of this Lease shall be March 1, 2022, and shall terminate June 30, 2023. Lessor and Lessee each reserve the right to terminate this Lease prior to its expiration with thirty (30) days written notice given to the other party, and Lease is subject to and contingent upon the MOU section Term and Termination 2, in Exhibit B, which has the same termination terms.
  - a) Renewal Options: If the Lease is still in effect and Lessee is not in default, and the expiration or terms of an MOU allow, Lessee shall have the option to renew this Lease for two (2) consecutive one (1) year terms, fully contingent upon subsequent and executed MOU document(s) covering the same term periods. Lessee shall have the option to renew this Lease with a (60) day prior written notice to Lessor.

Option 1. July 1, 2023 through June 30, 2024.

Option 2. July 1, 2024 through June 30, 2025.



- 2. Rent. In exchange for the benefit the Lessee's provides as services to the general public in conjunction with the services also provided therein by Deschutes County Health Services programs, Lessor shall not charge Lessee rent during the term of this Lease. However, pursuant to Section 9 Utilities and Service, of this Lease, Lessee shall pay a proportionate share of the overall Building utility costs (see Section 9 for utility payment).
- 3. Use of Premises. The Premises shall be used by Lessee for operation of a Primary Medical Care Clinic (hereafter "Clinic"). Lessee shall operate the Clinic pursuant to the provisions of the MOU. Lessee shall provide and be solely responsible for all necessary materials and supplies for operation of the Clinic as that use is described in Exhibit B.

The Premises shall be used by Lessee for the purpose of operating Lessee's primary business, Mosaic Medical Primary Care Clinic. Lessee, its principals or agents shall not use the Premises to operate a business other than that specified in this Lease and shall not use the Premises address as the business or mailing address for any other business than that specified in this Lease without obtaining the Lease's written consent in advance.

- 4. Parking. Lessee's employees and staff shall have exclusive right to access and utilize permitted vehicle parking spaces in County parking lots on the Premises. Required parking permits must be obtained from the Deschutes County Facilities Department (541) 330-4686. Lessee's employees will be required to adhere to the County Parking Policy and Regulations regarding parking in designated employee parking spaces (attached hereto as Exhibit C), which County in its sole discretion may amend from time to time.
- 5. Restrictions on Use. In connection with the use of the Premises, Lessee shall:
  - a) Conform to all applicable laws and regulations affecting the Premises and correct at Lessee's own expense any failure of compliance created through Lessee's fault or by reason of Lessee's use of the Premises. Lessee shall not be required to make any structural changes to affect such compliance, unless such changes are required because of Lessee's specific use.
  - b) Refrain from any use which would be reasonably offensive to the Lessor, other tenants, or owners or users of adjoining property or unoccupied portions of the real property, or which would tend to create a nuisance or damage the reputation of the real property.
  - c) Refrain from making any unlawful or offensive use of said property or to suffer or permit any waste or strip thereof.
  - d) Exercise diligence in protecting from damage the real property and common area of Lessor covered by and used in connection with this Lease.
  - e) Be responsible for removing any liens placed on said property as a result of Lessee's use of Leased Premises.
  - f) Comply with Lessor's policies regarding smoking, parking, fragrances, facilities maintenance, facilities use and violence in the workplace. Those policies are attached to this Lease as Exhibit "C" and by reference are incorporated herein.

- g) Hazardous Substances. Lessee shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Lessee may use or otherwise handle on the Premises only those Hazardous Substances typically used in the prudent and safe operation of the business specified in Section 5. Lessee may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Lessee's reasonably anticipated needs. Lessee shall comply with all environmental laws ("Environmental Law") and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practical measures to minimize the quantity and toxicity of Hazardous Substances used, handled or stored on the Premises. On the expiration or termination of the Lease, Lessee shall remove all Hazardous Substances from the Premises. Environmental Law(s) shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety, or the environment. Hazardous Substance(s) shall mean any hazardous, toxic, infectious, or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.
- h) Hazardous Substances – Indemnification. Lessee will indemnify, defend, and hold Lessor and Lessor's elected officials, officers, employees, agents, and volunteers harmless for, from, and against any and all losses, costs, expenses, claims, and/or liabilities (including reasonable attorney fees and costs) resulting from or arising out of, whether directly or indirectly, the use, storage, treatment, transportation, presence, release, or disposal of Hazardous Substances in, on under, or about the Premises to the extent resulting from the activities of Lessee or its principals, employees, agents, clients and invitees. Lessee's indemnification obligations provided in this Section 7. (h) will survive the expiration or termination of this Lease.

## 6. Alterations.

- a) Lessee acknowledges that the Lessor is not required to make any improvements, modifications, or renovations to the Premises, and that Lessee is taking the Premises "AS IS" in its present condition subject to all patent and latent defects whether known or unknown. Landlord warrants that it has no knowledge of any defect which would impact the safe use of the Premises.
- b) Lessee shall not make improvements, alterations, or modifications on or to the Premises of any kind of nature whatsoever without first obtaining the Lessor's written consent, which shall not be unreasonably withheld or delayed. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.
- c) Lessee may place fixtures, partitions, personal property, and the like in the Premises and may make nonstructural improvements and alterations to the Premises at its sole cost and expense. Lessee may be required to remove such items at the end of the Lease term as determined by the Lessor.

d) ADA Compliance. Lessor and Lessee agree and acknowledge that the provisions of the Americans with Disabilities Act of 19980(“ADA”) allow allocation of responsibility for compliance with the terms and conditions of the ADA in this Lease. Lessor and Lessee agree that the responsibility for compliance with the ADA will be allocated exclusively to the Lessee for the Premises, but not for the Building. Lessee will be responsible for compliance with the ADA with respect to all improvements on or in the Premises and the provisions of Title III of the ADA with respect to Lessee’s proportionate share of any parking areas, sidewalks, and any walkways. Lessor will have no obligation to supervise, monitor, or otherwise review the compliance activities of Lessee, nor shall Lessee have any obligation to supervise, monitor or review compliance activities of Lessor or any other lessee of space in the Building.

7. Lessee’s Obligations. The following shall be the responsibility of the Lessee:

- a) Any repairs necessitated by the negligence of Lessee, its principals, agents, employees, clients or invitees.
- b) Any repairs or alterations required under Lessee’s obligation to comply with laws and regulations as set forth in “Restrictions on Use” above.
- c) Lessee agrees to a pay a pro-rata share of property taxes, assessments and special assessments applicable to the Premises which are due and payable during the term of this Lease or any extension hereof.
- d) Lessee agrees to pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishing, equipment and all personal property of Lessee contained in the Premises.
- e) On the prior written approval of Lessor, which shall not be unreasonably withheld, conditioned, or delayed, Lessee may install signage on the front door to the Premises and on the monument sign, at Lessee’s sole cost and expense, which must comply with all local rules, regulations, and ordinances.

8. Repairs, Maintenance and Replacement.

- a) Lessor’s Obligations. The following shall be the reasonability of the Lessor. Lessor will repair and maintain the following as needed. Lessor will replace the following as needed and at the sole discretion of the Lessor.
  - i. Roof and gutters, Building exterior (including paint), bearing walls, fire systems including fire extinguishers, structural members, floor slabs, and foundation.
  - ii. Sidewalks, driveways, curbs, parking areas, and areas used in common by Lessee and Lessor or tenants of other portions of the same Building.
  - iii. HVAC
  - iv. Mechanical systems, electrical systems, plumbing systems up to the point of the Premises.
- b) Lessee’s Obligations. Lessee shall repair and maintain Premises in good working order. Lessee will timely repair and maintain the following as needed.

- i. Interior walls, ceilings, doors and windows and related hardware, electrical including wiring, light fixtures and switches (including replacement bulbs), outlets, and plumbing from the point of entry to the Premises.
  - ii. Carpet and other flooring, and hard surfaces including countertops and casework.
  - iii. Any repairs necessitated by the negligence of Lessee, its principals, agents, employees, clients and invitees.
  - iv. Any repairs or alternations required under Section 6 to comply with laws and regulations as set forth in Section 5.
- c) Lessor's Interference with Lessee. In performing any repairs, maintenance, replacements, alterations, or other work performed on or around the Premises, Lessor shall not cause unreasonable interference with use of the Premises by the Lessee.
- i. Lessee shall have no right to an abatement of Base Rent or other associated charges nor any claim against Lessor for any reasonable inconvenience or disturbance resulting from Lessor's activities performed in conformance with this provision.
- d) Inspection of Premises. Except in the case of an emergency, Lessor shall provide 24 hours' notice to Lessee to inspect the Premises to determine the necessity of repair or maintenance of Premises or a portion of the Building or replacement of such, which affects the Premises.

9. Utilities and Services.

- a) Lessor shall provide adequate heat, electricity, water, air conditioning, trash removal service, and sewage disposal service for the Premises and janitorial services for the common areas of the building. Lessee shall pay a sum of \$365 per month, beginning July 1, 2023 through June 30, 2024 (listed below) as its proportionate share of the overall Building utility costs. This amount shall increase by four percent (4%) each year, commensurate on July 1, 2022. The utility payment shall be payable on the first day of the month in advance, without notice or demand at the office of Deschutes County Property Management, PO Box 6005, Bend, Oregon 97708-6005, or at such other place as may be designated in writing by Lessor. If the Term does not coincide with the first day of the month, the utility payment shall be pro-rated.

Note: July 1, 2021 through June 30, 2022 has been paid in full with invoice #FY2022 PropMngt on July 27, 2021, check #39625, in the amount of \$4,306.00, for the Revocable Lease DC2018-020, now entirely replaced with this Lease.

Utility Payment Schedule:

- Initial Period: July 1, 2022 to June 30, 2023 -\$351.00 per month or \$4,212.00 per year
- Period of Option 1: July 1, 2023 through June 30, 2024 - \$365.00 per month or \$4,548.00 per year

- Period of Option 2: July 1, 2024 through June 30, 2025 - \$379.00 per month or \$4,555.20 per year
- b) Lessee shall provide its own janitorial services for the Premises. Lessee is solely responsible for any janitorial services for hazardous waste disposal and emergency clean-up resulting directly from Lessee's use of Premises. Lessee shall have access to Room 139, janitorial closet.
  - c) Lessee shall be responsible for providing all communications services and amenities necessary for operation of the Clinic, including but not limited to: telephone, internet, television and all wireless communications. Access to the data server room shall be allowed only as authorized by Deschutes County Information Technology Services. All such installations shall be coordinated with Deschutes County Information Technology Services.
  - d) Security equipment (cameras, recording devices, wiring, and like equipment), including the installation and maintenance thereof, shall be the sole responsibility of Lessee. Prior to installing such equipment to external portions of the Premises or common areas, Lessee shall request permission in writing to Lessor and Lessor agrees not to unreasonably withhold.

#### 11. Liens.

- a) Except with respect to activities for which the Lessor is responsible, the Lessee shall pay as due all claims for work done on and for services rendered or material furnished to the Leased real property and shall keep the real property free from any liens. If Lessee fails to pay any such claims or to discharge any lien, Lessor may do so and collect the cost from Lessee. Any amount so expended shall bear interest at the rate of nine percent (9%) per annum from the date expended by Lessor and shall be payable on demand. Such action by Lessor shall not constitute a waiver of any right or remedy which Lessor may have on account of Lessee's default.
- b) Lessee may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, so long as Lessor's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Lessee shall, within thirty (30) days after knowledge of the filing, secure the discharge of the lien or deposit with Lessor cash or a sufficient corporate surety bond or other surety satisfactory to Lessor in an amount sufficient to discharge the lien plus any costs, attorney fees and other charges that could accrue as a result of a foreclosure or sale under a lien.

#### 12. Insurance.

- a) It is expressly understood that Lessor shall not be responsible for carrying insurance on any property owned by Lessee.
- b) Lessee will be required to carry fire and casualty insurance on Lessee's personal property on the Premises.

- c) Lessor will carry fire and casualty insurance only on the structure where Premises are located.
- d) Lessee shall carry commercial general liability insurance, on an occurrence basis; with a combined single limit of not less than \$1,000,000 each occurrence, with an annual aggregate limit of \$2,000,000. Lessee shall provide Lessor with a certificate of insurance, as well as an endorsement, naming Deschutes County, its officers, agents, and employees and volunteers as an additional insured. There shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage during the term of this Lease.
- e) Lessee shall provide to Lessor proof of workers compensation insurance, upon request.
- f) Indemnification: Lessor and Lessee shall each be responsible for the negligent and wrongful acts of their officials, officers, agents, employees, clients and invitees. Lessor's liability exposure is restricted by the Oregon State Constitution, Article XI, and Oregon Revised Statutes 30.260 through 30.300, the Oregon Tort Claims Act.
- g) Waiver of Subrogation. Neither Party shall be liable to the other (or to the other's successor's or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither Party's insurance provider/company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver or subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Each Party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.
- h) Lessee acknowledges that Lessor is self-insured.

13. Casualty Damage. If the Premises or improvements thereon are damaged or destroyed by fire or other casualty to such a degree that the Premises are unusable for the purpose Leased, and if repairs cannot reasonably be made within ninety (90) days, Lessee may elect to terminate this Lease. Lessor shall in all cases promptly repair the damage or ascertain whether repairs can be made within ninety (90) days, and shall promptly notify Lessee of the time required to complete the necessary repairs or reconstruction. If Lessor's estimate for repair is greater than ninety (90) days, then Lessee, upon receiving said estimate will have twenty (20) days after such notice in which to terminate this Lease. Following damage, and including any period of repair, Lessee's lease obligation shall be reduced to the extent the Premises cannot reasonably be used by Lessee.

14. Surrender of Leased Premises. Upon abandonment, termination, revocation or cancellation of this Lease or the surrender of occupancy of any portion of or structure on the Leased Premises, the Lessee shall surrender the real property or portion thereof to Lessor in the same condition as the real property was on the date of possession, fair wear and tear excepted, except, that nothing in this Lease shall be construed as to relieve Lessee of Lessee's affirmative obligation to surrender said Premises in a condition which complies

with all local, state or federal environmental laws, regulations and orders applicable at the time of surrender that was caused by Lessee or occurred during the term of this Lease. Upon Lessor’s written approval, Lessee may leave site improvements authorized by any land use or building permit. Lessee’s obligation to observe and perform this covenant shall survive the expiration or the termination of the Lease.

- 15. Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice of the party’s right to require strict performance of the same provision in the future or of any other provision.
- 16. Default. Neither party shall be in default under this Lease until written notice of its unperformed obligation has been given and that obligation remains unperformed after notice for fifteen (15) days in the case of the payment or for thirty (30) days in the case of other obligations. If the obligation (other than payment) cannot be performed within the thirty-day period, there shall be no default if the responsible party commences a good faith effort to perform the obligation within such period and continues diligently to complete performance. In case of default the non-defaulting party may terminate this Lease with thirty (30) days' notice in writing to the defaulting party, shall be entitled to recover damages or any other remedy provided by applicable law, or may elect to perform the defaulting party's obligation. The cost of such performance shall be immediately recoverable from the defaulting party plus interest at the legal rate for judgment.
- 17. Notices. Notices between the parties shall be in writing, effective when personally delivered to the address specified herein, or if mailed, effective forty eight (48) hours following mailing to the address for such party specified below or such other address as either party may specify by notice to the other:

Lessor: Deschutes County Property Management  
 Property Manager  
 14 NW Kearney Avenue  
 Bend, Oregon 97703  
 Phone: 541-385-1414  
 Email: Kristie.Bollinger@deschutes.org

Mailing:  
 PO Box 6005  
 Bend, OR 97708-6005

Lessee: Mosaic Medical  
 Steve Strang, CFO  
 600 SW Columbia Street, Suite 6210  
 Bend, OR 97702  
 541-408-9567  
[steve.strang@mosaicmedical.org](mailto:steve.strang@mosaicmedical.org)

- 18. Assignment. Lessee shall not assign or sublease the Premises without the prior written consent of the Lessor, which shall not be unreasonably withheld or delayed.
- 19. Attorneys’ Fees. In the event a suit or action of any kind is instituted on behalf of either party to obtain performance under this Lease or to enforce any rights or obligations arising from this Lease, each party will be responsible for paying its own attorney fees.

- 20. Authority. The signatories to this agreement covenant that they possess the legal authority to bind their respective principals to the terms, provisions and obligations contained within this Lease.
  
- 21. Counterparts. This Lease may be signed in counterparts, each of which will be considered an original and together shall constitute one (1) instrument. Copies of this Lease shall be treated as original signatures.
  
- 22. Severability. If a provision of this Lease is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the remaining provisions of this Lease will not be impaired.
  
- 23. Governing Law. This Lease is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Lease.
  
- 24. Venue. Any action or proceeding arising out of this Lease will be litigated in the courts located in Deschutes County, Oregon. Each Party consents and submits to the jurisdiction of any local, state, or federal court located in Deschutes County, Oregon.
  
- 25. Entire Agreement.

THIS LEASE CONSTITUTES THE ENTIRE LEASE BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS LEASE SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS LEASE. LESSOR, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT LESSOR HAS READ THIS LEASE, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

Signature pages follow





LESSEE:

Dated this 11<sup>th</sup> day of May, 2022

MOSAIC MEDICAL  
By [Signature]  
Steve Strang, Chief Financial Officer  
Mosaic Medical

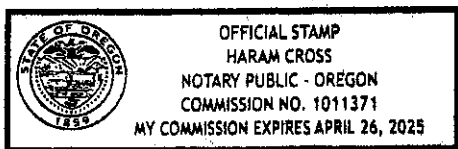
STATE OF OREGON            )  
  ) ss.  
County of Deschutes        )

Before me, a Notary Public, personally appeared STEVE STRANG the above-named CFO of Mosaic Medical, and acknowledged the foregoing instrument on behalf of Mosaic Medical.

DATED this 11 day of May 2022

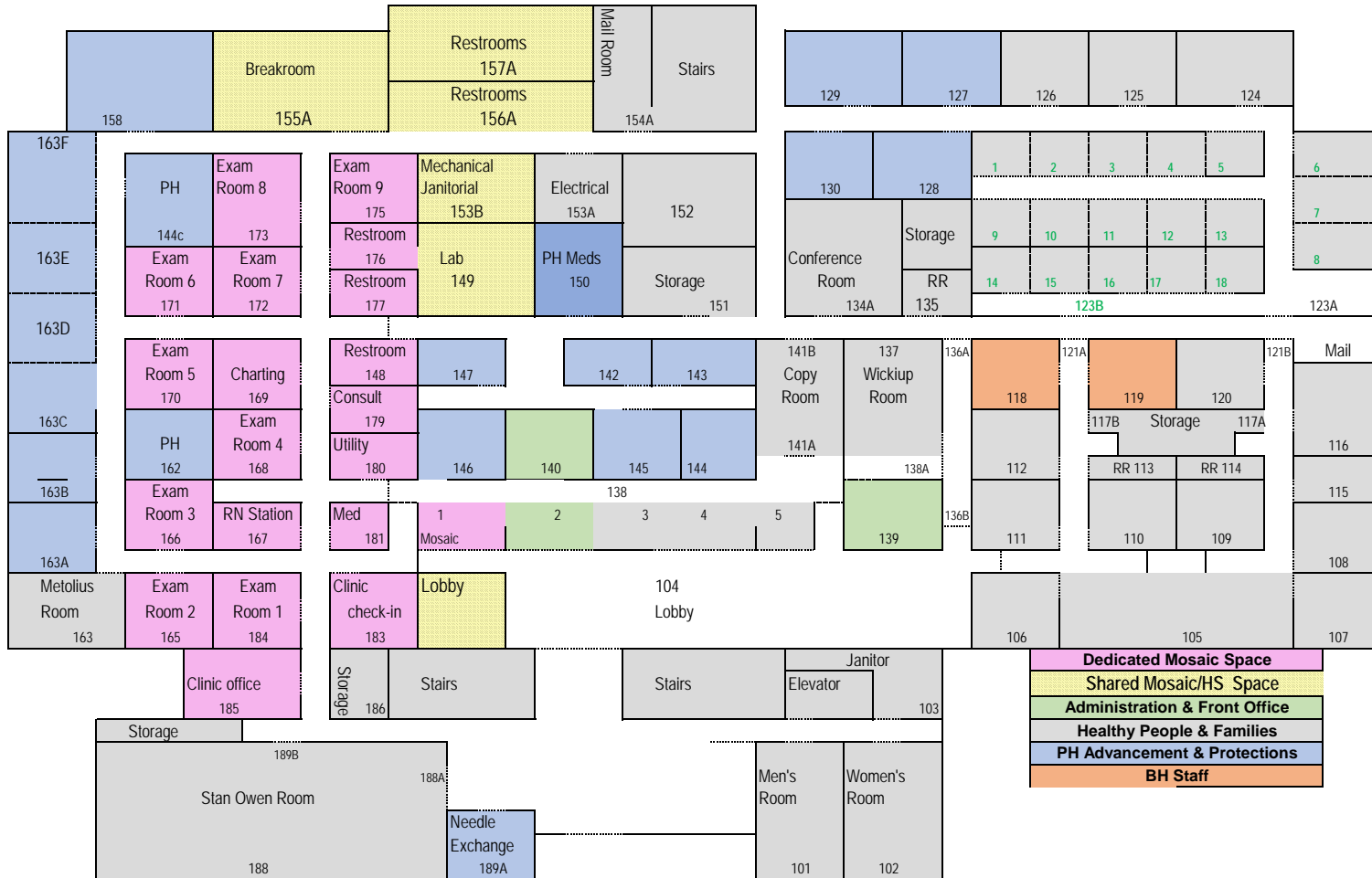
[Signature]  
Notary Public for Oregon

My Commission Expires: April 26, 2025



Courtney - 1st Floor

updated 4-22-2022



## Exhibit A

**Suite 100 Mosaic Medical, Bend, Oregon**

**As of April 22, 2022**

Health Services Building, located at 2577 NE Courtney Drive, FIRST floor rooms:

<u>Old #s</u>	<b>New #s</b>	<b>Comments</b>
164	<b>138 (1)</b>	Front Office reception, Window #1*
154	<b>148</b>	Restroom
151	<b>149</b>	Lab
152	<b>150</b>	Med
139	<b>153B</b>	Mechanical/Janitorial
170	<b>165</b>	Exam Room 2
167	<b>166</b>	Exam Room 3
165	<b>167</b>	RN Station
159	<b>168</b>	Exam Room 4*
155	<b>169</b>	Charting*
157	<b>170</b>	Exam room 5 (new 2022)*
149	<b>171</b>	Exam room 6 (new 2022)*
147	<b>172</b>	Exam Room 7*
145	<b>173</b>	Exam Room 8*
146	<b>175</b>	Exam Room 9*
148	<b>176</b>	Restroom*
150	<b>177</b>	Restroom*
156	<b>179</b>	Consult*
158	<b>180</b>	Utility*
166	<b>181</b>	Med*
168	<b>183</b>	Clinic Check In*
169	<b>184</b>	Exam Room 1*
173	<b>185</b>	Clinic Office*
105	<b>104</b>	lobby area office(s)
140	<b>155A</b>	Break room
141	<b>157A</b>	Restroom
142	<b>156A</b>	Restroom
171	<b>163</b>	Metolius Conference Room

\*Note: Designated use of rooms for Mosaic Medical

# Health Services Building First Floor

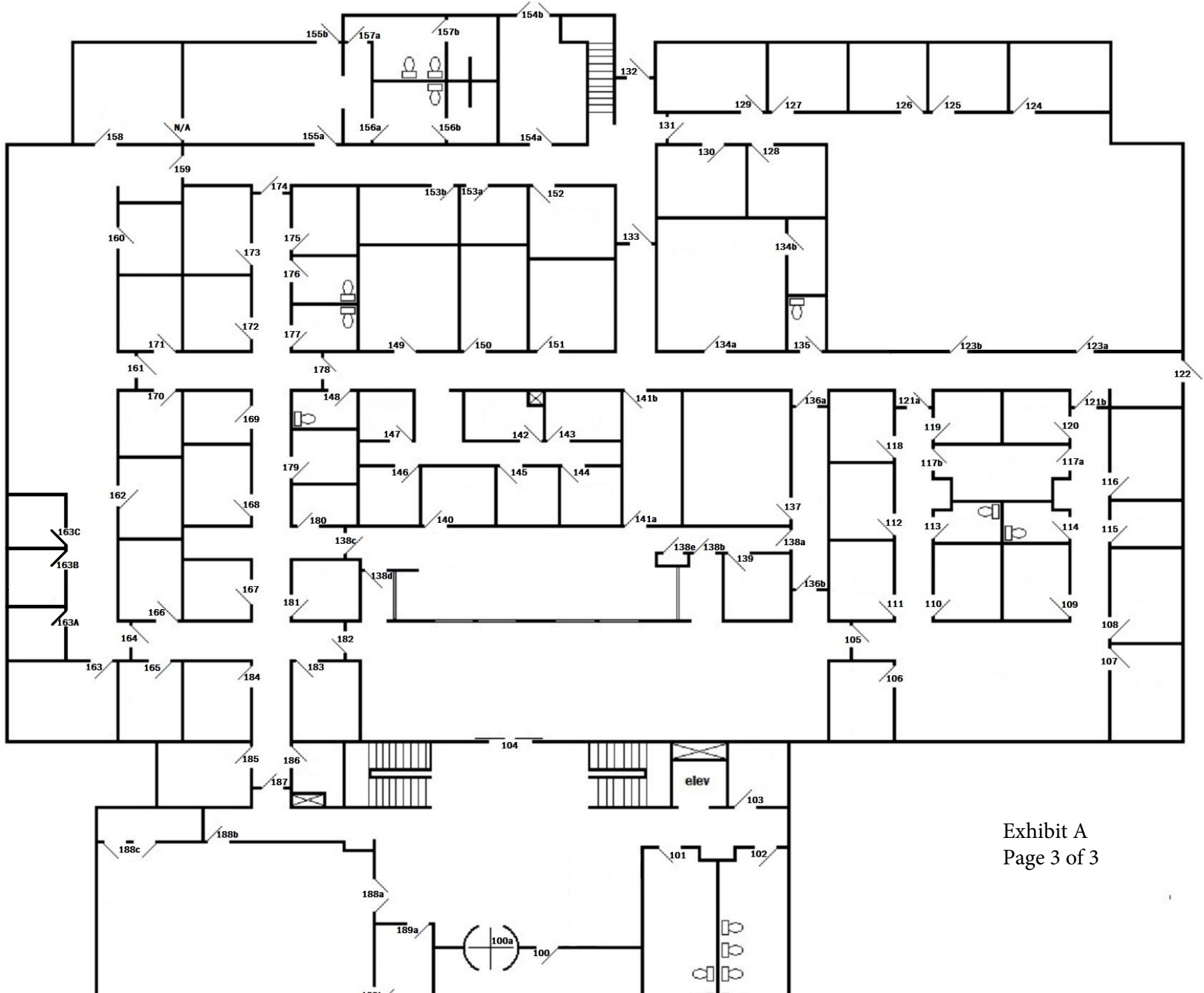


Exhibit A  
Page 3 of 3



REVIEWED  
*dhd*  
LEGAL COUNSEL

**Exhibit B**  
page 1 of 2

06/01/2022 Item #1.

**Memorandum of Understanding  
#2022-400**

Deschutes County Health Services  
And  
Mosaic Medical

The purpose of this Memorandum of Understanding (MOU) is to set identify care coordination expectations and to set forth the responsibilities of Deschutes County, a political subdivision of the State of Oregon, acting by and through Deschutes County Health Services, and Mosaic Medical, a Federally-Qualified Health Center, collectively referred to as “Agency” or “Agencies.” The spirit of this MOU is one of partnership and collaboration while assisting in facilitation of wellness and recovery.

**DEFINITION OF PROGRAM**

Deschutes County Health Services (“DCHS”) and Mosaic Medical (MM) have agreed to co-locate in an effort to provide care for interested clients at the DCHS Courtney Drive clinic location, 2577 NE Courtney Drive, Bend, OR 97701.

**TERM AND TERMINATION**

1. Agencies’ agree that the effective date of this MOU is March 1, 2022 unless renewed or terminated pursuant to items 2 and 3 below this MOU shall automatically renew under the same terms and conditions until June 30, 2023. This MOU supersedes and replaces MOU and Revocable License, Deschutes County Document Number 2018-020.
2. Either party may terminate this MOU at any time for any cause with a thirty (30) day written notice.
3. The written notice will be deposited with the United States Postal Service; either registered or certified, postage prepaid, or can be personally delivered to the addresses listed below:

<b>Mosaic Medical</b>	<b>Deschutes County</b>
Mosaic Medical	Deschutes County Health Services
600 SW Columbia Drive, Suite 6210	2577 NE Courtney Drive
Bend, OR 97702	Bend, OR 97701
<b>Attn: Steve Strang</b>	<b>Attn: Erik Kropp</b>
Phone: 541-408-9491	Phone: 541-322-75633
Fax: 541-383-1883	Fax: 541-322-7565
steve.strang@mosaicmedical.org	Erik.kropp@deschutes.org

**RESPONSIBILITIES OF EACH AGENCY**

1. Each Agency agrees to receive, or otherwise have access to, certain information that is confidential in accordance with state and federal law, including, without limitation, the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as may be amended from time to time (collectively “HIPAA”) and the federal Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”).
2. When requesting information regarding a client/patient, both Agencies agree to obtain appropriate authorization for the release of information from the client/patient in accordance with ORS 179.505, HIPAA and 42 CFR part 2.
3. Each Agency will access protected health information of the mutual client/patient only upon direct request by the provider that is providing, or has provided, care to that client/patient. In the case where direct provider request is not documented, both Agency’s agree to recognize the appropriate authorization for the release of information from the client/patient in accordance with ORS 179.505, HIPAA, and 42 CFR part 2.
4. Each Agency is responsible for their own acts, omissions, and liabilities and assumes full responsibility for the actions of such their own officials, employees, and agents. Each Agency shall defend, indemnify, and hold harmless the other Agency for claims arising from the actions of the Agency, its officials, employees and agents.
5. Any compliance issues, complaints or conflicts between Agencies related to this MOU and not resolved through initial discussion between the Agencies shall be submitted in writing to DCHS Behavioral Health Deputy Director and the

Chief Operating Officer of Mosaic Medical. The DCHS Deputy Director and MM Chief Operating Officer will conduct fact finding and facilitate a compromise and/or initiate mediation.

### **RESPONSIBILITIES OF DESCHUTES COUNTY HEALTH SERVICES (DCHS)**

1. Coordinate and manage care of mutual clients including service transition.
2. Provide services consistent with requirements of privacy, confidentiality and consumer preference.
3. Participate in joint multidisciplinary efforts.
4. Provide relevant information around new developments and changes pertinent to integrated patient health care.
5. Endeavor to understand partner agency culture, philosophy and rules of operation.
6. Provide an operational point of contact to MM to coordinate any requests and/or receive operational issues.
7. Support same day warm handoff referrals and care coordination as resources allow.
8. MM and DCHS BH Leadership will address any concerns related to shared space use, such as the break room, Metolius conference room, bathrooms, lobby, and parking areas.

### **RESPONSIBILITIES OF MOSAIC MEDICAL**

1. Provide primary health care for mutual and exclusive clients.
2. Have a Primary Care Provider onsite for a minimum of forty (40) hours per week.
3. Coordinate and manage care of mutual clients including service transition.
4. Coordinate and manage internal MM transfers as appropriate.
5. Provide Primary Care Physician (PCP), nursing and medical assistant staff.
6. Provide services consistent with requirements of privacy and confidentiality.
7. Participate in joint multidisciplinary efforts.
8. Provide relevant information around new developments and changes pertinent to integrated patient health care.
9. Endeavor to understand partner agency culture, philosophy and rules of operation.
10. Follow county protocols and procedures related to the general operational use of the building and property and including collaborative response to safety or Continuity of Operation situations.
11. Follow county best practices and protocols related to the use of shared space including the use of conference rooms.
12. MM will provide an operational point of contact to DCHS to coordinate any requests and/or resolve operational issues.
13. Provide same day establish care appointments for DCHS clients as resources allow
14. In the event there is a need or concern related to shared space use, such as the break room and areas, Metolius conference room, bathrooms, lobby, parking areas, the issues will be addressed by MM and DCHS BH Leadership.

This MOU is executed on behalf of the Deschutes County Health Services, Behavioral Health Division, and Mosaic Medical through the undersigned representatives.

**Signature:** Janice Garceau  
Janice Garceau (May 4, 2022 09:57 PDT)

**Email:** janice.garceau@deschutes.org

**Title:** Behavioral Health Director

**Company:** Deschutes County Health Services

**Signature:** Megan Haase  
Megan Haase (May 4, 2022 10:01 PDT)

**Email:** megan.haase@mosaicmedical.org

**Title:** CEO

**Company:** Mosaic Medical

# Exhibit C



**Deschutes County Administrative Policy No. GA-7**  
**Effective Date: January 23, 2013**

## **TOBACCO-FREE FACILITIES AND GROUNDS**

### STATEMENT OF POLICY

It is the policy of Deschutes County to ensure a tobacco-free environment through positive and educational messaging that promotes the long-term health and safety of Deschutes County employees and the public.

Smoking and the use of other tobacco products is the number one cause of preventable death in the United States. Secondhand smoke exposure is also a major health risk. In addition to the direct health risks of smoke inhalation, smoking is estimated to be the number one cause of fire-related death and injury in the United States, and is a major cause of wildland fires. The environmental impact of smoking is also large as toxic cigarette filters are the most frequently littered item in the United States, and have negative impacts on the environment and wildlife.

### APPLICABILITY

This policy applies to all Deschutes County employees, volunteers, clients, visitors, and vendors. It is not the intent of this policy to shift tobacco use to neighboring private property without the owner's consent.

### DEFINITIONS

For the purposes of this policy, unless otherwise specified, the following definitions shall apply:

- Tobacco-free: Tobacco is neither smoked, ingested, nor used in any manner.
- Tobacco: Cigarettes, cigars, pipes, and any other smoking product; dip, chew, snuff, snus, and any other smokeless tobacco product; and nicotine delivery devices, such as electronic cigarettes, excluding FDA-approved nicotine replacement therapy products for the purpose of tobacco cessation.

### POLICY AND PROCEDURES

1. Tobacco-Free Facilities and Grounds - the use of all tobacco products is not permitted at any time within any interior space of facilities owned or occupied by Deschutes County; on all outdoor property or grounds owned or occupied by Deschutes County, including parking areas; in private vehicles while on Deschutes County property; and in vehicles owned by Deschutes County.
2. Communication of Policy - signs will be used to designate a Deschutes County owned or occupied facility as a "Tobacco-Free Property." Signs bearing this message will be clearly posted at the perimeter of the property, at each vehicular and pedestrian entrance, and at other prominent locations. Each building owned or occupied will also display a decal that states "Tobacco-Free Building" at each entrance or exit. Any additional language on these signs should promote the success of the policy through education and be delivered in a positive tone. The Property and Facilities Department will be responsible for signage.



The tobacco-free policy applies at all facilities and grounds owned or occupied by Deschutes County regardless of whether or not signs are posted.

3. Tobacco Use Cessation Support - Deschutes County is committed to providing tobacco use cessation support to all Deschutes County employees who wish to stop using tobacco products. Tobacco use cessation resource information will be provided to any employee who expresses an interest in seeking help to stop using tobacco products. Deschutes County volunteers, contractors, clients and visitors may be referred to the Oregon Tobacco Quit Line (1-800-QUIT-NOW [English] or 1-877-2NO-FUME [Spanish]), which is a free tobacco cessation resource.
4. Responsibilities - adherence to this policy is the responsibility of all Deschutes County employees. Contractors, clients, students, visitors, and others must also comply with this policy while on Deschutes County-owned property. Employees who do not conform to this policy may be subject to discipline. Contractors in violation of this policy will be reported to their supervisor at the contracting organization.
5. Supervisory Responsibilities - this policy will be enforced through administrative action by supervisors and managers. In general, supervisors are responsible for ensuring that employees under their direction are aware of the policy and comply with it and for taking appropriate action to correct noncompliance. Supervisors are responsible for ensuring that all employees are notified of the new policy and receive a copy of the policy. Any person who observes violations of the policy may report these violations to the supervisor of the employee in question.
6. Success of Policy - the success of this policy is the shared responsibility of all Deschutes County personnel. Employees are provided with materials to help communicate this policy to co-workers, volunteers, contractors, clients and visitors with courtesy, respect, and diplomacy.

This policy is operationalized by providing education and support rather than strict enforcement, especially with the public in areas where there is a limited presence of Deschutes County personnel.

Deschutes County's Tobacco Prevention & Education Program Coordinator at the Health Services Department is responsible for providing educational materials, employee training, and technical assistance; addressing policy related questions, feedback, and concerns; and ongoing monitoring of this policy.

Approved by the Deschutes County Board of Commissioners on January 23, 2013.



Tom Anderson  
Interim County Administrator



**Deschutes County Administrative Policy BLDG-4**  
**Effective Date: January 24, 2007**

**EMPLOYEE AND VISITOR PARKING**

STATEMENT OF POLICY

It is the policy of Deschutes County to ensure adequate visitor parking by requiring employee and employees of tenants in county buildings to park only in those areas designated for permit parking.

APPLICABILITY

This policy applies to all Deschutes County employees and to non-county employees who work in County buildings. Elected officials are exempt from this policy but are encouraged to adhere to its intent.

POLICY AND PROCEDURE

**In General**

For the purpose of this policy statement, County parking lots referred to will be limited to the following areas and that are highlighted on the parking lot map (Attachment A):

- |  |   |
|--|---|
| A) Area "A" Parking<br>County/State north employee lot | D) Area "D" Parking<br>Wall St. employee lot          |
| B) Area "B" Parking<br>County/State east employee lot  | E) Area "E" Parking<br>County/State Fleet Vehicle lot |
| C) Area "C" Parking<br>Harriman St. employee lot       | F) Area "F" Parking<br>CDD Fleet Vehicle lot          |

The parking regulations for County employees and employees of County tenants are as follows:

1. Employee parking is provided free of charge to all County employees and employees of County tenants.
2. All of the parking lots listed above will be patrolled on a regular basis. A Notice of Parking Violation will be issued to County employees or employees of County tenants who violate the parking policy.
3. At various locations there are parking spaces that are marked "Restricted". Any County employee or employee of County tenant who parks their vehicle there and are not authorized to do so will be subject to a Notice of Parking Violation.
4. Customers who are conducting business at County offices are encouraged to park their vehicles in the spaces that are allocated for visitor parking. However, if there are not adequate parking spaces available for customers, they have the right to park in the "Permit Parking" areas.

- 5. All County employees and employees of County tenants will have a Deschutes County parking sticker for each of their private vehicles. This sticker shall be placed on the front windshield on the lower right hand corner. If the windows are heavily tinted the sticker may be placed in the rear window, lower right hand corner. The parking sticker shall be visible at all times that the vehicle is parked in any of the above listed County employee parking lots. The sticker number, license plate number, owner's name, day time phone number and department shall be provided to Building Services. Any changes of vehicle, change of department, or discontinued employment by the vehicle owner shall be reported to Building Services.
- 6. All County employees and employees of County tenants shall park in the parking spaces that are clearly signed "Permit Parking Only." Any County employee or employee of a County tenant that parks his or her private vehicle in "Visitor Parking" will be issued a Notice of Parking Violation.
- 7. All County and State fleet vehicles are to be parked in the designated fleet parking areas only.

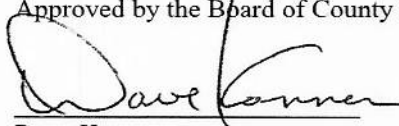
**Procedure When Notice of Violation is Issued**

Elected officials, department heads and managers are charged with the responsibility of making employees aware of the rules and regulations of this policy.

Employees have a shared responsibility with management to work consistently toward following the rules and regulations of this policy. When a Notice of Parking Violation is issued to an employee vehicle, a copy of the notice shall also be sent to the employee's supervisor. The supervisor shall be responsible for counseling the employee about the terms of this policy and placing the notice of violation in the employee's personnel file.

An employee who receives three notices of violation within a 24-month period may be subject to disciplinary action as provided by the applicable collective bargaining agreements or by the County Personnel Rules, as appropriate.

Approved by the Board of County Commissioners January 24, 2007.



Dave Kanner  
County Administrator



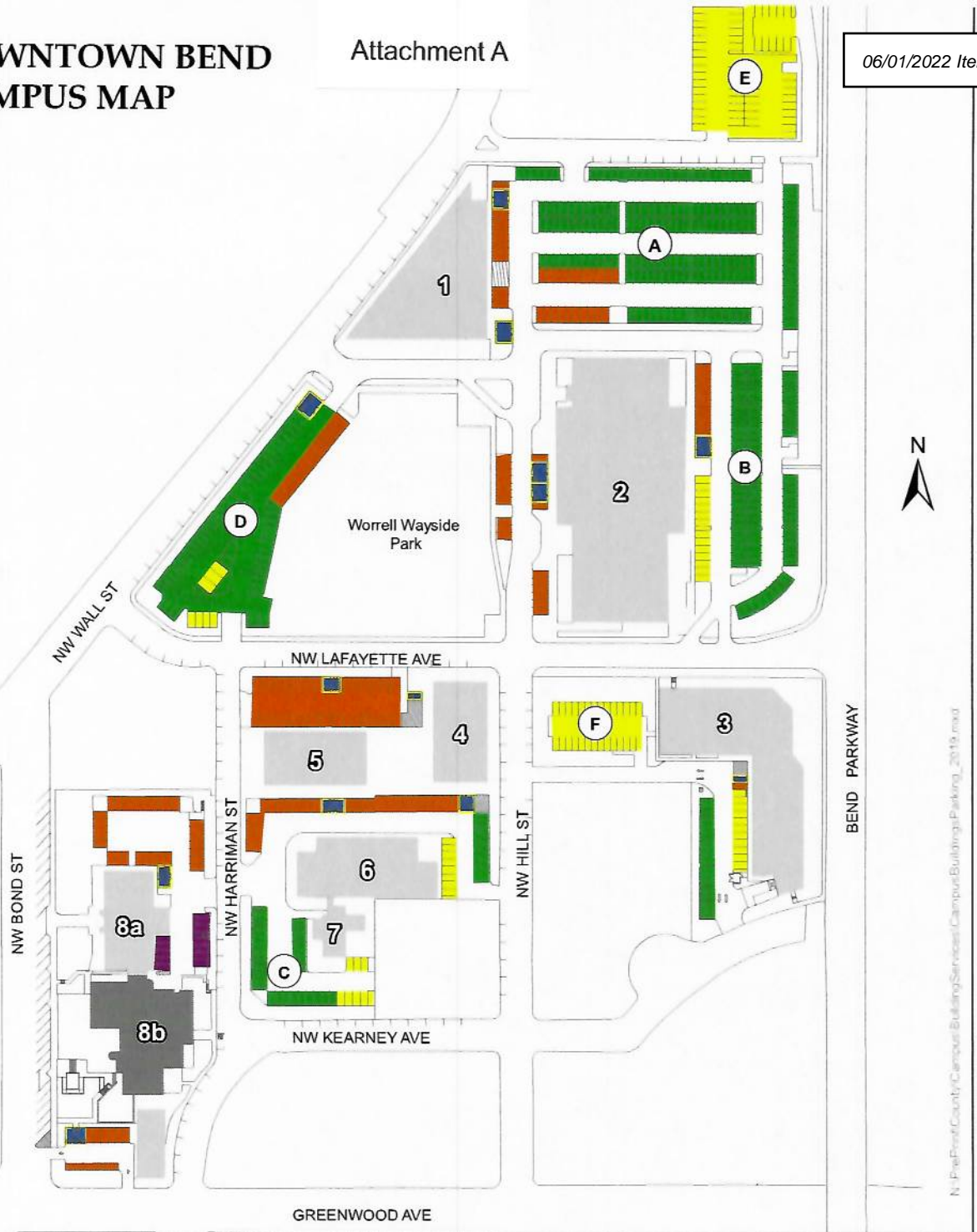
# DOWNTOWN BEND CAMPUS MAP

Attachment A

06/01/2022 Item #1.

### Parking Areas

- ADA
- EMPLOYEE
- FLEET
- RESTRICTED
- VISITOR



#### 1 - Wall Street Services Building

- Deschutes Onsite Clinic
- DOC Pharmacy
- Behavioral Health Intensive
- Youth Services
- WRAP/EASA/YAT)
- Intellectual & Developmental Disabilities (IDD)
- Downtown Health Center

#### 2 - Deschutes Services Building

- State Department of Human Services
- Deschutes County Board of Comm
- Deschutes County Human Resources
- Deschutes County Legal Counsel
- Deschutes County Finance/Tax
- Deschutes County Assessor
- Deschutes County Clerk

#### 3 - Warehouse Building

- Building Maintenance
- Information Technology
- Property Management
- GIS
- Archives Center
- Mail Center

#### 4 - Community Development

- Building Division
- Code Enforcement
- Planning Division

#### 5 - Mike Maier Building

- Public Health Prevention Pgms
- Public Health Early Learning
- Latino Community Association
- United Way
- Family Resource Center
- Mary's Place
- Veterans Services

#### 6 - Health Services

- Downtown Clinic
- Behavioral Health Adult Intensive Svcs
- Mosaic Medical
- Harriman Healthcare

#### 7 - Behavior Health Clubhouse

- 8a - Courthouse
- District Attorney
- Victims Assistance
- Grand Jury
- State Court Administration

#### 8b - Courthouse

- Circuit Court
- Traffic Court
- Jury Assembly

Exhibit C  
Page 5 of 19


Date: 4/12/2019



**Department of Administrative Services**  
**Dave Kanner, County Administrator**

1300 NW Wall St, Suite 200, Bend, OR 97701-1960  
[541] 388-6570 - Fax [541] 385-3202  
www.co.deschutes.or.us

**JULY 27, 2007**

**TO:** ALL DESCHUTES COUNTY EMPLOYEES  
**FROM:** DAVE KANNER, COUNTY ADMINISTRATOR   
**RE:** FRAGRANCES IN THE WORKPLACE

Recognizing that employees and visitors to our offices may have sensitivity and/or allergic reactions to various fragrant products, it is asked that employees voluntarily refrain from using scented cleaning products; or wearing scented products, such as cologne and aftershave, perfume, scented lotions and other similar products during working hours.

*Enhancing the Lives of Citizens by Delivering Quality Services in a Cost-Effective Manner*

Exhibit C  
Page 6 of 19

**Deschutes County Administrative Policy No. BLDG-1**  
**Effective Date: June 28, 2006; Revised May 25, 2016**

## **FACILITIES MAINTENANCE POLICY**

### STATEMENT OF POLICY

It is the policy of Deschutes County to maintain continuity and appearance of county facilities, facilitate ease of maintenance, extend the life of assets, comply with safety protocols, and to establish consistent standards for use of County facilities.

### APPLICABILITY

This policy applies to all County personnel and all other individuals who use County facilities.

### POLICY AND PROCEDURES

1. Where feasible, full-height panels systems instead of hard walls will be used to create separation of spaces. This will allow flexibility in the future if the space needs to again be reconfigured.
2. Animals are not allowed in County facilities, including County vehicles. The exceptions are certified service animals and treatment animals that are both licensed and insured. Fish tanks are permitted.
3. Space heaters are not permitted unless required for medical reasons. Heaters upset the heating/cooling systems and the electrical system and can become fire hazards. If an individual heater is approved, it will be provided by Property & Facilities. Appliances that do not have automatic shutoffs (such as certain types of coffee makers) are prohibited.
4. No items are to be attached to the ceilings. Items such as plants, decorative lights, and other types of decorations are not to be hung on the ceiling or attached to the ceiling grid. These types of items can block required emergency signage and notification devices or sprinkler heads, and may put too much strain on the ceiling grid.
5. All furniture purchases must be ordered through the Property & Facilities Department. The furniture will be pre-assembled and will consist of a standard finish to match existing County furniture. Desk and work surfaces will be height adjustable by crank, electric motor, or torsion lever.
6. Chair mats are required at all desk areas to reduce the wear and tear on carpets.
7. County buildings and individual offices are to be painted the standard color(s) as established by Property & Facilities. All painting must be conducted by Property & Facilities.

8. Property & Facilities will establish the standards for window treatments, light fixtures, flooring, laminate, and other finishes. Property & Facilities will be responsible for ordering and installing these items.
9. Services of outside contractors (such as electricians) will be acquired by Property & Facilities. Individual employees or departments should not hire contractors to perform work in County facilities.
10. Work requests for routine maintenance are to be submitted through the electronic work order system.
11. All requests for remodels, construction, or office reconfigurations are to be submitted to the Director of Property & Facilities. Oversight and management of capital construction projects for facilities that are intended for tenancy or occupancy is to be centralized within the Property & Facilities Department. Departments that oversee facilities that are not occupied such as landfills and roads are responsible for their own capital construction oversight and management, although Property & Facilities may be engaged to act in a consultant role if requested by the managing department.

Any exceptions to this policy must be approved by the County Administrator or his/her designee.

Approved by the Deschutes County Board of Commissioners May 25, 2016.

 5-25-16

Tom Anderson  
County Administrator



**Deschutes County Administrative Policy No. BLDG-5**  
**Effective Date: 6/7/10**

**COUNTY FACILITIES USE POLICY**

STATEMENT OF POLICY

It is the policy of Deschutes County that the primary and priority use of county facilities is for county and/or government-associated activities. Nonprofit organizations may use county facilities during normal business hours only, subject to availability, and in accordance with the provisions of this policy.

APPLICABILITY

This policy applies to all users of Deschutes County buildings and property, including equipment, furniture, and fixtures with the exception that public safety facilities are excluded from this policy.

DEFINITIONS

For the purpose of this policy, unless otherwise specified, the following definitions shall apply:

"County facilities" means real property that is owned by Deschutes County, including but not limited to, buildings, facilities, or land which is fenced, enclosed, or otherwise developed and any associated grounds.

"Direct Affiliation" means a board, commission, committee, or working group formed by and conducting business on behalf of Deschutes County and to whom a Deschutes County employee may regularly report.

"Nonprofit organization(s)" means an organization that is legally incorporated and exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code or a government agency.

POLICY AND PROCEDURES

1. County facilities are to be reserved on a first-come basis with priority given first to Deschutes County departments and programs, secondly other government agencies and persons and groups having a direct affiliation with Deschutes County such as the Deschutes County Planning Commission, Community Corrections Advisory Committee, Mental Health Advisory Board, etc., then thirdly to nonprofit organizations.
2. County facilities are available during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding official county holidays. The only function that may be held after normal business hours are those having a direct affiliation with Deschutes County or have a department sponsor, including having a County employee from this department in attendance.
3. All meetings and programs offered by non-government users must be free and open to any member of the public. Items and/or services may not be sold (excluding meals) unless it is for a charitable purpose.
4. Persons who wish to use county facilities must schedule no more than forty-five (45) days in advance by completing the County Facility Use Application and Agreement. The County reserves the right to reschedule or cancel non-county meetings at any time if the room becomes necessary to conduct county business.

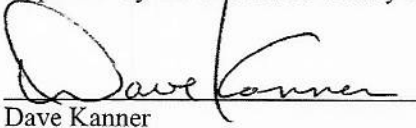
Policy # BLDG-5, County Facilities Use

**Exhibit C**  
**Page 9 of 19**



5. Arrangements can be made for use of county-owned equipment at the time of application. There is no guarantee that County staff will be available to operate this equipment during non-county meetings. The applicant is responsible for damage to any equipment and shall be assessed reasonable fees for repair or replacement, as required.
6. The user of the meeting room is responsible for set-up, take-down, and clean-up in accordance with the County Facility use Application and Agreement.
7. Failure to comply with this facilities use policy may result in withdrawal of use privileges.
8. Exceptions to this facilities use policy may be granted by the County Administrator or his/her designee.

Approved by the Deschutes County Board of Commissioners June 7, 2010.

  
Dave Kanner  
County Administrator



**Deschutes County Administrative Policy No. HR-9**  
**Effective Date: July 25, 2007**

**PREVENTION OF VIOLENCE IN THE WORKPLACE**

STATEMENT OF POLICY

It is the policy of Deschutes County that there is zero tolerance of threats, threatening behavior, or acts of violence against employees, visitors, guests, or other individuals on County worksites or as part of County work activities.

APPLICABILITY

This policy applies to all Deschutes County employees and volunteers.

POLICY AND PROCEDURES

**Definitions**

- A. Harassment: A form of behavior that to a reasonable person is intimidating, hostile, threatening, violent, abusive or offensive.
- B. Threat or Threatening Behavior: A physical, verbal, or written act that expresses, or is reasonably perceived as expressing, an intent to cause physical or psychological harm, or both, to anyone covered by this policy, or an act that is reasonably perceived as expressing intent to cause damage to property.
- C. Worksite: Any place where Deschutes County conducts business. This includes County-owned or leased offices or buildings, County-owned vehicles, personal vehicles when used within the course and scope of conducting Deschutes County work, clients' homes, and other locations where Deschutes County business is being conducted.
- D. Violence or Violent Behavior: A physical, verbal, or written act carried out or caused to be carried out which results, or may result, in physical or psychological harm, or both, to an individual covered by this policy, or damage to property. Examples of violent conduct include but are not limited to physical displays of aggression, such as hitting, pushing, pinching, grabbing, making threatening gestures, or throwing objects. Also covered by this definition are situations in which physical or psychological harm occurs, even if such result was not intended (e.g., horseplay and practical jokes).
- E. Workplace Violence: Includes harassment, threats, threatening behavior, and violence and violent behavior.

**In General**

Deschutes County will not tolerate threats, threatening behavior, or acts of violence by its officers, employees, agents, or other persons at a worksite against employees, visitors, guests, or other individuals by anyone. The intent of this policy is to maintain safety and security for all people on all County worksites.

Any person who makes threats, exhibits threatening behavior, or engages in violent acts will be removed by law enforcement as quickly as safety permits and shall have no further contact with County employees pending the outcome of an investigation.

Each County employee is empowered to take immediate action by calling law enforcement representatives through 9-1-1 emergency responders, to terminate the behavior in progress. Employees should also report behavior they regard as threatening or violent if that behavior is job-related or might be carried out on a County-controlled site. After addressing immediate concerns, each employee is responsible for notifying his or her immediate supervisor or other Department/Program manager of conduct that may constitute workplace violence. This includes reporting any threats, threatening or violent behavior, or harassment occurring at a Deschutes County worksite or in connection with

Deschutes County employment. The conduct may be that which they have witnessed or received or have been told that another person has witnessed or received.

Following an immediate response to terminate workplace violence, employees are responsible for reporting such conduct, regardless of the relationship between the individual who initiated the threat and the person who was threatened. If a supervisor is notified of a threat, or receives a threat, the supervisor is responsible for immediately notifying his or her supervisor, other affected Department/Program managers, and Risk Management.

Deschutes County will not tolerate retaliation against an employee, volunteer or other County representative who reports or experiences workplace violence. Deschutes County will conduct a prompt investigation of the alleged workplace violence and initiate a timely and appropriate response.

Employees who engage in workplace violence, real or perceived, against co-workers, supervisors, clients, providers, volunteers, or other individuals associated with Deschutes County are in violation of this policy. Violations of this policy by an employee will lead to disciplinary action, which may include reassignment of job duties, suspension, or termination of employment and may include referral to law enforcement authorities and subsequently result in criminal charges.

Deschutes County will also respond to workplace violence where individuals other than employees are involved. Appropriate actions may include suspension or termination of business relationships, suspension or termination of volunteer status, and/or referral to law enforcement authorities and subsequently result in criminal charges and criminal prosecution of the person(s) involved.

Employees who apply for or obtain a protective or restraining order that lists County locations as protected areas must provide copies of any restraining order documents to their direct supervisor. Supervisors must report restraining order documents to Risk Management. Deschutes County has confidentiality procedures that recognize and respect the privacy of the reporting employee(s), to the extent allowable to ensure a workplace free of threatening or violent behavior.

#### **Incident Response and Follow-up**

A. If circumstances call for immediate action, and in the employee's judgment any delay caused by first notifying a supervisor may jeopardize his or her, or others' safety, the employee shall immediately obtain the assistance of emergency responders by calling 9-1-1. Most County phones first require dialing 9 for an outside line.

B. In response to threatening or violent behavior, no employee, manager or County representative, shall take any action that will risk his or her own safety or the safety of others in the area. No employee or volunteer should ever attempt to restrain or forcibly evict an armed person or dangerous person from the premises.

C. Any supervisor receiving knowledge of a threat or potential threat of violence shall immediately notify his or her supervisor, unless circumstances call for immediate action, in which case reporting documents shall be prepared immediately after the threat of danger has passed.

D. The supervisor shall notify managers of other departments/agencies at the worksite, or in other locations that may be affected, of clients or visitors who are considered a potential immediate threat. When a supervisor/manager receives knowledge that an individual may pose a threat to employees, the supervisor/manager will provide staff with a safety plan, including a description of the client or visitor, and the steps to take if the individual appears. Risk Management can provide assistance with any departmental safety or response plan.

E. The worksite supervisor shall ensure that the employee receiving any threat or act of violence initiates a "Violence Incident Report Form." If the employee will not be available within 24 hours, the supervisor shall complete the form as thoroughly as possible without input from the employee. When the employee becomes available, the supervisor shall thoroughly update the office copy of the report with additional information.

F. The supervisor shall, within 24 hours, provide a debriefing with affected employees in order to analyze the incident and receive input from employees on necessary corrective action. The supervisor will use this information to complete the supervisor's section of the "Violence Incident Report Form." The supervisor shall obtain the safety committee's review of the incident consistent with the department's established procedure for reviewing other incidents.

G. For acts of violence, or threats perceived by staff to be of a traumatic nature, supervisors are encouraged to meet with all staff, at a time they judge to be appropriate, to review the incident and answer employee concerns. For very traumatic incidents, such as those involving employee injury or threat with a weapon, supervisors shall contact Deschutes County's Employee Assistance Program contractor, and request group counseling. Attendance is voluntary.

H. Action directed towards individuals, other than employees, in violation of Deschutes County's policy, will be at the direction and coordination of Risk Management. If an employee is in violation of this workplace-violence policy, the supervisor may initially consult directly with Risk Management if involving a higher level of management would cause unreasonable delay.

I. The supervisor shall forward, within 24 hours, a copy of the "Violence Incident Report Form," completed as thoroughly as possible, to the Risk Management office. Risk Management will provide incident information to County Administration.

**General Protocol/ Prevention Activities**

Protocols and prevention activities are established to provide:

- 1) Actions to be taken by Deschutes County management and employees to reduce the threat of workplace violence;
- 2) Steps for departments/programs to take following an incident of violence.

Each department or division will:

A. Designate an employee and alternate for each department as contact in the event of an incident or potential incident; this designation must be updated annually. Each department must develop and post individual policies and procedures specific to that department. Each department must provide training for new employees and volunteers on County and department policies/procedures upon hire. Periodic, ongoing training programs will be provided by Risk Management or as required by Departmental assessment.

B. Notify employees of Deschutes County's zero tolerance for workplace violence by posting County and department policies and procedures in locations visible to employees, contractors, visitors and volunteers, and as well will inform individuals covered by this policy of the requirements and procedures to report all threats or violence encountered during their work with Deschutes County.

C. Inform individuals covered by this policy of the incident response procedure and of the Violence Incident Report Form.

D. Inform individuals covered by this policy that they would not be retaliated against for reporting workplace violence.

E. Report immediately any conduct occurring on a Deschutes County's worksite, or site related to Deschutes County's work activity, which may constitute a threat or act of violence. This includes conduct that is received or witnessed directly or reported by a third party. Every employee or County representative is empowered to take immediate action by calling law enforcement representatives through 911.

F. Notify managers of other Deschutes County departments, or other occupants in co-housed buildings or other locations, who may be affected, of clients or visitors who are considered to pose a potential immediate threat. Deschutes County departments will develop and provide staff with a safety plan, including a description of the client or visitors.

G. Inform employees and volunteers that if they are involved in a non-work related or domestic situation which may pose a risk to the workplace, that they are encouraged to inform their supervisor or Risk Management. This is voluntary. Management will obtain the employee's consent before notifying staff that are determined necessary to carry out a safety plan.

H. Inform employees who apply for or obtain a protective or restraining order that lists County locations as protected areas they must provide copies of any restraining order documents to their direct supervisor, who will in turn provide Risk Management with a copy of the restraining order. Risk Management and/or department managers will evaluate and determine County staff that will be notified to carry out a safety plan.

I. Inform employees, volunteers, contractors, and visitors who witness conduct which may violate this policy they, without fear of retaliation, shall report such conduct in a manner consistent with reporting procedures specified elsewhere in this policy.

J. Understand individual offices are encouraged to review their departmental emergency plan with Risk Management and local law enforcement.

### **Training Components**

A. Risk Management and County departments will assess the level of risk within Deschutes County worksites and provide job-appropriate information and/or training to employees whose job duties are likely to expose them to aggressive persons or threats of violence. Workplace violence training will be provided on a quarterly basis through Risk Management. Risk Management will provide curriculum and invite non-County professionals to present training materials (e.g., training components addressing specific classes of violence including domestic violence awareness).

B. Based on an employee's or volunteer's job duties and reasonably anticipated risk of exposure to threats or acts of violence, some or all of the following training elements shall be included, no later than six months after the effective date of this policy, or by the completion of trial service for new employees and orientation for volunteers:

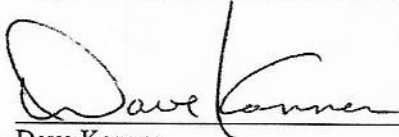
- Identification of warning signs of potentially violent persons.
- De-escalation skills for dealing with aggressive behaviors including the aggressive behavior of mentally ill persons or substance abusers.
- Building security.
- Field work and/or travel safety.
- Home visit safety.

C. Supervisors, or employees with lead roles, and other employees or members of management whose job responsibilities may involve responding to issues of workplace violence, shall receive training or

information on some or all of the following topics, no later than six months after the effective date of this policy, or by the completion of trial service for new employees and orientation for volunteers:

- Domestic violence--possible indicators of abuse and response.
- How to conduct a critical-incident debriefing.
- How to conduct an investigation, how to complete an incident report, whom to notify within and outside of the department, and how to route the report form.
- Role of Employee Assistance Program.
- Safety-committee role and other levels of review within the department.
- Clarification and training on what behaviors or acts are inappropriate and constitute violence as provided by the definitions.

Approved by the Deschutes County Board of Commissioners July 25, 2007

  
\_\_\_\_\_  
Dave Kanner  
County Administrator

**DESCHUTES COUNTY THREAT & VIOLENCE INCIDENT REPORT FORM**

**FORWARD INCIDENT REPORT TO ERIK KROPP, DESCHUTES COUNTY RISK  
MANAGER, WITHIN 24 HOURS OF INCIDENT.**

Please use this form to report any threat or act of physical violence against a person (whether County employee or non-employee) or any property (whether County or non-County property) on any County site. Add additional sheets as necessary. If you need assistance with this form, please contact your supervisor or Risk Management. This form is available online at the County Risk Management intranet site.

Incident date: \_\_\_\_\_ Time: \_\_\_\_\_ Location: \_\_\_\_\_

Name of employee making this report: \_\_\_\_\_

Assigned work location: \_\_\_\_\_ County Phone: \_\_\_\_\_

Supervisor's name: \_\_\_\_\_ Supervisor notified? Yes  No

Dept. Head: \_\_\_\_\_ Dept. Head notified? Yes  No

Name of victim or identity of property, if different from above: \_\_\_\_\_

Street address: \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip: \_\_\_\_\_

Relationship of victim to Deschutes County (if applicable): \_\_\_\_\_

Check applicable incident:

- Physical contact—please specify
- Threatening to harm an individual or the destruction of County property.
- Harassing or threatening phone calls
- Harassing surveillance or stalking
- Possession or use of firearms or other weapons during the incident
- Other—please describe

List witnesses to the incident, name(s) and telephone(s):

Describe the incident:

Specific language of the threat:

Did the incident involve the use of or threaten the use of a weapon other than a firearm? If so, please describe:

Was anyone injured? If yes, please identify the injured persons and describe the injuries:

Name of the person exhibiting threatening or violent behavior, if known:

\_\_\_\_\_

Street address: \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip: \_\_\_\_\_



Relationship of above listed person to Deschutes County — please describe:

Describe the characteristics of the person exhibiting threatening or violent behavior (gender, height, weight, hair, eye color, voice characteristics, other):

Was there any physical conduct that would substantiate an intention to follow through on the threat? Yes  No  If yes, please explain:

Who else was involved directly with this incident and what actions did each take?

How did the incident end?

What happened to the person exhibiting threatening or violent behavior and each other person involved after the incident?

What steps were taken to ensure the threat will not be carried out?

What steps could be taken to avoid a similar incident in the future?

Was law enforcement contacted? \_\_\_\_\_

Responding agency: \_\_\_\_\_

Officer name: \_\_\_\_\_

Police case number: \_\_\_\_\_

Report prepared by:

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Supervisor Signature Date

**FORWARD COMPLETED/SIGNED INCIDENT REPORT TO ERIK KROPP,  
DESCHUTES COUNTY RISK MANAGER, WITHIN 24 HOURS OF INCIDENT.**



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, June 1, 2022

SUBJECT: Consideration of Purchase Agreement, Document No. 2022-279, and Dedication Deed, Document No. 2022-280, from Gregory and Alisa Sullivan for Right of Way for the Hunnell Road: Loco Road to Tumalo Road Improvement Project

RECOMMENDED MOTION:

Move approval of Document Nos. 2022-279 and 2022-280.

BACKGROUND AND POLICY IMPLICATIONS:

The Board of County Commissioners authorized the Road Department to negotiate with owners of properties impacted by the Hunnell Road: Loco Road to Tumalo Road Improvement project for the acquisition of right of way by Resolution No. 2021-048. During preliminary design of the project, it was determined that a portion of Tax Lot No. 1612330000907, owned by Gregory P. and Alisa D. Sullivan, would be impacted by the Project. The Road Department has negotiated with the property owner for right of way acquisition. The property owner has agreed to the following:

- Instrument: Dedication Deed
Area: 20,038 sq. ft.
Compensation: \$61,400.00
Other Obligations: None

BUDGET IMPACTS:

County will make payment to the property owner in the amount of \$61,400.00, which was budgeted in the Department's Fiscal Year 2021-2022 Road Capital Improvement Plan budget.

ATTENDANCE:

Cody Smith, County Engineer (\*\*REQUEST CONSENT AGENDA\*\*)

REVIEWED  
LEGAL COUNSEL

For Recording Stamp Only

After recording return to:  
Deschutes County Road Dept.  
61150 S.E. 27<sup>th</sup> Street  
Bend, Oregon 97701

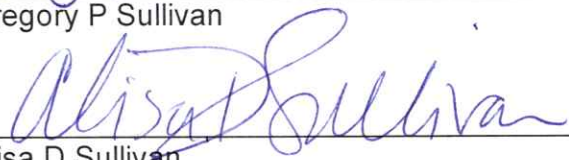
DEED OF DEDICATION

**Gregory P Sullivan and Alisa D Sullivan, as Tenants by the Entirety, Grantor, does hereby dedicate to the public for roadway and utility purposes that parcel of land described in Exhibit "A" and depicted in Exhibit "B", attached hereto and by this reference incorporated herein.**

The true consideration for this conveyance is **Sixty-One Thousand Four Hundred Dollars (\$61,400.00).**

DATED this 13 day of May, 2022.

  
\_\_\_\_\_  
Gregory P Sullivan

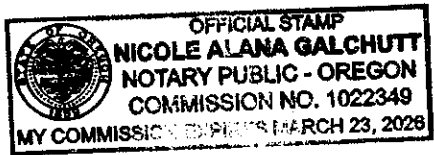
  
\_\_\_\_\_  
Alisa D Sullivan

STATE OF OREGON )  
 ) SS.  
County of Deschutes )

Before me, a Notary Public, personally appeared Gregory P Sullivan,  
acknowledged the foregoing instrument.

Dated this 13<sup>th</sup> day of May, 2022.

*Nicole Alana Galchutt*  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: March 23, 2026

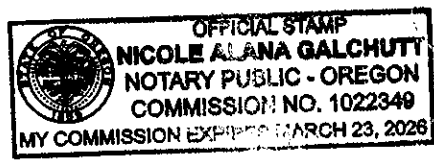


STATE OF OREGON )  
 ) SS.  
County of Deschutes )

Before me, a Notary Public, personally appeared Alisa D Sullivan acknowledged  
the foregoing instrument.

Dated this 13<sup>th</sup> day of May, 2022.

*Nicole Alana Galchutt*  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: March 23, 2026



ACCEPTANCE

Deschutes County, acting by and through its Board of County Commissioners, does hereby accept the foregoing Deed of Dedication as a public road pursuant to ORS 93.808.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2022.

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
PATTI ADAIR, CHAIR

\_\_\_\_\_  
ANTHONY DEBONE, VICE CHAIR

ATTEST:

\_\_\_\_\_  
PHIL CHANG, COMMISSIONER

\_\_\_\_\_  
Recording Secretary

STATE OF OREGON        )  
                                  ) SS.  
County of Deschutes    )

Before me, a Notary Public, personally appeared Patti Adair, Anthony DeBone, and Phil Chang, the above-named Board of County Commissioners of Deschutes County, Oregon, acknowledged the foregoing instrument, on behalf of Deschutes County, Oregon.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
Deschutes County Road Department  
Hunnell Road Improvement Project: Loco Road to Tumalo Road  
File Number 002  
Tax Lot 1612330000907

**PARCEL 1 - RIGHT OF WAY DEDICATION**

A parcel of land lying in Parcel 2 Partition Plat No. 2002-15 in the Southwest one-quarter of Section 33, Township 16 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, and being a portion of that property described in that Statutory Warranty Deed to Gregory P Sullivan and Alisa D Sullivan, as Tenants by the Entirety, recorded December 20, 2016 as Instrument No. 2016-052727, Deschutes County Official Records, said parcel described as follows:

BEGINNING at a point on the easterly right of way line of Hunnell Road, said point being South 45°48'02" West, 390.28 feet of the West One-sixteenth corner common to Section 4, Township 17 South, Range 12 East, and Section 33, Township 16 South, Range 12 East, Willamette Meridian, said point also being 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 95+43.57 per Deschutes County Survey No. 20520;

Thence along said easterly right of way line North 13°41'20" West, 158.45 feet to a non-tangent point of curvature at a point 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 97+02.02 per Deschutes County Survey No. 20520;

Thence continuing along said easterly right of way line on a non-tangent 265.23 foot radius curve to the right, the radius point of which bears North 76°20'22" East, through a central angle of 25°56'42" (the long chord of which bears North 00°41'18" West 119.08 feet) an arc distance of 120.10 feet to a non-tangent point of curvature at a point 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 98+35.70 per Deschutes County Survey No. 20520;

Thence continuing along said easterly right of way line on a non-tangent 273.95 foot radius curve to the right, the radius point of which bears South 77°45'38" East, through a central angle of 59°18'34" (the long chord of which bears North 41°53'39" East, 271.09 feet) an arc distance of 283.58 feet to a point 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 101+50.34 per Deschutes County Survey No. 20520;

Thence leaving said easterly right of way line South 45°22'48" East, 25.00 feet to a non-tangent point of curvature;

Thence on a non-tangent 575.00 foot radius curve to the right, the radius point of which bears North 45°22'48" West, through a central angle of 01°08'52" (the long chord of which bears South 45°11'38" West, 11.52 feet) an arc distance of 11.52 feet to a point of reverse curvature;

Thence on a 465.00 foot radius curve to the left through a central angle of 43°46'50" (the long chord of which bears South 23°52'39" West, 346.73 feet) an arc distance of 355.31 feet to a point;

Thence North 88°00'46" West, 25.00 feet to a non-tangent point of curvature;

Thence on a non-tangent 490.00 foot radius curve to the left, the radius point of which bears South 88°00'46" East, through a central angle of 15°40'34" (the long chord of which bears South 05°51'03" East, 133.65 feet) an arc distance of 134.06 feet to the POINT OF BEGINNING herein described.

Containing 15,161 square feet, more or less.

See map attached as Exhibit "B", which is made a part hereof.

## **PARCEL 2 - RIGHT OF WAY DEDICATION**

A parcel of land lying in Parcel 2 Partition Plat No. 2002-15 in the Southwest one-quarter of Section 33, Township 16 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, and being a portion of that property described in that Statutory Warranty Deed recorded December 20, 2016 as Instrument No. 2016-052727, Deschutes County Official Records, said parcel described as follows:

BEGINNING at a point on the westerly right of way line of Hunnell Road, said point being North 33°56'49" West, 306.68 feet of the West One-sixteenth corner common to Section 4, Township 17 South, Range 12 East, and Section 33, Township 16 South, Range 12 East, Willamette Meridian, said point also being 30.00 feet westerly when measured at right angles to Hunnell Road Centerline Station 101+36.26 per Deschutes County Survey No. 20520;

Thence leaving said westerly right of way line on a non-tangent 490.00 foot radius curve to the left, the radius point of which bears North 46°55'35" West, through a central angle of 39°30'21" (the long chord of which bears North 23°19'15" East, 331.20 feet) an arc distance of 337.86 feet to a point on said westerly right of way line, said point being 30.00 feet westerly when measured at right angles to Hunnell Road Centerline Station 105+42.34 per Deschutes County Survey No. 20520,

Thence along said westerly right of way line South 03°34'05" West, 200.37 feet to a point of curvature at a point 30.00 feet westerly when measured at right angles to Hunnell Road Centerline Station 103+41.97 per Deschutes County Survey No. 20520;

Thence continuing along said westerly right of way line on a 100.00 foot radius curve to the right, through a central angle of 72°55'04" (the long chord of which bears South 40°01'37" West 118.85 feet) an arc distance of 127.27 feet to a point of reverse curvature at a point 30.00 feet



EXHIBIT A  
August 16, 2021  
Page 3 of 3

northerly when measured at right angles to Hunnell Road Centerline Station 101+76.53 per Deschutes County Survey No. 20520;

Thence continuing along said westerly right of way line on a 333.95 foot radius curve to the left, the radius point of which bears South 13°30'51" East, through a central angle of 07°35'28" (the long chord of which bears South 72°41'25" West, 44.21 feet) an arc distance of 44.24 feet to the POINT OF BEGINNING herein described.

Containing 4,877 square feet, more or less.

See map attached as Exhibit "B", which is made a part hereof.

Bearings, Right of Way, Stationing and Monumentation are based on "Control, Recovery, and Retracement Map" filed in the office of the Deschutes County Surveyor's Office May 25, 2021 as County Survey No. 20520.

**REGISTERED  
PROFESSIONAL  
LAND SURVEYOR**

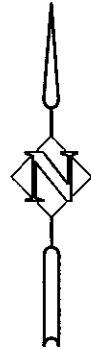


**OREGON  
JANUARY 8, 2019  
REED CARLSON BEAUDUY  
93377**

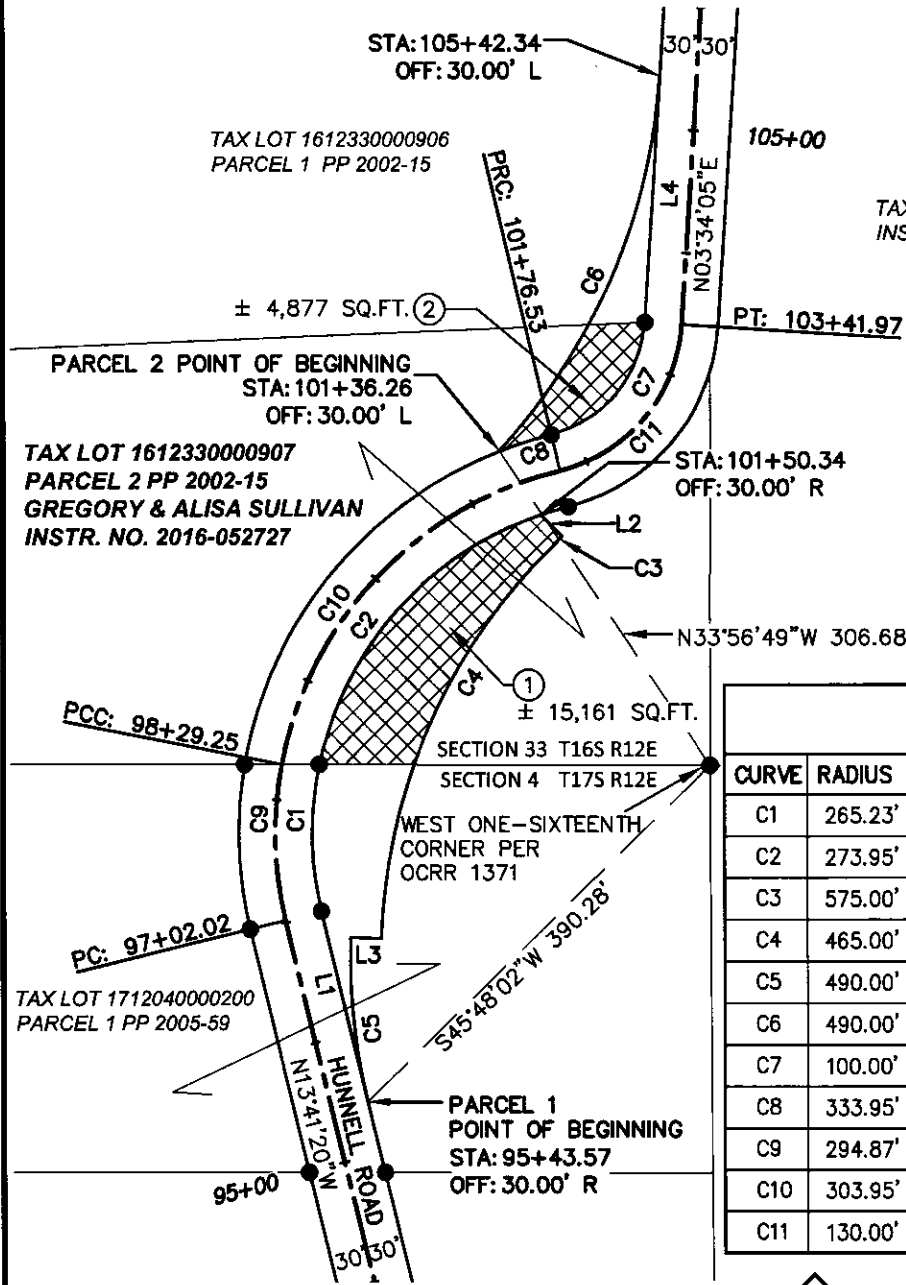
**RENEWS: 12-31-2021**  
*SIGNED 09-01-2021*

# EXHIBIT "B"

LOCATED IN PARCEL 2 PARTITION PLAT 2002-15 IN THE SOUTHWEST ONE QUARTER OF SECTION 33, TOWNSHIP 16 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON



SCALE  
1" = 150'



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N13°41'20"W	158.45'
L2	S45°22'48"E	25.00'
L3	N88°00'46"W	25.00'
L4	S03°34'05"W	200.37'

CURVE TABLE				
CURVE	RADIUS	DELTA	LENGTH	LONG CHORD
C1	265.23'	26°56'42"	120.10'	N00°41'18"W, 119.08'
C2	273.95'	59°18'34"	283.58'	N41°53'39"E, 271.09'
C3	575.00'	01°08'52"	11.52'	S45°11'38"W, 11.52'
C4	465.00'	43°46'50"	355.31'	S23°52'39"W, 346.73'
C5	490.00'	15°40'34"	134.06'	S05°51'03"E, 133.65'
C6	490.00'	39°30'21"	337.86'	N23°19'15"E, 331.20'
C7	100.00'	72°55'04"	127.27'	S40°01'37"W, 118.85'
C8	333.95'	07°35'28"	44.24'	S72°41'25"W, 44.21'
C9	294.87'	24°43'17"	127.23'	N01°19'01"W, 126.24'
C10	303.95'	65°27'46"	347.27'	N43°45'16"E, 328.69'
C11	130.00'	72°55'04"	165.45'	N40°01'37"E, 154.50'

## LEGEND

- ① RIGHT OF WAY DEDICATION ± 15,161 SQ.FT.
- ② RIGHT OF WAY DEDICATION ± 4,877 SQ.FT.

● - FOUND MONUMENT PER CS20520

SEE ATTACHED LEGAL DESCRIPTION

**Harper  
Houf Peterson  
Righellis Inc.**

ENGINEERS • PLANNERS  
LANDSCAPE ARCHITECTS • SURVEYORS  
250 NW Franklin Avenue, Suite 404, Bend, OR 97703  
phone: 541.318.1161 www.hhpr.com fax: 541.318.1141  
DCO-01 RCB 08/16/2021 PAGE 1 OF 1

<p style="text-align: center;"><b>REVIEWED</b></p> <hr/> <p style="text-align: center;">LEGAL COUNSEL</p>	<p>For Recording Stamp Only</p>
<p>After recording return to: Deschutes County Road Dept. 61150 S.E. 27<sup>th</sup> Street Bend, Oregon 97701</p>	

**PURCHASE AGREEMENT**  
**HUNNELL ROAD: LOCO ROAD TO TUMALO ROAD IMPROVEMENT PROJECT**  
**Gregory P Sullivan and Alisa D Sullivan, as Tenants by the Entirety**  
**File No.: 002**

**THIS AGREEMENT** is made and entered into by and between **Deschutes County, Oregon**, a political subdivision of the State of Oregon, (“County”); and **Gregory P Sullivan and Alisa D Sullivan, as Tenants by the Entirety** (“Grantor”), on the following terms and conditions:

**RECITALS**

1. Hunnell Road is part of the County road system under the jurisdiction and control of County.
2. County is constructing the Hunnell Road: Loco Road to Tumalo Road Improvement project on Hunnell Road and Pohaku Road. County has identified that the property described in the attached **Exhibit “A”** and depicted in the attached **Exhibit “B”** is necessary for the Project.
3. Grantor is the owner of the property described in the attached **Exhibits “A” and “B”**.

**NOW THEREFORE**, it is agreed by and between the Parties hereto as follows:

**TERMS OF AGREEMENT**

1. Grantor shall convey to County the real property described in the attached **Exhibit A** by dedication deed for the purchase price of **Sixty-One Thousand Four Hundred Dollars (\$61,400.00)**.

## GRANTOR OBLIGATIONS

1. Grantor shall provide County with fully signed and executed dedication deed for subject property with this Agreement. Upon receipt of purchase payment, Grantor shall immediately deliver possession of property to County.
2. Grantor makes the following representations:
  - a. Grantor has no notice from any government agency of any violation of law relating to the property.
  - b. The property has never been used for the storage or disposal of hazardous waste materials.
  - c. Grantor is not a "foreign person" as that term is defined in IRS Code Section 1445.
3. If the subject property is subject to any mortgage, deed of trust, land sales contract, or other similar encumbrance, Grantor should review that document to determine whether that document contains any provision under which default may be triggered by the Grantor's signing of this Agreement or any conveyance instrument.
4. Grantor understands that all fences and other improvements that are constructed or reconstructed on real property retained by Grantor pursuant to this Agreement will be the property of Grantor and will be maintained and repaired by the Grantor after completion of the project.
5. Grantor understands that any construction lying outside of the traveled portion and shoulders but within the right of way of the county road which is made for the use and benefit of the remaining property, either under the terms of this agreement or the construction plans, shall be completed in conformance with normal engineering construction practices.
6. As soon as Grantor delivers the dedication deed to County, Grantor shall remove from the property all personal property, fixtures, and improvements retained by Grantor under the terms of this Agreement. If personal property, fixtures, or improvements are required to be moved, Grantor may be entitled to relocation benefits and assistance which will be provided outside of this Agreement in accordance with the Uniform Relocation Act requirements in conformance with the ODOT Right-of-Way Manual.

7. Grantor acknowledges that performance of County's obligations under this Agreement constitute just and full compensation for the property (dedication) and any damage to property retained by Grantor.

## COUNTY OBLIGATIONS

1. Within thirty (30) calendar days of execution of this Agreement and receipt of fully signed and executed dedication deed, County will deliver payment to Grantor in the amount of **Sixty-One Thousand Four Hundred Dollars (\$61,400.00)**. County will take immediate possession of property upon delivery of payment.
2. County will be responsible for payment of all recording fees or other costs required for recording conveyance instruments.
3. County will construct, modify, or repair the following improvements:
  - a. Fence – Upon completion of the project, County or their contractor shall install permanent white vinyl ranch fencing where permanent fencing is removed from the dedication area. Any gates removed by the project will be restored or replaced in-kind. County or their contractor will ensure that, when required during construction, temporary fences are established to keep Grantor's livestock corralled.
4. County will require that the work listed in Section 3 be done in a reasonable workmanship manner, but County cannot guarantee or warrant the work or goods provided to Grantor. County disclaims all warranties of merchantability and fitness for any particular purpose, express or implied.

## GENERAL PROVISIONS

1. This Agreement supersedes any prior oral and written Agreements or understandings. This Agreement may be modified only by written amendments.
2. The conditions of this Agreement are binding upon and will inure to the benefit of the successors and legal representatives of Grantor and County and will survive conveyance of the property.
3. Time is of the essence of this Agreement. References to Grantor in this Agreement include all persons who hold title to the property.

**(Signature Page to Follow)**

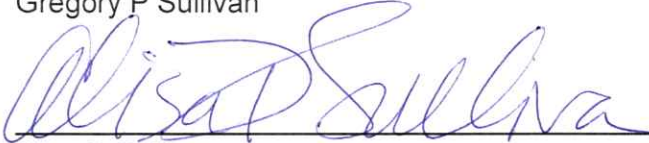
**THE PARTIES**, by execution of this Agreement, hereby acknowledge that its signing representatives have read this Agreement, understand it and agree to be bound by its terms and conditions.

**GRANTOR**

DATED this 13 day of May, 2022.



Gregory P Sullivan



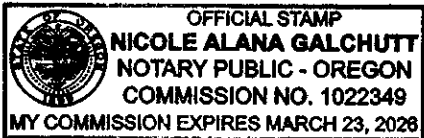
Alisa D Sullivan

STATE OF OREGON )  
 ) SS.  
County of Deschutes )

Before me, a Notary Public, personally appeared Gregory P Sullivan,  
acknowledged the foregoing instrument.

Dated this 13 day of May, 2022.

*Nicole Alana Galchutt*  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: March 23, 2026

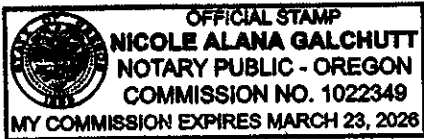


STATE OF OREGON )  
 ) SS.  
County of Deschutes )

Before me, a Notary Public, personally appeared Alisa D Sullivan acknowledged  
the foregoing instrument.

Dated this 13 day of May, 2022.

*Nicole Alana Galchutt*  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: March 23, 2026



**DESCHUTES COUNTY, acting by and through its Board of County Commissioners**

DATED this \_\_\_\_ day of \_\_\_\_\_, 2022.

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
PATTI ADAIR, CHAIR

\_\_\_\_\_  
ANTHONY DEBONE, VICE-CHAIR

ATTEST:

\_\_\_\_\_  
PHIL CHANG, COMMISSIONER

\_\_\_\_\_  
Recording Secretary

STATE OF OREGON            )  
  ) SS.  
County of Deschutes        )

Before me, a Notary Public, personally appeared Patti Adair, Anthony DeBone, and Phil Chang, the above-named Board of County Commissioners of Deschutes County, Oregon, acknowledged the foregoing instrument, on behalf of Deschutes County, Oregon.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: \_\_\_\_\_



**EXHIBIT A**  
Deschutes County Road Department  
Hunnell Road Improvement Project: Loco Road to Tumalo Road  
File Number 002  
Tax Lot 1612330000907

**PARCEL 1 - RIGHT OF WAY DEDICATION**

A parcel of land lying in Parcel 2 Partition Plat No. 2002-15 in the Southwest one-quarter of Section 33, Township 16 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, and being a portion of that property described in that Statutory Warranty Deed to Gregory P Sullivan and Alisa D Sullivan, as Tenants by the Entirety, recorded December 20, 2016 as Instrument No. 2016-052727, Deschutes County Official Records, said parcel described as follows:

BEGINNING at a point on the easterly right of way line of Hunnell Road, said point being South 45°48'02" West, 390.28 feet of the West One-sixteenth corner common to Section 4, Township 17 South, Range 12 East, and Section 33, Township 16 South, Range 12 East, Willamette Meridian, said point also being 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 95+43.57 per Deschutes County Survey No. 20520;

Thence along said easterly right of way line North 13°41'20" West, 158.45 feet to a non-tangent point of curvature at a point 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 97+02.02 per Deschutes County Survey No. 20520;

Thence continuing along said easterly right of way line on a non-tangent 265.23 foot radius curve to the right, the radius point of which bears North 76°20'22" East, through a central angle of 25°56'42" (the long chord of which bears North 00°41'18" West 119.08 feet) an arc distance of 120.10 feet to a non-tangent point of curvature at a point 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 98+35.70 per Deschutes County Survey No. 20520;

Thence continuing along said easterly right of way line on a non-tangent 273.95 foot radius curve to the right, the radius point of which bears South 77°45'38" East, through a central angle of 59°18'34" (the long chord of which bears North 41°53'39" East, 271.09 feet) an arc distance of 283.58 feet to a point 30.00 feet easterly when measured at right angles to Hunnell Road Centerline Station 101+50.34 per Deschutes County Survey No. 20520;

Thence leaving said easterly right of way line South 45°22'48" East, 25.00 feet to a non-tangent point of curvature;

Thence on a non-tangent 575.00 foot radius curve to the right, the radius point of which bears North 45°22'48" West, through a central angle of 01°08'52" (the long chord of which bears South 45°11'38" West, 11.52 feet) an arc distance of 11.52 feet to a point of reverse curvature;

Thence on a 465.00 foot radius curve to the left through a central angle of 43°46'50" (the long chord of which bears South 23°52'39" West, 346.73 feet) an arc distance of 355.31 feet to a point;

Thence North 88°00'46" West, 25.00 feet to a non-tangent point of curvature;

Thence on a non-tangent 490.00 foot radius curve to the left, the radius point of which bears South 88°00'46" East, through a central angle of 15°40'34" (the long chord of which bears South 05°51'03" East, 133.65 feet) an arc distance of 134.06 feet to the POINT OF BEGINNING herein described.

Containing 15,161 square feet, more or less.

See map attached as Exhibit "B", which is made a part hereof.

**PARCEL 2 - RIGHT OF WAY DEDICATION**

A parcel of land lying in Parcel 2 Partition Plat No. 2002-15 in the Southwest one-quarter of Section 33, Township 16 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, and being a portion of that property described in that Statutory Warranty Deed recorded December 20, 2016 as Instrument No. 2016-052727, Deschutes County Official Records, said parcel described as follows:

BEGINNING at a point on the westerly right of way line of Hunnell Road, said point being North 33°56'49" West, 306.68 feet of the West One-sixteenth corner common to Section 4, Township 17 South, Range 12 East, and Section 33, Township 16 South, Range 12 East, Willamette Meridian, said point also being 30.00 feet westerly when measured at right angles to Hunnell Road Centerline Station 101+36.26 per Deschutes County Survey No. 20520;

Thence leaving said westerly right of way line on a non-tangent 490.00 foot radius curve to the left, the radius point of which bears North 46°55'35" West, through a central angle of 39°30'21" (the long chord of which bears North 23°19'15" East, 331.20 feet) an arc distance of 337.86 feet to a point on said westerly right of way line, said point being 30.00 feet westerly when measured at right angles to Hunnell Road Centerline Station 105+42.34 per Deschutes County Survey No. 20520,

Thence along said westerly right of way line South 03°34'05" West, 200.37 feet to a point of curvature at a point 30.00 feet westerly when measured at right angles to Hunnell Road Centerline Station 103+41.97 per Deschutes County Survey No. 20520;

Thence continuing along said westerly right of way line on a 100.00 foot radius curve to the right, through a central angle of 72°55'04" (the long chord of which bears South 40°01'37" West 118.85 feet) an arc distance of 127.27 feet to a point of reverse curvature at a point 30.00 feet

EXHIBIT A  
August 16, 2021  
Page 3 of 3

northerly when measured at right angles to Hunnell Road Centerline Station 101+76.53 per Deschutes County Survey No. 20520;

Thence continuing along said westerly right of way line on a 333.95 foot radius curve to the left, the radius point of which bears South 13°30'51" East, through a central angle of 07°35'28" (the long chord of which bears South 72°41'25" West, 44.21 feet) an arc distance of 44.24 feet to the POINT OF BEGINNING herein described.

Containing 4,877 square feet, more or less.

See map attached as Exhibit "B", which is made a part hereof.

Bearings, Right of Way, Stationing and Monumentation are based on "Control, Recovery, and Retracement Map" filed in the office of the Deschutes County Surveyor's Office May 25, 2021 as County Survey No. 20520.



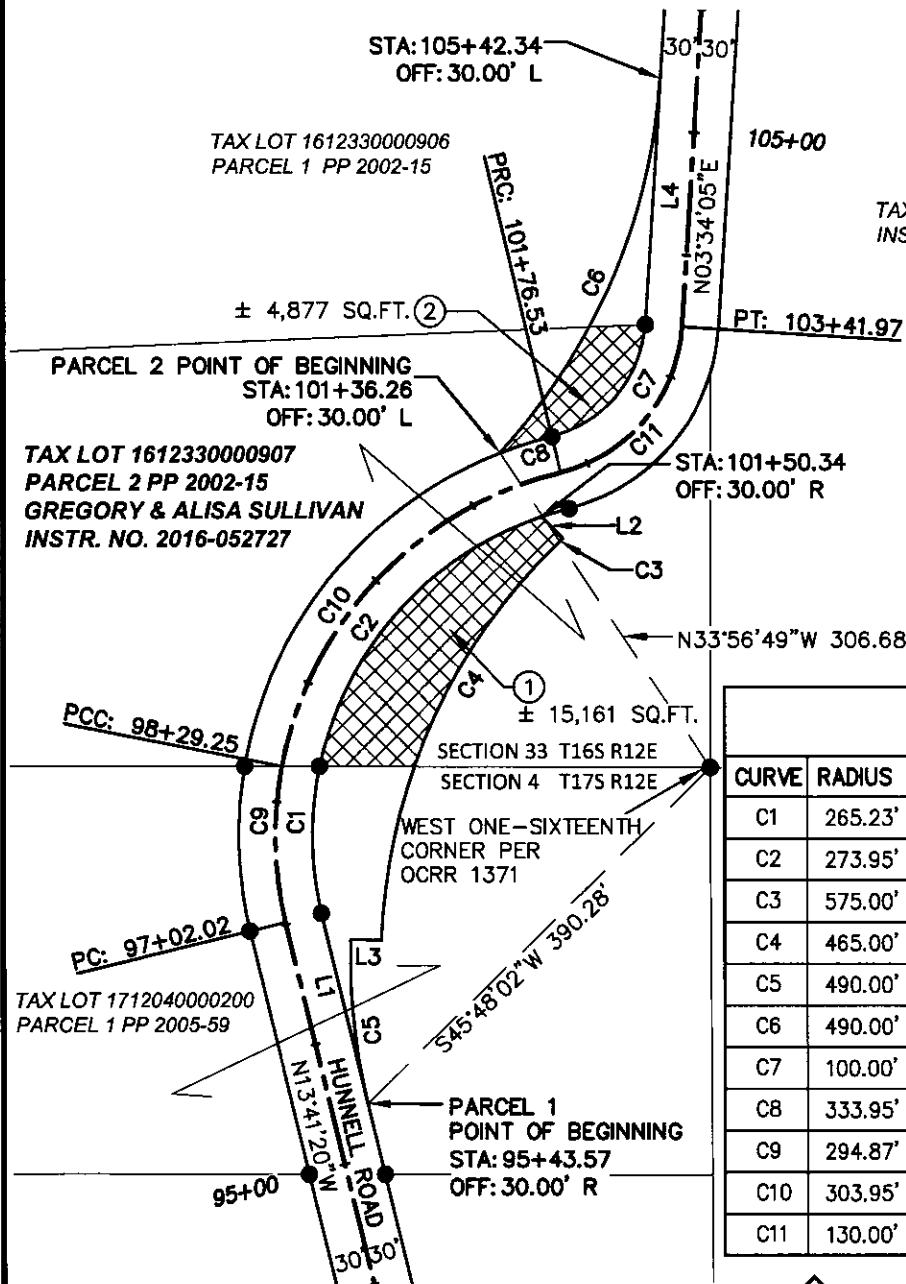
RENEWS: 12-31-2021  
*SIGNED 09-01-2021*

### EXHIBIT "B"

LOCATED IN PARCEL 2 PARTITION PLAT 2002-15 IN THE SOUTHWEST ONE QUARTER OF SECTION 33, TOWNSHIP 16 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON



SCALE  
1" = 150'



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N13°41'20"W	158.45'
L2	S45°22'48"E	25.00'
L3	N88°00'46"W	25.00'
L4	S03°34'05"W	200.37'

CURVE TABLE				
CURVE	RADIUS	DELTA	LENGTH	LONG CHORD
C1	265.23'	26°56'42"	120.10'	N00°41'18"W, 119.08'
C2	273.95'	59°18'34"	283.58'	N41°53'39"E, 271.09'
C3	575.00'	01°08'52"	11.52'	S45°11'38"W, 11.52'
C4	465.00'	43°46'50"	355.31'	S23°52'39"W, 346.73'
C5	490.00'	15°40'34"	134.06'	S05°51'03"E, 133.65'
C6	490.00'	39°30'21"	337.86'	N23°19'15"E, 331.20'
C7	100.00'	72°55'04"	127.27'	S40°01'37"W, 118.85'
C8	333.95'	07°35'28"	44.24'	S72°41'25"W, 44.21'
C9	294.87'	24°43'17"	127.23'	N01°19'01"W, 126.24'
C10	303.95'	65°27'46"	347.27'	N43°45'16"E, 328.69'
C11	130.00'	72°55'04"	165.45'	N40°01'37"E, 154.50'

#### LEGEND



- ① RIGHT OF WAY DEDICATION ± 15,161 SQ.FT.
- ② RIGHT OF WAY DEDICATION ± 4,877 SQ.FT.

● - FOUND MONUMENT PER CS20520

SEE ATTACHED LEGAL DESCRIPTION



**Harper  
Houf Peterson  
Righellis Inc.**

ENGINEERS • PLANNERS  
LANDSCAPE ARCHITECTS • SURVEYORS  
250 NW Franklin Avenue, Suite 404, Bend, OR 97703  
phone: 541.318.1161 www.hhpr.com fax: 541.318.1141  
DCO-01 RCB 08/16/2021 PAGE 1 OF 1



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, June 1, 2022

SUBJECT: Consideration of Purchase Agreement, Document No. 2022-290, and Dedication Deed, Document No. 2022-291, from the Ferns Revocable Trust for Right of Way for the Hunnell Road: Loco Road to Tumalo Road Improvement Project

RECOMMENDED MOTION:

Move approval of Document Nos. 2022-290 and 2022-291.

BACKGROUND AND POLICY IMPLICATIONS:

The Board of County Commissioners authorized the Road Department to negotiate with owners of properties impacted by the Hunnell Road: Loco Road to Tumalo Road Improvement project for the acquisition of right of way by Resolution No. 2021-048. During preliminary design of the project, it was determined that a portion of Tax Lot No. 161228C001600, owned by the Ferns Revocable Trust, would be impacted by the Project. The Road Department has negotiated with the property owner for right of way acquisition. The property owner has agreed to the following:

- Instrument: Dedication Deed
Area: 11,906 sq. ft.
Compensation: \$80,000.00
Other Obligations: None

BUDGET IMPACTS:

County will make payment to the property owner in the amount of \$80,000.00, which was budgeted in the Department's Fiscal Year 2021-2022 Road Capital Improvement Plan budget.

ATTENDANCE:

Cody Smith, County Engineer (\*\*REQUEST CONSENT AGENDA\*\*)

REVIEWED  

---

LEGAL COUNSEL

For Recording Stamp Only

After recording return to:  
Deschutes County Road Dept.  
61150 S.E. 27<sup>th</sup> Street  
Bend, Oregon 97701

DEED OF DEDICATION

**Michael V. Ferns and Dorothy A. Ferns, as Co-Trustees of the Ferns Revocable Trust U/T/A dated April 18, 2019**, Grantor, does hereby dedicate to the public for roadway and utility purposes that parcel of land described in Exhibit "A" and depicted in Exhibit "B", attached hereto and by this reference incorporated herein.

The true consideration for this conveyance is **Eighty Thousand Dollars (\$80,000.00)**.

DATED this 17<sup>th</sup> day of May, 2022.

  
\_\_\_\_\_  
Michael V. Ferns, Trustee

  
\_\_\_\_\_  
Dorothy A. Ferns, Trustee

STATE OF OREGON        )  
                                  ) SS.  
County of Deschutes    )

Before me, a Notary Public, personally appeared Michael A. Ferns, Trustee,  
acknowledged the foregoing instrument.

Dated this 17<sup>th</sup> day of May, 2022.

*Sarah Ann Johnson*

NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8/14/2023



STATE OF OREGON        )  
                                  ) SS.  
County of Deschutes    )

Before me, a Notary Public, personally appeared Dorothy A. Ferns, Trustee,  
acknowledged the foregoing instrument.

Dated this 17<sup>th</sup> day of May, 2022.

*Sarah Ann Johnson*

NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8/14/2023



ACCEPTANCE

Deschutes County, acting by and through its Board of County Commissioners, does hereby accept the foregoing Deed of Dedication as a public road pursuant to ORS 93.808.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2022.

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
PATTI ADAIR, CHAIR

\_\_\_\_\_  
ANTHONY DEBONE, VICE CHAIR

ATTEST:

\_\_\_\_\_  
PHIL CHANG, COMMISSIONER

\_\_\_\_\_  
Recording Secretary

STATE OF OREGON        )  
                                  ) SS.  
County of Deschutes    )

Before me, a Notary Public, personally appeared Patti Adair, Anthony DeBone, and Phil Chang, the above-named Board of County Commissioners of Deschutes County, Oregon, acknowledged the foregoing instrument, on behalf of Deschutes County, Oregon.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: \_\_\_\_\_



**EXHIBIT A**  
Deschutes County Road Department  
Hunnell Road Improvement Project: Loco Road to Tumalo Road  
File Number 007  
Tax Lot 161228C001600

**RIGHT OF WAY DEDICATION**

A parcel of land lying in LOT 20, BLOCK 2, "GLACIER VIEW FIRST ADDITION" in the Southwest one-quarter of Section 28, Township 16 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, and being a portion of that property described in that Warranty Deed to Michael V. Ferns and Dorothy A. Ferns, as Co-Trustees of the Ferns Revocable Trust U/T/A dated April 18, 2019, recorded April 23, 2019 as Instrument No. 2019-12762, Deschutes County Official Records, the said parcel being that portion of said property lying southeasterly of the following described line:

BEGINNING at a point that bears South 87°34'10" West, 174.17 feet from the North one-quarter corner of Section 33, Township 16 South, Range 12 East, Willamette Meridian, said point being 23.14 feet northerly when measured at right angles to Hunnell Road Centerline Station 158+10.00 per Deschutes County Survey No. 20520; Thence North 43°46'15" East, 47.60 feet to a point of curvature at a point 57.41 feet northerly when measured at right angles to Hunnell Road Centerline Station 158+43.03 per Deschutes County Survey No. 20520;

Thence on a 490.00 foot radius curve to the left, through a central angle of 27°00'03" (the long chord of which bears North 30°16'13" East, 228.78 feet) an arc distance of 230.91 feet to the terminus of said described line, said point being 50.81 feet westerly when measured at right angles to Hunnell Road Centerline Station 162+40.00 per Deschutes County Survey No. 20520.

Containing 11,906 square feet, more or less.

See map attached as Exhibit "B", which is made a part hereof.

Bearings, Right of Way, Stationing and Monumentation are based on "Control, Recovery, and Retracement Map" filed in the office of the Deschutes County Surveyor's Office May 25, 2021 as County Survey No. 20520.

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

OREGON  
JANUARY 8, 2019  
REED CARLSON BEAUDUY  
93377

RENEWS: 12-31-2021

SIGNED: 08-08-2021

# EXHIBIT "B"

LOCATED IN LOT 20, BLOCK 2 "GLACIER VIEW FIRST ADDITION" IN THE  
SOUTHWEST ONE QUARTER OF SECTION 28, TOWNSHIP 16 SOUTH,  
RANGE 12 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON

LOT 19, BLOCK 2  
"GLACIER VIEW FIRST ADDITION"

**TAX LOT 161228C001600**  
**LOT 20, BLOCK 2**  
**"GLACIER VIEW FIRST ADDITION"**  
**FERNS REVOCABLE TRUST U/T/A**  
**DATED APRIL 18, 2019**  
**INSTR. NO. 2019-12762**

TERMINUS  
STA: 162+40.00  
OFF: 50.81' L

$\Delta = 27^{\circ}00'03''$   
 $R = 490.00'$   
 $L = 230.91'$   
 $LC = N30^{\circ}16'13''E,$   
 $228.78'$

$\pm 11,906$  SQ.FT.

PC:  
STA: 158+43.03  
OFF: 57.41' L

POB  
STA: 158+10.00  
OFF: 23.14' L

$N43^{\circ}46'15''E$   
47.60'

PI: 155+67.11

$N89^{\circ}49'38''E$

HUNNELL ROAD

$S87^{\circ}34'10''W$   
174.17'

PT: 160+40.34

SEE OCRR 1291

PARCEL 1 OF  
PARTITION PLAT  
2019-23

PC: 159+54.12

$N00^{\circ}00'42''E$



SCALE  
1" = 100'

## LEGEND



RIGHT OF WAY DEDICATION  
 $\pm 11,906$  SQ.FT.

● - FOUND MONUMENT PER CS20520

SEE ATTACHED LEGAL  
DESCRIPTION



# Harper Houf Peterson Righellis Inc.

ENGINEERS • PLANNERS  
LANDSCAPE ARCHITECTS • SURVEYORS

250 NW Franklin Avenue, Suite 404, Bend, OR 97703  
phone: 541.318.1161 www.hhpr.com fax: 541.318.1141

DCO-01 KMB 07/27/2021 PAGE 1 OF 1

<p style="text-align: center;">REVIEWED</p> <hr/> <p style="text-align: center;">LEGAL COUNSEL</p>	<p>For Recording Stamp Only</p>
<p>After recording return to:          Deschutes County Road Dept.          61150 S.E. 27<sup>th</sup> Street          Bend, Oregon 97701</p>	

**PURCHASE AGREEMENT**  
**HUNNELL ROAD: LOCO ROAD TO TUMALO ROAD IMPROVEMENT PROJECT**  
**Michael V. Ferns and Dorothy A. Ferns, as Co-Trustees of the Ferns Revocable**  
**Trust U/T/A dated April 18, 2019**  
**File No.: 007**

**THIS AGREEMENT** is made and entered into by and between **Deschutes County, Oregon**, a political subdivision of the State of Oregon, ("County"); and **Michael V. Ferns and Dorothy A. Ferns, as Co-Trustees of the Ferns Revocable Trust U/T/A dated April 18, 2019**, ("Grantor"), on the following terms and conditions:

**RECITALS**

1. Hunnell Road is part of the County road system under the jurisdiction and control of County.
2. County is constructing the Hunnell Road: Loco Road to Tumalo Road Improvement project on Hunnell Road and Pohaku Road. County has identified that the property described in the attached **Exhibit "A"** and depicted in the attached **Exhibit "B"** is necessary for the Project.
3. Grantor is the owner of the property described in the attached **Exhibits "A" and "B"**.

**NOW THEREFORE**, it is agreed by and between the Parties hereto as follows:

## **TERMS OF AGREEMENT**

1. Grantor shall convey to County the real property described in the attached **Exhibit A** by dedication deed for the purchase price of **Eighty Thousand Dollars (\$80,000.00)**.

## **GRANTOR OBLIGATIONS**

1. Grantor shall provide County with fully signed and executed dedication deed for subject property with this Agreement. Upon receipt of purchase payment, Grantor shall immediately deliver possession of property to County.
2. Grantor makes the following representations:
  - a. Grantor has no notice from any government agency of any violation of law relating to the property.
  - b. The property has never been used for the storage or disposal of hazardous waste materials.
  - c. Grantor is not a "foreign person" as that term is defined in IRS Code Section 1445.
3. If the subject property is subject to any mortgage, deed of trust, land sales contract, or other similar encumbrance, Grantor should review that document to determine whether that document contains any provision under which default may be triggered by the Grantor's signing of this Agreement or any conveyance instrument.
4. Grantor understands that all fences and other improvements that are constructed or reconstructed on real property retained by Grantor pursuant to this Agreement will be the property of Grantor and will be maintained and repaired by the Grantor after completion of the project.
5. Grantor understands that any construction lying outside of the traveled portion and shoulders but within the right of way of the county road which is made for the use and benefit of the remaining property, either under the terms of this agreement or the construction plans, shall be completed in conformance with normal engineering construction practices.
6. As soon as Grantor delivers the dedication deed to County, Grantor shall remove from the property all personal property, fixtures, and improvements retained by

Grantor under the terms of this Agreement. If personal property, fixtures, or improvements are required to be moved, Grantor may be entitled to relocation benefits and assistance which will be provided outside of this Agreement in accordance with the Uniform Relocation Act requirements in conformance with the ODOT Right-of-Way Manual.

7. Grantor acknowledges that performance of County's obligations under this Agreement constitute just and full compensation for the property (dedication) and any damage to property retained by Grantor.

## COUNTY OBLIGATIONS

1. Within thirty (30) calendar days of execution of this Agreement and receipt of fully signed and executed dedication deed, County will deliver payment to Grantor in the amount of **Eighty Thousand Dollars (\$80,000.00)**. County will take immediate possession of property upon delivery of payment.
2. County will be responsible for payment of all recording fees or other costs required for recording conveyance instruments.
3. County will construct, modify, or repair the following improvements:
  - a. Fence – Upon completion of the project, County, State, or their contractor shall install permanent in-kind fencing where permanent fencing is removed from the dedication and/or permanent slope easement areas. Any gates removed by the project will be restored or replaced in-kind. County, State, or their contractor will ensure that, when required during construction, temporary fences are established to keep Grantor's livestock corralled.
4. County will require that the work listed in Section 3 be done in a reasonable workmanship manner, but County cannot guarantee or warrant the work or goods provided to Grantor. County disclaims all warranties of merchantability and fitness for any particular purpose, express or implied.

## GENERAL PROVISIONS

1. This Agreement supersedes any prior oral and written Agreements or understandings. This Agreement may be modified only by written amendments.

2. The conditions of this Agreement are binding upon and will inure to the benefit of the successors and legal representatives of Grantor and County and will survive conveyance of the property.
3. Time is of the essence of this Agreement. References to Grantor in this Agreement include all persons who hold title to the property.

**(Signature Page to Follow)**

**THE PARTIES**, by execution of this Agreement, hereby acknowledge that its signing representatives have read this Agreement, understand it and agree to be bound by its terms and conditions.

**GRANTOR**

DATED this 17<sup>th</sup> day of May, 2022.

  
\_\_\_\_\_  
Michael V. Ferns, Trustee

  
\_\_\_\_\_  
Dorothy A. Ferns, Trustee

STATE OF OREGON )  
 ) SS.  
County of Deschutes )

Before me, a Notary Public, personally appeared Michael A. Ferns, Trustee,  
acknowledged the foregoing instrument.

Dated this 17<sup>th</sup> day of May, 2022.

Sarah Ann Johnson  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8/14/2023



STATE OF OREGON )  
 ) SS.  
County of Deschutes )

Before me, a Notary Public, personally appeared Dorothy A. Ferns, Trustee,  
acknowledged the foregoing instrument.

Dated this 17<sup>th</sup> day of May, 2022.

Sarah Ann Johnson  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8/14/2023





**DESCHUTES COUNTY, acting by and through its Board of County Commissioners**

DATED this \_\_\_\_ day of \_\_\_\_\_, 2022.

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
PATTI ADAIR, CHAIR

\_\_\_\_\_  
ANTHONY DEBONE, VICE-CHAIR

ATTEST:

\_\_\_\_\_  
PHIL CHANG, COMMISSIONER

\_\_\_\_\_  
Recording Secretary

STATE OF OREGON            )  
  ) SS.  
County of Deschutes        )

Before me, a Notary Public, personally appeared Patti Adair, Anthony DeBone, and Phil Chang, the above-named Board of County Commissioners of Deschutes County, Oregon, acknowledged the foregoing instrument, on behalf of Deschutes County, Oregon.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
Deschutes County Road Department  
Hunnell Road Improvement Project: Loco Road to Tumalo Road  
File Number 007  
Tax Lot 161228C001600

**RIGHT OF WAY DEDICATION**

A parcel of land lying in LOT 20, BLOCK 2, "GLACIER VIEW FIRST ADDITION" in the Southwest one-quarter of Section 28, Township 16 South, Range 12 East, Willamette Meridian, Deschutes County, Oregon, and being a portion of that property described in that Warranty Deed to Michael V. Ferns and Dorothy A. Ferns, as Co-Trustees of the Ferns Revocable Trust U/T/A dated April 18, 2019, recorded April 23, 2019 as Instrument No. 2019-12762, Deschutes County Official Records, the said parcel being that portion of said property lying southeasterly of the following described line:

BEGINNING at a point that bears South 87°34'10" West, 174.17 feet from the North one-quarter corner of Section 33, Township 16 South, Range 12 East, Willamette Meridian, said point being 23.14 feet northerly when measured at right angles to Hunnell Road Centerline Station 158+10.00 per Deschutes County Survey No. 20520; Thence North 43°46'15" East, 47.60 feet to a point of curvature at a point 57.41 feet northerly when measured at right angles to Hunnell Road Centerline Station 158+43.03 per Deschutes County Survey No. 20520;

Thence on a 490.00 foot radius curve to the left, through a central angle of 27°00'03" (the long chord of which bears North 30°16'13" East, 228.78 feet) an arc distance of 230.91 feet to the terminus of said described line, said point being 50.81 feet westerly when measured at right angles to Hunnell Road Centerline Station 162+40.00 per Deschutes County Survey No. 20520.

Containing 11,906 square feet, more or less.

See map attached as Exhibit "B", which is made a part hereof.

Bearings, Right of Way, Stationing and Monumentation are based on "Control, Recovery, and Retracement Map" filed in the office of the Deschutes County Surveyor's Office May 25, 2021 as County Survey No. 20520.

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

OREGON  
JANUARY 8, 2019  
REED CARLSON BEAUDUY  
93377

RENEWS: 12-31-2021

SIGNED: 08-08-2021

# EXHIBIT "B"

LOCATED IN LOT 20, BLOCK 2 "GLACIER VIEW FIRST ADDITION" IN THE  
SOUTHWEST ONE QUARTER OF SECTION 28, TOWNSHIP 16 SOUTH,  
RANGE 12 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON

LOT 19, BLOCK 2  
"GLACIER VIEW FIRST ADDITION"

TAX LOT 161228C001600  
LOT 20, BLOCK 2  
"GLACIER VIEW FIRST ADDITION"  
FERNS REVOCABLE TRUST U/T/A  
DATED APRIL 18, 2019  
INSTR. NO. 2019-12762

TERMINUS  
STA: 162+40.00  
OFF: 50.81' L

$\Delta = 27^{\circ}00'03''$   
 $R = 490.00'$   
 $L = 230.91'$   
 $LC = N30^{\circ}16'13''E,$   
 $228.78'$

$\pm 11,906$  SQ.FT.

PC:  
STA: 158+43.03  
OFF: 57.41' L

POB  
STA: 158+10.00  
OFF: 23.14' L

$N43^{\circ}46'15''E$   
47.60'

PI: 155+67.11

$N89^{\circ}49'38''E$

HUNNELL ROAD

$S87^{\circ}34'10''W$   
174.17'

PT: 160+40.34

SEE OCRR 1291

PARCEL 1 OF  
PARTITION PLAT  
2019-23

PC: 159+54.12

5'

60'

$N00^{\circ}00'42''E$



SCALE  
1" = 100'

## LEGEND



RIGHT OF WAY DEDICATION  
 $\pm 11,906$  SQ.FT.

● - FOUND MONUMENT PER CS20520

SEE ATTACHED LEGAL  
DESCRIPTION



# Harper Houf Peterson Righellis Inc.

ENGINEERS • PLANNERS  
LANDSCAPE ARCHITECTS • SURVEYORS

250 NW Franklin Avenue, Suite 404, Bend, OR 97703  
phone: 541.318.1161 www.hhpr.com fax: 541.318.1141

DCO-01 KMB 07/27/2021 PAGE 1 OF 1



BOARD OF  
COMMISSIONERS

# AGENDA REQUEST & STAFF REPORT

**MEETING DATE:** Wednesday June 1, 2022

**SUBJECT:** Consideration of Board Signature of Resolution No. 2022-031, a Resolution authorizing the Sunriver Service District to proceed with issuance of full faith and credit obligations not to exceed \$7,000,000 to finance a portion of the costs to remodel and expand the Sunriver Public Safety Building



Deschutes County Board of Commissioners  
1300 NW Wall St., Suite 200, Bend, OR 97701-1960  
(541) 388-6570 - Fax (541) 385-3202 - [www.deschutes.org](http://www.deschutes.org)

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**AGENDA REQUEST & STAFF REPORT**

**For Board Business Meeting of June 1, 2022**

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**DATE:** May 6, 2022

**FROM:** Dave Doyle                      Legal                      388-6625

**TITLE OF AGENDA ITEM:**

Board Resolution No. 2022-031, A Resolution authorizing the Sunriver Service District to proceed with issuance of full faith and credit obligations not to exceed \$7,000,000 to finance a portion of the costs to remodel and expand the Sunriver Public Safety Building.

Board Order No. 2022-026, a Certificate relating to the authorization, issuance, sale and delivery of the identified credit obligations.

**PUBLIC HEARING ON THIS DATE?** No.

**BACKGROUND AND POLICY IMPLICATIONS:**

The District will use the revenue from the ten-year capital improvement local option tax to fund debt service for financing utilized to remodel and expand the Sunriver Public Safety Building.

**FISCAL IMPLICATIONS:**

None to the County; some indirect costs to the District.

**RECOMMENDATION & ACTION REQUESTED:**

Board signature of Resolution 2022-031 authorizing the Sunriver Service District to proceed with issuance of full faith and credit obligations not to exceed \$7,000,000 to finance a portion of the costs to remodel and expand the Sunriver Public Safety Building.

Board authorization of Chair signature of Order No. 2022-026, a Certificate relating to the authorization, issuance, sale and delivery of the identified credit obligations.

**ATTENDANCE:** SRSD, County Legal

**DISTRIBUTION OF DOCUMENTS:**

County Counsel  
SRSD

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON  
AS THE GOVERNING BODY OF THE SUNRIVER SERVICE DISTRICT

A Resolution Authorizing the Issuance, Sale,  
Execution and Delivery of Full Faith and Credit  
Obligations, in One or More Series, in an  
Aggregate Principal Amount Not to Exceed  
\$7,000,000 to Finance a Portion of the Costs of  
Constructing a New Public Safety Facility and to  
Pay Costs of Issuance Related Thereto;  
Designating an Authorized Representative;  
Delegating Responsibilities; and Related Matters

\*  
\*  
\*  
\*  
\*  
\*  
\*  
\*  
\*

RESOLUTION NO. 2022-031

WHEREAS, the Board of County Commissioners of Deschutes County, Oregon (the "Commission"), acting as the Governing Body of the Sunriver Service District (the "District") is authorized pursuant to the Statutes of the State of Oregon, specifically Oregon Revised Statutes ("ORS") Chapter 451, including ORS 451.490, and ORS 271.390 (collectively, the "Act"), to enter into contracts for the financing of any real or personal property that the District determines is needed and to secure such contracts by the full faith and credit of the District pursuant to ORS 287A.315; and

WHEREAS, the Commission, acting as the Governing Body of the District, adopted Resolution 2022-006, on February 9, 2022, directing the County Clerk of Deschutes County, Oregon (the "County Clerk"), pursuant to Article XI, Section 1(4)(b) of the Oregon Constitution and ORS 280.060, to submit to registered voters of the District the question of authorizing a ten-year capital levy of \$0.47 per \$1,000 of assessed value in the District (the "Capital Levy") to finance a portion of costs of constructing a new Public Safety Facility for the District (the "Project"); and

WHEREAS, pursuant to an election duly and legally held on May 17, 2022 (the "Capital Levy Election"), a majority of the electors of the District voted to approve the Capital Levy; and

WHEREAS, the County Clerk is expected to certify the results of the Capital Levy Election on June 13, 2022 (the "Election Certification"); and

WHEREAS, the Commission has determined that it is financially feasible and in the best interests of the District to issue full faith and credit obligations in an amount not to exceed \$[7,000,000] (the "Obligations") to finance the Project and to pay costs of issuance related thereto; and

WHEREAS, the Commission adopts this Resolution (i) to provide the terms under which the Obligations will be sold, executed and delivered and (ii) to designate an authorized representative of the District and delegate responsibilities; now therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as the GOVERNING BODY OF THE SUNRIVER SERVICE DISTRICT, as follows:

Section 1. Full Faith and Credit Obligations Authorized. Subject to and contingent upon the occurrence of the Election Certification, the Commission hereby authorizes the issuance of the Obligations by the District in one or more taxable or tax-exempt series to finance a portion of the costs of the Project and to pay costs of issuance related thereto. The true interest costs on the Obligations shall not exceed [five percent (5.00%)] per annum.

Section 2. Designation of Authorized Representative. The Commission designates the Commission Chair, the District Chair and their respective designees (collectively, the “Authorized Representative”), to act on behalf of the District and to determine the terms of the Obligations as specified in Section 8 hereof.

Section 3. Security. The full faith and credit and taxing powers of the District are pledged to the successive owners of each of the Obligations (the “Owners”) for the punctual payment of such obligations when due. The District covenants with the Owners to levy annually a direct ad valorem tax upon all of the taxable property within the District in the amount authorized by the Capital Levy, and outside of the limitations of section 11(3), Article XI of the Oregon Constitution.

Section 4. Form of the Obligations. The Obligations shall be prepared by Special Counsel in substantially the form approved by the Authorized Representative and shall be attached to the Financing Agreement (as defined herein).

Section 5. Execution of the Obligations. The Obligations shall be executed on behalf of the District with the manual or facsimile signature of the District Chair and attested to by the manual or facsimile signature of the Secretary or Treasurer of the District.

Section 6. Redemption of the Obligations and Notice of Redemption. The Obligations may be subject to optional redemption and mandatory redemption prior to maturity as determined by the Authorized Representative pursuant to this Resolution and as set forth in the Financing Agreement (as defined herein), including provisions with respect to the form, content and delivery of notices of redemption.

Section 7. Tax-Exempt Status. In the event the Obligations are issued as tax-exempt Obligations, the District covenants to use the proceeds of the Obligations, and the Project, and to otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), so that interest paid on the Obligations will not be includable in gross income of the Owners for federal income tax purposes. The District specifically covenants:

- (a) to comply with the “arbitrage” provisions of Section 148 of the Code, and to pay any rebates to the United States on the gross proceeds of the Obligations;
- (b) to operate the facilities financed with the proceeds of the Obligations so that the Obligations are not “private activity bonds” under Section 141 of the Code; and

- (c) comply with all reporting requirements.

The Authorized Representative may enter into covenants on behalf of the District to protect the tax-exempt status of the Obligations.

**Section 8. Delegation for Establishment of Terms and Sale of the Obligations.** The Authorized Representative is hereby authorized, on behalf of the District and without further action of the Commission, to:

- (a) establish the dated date, principal and interest payment dates, principal amounts, optional and mandatory redemption provisions, if any, interest rates, and denominations and all other terms for the Obligations;
- (b) negotiate, execute and deliver a financing agreement (the “Financing Agreement”) that among other things, sets forth the final terms, covenants, representations and agreements determined by the Authorized Representative to be necessary and appropriate in connection with the issuance, sale, execution and delivery of the Obligations and consistent with the intents and purposes set out in this Resolution;
- (c) appoint a paying agent and registrar for the Obligations, if applicable;
- (d) select one or more underwriters or lenders and negotiate the sale of any series of Obligations to such underwriters or lenders;
- (e) approve the form of Obligations;
- (f) enter into covenants regarding the use of the proceeds of the Obligations and the Project financed with the proceeds of the Obligations, to maintain the tax-exempt status of the Obligations;
- (g) establish funds and accounts under the Financing Agreement into which the proceeds of the Obligations shall be deposited, which funds and accounts shall be continually maintained, except as otherwise provided, so long as the Obligations remain unpaid;
- (h) approve, execute and deliver closing documents and certificates; and
- (i) execute and deliver a certificate specifying the action taken by the Authorized Representative pursuant to this Section 8, and any other certificates, documents or agreements that the Authorized Representative determines are desirable to issue, sell, deliver and administer the Obligations in accordance with this Resolution.

**Section 9. Defeasance.** The District may defease the Obligations pursuant to the terms of the Financing Agreement.

**Section 10. Appointment of Special Counsel.** The Commission acting as the governing body of the District hereby appoints Orrick, Herrington & Sutcliffe LLP as Special Counsel to the District with respect to the Obligations.

**Section 11. Resolution to Constitute Contract.** In consideration of the purchase and acceptance of any or all of the Obligations by the Owners, the provisions of this Resolution shall be part of the contract of the District with the Owners and shall be deemed to be and shall constitute a contract between the District and the Owners. The covenants, pledges, representations and agreements contained in this Resolution or in the closing documents executed in connection with the Obligations, including without limitation the District’s covenants and pledges contained in Sections 3 and 7 hereof, and the other covenants and agreements herein set forth to be performed by or on behalf of the District shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any of such Obligations over any other thereof, except as expressly provided in or pursuant to this Resolution.

///



Section 12. Effective Date of Resolution. This Resolution shall become effective immediately upon its adoption by the Commission.

Dated this \_\_\_\_\_ of June, 2022

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON, as  
the GOVERNING BODY OF THE  
SUNRIVER SERVICE DISTRICT

\_\_\_\_\_  
PATTI ADAIR, Chair

\_\_\_\_\_  
ANTHONY DeBONE, Vice Chair

\_\_\_\_\_  
PHIL CHANG, Commissioner

ATTEST:

\_\_\_\_\_  
Recording Secretary

**BOARD OF COUNTY COMMISSIONERS CERTIFICATE**

Board Order No. 2022-026

**[\$7,000,000]  
SUNRIVER SERVICE DISTRICT  
FULL FAITH AND CREDIT OBLIGATION  
SERIES 2022**

I, Patti Adair, as Chair of the Board of County Commissioners of Deschutes County (the “Board”), do hereby deliver this Certificate on behalf of the Board in connection with Resolution No. 2022-031 adopted by the Board, acting as the governing body of the Sunriver Service District (the “District”) on June 1, 2022 (the “Resolution”), authorizing, among other things, the issuance, sale, execution and delivery of the District’s \$[7,000,000] Full Faith and Credit Obligation, Series 2022 (the “Obligation”). Capitalized terms used but not otherwise defined herein shall have the meaning given in the Resolution.

To my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court or government, including Deschutes County (the “County”) or body pending or, to the best of the knowledge of the Board, threatened against the County to restrain or enjoin the enactment of the Resolution or the collection and application of the Security as contemplated by the Resolution, which, in the reasonable judgment of the County, would have a material and adverse effect on the ability of the District to pay the amounts due on the Obligation.

No default under the Resolution has occurred nor is one continuing.

The names of the members of the Board, their respective positions, and the dates of expiration of their respective terms of office are as follows:

<u>Name</u>	<u>Position</u>	<u>Service Expires</u>
Patti Adair, Chair	#3	2023
Anthony DeBone	#1	2023
Phil Chang	#2	2025

In accordance with ORS 192.630 and ORS 192.640, all meetings of the County relating to the final authorization, issuance, sale and delivery of the Obligation have been:

- i. open to the public, allowing all people to attend;
- ii. conducted in accordance with internal procedures of the County with a quorum of the Board in attendance;
- iii. held at places that do not practice discrimination on the basis of race, creed, color, sex, age, national origin or disability;

- iv. held within the geographic boundaries over which the Board has jurisdiction, or at the administrative headquarters of the County or at the other nearest practical location;
- v. announced by public notice reasonably calculated to give actual notice to interested persons, including news media which have requested notice, which public notice has included the time and place of the meeting and listed the principal subjects anticipated to be considered at such meeting; and
- vi. in the case of special meetings, announced with at least 24 hours' notice to members of the Board, the news media which have requested notice and to the general public.

***[SIGNATURE PAGE FOLLOWS]***

DATED \_\_\_\_\_ day of June 2022.

**BOARD OF COUNTY COMMISSIONERS,  
DESCHUTES COUNTY, OREGON**

By: \_\_\_\_\_  
Patti Adair  
Chair



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: June 1, 2022

SUBJECT: Consideration of Chair Signature of Document No. 2022-089, a Notice of Intent to Award Contract for Engineering Services for the Smith Rock Way Bridge and Gribbling Road Bridge Replacement Projects

RECOMMENDED MOTION:

Move approval of Board Chair signature of Document No. 2022-089.

BACKGROUND AND POLICY IMPLICATIONS:

Smith Rock Way Bridge (Bridge #15452) is a two-span timber bridge located east of the community of Terrebonne that carries Smith Rock Way, a rural arterial road, across the North Unit Canal. The bridge was constructed in 1971 and has a current sufficiency rating of 76.9. Notable deficiencies of the bridge include:

- The load-posted timber bridge is on a route that provides access to several aggregate pits and an asphalt concrete plant and that frequently serves as a detour for Oneil Hwy.
The bridge is functionally obsolete (narrow, substandard rail)

The Deschutes County Road Department is preparing to replace the existing Smith Rock Way Bridge with a single-span concrete bridge. The total project cost, including preliminary engineering and construction, is presently estimated at \$1,035,000. The total estimated project cost is obligated in the Department's 2022-2026 Capital Improvement Plan.

Gribbling Road Bridge (Bridge #17C30) is a single-span timber bridge located east of the City of Bend that carries Gribbling Road, a rural local road, across the Central Oregon Canal. The bridge was constructed in 1958 and has a current sufficiency rating of 35.1. In 1996, several timber members failed, and a temporary structure, consisting of a timber deck on steel beams bearing on concrete pads, was installed over the original structure. Notable deficiencies of the bridge include:

- The timber bridge is structurally deficient and supported by a temporary structure.
The bridge is currently posted with a 5 ton weight limit.

- The bridge is functionally obsolete (narrow, single lane, substandard rail)

The Department is preparing to also replace the existing Gribbling Road Bridge with a single-span concrete bridge. The total project cost, including preliminary engineering and construction, is estimated at \$864,700. The total estimated project cost is obligated in the Department’s 2022-2026 Capital Improvement Plan. Deschutes County has been awarded \$775,895 by the Oregon Department of Transportation (ODOT) through the Local Bridge Program and the State-Funded Local Project Program for replacement of the bridge.

The Department issued a request for proposals (RFP) for engineering and related services for both bridges to be bundled under a single services contract. The RFP was issued on October 13, 2021. Proposals were received no later than November 19, 2021. Two (2) proposals were received in response to the RFP from the following firms:

- David Evans and Associates, Inc.
- Otak, Inc.

The Department scored the proposals using a qualifications-based selection process pursuant to ORS 279C.110. Based on this process, David Evans and Associates, Inc. (“Consultant”) was selected as the top-ranking proposer on December 13, 2021. A summary of the proposal scoring is attached. Department staff conducted negotiations with the Consultant between December 13, 2021 and May 5, 2022.

This action will issue a Notice of Intent to Award the Contract and allows seven days for concerned parties to protest the award. If there is no protest received within the seven-day period, the Contract will be awarded to the Consultant.

**BUDGET IMPACTS:**

A portion of the project engineering cost is budgeted in the Road Capital Improvement Plan (CIP) budget for Fiscal Year 2022. The remaining project cost will be included in the proposed Road CIP budget for Fiscal Years 2023 and 2024.

**ATTENDANCE:**

Cody Smith, County Engineer



## BOARD OF COUNTY COMMISSIONERS

June 1, 2022

\*\*Posted on the Deschutes County, Oregon Bids and RFPs website at <http://www.deschutescounty.gov/rfps> prior to 5:00 PM on the date of this Notice.\*\*

Subject: **Notice of Intent to Award Contract**  
 Contract for Engineering Services for the Smith Rock Way Bridge and Gribbling Road Bridge Replacement Projects

To Whom It May Concern:

On June 1, 2022, the Board of County Commissioners of Deschutes County, Oregon considered proposals for the above-referenced project. The Board of County Commissioners determined that the contract for the above-referenced project shall be awarded to DAVID EVANS AND ASSOCIATES, INC. and that the maximum compensation under the contract shall be Five Hundred Twenty Three Thousand Eight Hundred Four and 55/100 dollars (\$523,804.55).

Any entity which believes that they are adversely affected or aggrieved by the intended award of contract set forth in this Notice of Intent to Award Contract may submit a written protest within seven (7) calendar days after the issuance of this Notice to the Board of County Commissioners of Deschutes County, Oregon, at Deschutes Services Building, 1300 NW Wall Street, Bend, Oregon 97703. **The seven (7) calendar day protest period will end at 5:00 PM on Wednesday, June 8, 2022.**

Any protest must be in writing and specify any grounds upon which the protest is based. Please refer to Oregon Administrative Rules (OAR) 137-047-0740. If a protest is filed within the protest period, a hearing will be held at a regularly-scheduled business meeting of the Board of County Commissioners of Deschutes County Oregon, acting as the Contract Review Board, in the Deschutes Services Building, 1300 NW Wall Street, Bend, Oregon 97703 within two (2) weeks of the end of the protest period.

If no protest is filed within the protest period, this Notice of Intent to Award Contract becomes an Award of Contract without further action by the County unless the Board of County Commissioners, for good cause, rescinds this Notice before the expiration of the protest period.

If you have any questions regarding this Notice of Intent to Award Contract or the procedures under which the County is proceeding, please contact Deschutes County Legal Counsel: telephone (541) 388-6625; fax (541) 383-0496; or e-mail to [david.doyle@deschutes.org](mailto:david.doyle@deschutes.org).

Be advised that if no protest is received within the stated time period, the County is authorized to process the contract administratively.

Sincerely,

---

Patti Adair, Chair



ROAD DEPARTMENT

December 13, 2021

Subject: Request for Proposals  
Engineering Consultant Services –  
Smith Rock Way Bridge and Gribbling Road Bridge Replacement  
Proposal Scoring Results

To Whom It May Concern:

The proposal evaluation committee has completed evaluation and scoring of the proposals received for the above-referenced project. The scoring results are as follows:

<u>Proposer</u>	<u>Total Score</u>	<u>Rank</u>
David Evans and Associates	265	1
Otak	257	2

The County will immediately begin contract negotiation with the top-ranked proposer, David Evans and Associates. If the County and the top-ranked proposer are not able to negotiate a contract, the County will initiate negotiation with the second-ranked proposer. Upon executing a professional services contract for the Project, the Department will make the proposals and evaluation comments available for public inspection.

Please contact me at [cody.smith@deschutes.org](mailto:cody.smith@deschutes.org) or (541)-322-7113 with any questions or concerns.

Sincerely,

Cody Smith, PE  
County Engineer





BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: June 1, 2022

SUBJECT: Authorization of Rate Adjustments for Deschutes Transfer and Approval of Additional Container Services for Republic Services' Wilderness Disposal Service Area

RECOMMENDED MOTION:

Approval of Board Order 2022-029 to provide for a 20% rate adjustment for services provided to Deschutes County by Deschutes Transfer and authorization for Republic Services to implement additional container services and rates in their Wilderness Disposal service area.

BACKGROUND AND POLICY IMPLICATIONS:

Deschutes Transfer Rate Request

Deschutes Transfer provides waste and recycling transfer services from the County's four rural transfer stations. Waste received at these facilities is hauled to Knott Landfill for disposal. Recyclables received at the transfer stations are accumulated in drop boxes rented from Deschutes Transfer and, depending on the commodity, are hauled to the Recycling Center at Knott Landfill for processing (primarily for Freon recovery from refrigerators, freezers and air conditioners), or are delivered to Republic Services' Mid-Oregon Recycling facility where the materials are consolidated for shipment to out-of-County recycling processors.

As shown on the attached 2022 Rate Adjustment Request Detail, Deschutes Transfer operated at a very low net income margin of 0.68% in 2021. Their projection for 2022 shows that they will be operating at a -7.98% loss through 2022. The primary cost increases contributing to the revenue decline include employee wages, fuel and oil, repair and maintenance and depreciation. Republic Services has requested a 20% rate increase for the services they provide to the Solid Waste Department. This rate increase will bring their net income up to 10.02%, which is within the allowed 9-12% net revenue margin for the franchise. After review of the request and discussions with Republic Services, staff feels that the rate adjustment request is warranted and appropriate. It should be noted that the last rate increase granted to Deschutes Transfer was in August 2017.

A comparison of the current and proposed rate changes are shown on the following table.

<b>Waste Transfer Rates</b>	<b>Current Rate</b>	<b>Proposed Rate</b>
Northwest Transfer Station	\$304.00 /load	\$364.80 /load
Southwest Transfer Station	\$304.00 /load	\$364.80 /load
Alfalfa Transfer Station	\$150.00 /load	\$180.00 /load
Negus Transfer Station	\$13.94 /ton	\$16.73 /ton
<b>Recycling Transfer Rates</b>		
Northwest Transfer Station	\$135.00 /load	\$162.00 /load
Southwest Transfer Station	\$135.00 /load	\$162.00 /load
Alfalfa Transfer Station	\$135.00 /load	\$162.00 /load
Negus Transfer Station	\$135.00 /load	\$162.00 /load
<b>Container Rental Rate</b>		
40 cubic yard Security Box	\$87.50 /month	\$105.00 /month
30 cubic yard Drop Box	\$70.00 /month	\$84.00 /month
40 cubic yard Drop Box	\$51.50 /month	\$61.80 /month

**Wilderness Garbage and Disposal Service Additions**

Republic Services recently added a front load truck to their fleet which can accommodate larger size commercial containers. With this, they will be able to incorporate two larger waste containers into the service offering for their commercial customers. It is anticipated that commercial customers electing to move to the larger bins will see service cost savings through the reduction of pick-up frequency needed.

The attached Board Order 2022-029 includes both the rate increase for Deschutes Transfer and the service addition and rates for Wilderness Disposal.

**BUDGET IMPACTS:**

Funds have been budgeted in the FY23 Solid Waste Operating Budget for the Deschutes Transfer rate increase.

**ATTENDANCE:**

Chad Centola, Director of Solid Waste  
 Tim Brownell, Incoming Director of Solid Waste

REVIEWED  
LEGAL COUNSEL

06/01/2022 Item #9.

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Establishing Rates for Franchised \*  
Collection and Transfer of Waste and Recyclables \* ORDER NO. 2022-029  
in the Unincorporated Areas of Deschutes County \*  
\*

WHEREAS, Certain companies holding County franchises to collect and transfer solid waste within unincorporated areas of Deschutes County, Oregon have requested a rate increase and service addition in accordance with County policy; and

WHEREAS, The Director of Solid Waste and the County Administrator have reviewed the rate request and service addition and made recommendations regarding rates and services; and

WHEREAS, The Board of County Commissioners has reviewed the proposed adjustments and the Director of Solid Waste’s recommendation; now, therefore,

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

Section 1. The maximum rates for collection of solid waste within the unincorporated area of Deschutes County designated as the Distant Rural Collection Area served by Wilderness Garbage and Recycling Services set forth in Exhibit A, attached hereto and by this reference incorporated herein, are hereby approved effective June 1, 2022.

Section 2. The maximum rates for collection of solid waste within the unincorporated area of Deschutes County designated as the Rural Collection Area served by Cascade Disposal set forth in Exhibit B, attached hereto and by this reference incorporated herein, are hereby approved effective June 1, 2022.

Section 3. The maximum rates for collection of solid waste within the unincorporated area of Deschutes County designated as the Distant Rural Collection Area served by Cascade Disposal set forth in Exhibit C, attached hereto and by this reference incorporated herein, are hereby approved effective June 1, 2022.

Section 4. The maximum rates for collection of solid waste within the unincorporated area of Deschutes County designated as the Rural Collection Area served by Bend Garbage and Recycling Company, Inc. and High Country Disposal Company, Inc. set forth in Exhibit D, attached hereto and by this reference incorporated herein, are hereby approved effective June 1, 2022.

Section 5. The maximum rates for collection of solid waste within the unincorporated area of Deschutes County designated as the Distant Rural Collection Area served by Bend Garbage and Recycling Company, Inc. and High Country Disposal Company, Inc. set forth in Exhibit E, attached hereto and by this reference incorporated herein, are hereby approved effective June 1, 2022.

Section 6. The maximum rates for container rental and transfer of solid waste and recyclables collected at Deschutes County’s Northwest, Southwest, Alfalfa and Negus Transfer Stations provided by Deschutes

Transfer set forth in Exhibit F, attached hereto and by this reference incorporated herein, are hereby approved effective June 1, 2022.

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

**Exhibit A**

**Maximum Rates for the Collection of Solid Waste within the  
Unincorporated Distant Rural Collection Area Served by  
Wilderness Garbage and Recycling Services  
Can and Roll Cart Services – Effective June 1, 2022**

Class of Service	Rate (per month)					
<b>One pickup of one can each week:</b>						
20 gallon can:						
Curb or Roadside	\$15.45					
Backyard or other	\$17.55					
35 gallon can:						
Curb or Roadside	\$18.18					
Backyard or other	\$20.58					
65 gallon can:						
Curb or Roadside	\$30.06					
Backyard or other	\$34.66					
95 gallon can:						
Curb or Roadside	\$37.94					
Backyard or other	\$40.84					
<b>One pickup of additional one each week:</b>						
35 gallon can:						
Curb or Roadside	\$12.53					
Backyard or other	\$14.68					
<b>Special Services:</b>						
35 gallon can:						
Special curb or roadside pickup (rate per pickup)	\$11.65					
Backyard or other	\$12.58					
<b>Bulk Rate for the Collection of Bulk Refuse:</b>						
\$13.60 per cubic yard "or" a service fee of \$67.00/hour for 1 truck and driver (\$96.60/hour for 2 workers) plus disposal fees.						
If the need for a type of service arises that is not now foreseen or specifically covered by this rate schedule, then the charge for such service shall be:						
<ol style="list-style-type: none"> <li>1. Uniform and non-discriminatory between customers of a collector;</li> <li>2. Commensurate with the rates generally charged in unincorporated Deschutes County;</li> <li>3. Subject to approval by Deschutes County.</li> </ol>						
Container Service Provided	Number of Pickups/Week					
	1	2	3	4	5	6
1.5 cubic yard container	\$155.57	\$281.97	\$408.35	\$539.75	\$661.11	\$787.54
2 cubic yard container	\$201.59	\$368.02	\$534.47	\$700.88	\$867.31	\$1,033.74
3 cubic yard container	\$277.30	\$504.15	\$731.02	\$957.90	\$1,184.76	\$1,411.64
4 cubic yard container	\$352.17	\$640.27	\$928.40	\$1,216.53	\$1,504.65	\$1,792.78
6 cubic yard container	\$447.26	\$813.14	\$1,179.06	\$1,545.00	\$1,910.90	\$2,276.83
<b>Compactor Container Rates:</b>						
Compactor containers will have a disposal charge 3.0 times the uncompacted disposal rate. The service fee shall be the same as those charged for uncompacted containers.						

**Exhibit B**

**Maximum Rates for the Collection of Solid Waste within the  
Unincorporated Rural Collection Area Served by Cascade Disposal  
Can and Roll Cart Services – Effective June 1, 2022**

Class of Service	Rate (per month)					
<b>One pickup of one can each week:</b>						
20 gallon can:						
Curb or Roadside	\$14.85					
Backyard or other	\$16.55					
35 gallon can:						
Curb or Roadside	\$17.75					
Backyard or other	\$19.70					
65 gallon can:						
Curb or Roadside	\$27.55					
Backyard or other	\$30.65					
95 gallon can:						
Curb or Roadside	\$33.80					
Backyard or other	\$36.10					
<b>One pickup of additional one each week:</b>						
35 gallon can:						
Curb or Roadside	\$10.25					
Backyard or other	\$11.95					
<b>Special Services:</b>						
35 gallon can special pickup (rate per pickup)	\$12.45					
<b>Bulk Rate for the Collection of Bulk Refuse:</b>						
\$12.50 per cubic yard "or" a service fee of \$60.50/hour for 1 truck and driver (\$87.10/hour for 2 workers) plus disposal fees.						
If the need for a type of service arises that is not now foreseen or specifically covered by this rate schedule, then the charge for such service shall be:						
<ol style="list-style-type: none"> <li>1. Uniform and non-discriminatory between customers of a collector;</li> <li>2. Commensurate with the rates generally charged in unincorporated Deschutes County;</li> <li>3. Subject to approval by Deschutes County.</li> </ol>						
Container Service Provided	Number of Pickups/Week					
	1	2	3	4	5	6
1 cubic yard container	\$92.12	\$166.02	\$239.97	\$313.76	\$387.79	\$461.70
1.5 cubic yard container	\$125.99	\$232.29	\$338.52	\$444.79	\$551.08	\$657.38
2 cubic yard container	\$163.32	\$303.37	\$443.41	\$583.45	\$723.48	\$863.52
3 cubic yard container	\$226.22	\$418.12	\$610.09	\$802.03	\$993.98	\$1,185.91
4 cubic yard container	\$283.92	\$526.67	\$769.45	\$1,012.25	\$1,254.98	\$1,497.74
5 cubic yard container	\$342.69	\$634.00	\$925.30	\$1,216.58	\$1,507.87	\$1,799.19
6 cubic yard container	\$398.14	\$734.75	\$1,071.36	\$1,407.97	\$1,744.57	\$2,081.16
8 cubic yard container	\$489.90	\$904.90	\$1,319.88	\$1,734.87	\$2,149.87	\$2,564.86
<b>Compactor Container Rates:</b>						
Compactor containers will have a disposal charge 3.0 times the uncompacted disposal rate. The service fee shall be the same as those charged for uncompacted containers.						

**Maximum Rates for the Collection of Solid Waste within the  
Unincorporated Distant Rural Collection Area Served by Cascade Disposal  
Can and Roll Cart Services – Effective June 1, 2022**

Class of Service	Rate (per month)					
<b>One pickup of one can each week:</b>						
20 gallon can:						
Curb or Roadside	\$15.95					
Backyard or other	\$18.15					
32 gallon can:						
Backyard or other with weekly comingle and glass collection (Sunriver only)	\$34.85					
35 gallon can:						
Curb or Roadside	\$18.40					
Backyard or other	\$20.85					
65 gallon can:						
Curb or Roadside	\$30.35					
Backyard or other	\$35.00					
95 gallon can:						
Curb or Roadside	\$38.05					
Backyard or other	\$41.00					
<b>One pickup of additional one each week:</b>						
35 gallon can:						
Curb or Roadside	\$12.60					
Backyard or other	\$14.80					
<b>Special Services:</b>						
35 gallon can special pickup (rate per pickup)	\$11.70					
<b>Bulk Rate for the Collection of Bulk Refuse:</b>						
\$14.10 per cubic yard "or" a service fee of \$71.50/hour for 1 truck and driver (\$100.15/hour for 2 workers) plus disposal fees.						
If the need for a type of service arises that is not now foreseen or specifically covered by this rate schedule, then the charge for such service shall be:						
1. Uniform and non-discriminatory between customers of a collector;						
2. Commensurate with the rates generally charged in unincorporated Deschutes County;						
3. Subject to approval by Deschutes County.						
Container Service Provided	Number of Pickups/Week					
	1	2	3	4	5	6
1 cubic yard container	\$114.12	\$205.65	\$296.65	\$387.91	\$479.14	\$570.39
1.5 cubic yard container	\$155.86	\$286.97	\$418.05	\$549.17	\$680.26	\$811.40
2 cubic yard container	\$201.97	\$374.68	\$547.41	\$720.12	\$892.86	\$1,065.87
3 cubic yard container	\$279.37	\$515.67	\$752.01	\$988.35	\$1,224.67	\$1,461.00
4 cubic yard container	\$350.29	\$648.85	\$947.44	\$1,246.03	\$1,544.63	\$1,843.19
5 cubic yard container	\$422.52	\$780.44	\$1,138.42	\$1,496.37	\$1,854.33	\$2,212.31
6 cubic yard container	\$490.58	\$903.85	\$1,317.11	\$1,730.40	\$2,143.69	\$2,556.97
8 cubic yard container	\$602.65	\$1,111.24	\$1,619.79	\$2,128.36	\$2,636.93	\$3,145.51
<b>Compactor Container Rates:</b>						
Compactor containers will have a disposal charge 3.0 times the uncompacted disposal rate. The service fee shall be the same as those charged for uncompacted containers.						

**Exhibit D**

**Maximum Rates for the Collection of Solid Waste within the  
Unincorporated Rural Collection Area Served by  
Bend Garbage and Recycling Company, Inc. and High Country Disposal Company, Inc.  
Can and Roll Cart Services – Effective June 1, 2022**

Class of Service	Rate (per month)					
<b>One pickup of one can each week:</b>						
20 gallon can:						
Curb or Roadside	\$15.44					
Backyard or other	\$17.21					
35 gallon can:						
Curb or Roadside	\$18.46					
Backyard or other	\$20.49					
65 gallon can:						
Curb or Roadside	\$28.65					
Backyard or other	\$31.88					
95 gallon can:						
Curb or Roadside	\$35.15					
Backyard or other	\$37.54					
<b>One pickup of additional one each week:</b>						
35 gallon can:						
Curb or Roadside	\$10.66					
Backyard or other	\$12.43					
<b>Special Services:</b>						
35 gallon special pickup (rate per pickup)	\$12.95					
<b>Bulk Rate for the Collection of Bulk Refuse:</b> \$13.00 per cubic yard "or" a service fee of \$62.92/hour for 1 truck and driver (\$90.58/hour for 2 workers) plus disposal fees.						
If the need for a type of service arises that is not now foreseen or specifically covered by this rate schedule, then the charge for such service shall be:						
<ol style="list-style-type: none"> <li>1. Uniform and non-discriminatory between customers of a collector;</li> <li>2. Commensurate with the rates generally charged in unincorporated Deschutes County;</li> <li>3. Subject to approval by Deschutes County.</li> </ol>						
Container Service Provided	Number of Pickups/Week					
	1	2	3	4	5	6
1 cubic yard container	\$95.80	\$172.66	\$249.57	\$326.31	\$403.30	\$480.17
1.5 cubic yard container	\$131.03	\$241.58	\$352.06	\$462.58	\$573.12	\$683.68
2 cubic yard container	\$169.85	\$315.50	\$461.15	\$606.79	\$752.42	\$898.06
3 cubic yard container	\$235.27	\$434.84	\$634.49	\$834.11	\$1,033.74	\$1,233.35
4 cubic yard container	\$295.28	\$547.74	\$800.23	\$1,052.74	\$1,305.18	\$1,557.65
5 cubic yard container	\$356.40	\$659.36	\$962.31	\$1,265.24	\$1,568.18	\$1,871.16
6 cubic yard container	\$414.07	\$764.14	\$1,114.21	\$1,464.29	\$1,814.35	\$2,164.41
8 cubic yard container	\$509.50	\$941.10	\$1,372.68	\$1,804.26	\$2,235.86	\$2,667.45
<b>Compactor Container Rates:</b> Compactor containers will have a disposal charge 3.0 times the uncompacted disposal rate. The service fee shall be the same as those charged for uncompacted containers.						



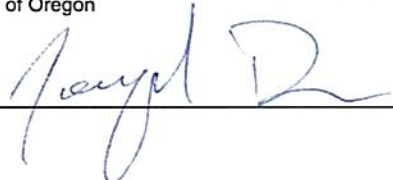
<b>Exhibit E</b>						
<b>Maximum Rates for the Collection of Solid Waste within the Unincorporated Distant Rural Collection Area Served by Bend Garbage and Recycling Company, Inc. and High Country Disposal Company, Inc. Cans and Roll Cart Services – Effective June 1, 2022</b>						
<b>Class of Service</b>					<b>Rate (per month)</b>	
<b>One pickup of one can each week:</b>						
20 gallon can:						
Curb or Roadside					\$16.59	
Backyard or other					\$18.88	
35 gallon can:						
Curb or Roadside					\$19.14	
Backyard or other					\$21.68	
65 gallon can:						
Curb or Roadside					\$31.56	
Backyard or other					\$36.40	
95 gallon can:						
Curb or Roadside					\$39.57	
Backyard or other					\$42.64	
<b>One pickup of additional one each week:</b>						
35 gallon can:						
Curb or Roadside					\$13.10	
Backyard or other					\$15.39	
<b>Special Services:</b>						
35 gallon can special (rate per pickup)					\$12.17	
<b>Bulk Rate for the Collection of Bulk Refuse:</b>						
\$14.64 per cubic yard "or" a service fee of \$74.36/hour for 1 truck and driver (\$104.16/hour for 2 workers) plus disposal fees.						
If the need for a type of service arises that is not now foreseen or specifically covered by this rate schedule, then the charge for such service shall be:						
1. Uniform and non-discriminatory between customers of a collector; 2. Commensurate with the rates generally charged in unincorporated Deschutes County; 3. Subject to approval by Deschutes County.						
Container Service Provided	Number of Pickups/Week					
	1	2	3	4	5	6
1 cubic yard container	\$118.68	\$213.57	\$308.52	\$403.43	\$498.31	\$593.21
1.5 cubic yard container	\$162.09	\$298.45	\$434.77	\$571.14	\$707.47	\$843.86
2 cubic yard container	\$210.05	\$389.67	\$569.31	\$748.92	\$928.57	\$1,108.19
3 cubic yard container	\$290.54	\$536.30	\$782.09	\$1,027.88	\$1,273.66	\$1,519.44
4 cubic yard container	\$364.30	\$674.80	\$985.34	\$1,295.87	\$1,606.42	\$1,916.92
5 cubic yard container	\$439.42	\$811.66	\$1,183.96	\$1,556.22	\$1,928.50	\$2,300.80
6 cubic yard container	\$510.20	\$940.00	\$1,369.79	\$1,799.62	\$2,229.44	\$2,659.25
8 cubic yard container	\$626.76	\$1,155.69	\$1,684.58	\$2,213.49	\$2,742.41	\$3,271.33
<b>Compactor Container Rates:</b>						
Compactor containers will have a disposal charge 3.0 times the uncompacted disposal rate. The service fee shall be the same as those charged for uncompacted containers.						

<b>Exhibit F</b>	
<b>Rates for Container Rental and Transfer Services Provided by Deschutes Transfer Company to the Department of Solid Waste Effective June 1, 2022</b>	
<b>Refuse Transfer Rates</b>	
Northwest Transfer Station	\$364.80/load
Southwest Transfer Station	\$364.80/load
Alfalfa Transfer Station	\$180.00/load
Negus Transfer Station	\$16.73/ton
<b>Recycling Drop Box Transfer Rates</b>	
Northwest Transfer Station	\$162.00/load
Southwest Transfer Station	\$162.00/load
Alfalfa Transfer Station	\$162.00/load
Negus Transfer Station	\$162.00/load
<b>Container Rental Rates</b>	
40 cubic yard security box	\$105.00/month
30 cubic yard drop box	\$74.00/month
40 cubic yard drop box	\$61.80/month

**Republic Services-Deschutes Transfer  
2022 Rate Adjustment Request  
Actual and Projected Financial Information**

REVENUES	ACTUAL 2021	PROJECTION 2022	2021 vs 2022	2021 vs 2022 %	PROJECTION 2022 +20%
Refuse Transfer	865,917.14	887,367.39	21,450.25	2.42%	1,064,841
Recycle Box - Haul	123,685.84	127,891.16	4,205.32	3.29%	153,469
Recycle Box - Rent	25,640.67	26,512.45	871.78	3.29%	31,815
Contract Hauling	0.00	0.00	0.00	0.00%	0
Co-Mingled Recycling Hauls	102,531.09	99,000.00	(3,531.09)	-3.57%	118,800
<b>TOTAL REVENUES</b>	<b>1,117,774.74</b>	<b>1,140,771.00</b>	<b>22,996.26</b>	<b>2.02%</b>	<b>1,368,925.20</b>
<b>OPERATING COSTS</b>					
<b>COLLECTION COSTS</b>					
Wages	414,490.86	427,898.00	13,407.14	3.13%	427,898.00
Payroll Taxes	26,282.02	27,135.00	852.98	3.14%	27,135.00
Employee Benefits	40,527.36	39,266.00	(1,261.36)	-3.21%	39,266.00
Fuel and Oil	114,957.37	130,731.00	15,773.63	12.07%	130,731.00
Repairs and Maintenance	91,536.97	155,943.00	64,406.03	41.30%	155,943.00
Equipment Rental	0.00	0.00	0.00	0.00%	0.00
Depreciation	119,916.15	134,898.00	14,981.85	11.11%	134,898.00
Insurance	44,827.56	46,599.00	1,771.44	3.80%	46,599.00
Supplies	0.00	0.00	0.00	0.00%	0.00
Other Operating Costs	7,476.24	9,543.00	2,066.76	21.66%	9,543.00
<b>TOTAL COLLECTION COSTS</b>	<b>860,014.53</b>	<b>972,013.00</b>	<b>111,998.47</b>	<b>11.52%</b>	<b>972,013.00</b>
<b>GENERAL AND ADMINISTRATIVE COSTS</b>					
Management Salaries	71,990.90	80,103.00	8,112.10	10.13%	80,103.00
Advertising and Promotion	0.00	0.00	0.00	0.00%	0.00
Legal Fees	0.00	0.00	0.00	0.00%	0.00
Professional Fees	251.30	459.00	207.70	45.25%	459.00
Telephone and Utilities	4,281.22	1,468.00	(2,813.22)	-191.64%	1,468.00
Taxes and Licenses	52,579.76	51,727.00	(852.76)	-1.65%	51,727.00
Dues and Subscriptions	3,777.48	3,851.00	73.52	1.91%	3,851.00
Rent	25,247.74	25,680.00	432.26	1.68%	25,680.00
Office Expenses	215.35	305.00	89.65	29.39%	305.00
Postage and Freight	0.00	58.00	58.00	100.00%	58.00
Travel and Lodging	0.00	0.00	0.00	0.00%	0.00
Meals and Entertainment	0.00	0.00	0.00	0.00%	0.00
Miscellaneous	55,987.68	56,225.00	237.32	0.42%	56,225.00
Interest expense - Allowable	0.00	0.00	0.00	0.00%	0.00
Franchise Fees	35,811.81	39,927.00	4,115.19	10.31%	39,927.00
<b>TOTAL GENERAL AND ADMINISTRATIVE COSTS</b>	<b>250,143.24</b>	<b>259,803.00</b>	<b>9,659.76</b>	<b>3.72%</b>	<b>259,803.00</b>
<b>TOTAL OPERATING COSTS</b>	<b>1,110,157.77</b>	<b>1,231,816.00</b>	<b>121,658.23</b>	<b>9.88%</b>	<b>1,231,816.00</b>
<b>NET INCOME</b>	<b>7,616.97</b>	<b>(91,045.00)</b>	<b>(98,661.97)</b>	<b>-7.86%</b>	<b>137,109.20</b>
	<b>0.68%</b>	<b>-7.98%</b>	<b>-8.66%</b>	<b>108.54%</b>	<b>10.02%</b>

Prepared by: Republic Services of Oregon

Signature of General Manager  Date: 5/19/2022



## BOARD OF COMMISSIONERS

# AGENDA REQUEST & STAFF REPORT

**MEETING DATE:** June 1, 2022

**SUBJECT:** Deliberation – Community Development Department Draft Fiscal Year 2022-23  
Work Plan

**RECOMMENDED MOTION:**

*Move approval of \_\_\_\_.*

**BACKGROUND AND POLICY IMPLICATIONS:**

Each spring, CDD prepares an annual work plan describing proposed projects for the coming fiscal year. A review of the draft work plan provides the Planning Commission, Historic Landmarks Commission, County Administration, CDD's customers, partner agencies, and the Board an opportunity to provide input, including additions, modifications and possible re-prioritization. The work plan describes the most important objectives and proposed projects in each CDD division based on:

1. Board annual goals and policies;
2. Carry-over projects from current or prior years;
3. Changes in state law;
4. Grants/funding sources; and
5. Public comments.

It also serves as the context within which new projects that arise during the course of the year are prioritized and initiated.

**BUDGET IMPACTS:**

*None.*

**ATTENDANCE:**

*Peter Gutowsky, CDD Director*

*Will Groves, Planning Manager*



COMMUNITY DEVELOPMENT

MEMORANDUM

TO: Deschutes County Board of Commissioners
FROM: Peter Gutowsky, AICP, Director
CDD Management Team
DATE: May 25, 2022
SUBJECT: Deliberations – Community Development Department Draft Fiscal Year 2022-23 Work Plan

I. SUMMARY

The purpose of this Board of County Commissioners (Board) agenda item is to deliberate on and adopt the Community Development Department (CDD) Fiscal year (FY) 2022-23 Work Plan (Attachment).

II. BACKGROUND

The Board conducted a public hearing on the Draft CDD FY 2022-23 Work Plan and 2021 Annual Report on May 11 and received oral and written testimony. Previously, the Planning Commission conducted a work session, public hearing and recommended the long range work plan to the Board.

III. BOARD DECISIONS

Below are decision points for the Board to consider in adopting the FY CDD 2022-23 Work Plan:

- 1. Affirm or amend the projects in Table 1, which are priority discretionary and non-discretionary projects.
2. Affirm or amend the Planning Division operational responsibilities, regional coordination duties, and code maintenance tasks in Table 2.
3. Affirm or amend the low priority projects in Table 3.
4. Consider other projects recommended by members of the public (see Table 3).

The Planning Commission endorsed the projects listed in Table 1, considering all of them noteworthy projects for the community. To the extent that resources become available, they recommended several projects that could lead to zoning text amendments pertaining to livability, economic development, and environmental sustainability:

- Dark skies
- Destination resort eligibility
- Environmental sustainability
- Overnight lodging vacation rentals
- Temporary uses of recreational vehicles
- Water resources
- Wireless telecommunication

Table 1 captures priority discretionary and nondiscretionary projects that are supported by the Board, grant funded, or in process.

**Table 1 – Priority Discretionary and Non-discretionary Projects**

Priority Projects	
1. Current Planning <sup>1</sup>	6. New Mule Deer Wildlife Inventory
2. Comprehensive Plan 2040 Update	7. SB 762, Wildfire Mitigation
3. Tumalo Community Plan Update (TGM Grant)	8. Transportation System Plan (TSP) Update
4. Sisters Country Trails (TGM Grant)	9. Historic Preservation (CLG Grant)
5. SB 391, Rural Accessory Dwelling Units	10. City of Bend Urban Growth Boundary (UGB), HB 4079, Affordable Housing Project

Table 2 identifies ongoing Planning Division operational responsibilities, regional coordination duties, and code maintenance tasks. These projects in their totality range from “minor” to “moderate”, requiring staffing resources that span 2 to 8 months to complete.

**Table 2 – Operational Responsibilities, Coordination Duties, and Code Maintenance**

Category	Projects
<b>Operational Responsibilities</b>	<ol style="list-style-type: none"> <li>1. Destination Resort and Overnight Lodging Reporting</li> <li>2. Marijuana inspections</li> <li>3. Population estimates and forecasting</li> <li>4. Staffing Historic Landmarks Commission (HLC), Bicycle and Pedestrian Advisory Committee (BPAC), and Mitigation and Advisory Committee (M&amp;E)</li> <li>5. Participate in 2023 Legislative Session</li> <li>6. Support internal County departments (new landfill siting, etc.).</li> </ol>

<sup>1</sup> Current Planning responsibilities are non-discretionary. Local land use decisions are subject to specific deadlines per state law. ORS 215.427.

Category	Projects
<b>Coordination Duties</b>	<p>7. City of Bend Coordination</p> <ul style="list-style-type: none"> <li>• Update and adopt the Bend Airport Master Plan (BAMP) and amend the County’s Comprehensive Plan and Development Code</li> <li>• Coordinate on growth management issues.</li> </ul> <p>8. City of La Pine Coordination</p> <ul style="list-style-type: none"> <li>• Participate in updating County-owned New Neighborhood comprehensive plan designations, master plan, and zoning codes.</li> </ul> <p>9. City of Redmond Coordination</p> <ul style="list-style-type: none"> <li>• Coordinate with City of Redmond and Central Oregon Intergovernmental Council (COIC) on CORE3, a multi-stakeholder regional emergency coordination center</li> <li>• Coordinate on growth management issues.</li> </ul> <p>10. City of Sisters Coordination</p> <ul style="list-style-type: none"> <li>• Participate in the implementation of Sisters Country Vision Plan and City of Sisters Comprehensive Plan Update.</li> <li>• Coordinate on growth management issues.</li> </ul> <p>11. Growth management committees, Bend Metropolitan Planning Organization (MPO), and Oregon Department of Transportation (ODOT)</p> <p>12. Sage Grouse Coordination (<b>proposed recently by the Board</b>)</p>
<b>Code Maintenance</b>	13. Housekeeping Amendments

Table 3 lists discretionary zoning text amendments. These are “lower” priority projects, requiring staffing resources that span 4 to 12 months or longer to complete.

**Table 3 – Low Priority Zoning Text Amendments**

Category	Projects
<p style="text-align: center;"><b>Zoning Text Amendments</b></p>	<ol style="list-style-type: none"> <li>1. Remove 10% reduction limit to property line adjustments in for farm and forest zoned properties</li> <li>2. Outdoor Mass Gatherings to be addressed more thoroughly (HB 2790, 2019, allows counties to treat OMG as land use decisions)</li> <li>3. Outdoor and Greenhouse Lighting Control Ordinance to comply with new technologies and Dark Skies best practices</li> <li>4. Introduce re-platting requirements for major serial lot line adjustments in subdivisions</li> <li>5. Sign code to become consistent with federal law by removing content limitations</li> <li>6. Accessory structure amendments clarifying they must be built concurrent with or after the establishment of a primary residence. Specify allowed facilities (baths, cook tops, wet bar) in residential accessory structures (<b>proposed by Deschutes County Current Planning Section and Code Compliance</b>)</li> <li>7. Section 6409(a) of the Spectrum Act (Wireless Telecommunication Amendments)</li> <li>8. In conduit hydroelectric generation code amendments</li> <li>9. Revisit Ham Radio Tower regulations to reflect building code updates and other issues</li> <li>10. Amend Deschutes County Code to prevent the siting of future destination resorts (<b>proposed by a Deschutes County resident</b>)</li> <li>11. Update regulations pertaining to temporary use of recreational vehicles as dwellings to better address occupancy, sewage, waste, fire hazards, and wetland impacts. (<b>proposed by Deschutes County residents</b>)</li> <li>12. Amend Deschutes County Code to address wireless telecommunication facilities proposed in Oregon Department of Transportation right-of-way (<b>proposed by a Deschutes County resident</b>)</li> </ol>

**IV. DRAFT MOTIONS**

1. Move to approve the CDD FY 2022-23 Work Plan as recommended by the Planning Commission;  
or
2. Move to approve the CDD FY 2022-23 Work Plan as recommended by the Planning Commission with the amendments decided by the Board at this meeting.

Attachment:

Draft CDD FY 2022/2023 Work Plan and 2021 Annual Report





# COMMUNITY DEVELOPMENT

## FY 2022-23 **DRAFT** Work Plan & 2021 Annual Report



117 NW Lafayette Avenue  
P.O. Box 6005  
Bend, OR 97703  
[www.deschutes.org/cd](http://www.deschutes.org/cd)  
(541) 388-6575

Building Safety  
Code Compliance  
Coordinated Services  
Environmental Soils  
Planning

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# Introduction

## Mission Statement

The Community Development Department (CDD) facilitates orderly growth and development in the Deschutes County community through coordinated programs of Building Safety, Code Compliance, Coordinated Services, Environmental Soils, Planning and education and service to the public.

## Purpose

The 2021 Annual Report and 2022-23 Work Plan highlight the department’s accomplishments, goals and objectives and are developed to:

- Report on achievements and performance.
- Implement the Board of County Commissioners (BOCC) goals and objectives.
- Implement the Deschutes County Customer Service “Every Time” Standards.
- Effectively and efficiently manage organizational assets, capabilities and finances.
- Fulfill the department’s regulatory compliance requirements.
- Enhance the County as a safe, sustainable and highly desirable place to live, work, learn, recreate, visit and more; and
- Address changes in state law.

## Adoption

The BOCC adopted this report on **May / June XX, 2022**, after considering public, stakeholder and partner organization input and Planning Commission and Historic Landmarks Commission recommendations. The Work Plan often includes more projects than there are resources available. CDD coordinates with the BOCC throughout the year to prioritize and initiate projects. Projects not initiated are often carried over to future years.

## Pandemic Operations

CDD continues to provide services under the State’s health and safety framework following recommended safety measures to protect staff and customers while providing essential public services to support the Central Oregon economy.



# Elected & Appointed Officials

### **BOARD OF COUNTY COMMISSIONERS**

Patti Adair, Chair, January 2023  
Anthony DeBone, Vice Chair, January 2023  
Phil Chang, Commissioner, January 2025

### **COUNTY ADMINISTRATION**

Nick Lelack, County Administrator  
Erik Kropp, Deputy County Administrator  
Whitney Hale, Deputy County Administrator

### **PLANNING COMMISSION**

Jessica Kieras— Redmond Area (Chair), 6/30/26  
Susan Altman—Bend Area (Vice Chair), 6/30/24  
Steve Swisher—Sisters Area, 6/30/22  
Dale Crawford — At Large, 6/30/23  
Maggie Kirby—Bend Area, 6/30/23  
Toni Williams—South County Area, 6/30/25  
Nathan Hovekamp—At Large, 6/30/24

### **HISTORIC LANDMARKS COMMISSION**

Kelly Madden— Unincorporated Area (Chair), 3/31/24  
Sharon Leighty— Unincorporated Area (Vice Chair), 3/31/26  
Dan Ellingson—Pioneer Association, 3/31/26  
Christine Horting-Jones—Ex-Officio, 3/31/24  
Dennis Schmidling— City of Sisters (Secretary), 3/31/24  
Rachel Stemach— Bend Area, 3/31/24

### **HEARINGS OFFICERS**

Gregory J. Frank | Stephanie Hicks | Cable Huston LLP

### **BICYCLE AND PEDESTRIAN ADVISORY COMMITTEE**

Dave Thomson—At Large (Chair), 6/30/24  
Christopher Cassard—At Large (Vice Chair), 6/30/24  
Wendy Holzman—At Large 6/30/23  
Ann Marland—Sisters 6/30/23  
Scott Morgan—La Pine 6/30/23  
Kenneth Piarulli—Redmond 6/30/23  
David Roth—Bend 6/30/23  
Mark Smith—At Large 6/30/24  
Rachel Zakem—At Large 6/30/23  
Mason Lacy—At Large 6/30/23  
David Green—At Large 6/30/23  
Emily Boynton—At Large 6/30/24  
Neil Baunsgard—Bend 6/30/24

# Board of County Commissioners

## FY 2023 Goals & Objectives

*Mission Statement: Enhancing the lives of citizens by delivering quality services in a cost-effective manner.*

**Safe Communities (SC):** Protect the community through planning, preparedness, and delivery of coordinated services.

- Provide safe and secure communities through coordinated public safety and crisis management services.
- Reduce crime and recidivism and support victim restoration and well-being through equitable engagement, prevention, reparation of harm, intervention, supervision and enforcement.
- Collaborate with partners to prepare for and respond to emergencies, natural hazards and disasters.

**Healthy People (HP):** Enhance and protect the health and well-being of communities and their residents.

- Support and advance the health and safety of all Deschutes County's residents.
- Promote well-being through behavioral health and community support programs.
- Help to sustain natural resources and air and water quality in balance with other community needs.
- Continue to support pandemic response and community recovery, examining lessons learned to ensure we are prepared for future events.

**A Resilient County (RC):** Promote policies and actions that sustain and stimulate economic resilience and a strong regional workforce.

- Update County land use plans and policies to promote livability, economic opportunity, disaster preparedness, and a healthy environment.
- Maintain a safe, efficient and economically sustainable transportation system.
- Manage County assets and enhance partnerships that grow and sustain businesses, tourism, and recreation.

**Housing Stability and Supply (HS):** Support actions to increase housing production and achieve stability.

- Expand opportunities for residential development on County-owned properties.
- Support actions to increase housing supply.
- Collaborate with partner organizations to provide an adequate supply of short-term and permanent housing and services to address housing insecurity.

# Board of County Commissioners

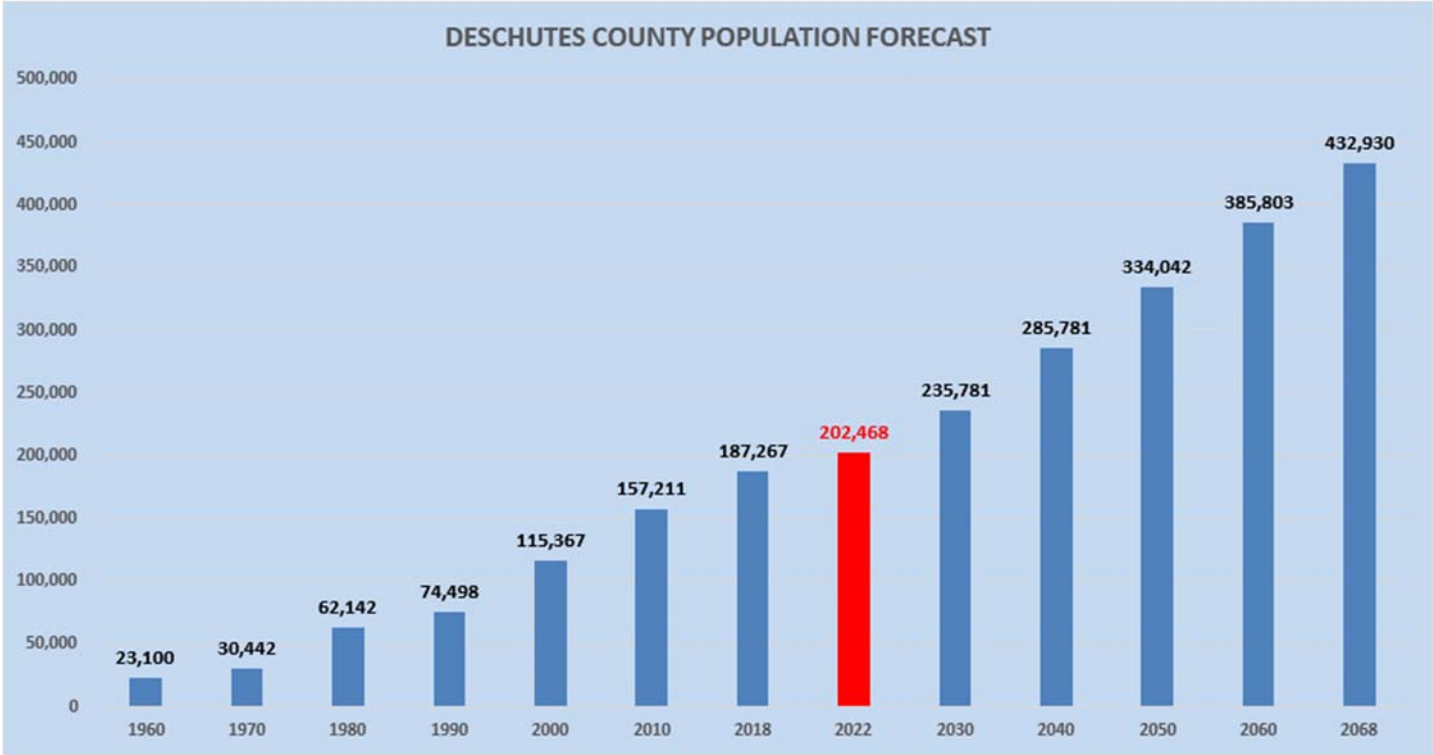
## FY 2022 & 2023 Goals & Objectives, Continued

Service Delivery (SD): Provide solution-oriented service that is cost-effective and efficient.

- Ensure quality service delivery through the use of innovative technology and systems.
- Support and promote Deschutes County Customer Service “Every Time” standards.
- Continue to enhance community participation and proactively welcome residents to engage with County programs, services and policy deliberations.
- Preserve, expand and enhance capital assets, to ensure sufficient space for operational needs.
- Maintain strong fiscal practices to support short and long-term county needs.
- Provide collaborative internal support for County operations with a focus on recruitment and retention initiatives.



# Population Growth



This graph provides a snapshot of the County’s growth since 1960 and the preliminary 50-year Portland State University, Oregon Population Forecast Program, through 2068.

## HISTORICAL AND PORTLAND STATE UNIVERSITY FORECAST TRENDS

Geographic Area	2000	2010	*AAGR 2022-2043	2022	2043	2068
<b>Deschutes County</b>	<b>116,277</b>	<b>157,905</b>	<b>1.9%</b>	<b>202,468</b>	<b>301,999</b>	<b>432,930</b>
Bend	52,163	77,010	2.3%	100,176	162,362	255,291
Redmond	15,524	26,508	2.3%	32,138	51,617	82,575
Sisters	961	2,038	2.6%	2,987	5,169	8,431
La Pine	899	1,653	2.7%	2,041	3,954	5,894
Unincorporated	45,280	50,524	1.0%	64,798	79,248	80,739

\*AAGR: Average Annual Growth Rate



# Budget & Organization

## Fiscal Issues

- Ensure financial stability and sustained high quality services through establishing a financial contingency plan providing a clear course of action if CDD's reserve funds decline.
- CDD is responding to significantly increased inquiries regarding rural development opportunities. Many of these inquiries require research and in-depth responses, but do not result in permits and corresponding revenue. This "non-fee generating" work, a public good, is consuming limited resources to efficiently process a variety of permits.
- Significant staff turnover is creating additional costs to and resource re-allocations from service delivery to training in the department.

## Operational Challenges

- Maintaining productivity while experiencing near record high levels of permitting volumes and significant staff turnover. During 2021, CDD welcomed 14 new staff, internally promoted 11 staff and ended the year with 10 positions in various stages of the recruitment process. An estimated 63% of CDD staff have 5 years or less experience with the department.
- Coordinating with Human Resources to develop and implement strategies to retain and recruit staff.
- Succession planning for upcoming staff retirements. An estimated 11% of current staff will be eligible for retirement within the next 6 to 8 years based on length of service.
- Transitioning to and implementing post-pandemic business operations such as continued partial remote working, shared work spaces with increasing staff levels, adherence to ongoing public health and safety measures and continued expansion of CDD online services and meeting technologies.
- Improving post-pandemic public hearing and engagement strategies with in-person and remote/online participation opportunities.
- Implementing new laws from the 2022 Legislative Session.
- Processing complex and controversial code compliance cases.
- Addressing affordable housing through collaboration with cities, the County's Property Manager, and exploring rural strategies.
- Continuing improvement of the department's website and other electronic internal and external services to improve efficiencies and service delivery.

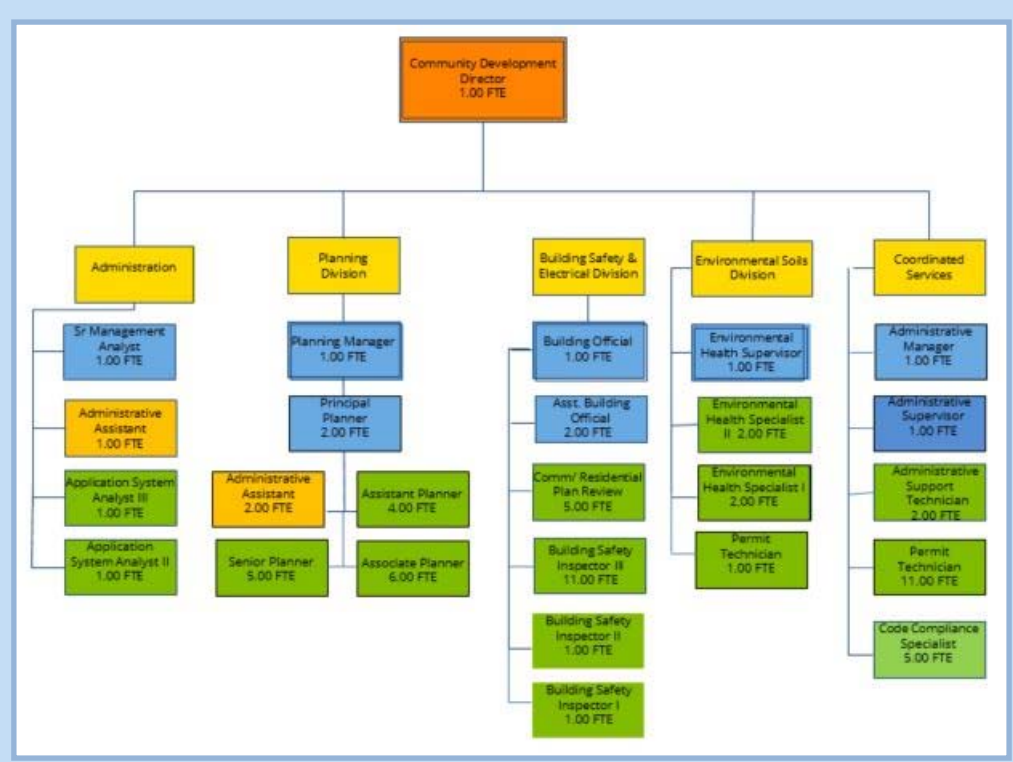


# Budget & Organization

## Budget Summary

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Resources	\$10,657,457	\$10,550,824	\$9,457,684	\$11,302,683	\$13,912,023
Requirements	\$10,657,457	\$10,550,824	\$9,457,684	\$11,302,683	\$13,912,023

## Organizational Chart



## Staff Summary

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total FTE's	55.00	58.00	65.00	69.00	72.00

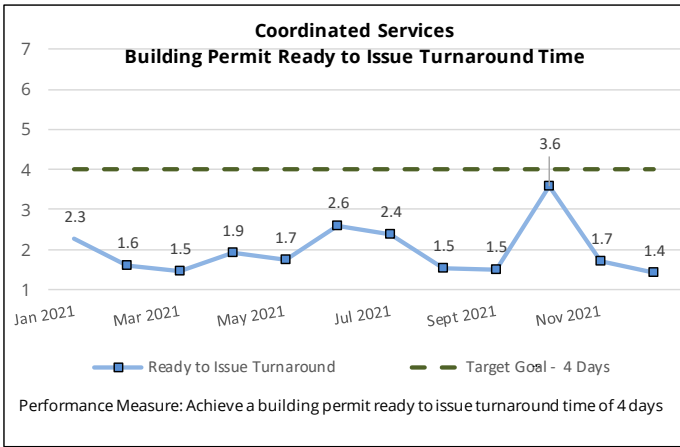
# Performance Management

CDD is committed to a comprehensive approach to managing performance. The department achieves its goals and objectives by strategically establishing and monitoring performance measures and by adjusting operations based on those results. The performance measures allow staff to:

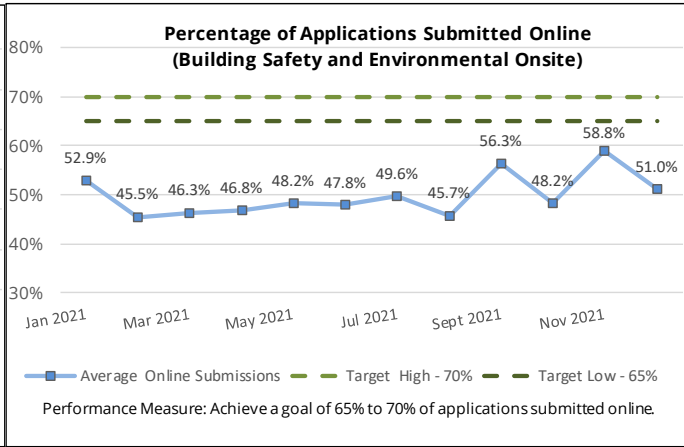
- Address service delivery expectations from the perspectives of CDD’s customers.
- Ensure the department fulfills its regulatory compliance requirements.
- Efficiently and effectively manage the organization’s assets, capacities and finances; and
- Preserve and enhance the County as a safe, sustainable and desirable place to live, visit, work, learn and recreate.

The following graphs represent a sample of CDD’s performance measures for 2021. For a complete review of performance measures, please follow this link: <https://deschutes.org/cd/>.

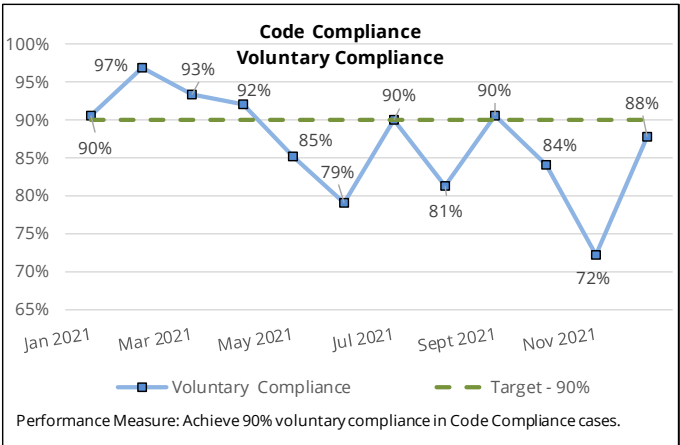
## 2021 Performance Management Results



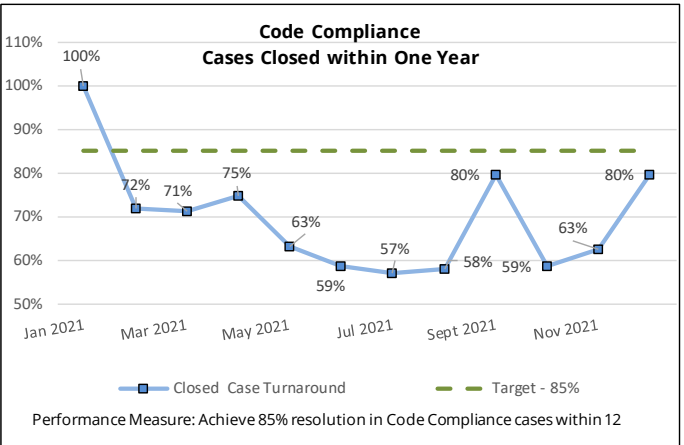
Annual Average of 1.9 Days - Target Achieved



Annual Average of 49.5% Submitted Online- Target Not Achieved



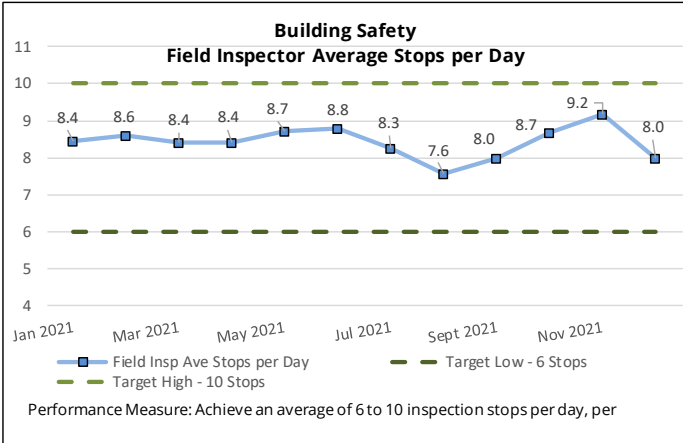
Annual Average of 88% Compliance - Target Within Range



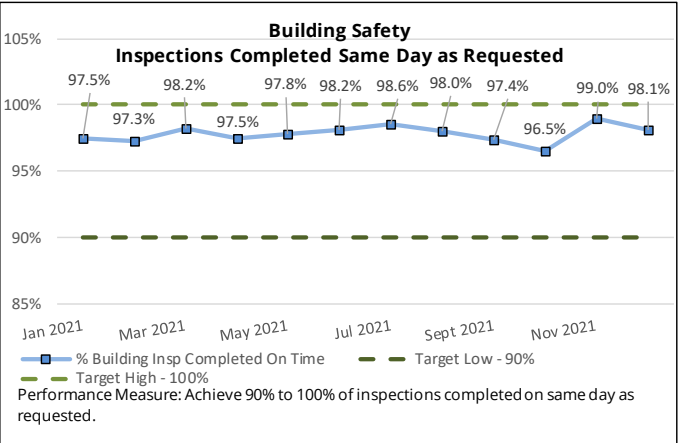
Annual Average of 69% Closed within 1 Year- Target Not Achieved

# Performance Management

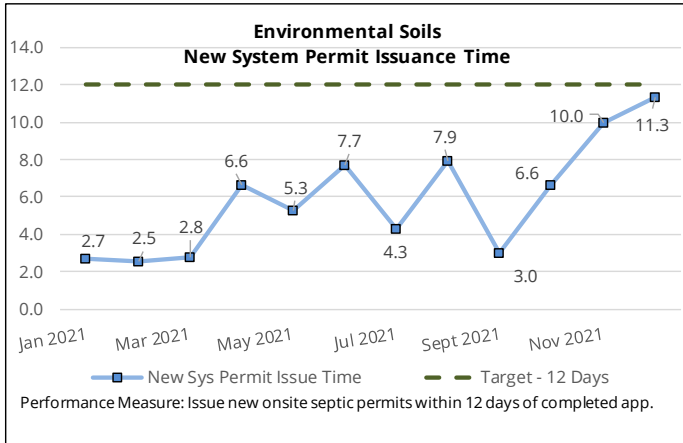
## 2021 Performance Management Results, continued



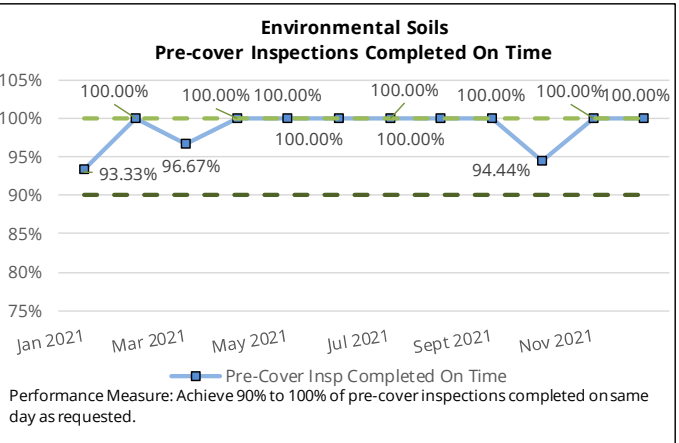
Annual Average of 8.4 per Day - Target Achieved



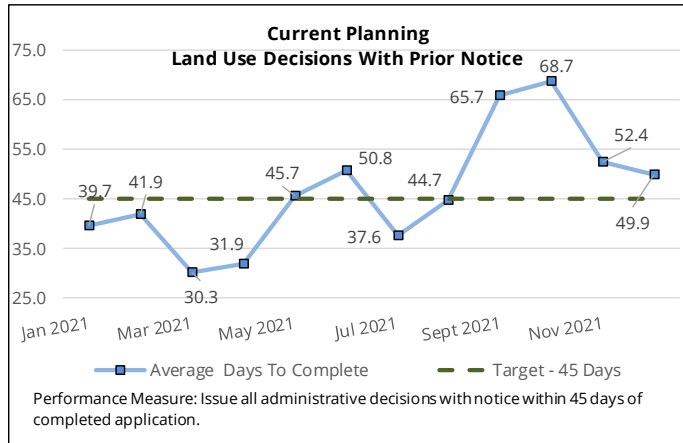
Annual Average of 97.8% Completed - Target Achieved



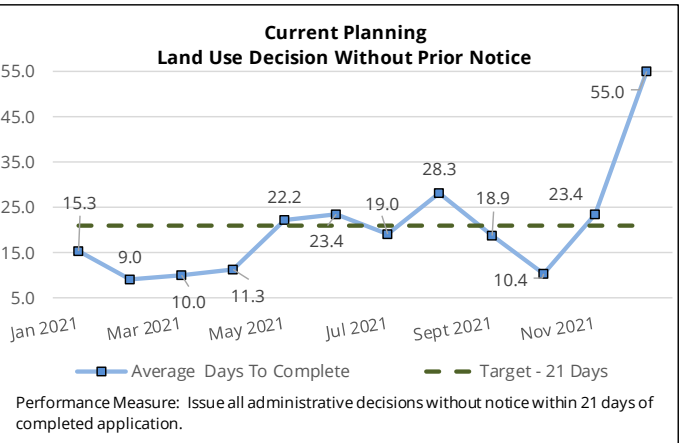
Annual Average of 5.8 Days - Target Achieved



Annual Average of 98.6% Completed - Target Achieved



Annual Average of 45.1 Days - Target Achieved



Annual Average of 19.9 Days - Target Achieved

# Performance Management

## 2021 Year in Review

- Continued to provide essential services to the public while implementing pandemic related safety measures, such as socially distanced interactions, remote work and inspectors dispatched from home.
- Revised office lobby hours, closing to the public at 4:00 p.m. to provide staff opportunity to respond to an increased number of calls, email inquiries and online application submissions.
- Coordinated with State and County staff to promote and educate customers on how to apply for online permits and inspections.
- Implemented use of standardized templates for administrative determinations.

## 2022-2023 Performance Measures By Division

CDD's 2022-23 performance measures align the department's operations and work plan with BOCC annual goals and objectives and the County's Customer Service "Every Time" Standards. <https://intranet.deschutes.org/Pages/Customer-Service-Standards.aspx>

### Building Safety

- Achieve 6-10 inspection stops per day to provide quality service. (BOCC Goal & Objective SD-1)
- Achieve an average turnaround time on building plan reviews of 8-10 days to meet or exceed state requirements. (BOCC Goal & Objective SD-1)
- Achieve 50-80% of inspections scheduled online. (BOCC Goal & Objective SD-1)
- Achieve 90-100% of inspections completed the same day as requested. (BOCC Goal & Objective SD-1)
- Provide community training opportunities for online application submission to obtain a goal of 60% of application submittals conducted online. (BOCC Goal & Objective SD-1)

### Code Compliance

- Achieve 90% voluntary compliance in Code Compliance cases. (BOCC Goal & Objective SC-1)
- Achieve 85% resolution of Code Compliance cases within 12 months. (BOCC Goal & Objective SC-1)

### Coordinated Services

- Expand community training opportunities for online application submission to obtain a goal of 50-60% of application submittals conducted online. (BOCC Goal & Objective SD-1)
- Achieve structural permit ready-to-issue turnaround time for Coordinated Services of 4 days. (BOCC Goal & Objective SD-1)



# Performance Management

## Environmental Soils

- Achieve compliance with the Alternative Treatment Technology (ATT) Septic System Operation and Maintenance (O&M) reporting requirements of 95% to protect groundwater. (BOCC Goal & Objective HP-3)
- Achieve the issuance of onsite septic system permits within 12 days of completed application. (BOCC Goal & Objective SD-1)
- Achieve 50% of inspections scheduled online. (BOCC Goal & Objective SD-1)
- Achieve 90-100% of Pre-cover inspections completed the same day as requested. (BOCC Goal & Objective SD-1)

## Planning

- Sustain the issuance of land use administrative decisions with notice within 45 days and without notice within 21 days of completed application. (BOCC Goal & Objective SD-1)
- City of Bend Coordination:
  - Amend the City of Bend Urban Growth Boundary and County zoning to implement HB 4079, Affordable Housing Project. (BOCC Goal & Objectives RC-1 and HP-1)
- Housing Strategies:
  - Amend County Code to implement SB 391, Rural Accessory Dwelling Units (ADU). (BOCC Goal & Objectives RC-1 and HP-1)
- Natural Resources:
  - Natural Hazards— Develop a work plan to amend the Comprehensive Plan and County Code requiring defensible space and fire-resistant building materials per SB 762—Wildfire Mitigation. (BOCC Goal & Objectives SC-3, HP-3, and RC-1)
  - Wildlife Inventories—Amend Comprehensive Plan and Zoning Code to incorporate a new mule deer winter range inventory from Oregon Department of Fish and Wildlife (ODFW). (BOCC Goal & Objectives HP-3)



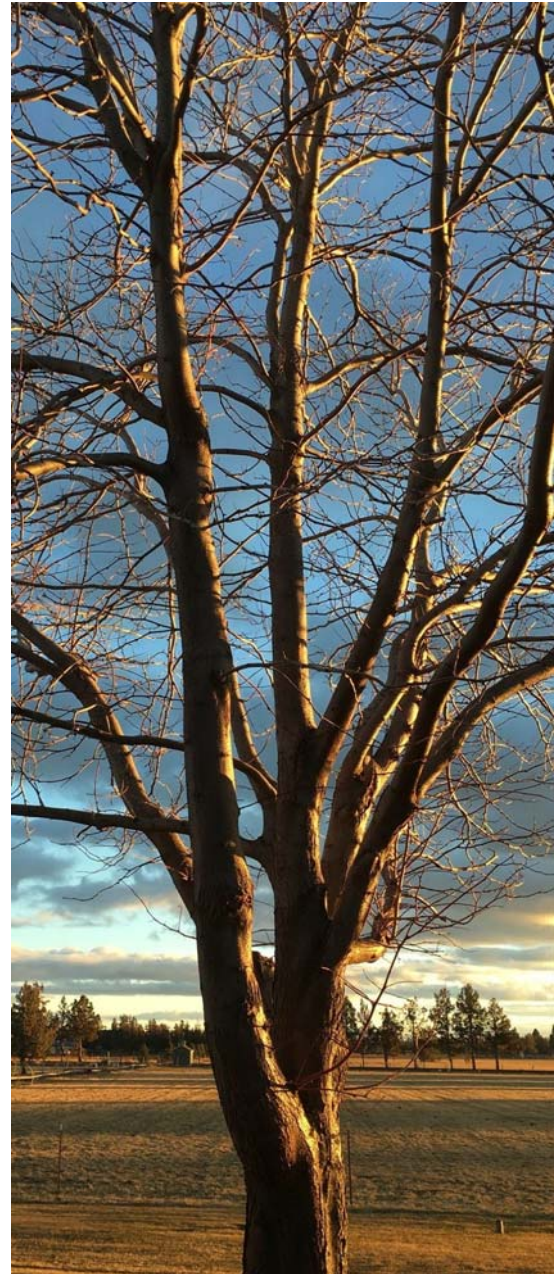
# Administrative Services

## Overview

Administrative Services consists of the Community Development Director, Senior Management Analyst, two Systems Analysts and one Administrative Assistant. The Administrative Services Division provides oversight for all departmental operations and facilities, human resources, budget, customer services, technology and performance measures. Analyst staff are responsible for the integration of technology across all CDD divisions, coordination with the cities as well as providing direct service to the public via application training and support, web-based mapping, reporting services and data distribution.

## 2021 Year in Review

- ✓ Welcomed a new CDD Director in the fall of 2021.
- ✓ Revised office lobby hours, closing to the public at 4:00 p.m. to provide staff opportunity to respond to an increased number of calls, email inquires and online application submissions.
- ✓ Continued remote work options for approximately 75% of staff.
- ✓ Revised CDD's Fee Waiver Policy with BOCC approval.
- ✓ Enhanced CDD's Planning Division's webpage to provide more information about land use public hearings, application materials and opportunities for the public to submit comments on pending applications.
- ✓ Began a reorganization of office spaces and small remodel on CDD's first floor in an effort to better utilize available square footage.



# Administrative Services

## 2022-23 Work Plan Projects

- Reconfigure Accela to improve code compliance case management and planning land use module interoperability.
- Continue to participate in a County-led effort to create a county-wide Pre-disaster Preparedness Plan.
- Update Continuity Of Operation Plan (COOP), as necessary, based on lessons learned during the pandemic.
- Coordinate with the Human Resources Department to evaluate, propose and implement strategies to attract and retain staff to meet increasing service demands in a highly competitive market.
- Explore and research opportunities to increase CDD’s sustainable business practices while maximizing the efficiency of operations in a cost effective manner.
- Reorganize and enhance CDD’s website to be more customer-centric. Provide enhanced content that will allow customers to better understand CDD’s policies and procedures and create an improved customer experience that acts as a guide for understanding the process of development in Deschutes County while also expanding online application instruction content.
- Government software integration—Improve system interoperability of Accela and DIAL software systems, increasing efficiency and improved service through implementation of a software connector which will allow “real time” document upload.
- Complete analysis of installation of electric vehicle charging stations and purchase of electric vehicles to ensure quality service delivery through the use of innovative technology and systems.
- Implement a new employee onboarding process to acclimate new employees to their role and an exit interview process for departing staff to learn where department improvements can be made and make sure the employee feels satisfied about their service.
- Implement process to invoice non-residential transportation system development charges and send annual notice of amount due and potential rate increases.

### Staff Directory

Peter Gutowsky	Community Development Director	(541) 385-1709	Peter.Gutowsky@deschutes.org
Tim Berg	Applications System Analyst III	(541) 330-4648	Tim.Berg@deschutes.org
Ines Curland	Applications System Analyst II	(541) 317-3193	Ines.Curland@deschutes.org
Tracy Griffin	Administrative Assistant	(541) 388-6573	Tracy.Griffin@deschutes.org
Sherri Pinner	Senior Management Analyst	(541) 385-1712	Sherri.Pinner@deschutes.org



# Building Safety

## Overview

Building Safety consists of one Building Official, one Assistant Building Official and eighteen Building Safety Inspectors. The Building Safety Division administers and implements the state and federal building codes through a process of education and a clear and consistent application of the specialty codes. The division provides construction plan reviews, consultation and inspection services throughout the rural county and the cities of La Pine and Sisters. The division also provides services to Lake, Jefferson, Klamath and Crook counties, the cities of Bend and Redmond, and the State of Oregon Building Codes Division on an as-needed basis.

## 2021 Year in Review

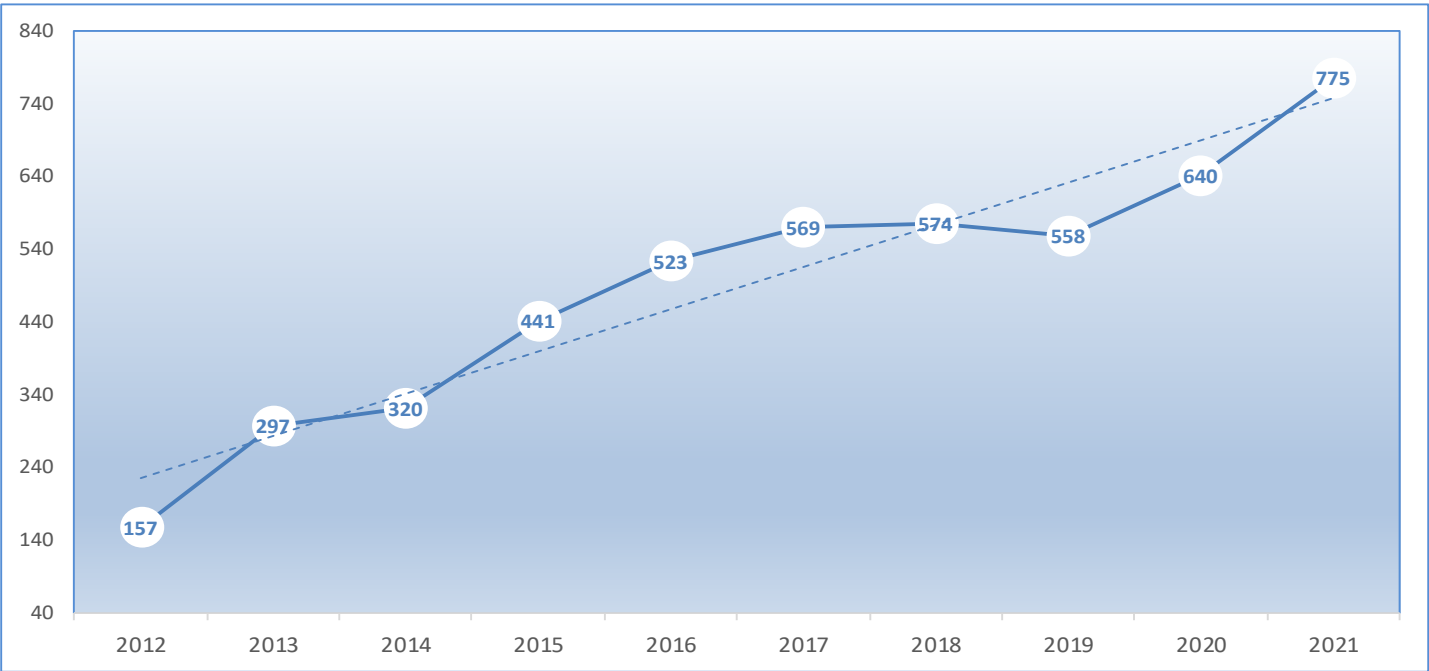
- ✓ Issued 775 new single-family dwelling permits in 2021. The distribution of these new homes for Deschutes County's building jurisdiction included:
  - Rural/unincorporated areas: 541
  - City of La Pine: 120
  - City of Sisters: 114
- ✓ Completed major building plan reviews for:
  - Wetlands Taphouse in La Pine
  - Preble Way Mobile Home Park in La Pine
  - Sisters Coffee New Production Facility
  - McKenzie Meadows Village in Sisters
  - Oxbow Flats in Sisters
  - Replacement Crematorium at Deschutes Memorial Garden
  - Black Butte Ranch Lodge Dining Facility
- ✓ Obtained BOCC approval revising the process to legitimize undocumented residential structures (Resolution 2021-069).
- ✓ Facilitated the successful transition of field inspection staff to dispatch from home during a record breaking building season.
- ✓ Participated in SB 391—Rural ADU, legislative discussions.
- ✓ Coordinated local discussions regarding most recent building code updates.
- ✓ Participated in public, community and customer-specific education and outreach efforts such as Oregon Administrative Rule (OAR) 918-480-0125 Uniform Alternate Construction Standards for mitigation due to a lack of firefighting water supplies.
- ✓ Coordinated with State and County staff to promote and educate customers on how to apply for online permits and inspections.
- ✓ Continued succession planning, cross-training and technology investments to maintain and improve efficiencies.
- ✓ Continued to serve in regional and statewide leadership positions to support Deschutes County and Central Oregon interests.
- ✓ Transitioned staff to remote work locations while maintaining productivity and improving operational efficiencies.

# Building Safety

## 2021 Year in Review, continued

- ✓ Actively participated in discussions relating to:
  - SB 762, Wildfire Mitigation, and forthcoming requirements to apply ORSC 327.4 to new development.
  - Newly created requirements for daycare and adult foster care facilities located in private residential homes.
  - Local contractors in regards to the new American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) ventilation requirements.
- ✓ Provided A-level electrical inspection services, electrical plan review and customer contact support for commercial and residential electrical questions for Jefferson County.

### New Single Family Dwelling Permits



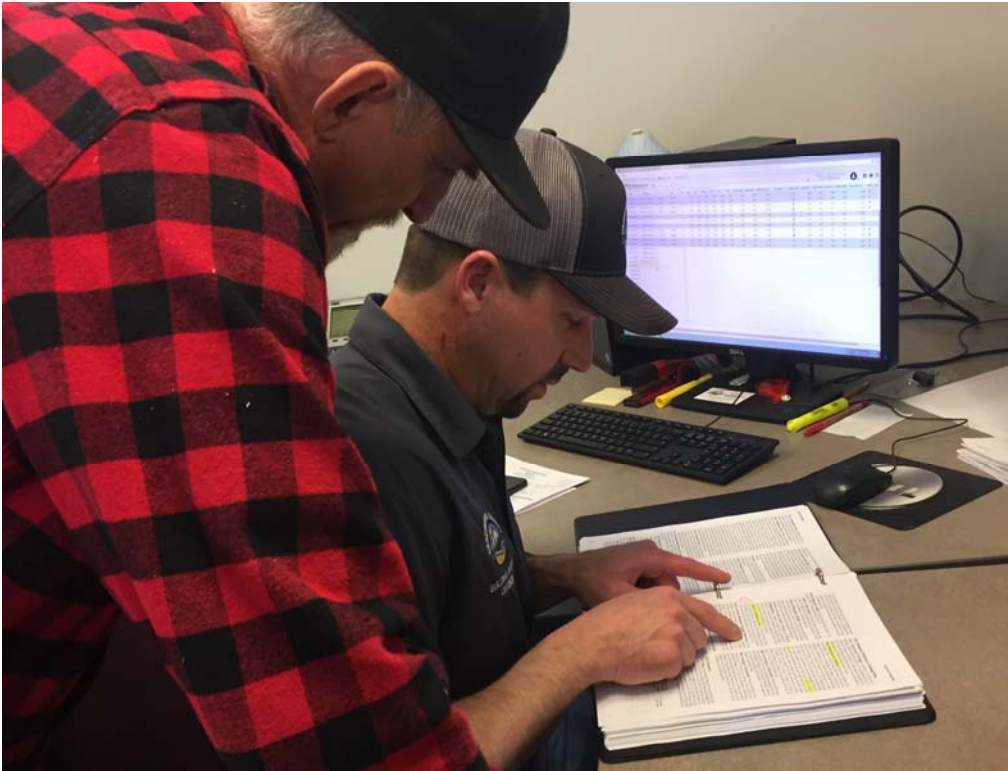
# Building Safety

## 2022-23 Work Plan Projects

- Implement succession planning for future retirements and explore staffing needs due to unprecedented business needs and remote work options.
- Provide certification cross-training for all new hires to maintain the division’s goal of having fully certified residential inspection staff.
- Explore options to reduce the carbon footprint associated with field inspection duties such as:
  - Alternative fuel options and All-Wheel Drive electric vehicles.
  - Charging stations for electric vehicles (one station per 2 vehicles).
- Work with Oregon e-Permitting to help test the new app for inspections prior to the roll out.
- Implement the use of drones and other technologies to accomplish high risk inspections such as:
  - Roof diaphragm nailing
  - Chimney Construction
  - PV Solar Installations
  - High lift concrete masonry unit (CMU) grouting
- Continue participation in SB 762, Wildfire Mitigation and the forthcoming process of implementing additional construction standards to reduce hazards presented by wildfire (Oregon Residential Specialty Code (ORSC) R327.4), and/or defensible space requirements into Deschutes County Code.
- Participate in SB 391 discussions regarding Rural ADUs in Deschutes County.
- Produce new informational brochures as required by OAR 918-020-0090 to help customers navigate code changes such as Energy Code and Daycare Facility updates.
- Host Chemeketa Community College Building Inspection Technology students for summer Cooperative Work Experience program which provides an opportunity to demonstrate the county’s customer friendly, service-oriented approach as a regulatory agency.
- Coordinate with the Human Resources Department to evaluate, propose and implement strategies to attract and retain staff to meet increasing service demands in a highly competitive market.



# Building Safety



## Staff Directory

Randy Scheid	Building Safety Director	(541) 317-3137	Randy.Scheid@deschutes.org
Chris Gracia	Assistant Building Official	(541) 388-6578	Chris.Gracia@deschutes.org
Krista Appleby	Building Inspector III	(541) 385-1701	Krista.Appleby@deschutes.org
Keri Blackburn	Building Inspector III	(541) 388-6577	Keri.Blackburn@deschutes.org
Mark Byrd	Building Inspector III	(541) 749-7909	Mark.Byrd@deschutes.org
Rainer Doerge	Building Inspector III	(541) 480-8935	Rainer.Doerge@deschutes.org
Ami Dougherty	Building Inspector I	(541) 385-3217	Ami.Dougherty@deschutes.org
Scott Farm	Building Inspector III	(541) 480-8937	Scott.Farm@deschutes.org
David Farrin	Building Inspector III	(541) 385-1702	David.Farrin@deschutes.org
Anthony Friesen	Building Inspector III	(541) 213-0653	Anthony.Friesen@deschutes.org
Owen Gilstrap	Building Inspector III	(541) 480-8948	Owen.Gilstrap@deschutes.org
Erik Johnson	Building Inspector III	(541) 480-8940	Erik.A.Johnson@deschutes.org
Brandon Jolley	Building Inspector III	(541) 797-3581	Brandon.Jolley@deschutes.org
John Kelley	Building Inspector III	(541) 797-3582	John.Kelley@deschutes.org
Michael Liskh	Building Inspector III	(541) 280-0342	Michael.Liskh@deschutes.org
Brian Moore	Building Inspector III	(541) 385-1705	Brian.Moore@deschutes.org
Aaron Susee	Building Inspector II	(541) 749-7370	Aaron.Susee@deschutes.org
Laurie Wilson	Building Inspector III	(541) 383-6711	Laurie.Wilson@deschutes.org

# Code Compliance

## Overview

Code Compliance consists of five Code Compliance Specialists. The program is managed by the Coordinated Services Administrative Manager and is supported by a law enforcement deputy from the Sheriff's Office and CDD's operating divisions. The Code Compliance Division is responsible for investigating code violation complaints to ensure compliance with land use, onsite wastewater disposal, building and solid waste codes (by contract with the Solid Waste Department), and provides direct service on contract to the City of La Pine for solid waste violations. The program's overriding goal is to achieve voluntary compliance. If necessary, cases are resolved through Circuit Court, Justice Court or before a Code Compliance Hearings Officer proceeding. The program continues to adapt to the County's challenges of growth and diversification, incorporating new measures to ensure timely code compliance.

While voluntary compliance is the primary objective, an ever-growing number of cases require further code compliance action because of delayed correction or non-compliance. Through the refinement of departmental procedures for administrative civil penalty, Code Compliance is obtaining compliance from citations rather than court adjudication, resulting in greater cost recovery. A disconcerting trend is the need for County abatement in some cases. In abatement, the County corrects the violations. Abatement action is reserved for matters of chronic nuisance and public health and safety. In response to this trend, Code Compliance is closely coordinating with other County departments in the development and enactment of abatement plans.

## 2021 Year in Review

- ✓ During 2021, 788 new cases were received and 742 cases were resolved. This is a 10% decrease in new cases from the previous year.
- ✓ Implemented the Noxious Weed Program.
- ✓ Revised the Code Compliance Policy and Procedures Manual with direction from the BOCC.
- ✓ Continued to partner with County departments to resolve difficult cases. Coordination ensures efficient operations and avoids overlapping efforts, thus allowing staff to conduct a thorough investigation on behalf of community members.
- ✓ Provided staff with field safety classes in coordination with Deschutes County Sheriff's Office.
- ✓ Created an internal volunteer program to assist with clean up of properties in violation of Solid Waste codes.

## 2022-23 Work Plan Projects

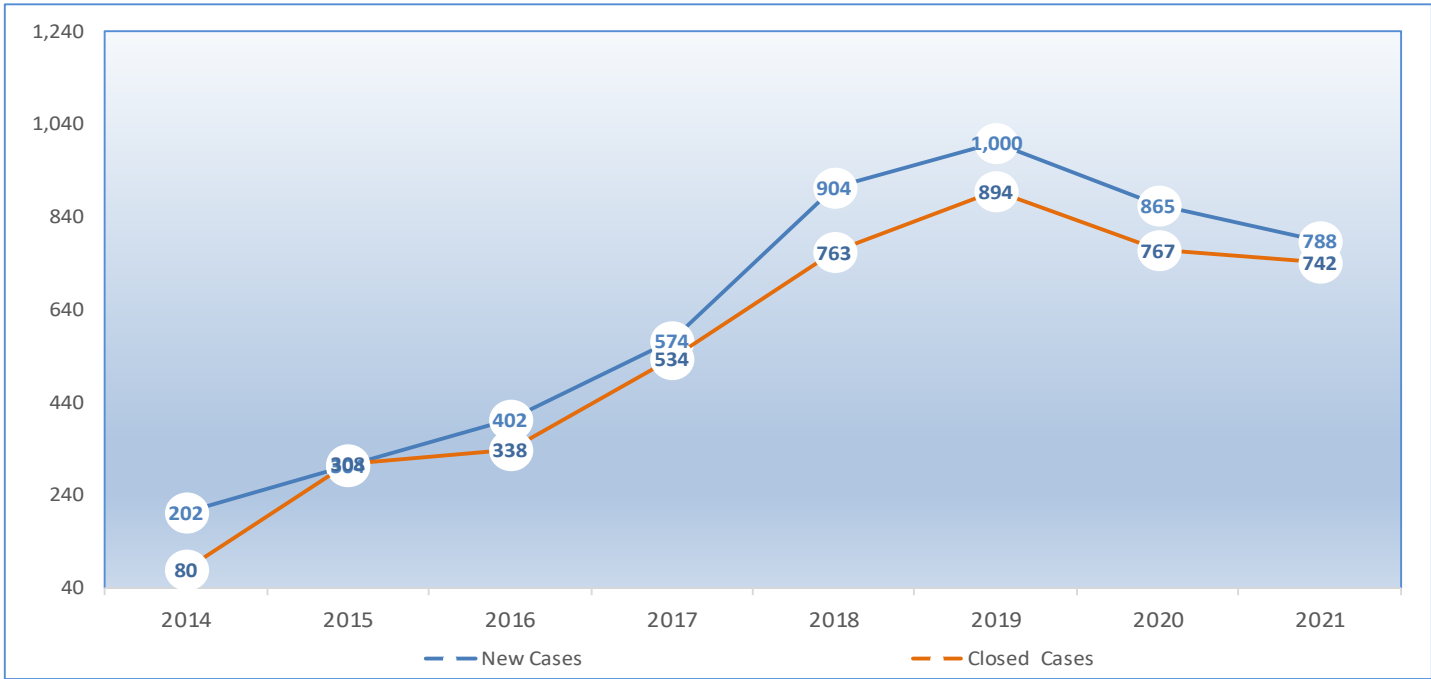
- Analyze the compliance program in an effort to create efficiencies in how cases are assigned, managed and proceed through the compliance process.
- Enhance involvement in Oregon Code Enforcement Association (OCEA) next annual conference through presentation participation.
- Continue to improve training program for new hires to include training efficiencies.
- Update and revise the Standard Operating Procedures manual as processes change.

# Code Compliance

## 2022-23 Work Plan Projects, continued

- Automate the process for medical hardship notification and out-of-compliance O&M contracts performed by administrative staff.
- Revise CDD’s Voluntary Compliance Agreement and updating templates for Pre-Enforcement Notices to ensure clear communication.
- Explore ideas to ensure staff safety such as radio communication and purchase of safety tools.
- Coordinate with the Human Resources Department to evaluate, propose and implement strategies to attract and retain staff to meet increasing service demands in a highly competitive market.

### Annual Cases Opened and Closed



# Code Compliance

## Internal Volunteer Program



### Staff Directory

Scott Durr	Code Compliance Specialist	(541) 385-1745	Scott.Durr@deschutes.org
Carolyn Francis	Code Compliance Specialist	(541) 617-4736	Carolyn.Francis@deschutes.org
John Griley	Code Compliance Specialist	(541) 617-4708	John.Griley@deschutes.org
Dan Smith	Code Compliance Specialist	(541) 385-1710	Daniel.Smith@deschutes.org
Jeff Williams	Code Compliance Specialist	(541) 385-1745	Jeff.Williams@deschutes.org

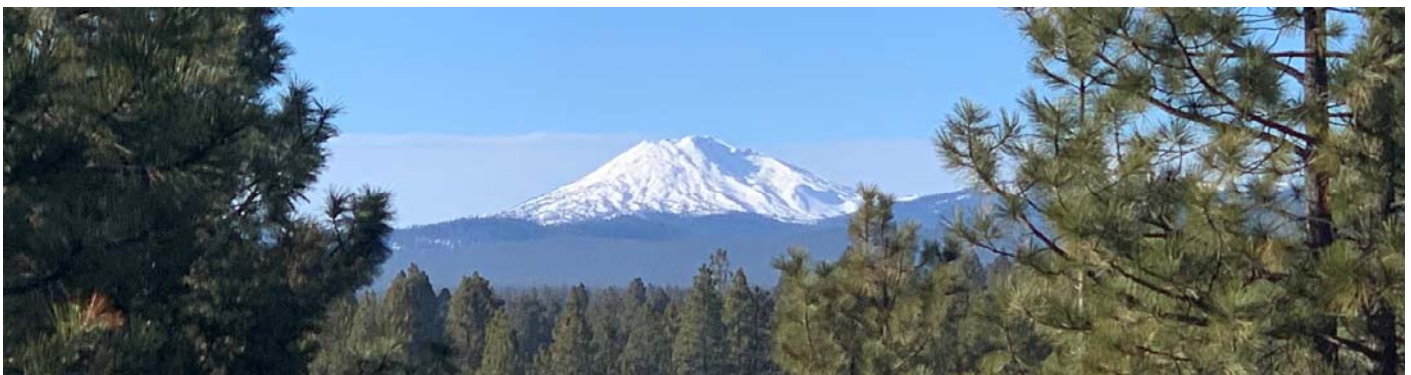
# Coordinated Services

## Overview

Coordinated Services consists of an Administrative Manager, one Administrative Supervisor, eleven Permit Technicians and two Administrative Support Technicians. The Coordinated Services Division provides permitting and “front line” direct services to customers at the main office in Bend as well as in the La Pine and Sisters city halls. While coordinating with all operating divisions, staff ensure accurate information is provided to the public, while minimizing wait times and ensuring the efficient operation of the front counter and online portal.

## 2021 Year in Review

- ✓ The Administrative Supervisor position created during the FY 22 budget process was through an internal recruitment.
- ✓ Permit Technicians continued to provide exceptional customer service during the pandemic.
- ✓ Continued to refine a more efficient staff training process.
- ✓ Continued updating the manual of Standard Operating Procedures as an additional resource for staff consistency and succession planning.
- ✓ Revised role of Administrative Support staff to include assistance with record maintenance and assistance to other operating divisions.
- ✓ Increased electronic permit submittals through public education and outreach to licensed professionals. During 2021, CDD received 49.4% of applications online in comparison to 39.7% in 2020.
- ✓ Transitioned submittal of commercial plans to online acceptance.
- ✓ As Accela continued to evolve and new tools became available, Deschutes County continued to be a statewide leader in offering training opportunities to customers and regional agency partners. Coordinated Services continued to hosted in-house and one-on-one training opportunities.
- ✓ Reopened satellite office locations in City of Sisters and City of La Pine.
- ✓ Implemented First Interstate Bank remote deposit feature in main office and satellite locations.
- ✓ Completed process to electronically scan building plans to property development records.
- ✓ The Oregon Building Officials Association awarded Jennifer Lawrence the Permit Technician of the Year award for exemplifying the best of the best in Oregon’s city and county building departments.





# Coordinated Services

## 2022-23 Work Plan Projects

- Update and revise the Standard Operating Procedures manual as processes change.
- Continue to improve training program for new hires to include training efficiencies.
- Revise lead permit technician role.
- Transition submittals of residential plans to online acceptance.
- Coordinate with the Human Resources Department to evaluate, propose and implement strategies to attract and retain staff to meet increasing service demands in a highly competitive market.

**Office Locations & Lobby Hours**

**Main Office**—117 NW Lafayette Ave, Bend, OR 97703  
 Monday, Tuesday, Thursday, Friday 8:00 AM—4:00 PM, Wednesday 9:00 AM—4:00 PM

**La Pine City Hall**—16345 Sixth St., La Pine, OR 97739  
 Thursday 9:00 AM—4:00 PM

**Sisters City Hall**—520 E. Cascade St., Sisters, OR 97759  
 Tuesday 9:00 AM—4:00 PM

## Staff Directory

Angie Havnear	Administrative Manager	(541) 317-3122	Angela.Havnear@deschutes.org
Jennifer Lawrence	Administrative Supervisor	(541) 385-1405	Jennifer.L.Lawrence@deschutes.org
Tara Alvarez	Permit Technician	(541) 383-4392	Tara.Campbell-Alvarez@deschutes.org
Katie Borden	Permit Technician	(541) 385-1741	Katie.Borden@deschutes.org
Mikaela Costigan	Permit Technician	(541) 385-1714	Mikaela.Costigan@deschutes.org
Ian Cullen	Permit Technician	(541) 388-6680	Ian.Cullen@deschutes.org
Taylor Eagan	Permit Technician	(541) 388-6562	Taylor.Eagan@deschutes.org
Robert Graham	Administrative Support	(541) 385-3217	Robert.Graham@deschutes.org
Miu Green	Permit Technician	(541) 385-3200	Miu.Green@deschutes.org
Terese Jarvis	Permit Technician	(541) 383-4435	Terese.Jarvis@deschutes.org
Jean Miller	Administrative Support	(541) 383-6711	Jean.Miller@deschutes.org
Jessie Waugh	Permit Technician	(541) 385-1730	Jessica.Waugh@deschutes.org

# Environmental Soils

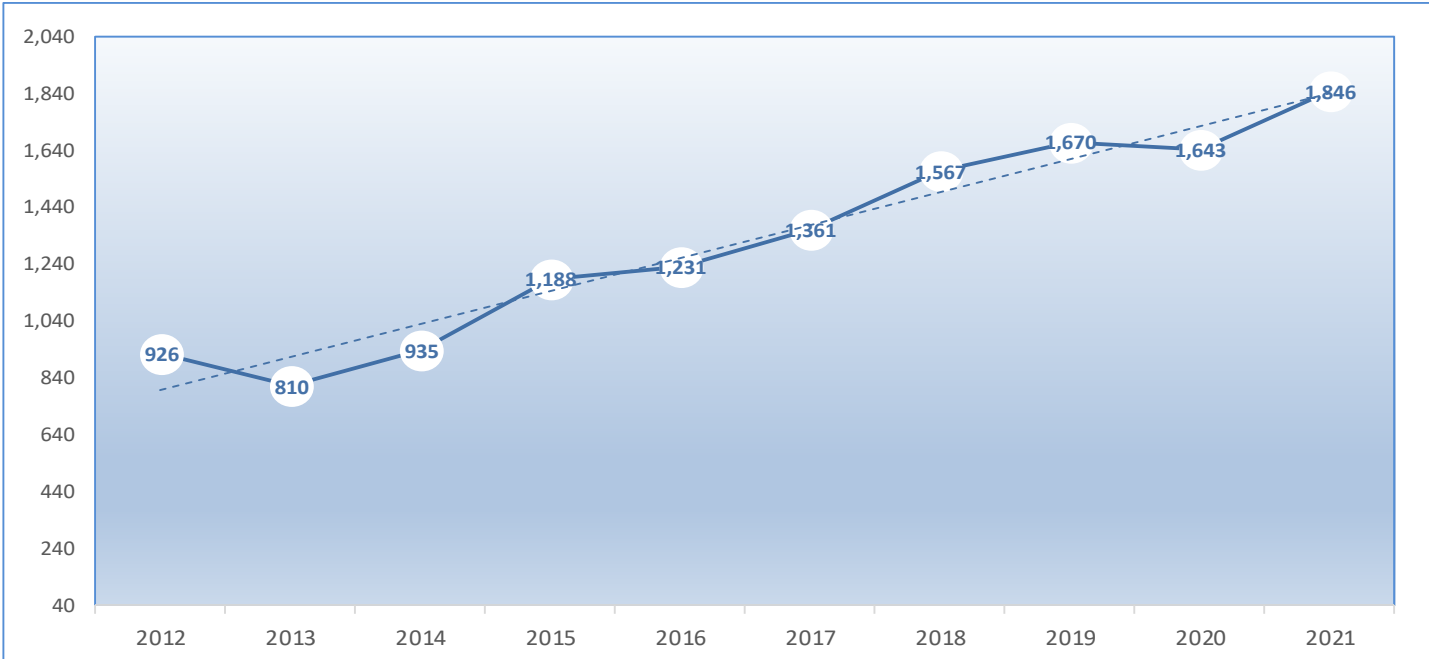
## Overview

Environmental Soils consists of one Environmental Health Supervisor, two Environmental Health Specialists II, two Environmental Health Specialist I and one Permit Technician. The Environmental Soils Division regulates on-site wastewater treatment systems (septic) to assure compliance with state rules, and monitors environmental factors for public health and resource protection. They provide site evaluations, design reviews, permitting, inspections and education and coordination with the Oregon Department of Environmental Quality (DEQ) for onsite wastewater treatment and dispersal systems. Staff inspects sewage pumper trucks, reports on the condition of existing wastewater systems, maintains an O&M tracking system, provides the public with information on wastewater treatment systems and regulations and investigates sewage hazards to protect public health and the environment. Staff are also engaged in the proactive pursuit of protecting the groundwater in Deschutes County and continue to work with DEQ on permitting protective onsite wastewater systems in Southern Deschutes County.

## 2021 Year in Review

- ✓ Assessed 382 sites for onsite wastewater treatment and dispersal systems, an increase of 29.1% from 2020, and issued 1,846 permits and authorizations for new and existing onsite treatment and dispersal systems, an increase of 12% from 2020. Assessed sites included several new subdivisions. Applications continue to increase in complexity and technical requirements.
- ✓ Repaired 290 failing or substandard systems correcting sewage health hazards and protecting public health and the environment.
- ✓ Increased electronic permit submittal and inspection scheduling through outreach and education of customers, particularly licensed professionals. During 2021, the division received 43.2% of applications online compared to 43.6% in 2020.

## Onsite Permits Issued



# Environmental Soils

## 2021 Year in Review, continued

- ✓ Provided ten property owners in South County with rebates of \$3,750 per property for upgrading conventional onsite wastewater treatment systems to nitrogen-reducing pollution reduction systems.
- ✓ Provided assistance and information regarding onsite wastewater treatment systems in Terrebonne to Parametrix, engineering consultant, for the Terrebonne Sewer Feasibility Study.
- ✓ Coordinated with the City of Bend and DEQ staff regarding the septic to sewer program, and the impact on homeowners with onsite wastewater systems.
- ✓ Worked with DEQ on permitting protective onsite wastewater systems in South Deschutes County. Participated in dozens of variance hearings for modified advanced treatment systems on severely limited sites.
- ✓ Adapted to COVID-19 limitations by remote working, electronic permitting, computer technologies, electronic communications and deploying staff from home. Staff was able to sustain performance measures, permit and inspection turnaround times and maintain high service levels demonstrating resilience, team work and professionalism to continue to serve the community.
- ✓ Hired two new Environmental Health Specialist trainees to fill a vacancy and expand the team.



# Environmental Soils

## 2022-23 Work Plan Projects

- Coordinate with DEQ for a South County Groundwater sampling event and funding of a planned existing network of wells.
- Train new staff trainees to become fully integrated team members knowledgeable about permitting, inspections and other onsite wastewater tasks.
- Work with DEQ staff on planning for and funding of long term and regular well sampling events approximately every 10 years to monitor changes in water quality in the aquifer.
- Apply for American Rescue Plan Act (ARPA) funding allocated to address problems related to failing and outdated septic systems through Oregon DEQ. If selected, work in coordination with NeighborImpact to implement and manage the grant program through 2026.
- Continue technical support as necessary toward the completion of the Terrebonne Sewer Feasibility Study.
- Participate in the Upper Deschutes Agricultural Water Quality Management Area Local Advisory Committee.
- Continue to participate in the City of Bend Storm Water Public Advisory Group and the Upper Deschutes Agricultural Water Quality Management Area Local Advisory Committee (Oregon Department of Agriculture).
- Provide financial assistance opportunities to South County property owners to upgrade conventional systems to nitrogen reducing pollution reduction systems through Nitrogen Reducing System Rebates and the NeighborImpact Non-conforming Loan Partnership.
- Review current groundwater protection policies for South County and continuing variance applications with DEQ onsite staff to ensure goals of water resource protection are addressed. Highest risk areas may require greater scrutiny.
- With development occurring in the Newberry Neighborhood in La Pine, review financial assistance programs for groundwater protection efforts. This may include creation of a financial advisory group process to include community members.
- Amend Deschutes County Code Chapter 11.12, Transferable Development Credit Program to implement changes from BOCC Resolution 2019-040.
- Coordinate with the Human Resources Department to evaluate, propose and implement strategies to attract and retain staff to meet increasing service demands in a highly competitive market.

### Staff Directory

Todd Cleveland	Environmental Health Supervisor	(541) 617-4714	Todd.Cleveland@deschutes.org
Keoni Frampton	Environmental Health Specialist I	(541) 330-4666	Keoni.Frampton@deschutes.org
Kevin Hesson	Environmental Health Specialist II	(541) 322-7181	Kevin.Hesson@deschutes.org
Lindsey Holloway	Environmental Health Specialist I	(541) 388-6596	Lindsey.Holloway@deschutes.org
Kiley Rucker-Clamons	Environmental Health Specialist II	(541) 383-6709	Kiley.Rucker-Clamons@deschutes.org
Martha Shields	Permit Technician	(541) 385-1706	Martha.Shields@deschutes.org

# Planning

## Overview

Planning consists of one Planning Director, one Planning Manager, two Principal Planners, two Senior Planners, two Senior Long Range Planners, one Senior Transportation Planner, six Associate Planners, four Assistant Planners and one Administrative Assistant. The Planning Division consists of two operational areas: Current Planning and Long Range Planning. Current Planning processes individual land use applications and provides information to the public on all land use related issues. Long Range Planning addresses the future needs of the county through updates to the comprehensive plan, changes to the County Code and other special projects

## Current Planning

Responsible for reviewing land use applications for compliance with Deschutes County Code (DCC) and state law, including zoning, subdivision and development regulations, and facilitating public hearings with Hearings Officers and the BOCC. Staff is also responsible for verifying compliance with land use rules for building permit applications and septic permits; coordinating with Code Compliance to respond to complaints and monitor conditions of approval for land use permits; performing road naming duties; providing assistance at the public information counter, over the telephone and via email; and addressing in the rural County and City of Redmond under contract.

## Long Range Planning

Responsible for planning for the future of Deschutes County, including developing and implementing land use policy with the BOCC, Planning Commission, community and partner organizations. It is in charge of updating the County Comprehensive Plan and zoning regulations, coordinating with cities and agencies on various planning projects taking place in the region, including population forecasts with Portland State University and cities. Staff also monitors and participates in annual legislative sessions, and serves on numerous local, regional and statewide committees primarily focusing on transportation, natural resources, growth management and economic development.

## Transportation Planning

Provides comments and expertise on land use applications, calculates System Development Charges (SDC's) as part of land use application review process or upon request; provides comments to the County's Risk Management Department regarding traffic issues for permitted events; participates in the annual County Capital Improvement Plan (CIP) process with the Road Department; applies for grants for enhanced bicycle and pedestrian facilities in coordination with the Bicycle and Pedestrian Advisory Committee (BPAC); participates in Oregon Department of Transportation (ODOT) funded refinement planning; coordinates road issues with Bureau of Land Management (BLM) and the United States Forest Service (USFS) for urban interface plans; and serves on several local and regional transportation committees, most notably BPAC, the Bend Metropolitan Planning Organization Technical Advisory Committee, and Central Oregon Area Commission on Transportation Technical Advisory Committee (TAC).

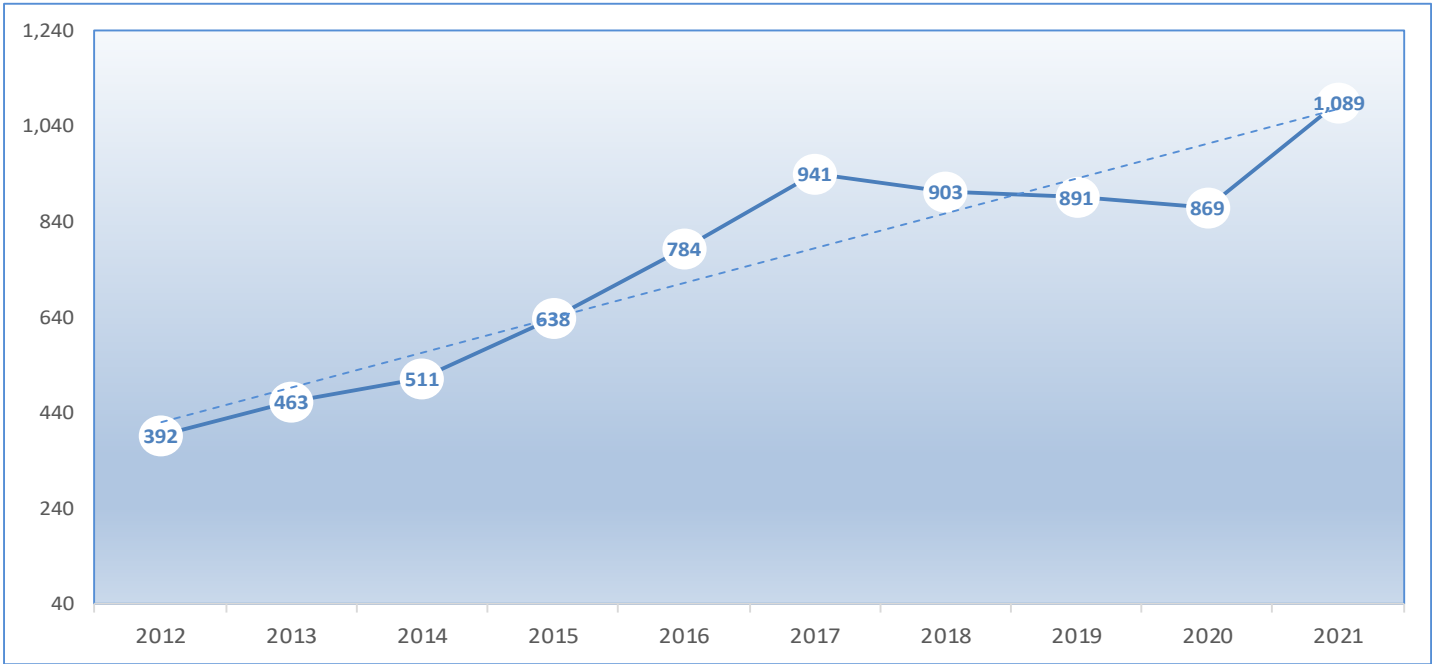
## Floodplain & Wetlands Planning

Responsible for providing comments and expertise on land use applications, code compliance, and general property inquiries that require development, fill, or removal in mapped floodplain and wetland areas. Staff maintains certification as an Association of State Floodplain Managers (ASFPM) Certified Floodplain Manager to provide customers with up-to-date and accurate information regarding Federal Emergency Management Agency (FEMA) regulations, surveying requirements, and construction requirements. Coordination is frequently required with external agencies including FEMA, US Army Corps of Engineers, Oregon Department of State Lands, Oregon Department of Fish and Wildlife (ODFW), and USFS.

## 2021 Year in Review

- ✓ Counter coverage averaged 219 customer visits a month compared to 197 in 2020.
- ✓ Staff responded to 2,332 emails and 2,920 phone call inquiries. This equates to over 194 emails and 243 phone calls per month during 2021.
- ✓ Received 1,089 land use applications compared to 869 in 2020, an increase of 25.3% over prior year.
- ✓ The Planning Division received 27 non-farm dwelling applications compared with 29 for 2020.
- ✓ 18 final plats were recorded in 2021 or are in the process of being recorded, creating a total of 154 residential lots.
- ✓ Issued a Request for Proposal (RFP) for a Comprehensive Plan Update.
- ✓ The Planning Division continued to offer electronic meetings for pre-application, Hearings Officer, Historic Landmarks Commission, and Planning Commission proceedings. Significant efforts were made to ensure each body, applicants, and members of the public could utilize this new technology. Meetings were also available by phone. Staff utilized social distancing protocols when members of the public met in-person. Throughout this transition, the division continued to meet its performance measures related to processing land use applications.

## Land Use Applications



# Planning

## 2021 Year in Review, continued

Twenty (20) land use applications were reviewed by Hearings Officers in 2021 compared to 15 in 2020. They include:

- ✓ Caldera Springs Resort Final Master Plan
- ✓ Cell Tower (2 applications)
- ✓ Measure 49—Modification of Conditions
- ✓ Non-farm Dwelling (2 applications)
- ✓ Plan Amendment/Zone Change (2 applications)
- ✓ Private Air Strip
- ✓ Replacement Dwelling
- ✓ Sunriver Wastewater Treatment Facility
- ✓ Template Dwelling (3 applications)
- ✓ Thornburgh Destination Resort LUBA Remand
- ✓ Thornburgh Destination Resort Master Plan Modification
- ✓ Thornburgh Destination Resort Site Plan for Lodging
- ✓ Thornburgh Destination Resort Tentative Plat
- ✓ Variance
- ✓ Wildlife Area Dwelling Siting Requirement

The BOCC conducted 16 quasi-judicial land use hearings or proceedings in 2021 compared to 14 in 2020. Three involved appeals heard by the BOCC (\*):

- ✓ Campground\*
- ✓ Consideration of Appeal—Non-farm Dwelling (2 applications)
- ✓ Consideration of Appeal—Private Airstrip (2 applications)
- ✓ Consideration of Appeal—Replacement Dwelling
- ✓ Consideration of Appeal—Thornburg LUBA Remand
- ✓ Hydroelectric Facility\*
- ✓ Improvement Agreement—Westgate Subdivision
- ✓ Noise Variance
- ✓ Reconsideration of a Tentative Plat\*
- ✓ Redmond UGB Amendment—Affordable Housing Project
- ✓ Road Naming (4 applications)

Eleven (11) appeals were filed with the Land Use Board of Appeals (LUBA) in 2021, compared to 7 in 2020:

- ✓ Hydro Electric Facility
- ✓ Nonfarm Dwelling (2 applications)
- ✓ Plan Amendment / Zone Change
- ✓ Replacement Dwelling
- ✓ Tentative Plat
- ✓ Thornburgh Destination Resort—Tentative Plat & Site Plan
- ✓ Thornburgh Destination Resort—Quasi-Municipal Water right (4 applications)



## 2021 Year in Review, continued

The Planning Division processed two applicant-initiated Plan Amendment/Zone Changes and one zoning text amendment in 2021:

- ✓ Plan amendment and zone change for Exclusive Farm Use (EFU) property near 27th Street.
- ✓ Plan amendment and zone change for EFU property near the Bend Airport.
- ✓ Zoning text amendment to clarify slope setbacks in the Westside Transect Zone.

## Legislative Amendments

The BOCC adopted:

- ✓ *Guest Ranch / Subdivision Road Design Amendments*—Staff-initiated legislative amendments to update the guest ranch sunset clause consistent with changes to state law and correct existing regulations related to subdivision road design requirements.
- ✓ *Housekeeping Amendments*—Staff-initiated legislative amendments to correct minor errors in the DCC.
- ✓ *Marijuana Housekeeping Amendments*—Staff-initiated legislative amendments to clarify existing regulations related to marijuana.
- ✓ *Marijuana Retail / Annual Inspection Amendments*— Staff-initiated legislative amendments to extend recreational marijuana retail hours of operation and modify annual reporting requirements for marijuana production businesses.
- ✓ *Westside Transect Amendments*— Applicant-initiated legislative amendments to clarify slope definition.





# Planning

## 2021 Year in Review, continued

### Grants

#### Certified Local Government Grant

Planning staff administered an 18-month \$11,500 Certified Local Government (CLG) Grant from the State Historic Preservation Office (SHPO) to assist Deschutes County with its historic preservation programs.

#### Technical Assistance Grant

Planning staff completed an 18-month \$12,000 Technical Assistance (TA) Grant from the Department of Land Conservation and Development (DLCD) to discuss WMAC recommendations and begin updating Goal 5 wildlife habitat inventories.

#### Transportation Growth Management Grant

Planning staff coordinated with the ODOT to execute a \$75,000 Transportation and Growth Management (TGM) Grant to update the Tumalo Community Plan and implement the rural trails portion of the Sisters Country Vision Action Plan.

### Coordination with Other Jurisdictions, Agencies and Committees

#### Bicycle and Pedestrian Advisory Committee

BPAC met 12 times, commenting on regional Transportation System Plan (TSP) updates, trail connections between cities and recreation areas, bicycle and pedestrian safety issues and ODOT projects, among others.

#### Cascade East Transit

Served on stakeholder committee for Bend to Mt. Bachelor/Elk Lake Summer Shuttle.

#### Oregon Department of Transportation

Participated in Terrebonne Refinement Plan TAC; Parkway Facility Management Refinement Plan TAC; Wickiup Jct. Refinement Plan (with City of La Pine); Bend US 97 North Corridor Planning; TAC for potential US 97 interchange slightly north of Bend; quarterly meetings with ODOT, Road Dept., and cities of Bend and Sisters to review traffic modeling needs; participated in ODOT Highway Safety Plan goal setting; stakeholder committee for ODOT study on wildlife passages for US 20 between Bend and Santiam Pass; and served as Central Oregon representative to Governor’s Advisory Committee on Motorcycle Safety.

#### Deschutes River Mitigation and Enhancement Committee

Convened a Deschutes River Mitigation and Enhancement Committee meeting to receive updates from ODFW and Central Oregon Irrigation District (COID).



## 2021 Year in Review, continued

### Coordination with Other Jurisdictions, Agencies and Committees

**City of Bend**—Coordinated with City staff regarding:

- Bend Airport Master Plan.
- Bend Urban Growth Boundary (UGB) Amendment / HB 4079 / Affordable Housing Project.
- RFP for Real Property Disposition and Development for Simpson Property.
- Bend Metropolitan Planning Organization TAC.

**City of La Pine**—Coordinated with City staff regarding:

- Land use applications for effects on county road system.
- Wickiup Junction Refinement Plan.
- Preparing TGM grant to update the master plan for County-owned property in the Newberry Neighborhood.
- RFPs for Real Property Disposition and Development for Newberry Neighborhood Quadrant 2a and 2d.

**City of Redmond**—Coordinated with City staff regarding:

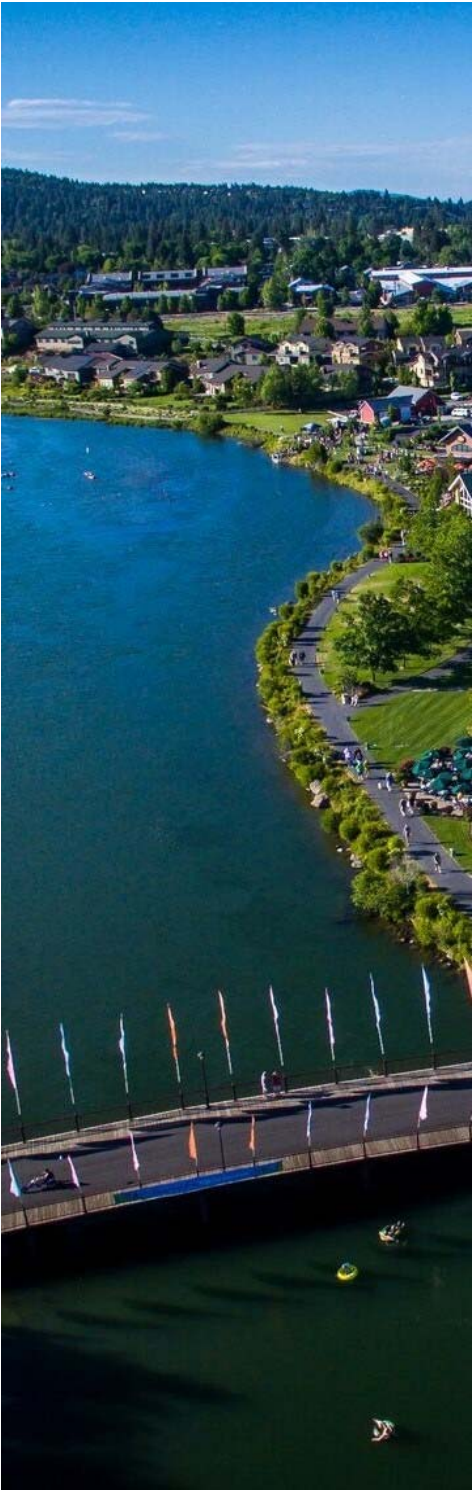
- Redmond UGB Amendment / HB 236 / Affordable Housing Pilot Project.

**City of Sisters**—Coordinated with City staff regarding:

- Implementing Sisters Country Vision Plan.

**Deschutes County**

- Participated in Special Transit Funding Advisory Committee to review grant applications and award funds for transit providers and social service agencies.
- Convened a Cannabis Advisory Panel per HB 3295.
- Provided updates to BOCC regarding Non-resource lands, Natural Resource Stewardship Position, SB 391 (Rural ADUs), SB 762 (Wildfire Mitigation), wildlife inventories produced by ODFW, and dark skies project.
- Provide updated to BOCC for RV park, manufactured home park, and campground expansions, and Agri-tourism opportunities.



# Planning

## 2022-23 Work Plan Projects

### Development Review

- Respond to phone and email customer inquiries within 48 to 72 hours.
- Issue all administrative (staff) decisions for land use actions that do not require prior notice within 21 days of determination of a complete application.
- Issue all administrative (staff) decisions for land use actions requiring prior notice within 45 days of determination of a complete application.
- Process Hearings Officer decisions for land use actions and potential appeals to the BOCC within 150 days per State law.
- Develop websites accessible to the public to view records associated with complex land use applications.
- Develop an interactive map for the Bend Airport that links land use approvals to specific structures and hangars.
- Develop an interactive map for destination resorts that links land use approvals to specific phases.

### Comprehensive Plan Update

- Administer a multi-year process to update the Comprehensive Plan.
- Engage Terrebonne and Newberry County residents to determine if community plans, goals, and policies meet the current and future needs of the area and whether there is an interest and readiness for a community plan update.

### Natural Resources

- *Natural Hazards*—Develop a work plan to amend the Comprehensive Plan and County Code requiring defensible space and fire-resistant building materials per SB 762 (2021, Wildfire Mitigation).
- *Wildlife Inventories*—Amend the Comprehensive Plan and Zoning Code to incorporate a new mule deer winter range inventory from ODFW.
- *Sage Grouse*—Participate as a cooperating agency with the Bureau of Land Management (BLM) to evaluate alternative management approaches to contribute to the conservation of the Greater Sage-grouse and sagebrush habitats on federal lands.

### Transportation Growth Management (TGM) Grant

- Update the Tumalo Community Plan.
- Implement the rural trails portion of the Sisters Country Vision Action Plan.

### Transportation Planning

- Amend Comprehensive Plan to incorporate TSP update in coordination with Road Department and ODOT.
- Process Road Naming requests associated with certain types of development on a semi-annual basis.

# Planning

## 2022-23 Work Plan Projects, continued

### City of Bend Coordination

- Amend the City of Bend UGB and County zoning to implement HB 4079, affordable housing project.
- Adopt the Bend Airport Master Plan (BAMP) and amend the County's Comprehensive Plan and Development Code to incorporate the updated BAMP and implementation measures to allow new airport-related businesses.
- Coordinate with City of Bend on growth management issues, including technical analyses related to housing and employment needs.

### City of La Pine Coordination

- Participate with Property Management and the City of La Pine process to update and amend the County-owned Newberry Neighborhood comprehensive plan designations, master plan and implementing regulation.

### City of Redmond Coordination

- Coordinate with City of Redmond to implement their Comprehensive Plan update.
- Coordinate with City of Redmond and Central Oregon Intergovernmental Council on CORE3, multi-stakeholder regional emergency coordination center.

### City of Sisters Coordination

- Participate in the implementation of Sisters Country Vision Plan and City of Sisters Comprehensive Plan Update.



## 2022-23 Work Plan Projects, continued

### Growth Management Committees

- Coordinate and/or participate on Deschutes County BPAC, Project Wildfire, and Mitigation and Enhancement Committee.

### Historic Preservation—Certified Local Government Grant

- Administer the 2021-2022 CLG Grant from the SHPO.
- Apply for 2023-2024 CLG Grant, including coordination with the Historic Landmarks Commission and the City of Sisters on priority projects to include in the grant proposal.

### Housekeeping Amendments

- Initiate housekeeping amendments to ensure County Code complies with State law.

### Housing Strategies

- Amend County Code to implement SB 391, Rural ADUs.
- Amend County Code to remove barriers to the placement of small manufactured homes that otherwise meet building code specifications.
- Amend County Code to repeal Conventional Housing Combining Zone.
- Amend County Code to define family for unrelated persons HB 2538, Non-familial Individuals
- Explore options and approaches to address rural housing and homelessness as allowed under State law.
- Monitor Terrebonne and Tumalo Sewer Feasibility Studies.

### Legislative Session (2022-23)

- Participate in legislative or rulemaking work groups to shape State laws to benefit Deschutes County.

### Planning Commission Coordination

- Coordinate with the BOCC to establish strategic directions for the Planning Commission.



# Planning

## 2022-23 Work Plan Projects, continued

### Zoning Text Amendments

- Minor variance 10% lot area rule for farm and forest zoned properties.
- Outdoor Mass Gatherings to be addressed more thoroughly.
- Re-platting.
- Sign code to become consistent with federal law.
- Accessory structure amendments clarifying they must be built concurrent with or after the establishment of a primary residence. Specify allowed facilities (baths, cook tops, wet bar) in residential accessory structures.
- Section 6409(a) of the Spectrum Act (Wireless Telecommunication Amendments).
- In conduit hydroelectric generation code amendments.
- Revisit Amateur Radio Tower regulations.

### Staff Directory

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# Community Involvement Report

## 2021

Statewide Planning Goal 1, Citizen Involvement, requires cities and counties to create a citizen involvement program that provides opportunities for community participation in land use planning processes and decisions.

Land use legislation, policies and implementation measures made by Oregonians nearly 50 years ago helped shape Oregon’s urban and rural environments. Likewise, choices made today will ultimately shape these areas in the future. Successful land use planning occurs through an open and public process that provides room for information gathering, analysis and vigorous debate. Deschutes County’s Community Involvement program is defined in Section 1.2 of the Comprehensive Plan.

This chapter identifies the County Planning Commission as the committee for citizen involvement. It also contains the County’s Community Involvement goal and corresponding five policies that comply with Goal 1. This report briefly discusses the noteworthy community involvement actions undertaken by the Planning Division in 2021. The report is intended to provide county residents and stakeholders with a tool to assess its effectiveness and offer additional suggestions the County can utilize to ensure that its diverse communities remain actively involved in land use planning discussions.



# Community Involvement Report

**2021**

## Planning Commission



The Planning Commission convened 21 times to consider:

- ✓ CDD FY 2021-22 Annual Report & Work Plan
- ✓ Dark Skies Update
- ✓ Deschutes County Noxious Weed Program
- ✓ Deschutes 2040—Orientation to Statewide Planning Goal 8
- ✓ Deschutes 2040—Orientation to Statewide Planning Goal 9
- ✓ Deschutes 2040—Orientation to Statewide Planning Goals 10, 11, 13 and 14.
- ✓ DLCD TA Grant / Update / Progress Report
- ✓ Guest Ranch and Title 17 Amendments
- ✓ Hemp and Title 17 Amendments
- ✓ Hemp Panel Discussion
- ✓ Joint BOCC / Planning Commission Work Session
- ✓ Marijuana Housekeeping Amendments
- ✓ Marijuana Retail and Annual Reporting Text Amendments
- ✓ Natural Resource Stewardship Position
- ✓ Planning Division Work Plan Update
- ✓ Rural Economic Development Discussion
- ✓ Rural Economic Development Opportunities Panel Discussion
- ✓ SB 391—Rural ADU Legislation
- ✓ TGM Grant Update
- ✓ TSP Update
- ✓ Tumalo Roundabout Update
- ✓ Water Panel Discussion and Preparation
- ✓ Westside Transect Amendment
- ✓ Wildlife Inventory Update & Virtual Open Houses
- ✓ Wildfire Mitigation Amendments and SB 762



# Community Involvement Report

## 2021

### Historic Landmarks Commission



Convened 4 times in 2021 to consider:

- ✓ Camp Polk Pioneer Cemetery
- ✓ CDD FY 2021-22 Annual Report & Work Plan
- ✓ Certified Local Government Grant Application
- ✓ City of Sisters Check-In
- ✓ Field Trip Discussion
- ✓ Historic Landmarks Commission Policies and Procedures Manual
- ✓ Regional Coordination
- ✓ Updates from Bend and Redmond Historic Landmarks Commission



## BOARD OF COMMISSIONERS

# AGENDA REQUEST & STAFF REPORT

**MEETING DATE:** June 1, 2022

**SUBJECT:** Measure 109 / Psilocybin

**BACKGROUND AND POLICY IMPLICATIONS:**

The purpose of this item is to:

- a) Provide an introduction to Measure 109 – legalization of psilocybin;
- b) Discuss its relevance to land use in Deschutes County;
- c) Discuss upcoming rulemaking; and
- d) Begin the discussion of options for Board of County Commissioners (Board) consideration moving forward.

**BUDGET IMPACTS:**

*None*

**ATTENDANCE:**

*Tanya Saltzman, Senior Planner*

*Will Groves, Planning Manager*

*Peter Gutowsky, Director*



**MEMORANDUM**

**TO:** Deschutes County Board of Commissioners

**FROM:** Tanya Saltzman, AICP, Senior Planner

**DATE:** May 25, 2022

**SUBJECT:** Measure 109 / Psilocybin

The purpose of this memorandum is to:

- a) Provide an introduction to Measure 109 – legalization of psilocybin;
- b) Discuss its relevance to land use in Deschutes County;
- c) Discuss upcoming rulemaking; and
- d) Begin the discussion of options for Board of County Commissioners (Board) consideration moving forward.

**A. Measure 109**

On November 3, 2020, Oregon voters approved Ballot Measure 109, the Psilocybin Program Initiative. Statewide, Ballot Measure 109 passed with 1,270,057 votes (55.75%) to 1,008,199 (44.25%). In Deschutes County it passed with 63,841 votes (52.80%) to 57,064 (47.20%).

- A "yes" vote directed the Oregon Health Authority to license and regulate the manufacturing, transportation, delivery, sale, and purchase of psilocybin products and the provision of psilocybin services to individuals 21 years of age or older.
- A "no" vote opposed the creation of a psilocybin program, thus maintaining the state prohibition against the possession, manufacturing, and consumption of psilocybin.

Section 1 of Measure 109 describes the intention of initiating the program:

“(5) Studies conducted by nationally and internationally recognized medical institutions indicate that psilocybin has shown efficacy, tolerability, and safety in the treatment of a variety of mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end of-life psychological distress;

(6) The United States Food and Drug Administration has:

- (a) Determined that preliminary clinical evidence indicates that psilocybin may demonstrate substantial improvement over available therapies for treatment-resistant depression; and
- (b) Granted a Breakthrough Therapy designation for a treatment that uses psilocybin as a therapy for such depression.”

## Administration and General Timeline

Oregon Psilocybin Services is a new section housed within the Oregon Health Authority (OHA) Public Health Division’s Center for Health Protection. The Oregon Psilocybin Services Section will implement Ballot Measure 109.

The Oregon Psilocybin Services Section will begin accepting applications for licensure (more on this below) on January 2, 2023. Until that time, the Oregon Psilocybin Services Section is in a two-year development period, working to build the regulatory framework for psilocybin services.

In April 2022, community members were invited by the OHA to provide comments on a subset of proposed rules related to products, testing, and training programs during the first public comment period. A second round of rulemaking in the fall will focus on the remainder of the rules. The remainder of rules will be posted and open for public comment in October, with all final rules adopted by December 31, 2022.

Given that this will be the first psilocybin program in the United States (and therefore, there are no existing models to follow for land use or otherwise) and that rulemaking will not be finalized until December, staff is providing updates to the Board based on the most recent information available, while being cognizant that some elements will likely be created and refined as 2022 progresses.

The original text of Measure 109 is provided as an attachment for reference, as well as a question and answer document produced by the OHA that was derived from their listening sessions in December 2021. Although many of the questions in that document do not pertain to land use, staff found the Q&A helpful as a general overview of the program.

## Types of Licenses

OHA may issue four types of licenses:

- (1) **Manufacturer** of psilocybin products: the manufacture, planting, cultivation, growing, harvesting, production, preparation, propagation, compounding, conversion or processing of a psilocybin product, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the psilocybin product or labeling or relabeling of its container.
- (2) Operator of a **psilocybin service center**, an establishment:

- (a) At which administration sessions (a session held at a psilocybin service center at which a client purchases, consumes, and experiences the effects of a psilocybin product under the supervision of a psilocybin service facilitator) are held; and
  - (b) At which other psilocybin services may be provided. These consist of services provided to a client before, during, and after the client’s consumption of a psilocybin product, including:
    - (a) A preparation session, a meeting with a client and a psilocybin service facilitator that must occur before the client participates in an administration session;
    - (b) An administration session; and
    - (c) An integration session, a meeting between a client and a psilocybin service facilitator that may occur after the client completes an administration session.
- (3) **Facilitator** of psilocybin services: an individual that facilitates the provision of psilocybin services in this state.
- (4) **Tester** of psilocybin products.

**Key Points**

Below are initial takeaways from staff’s reading and preliminary research of Measure 109. Staff has also begun conversations with Association of Oregon Counties, legal counsel who are focusing on this matter, and individuals with experience with this industry and its clinical applications.

*General*

- Unlike with the recreational marijuana program, counties are automatically opted in to the psilocybin program. However, a governing body of a city or county may adopt ordinances to be referred to the electors of the city or county at the next statewide general election that prohibit the establishment of psilocybin production (cultivation), manufacturing (processing / edibles) or service centers (commercial land use).
- If a county or city takes no action, it is automatically opted in to the program under the regulations established in Measure 109 and subsequent rulemaking.
- A client, 21-years or older may purchase, possess, and consume a psilocybin product only at a psilocybin service center, and only under the supervision of a psilocybin service facilitator.
- Counties may adopt “reasonable” time, place, and manner regulations; however, they cannot adopt separation distances that limit service centers greater than 1,000 feet from one another
- The program requires counties to sign a Land Use Compatibility Statement (LUCS) that demonstrates that the requested license is for a land use that is allowable as a permitted or conditional use within the given zoning designation where the land is located.

*Production*

- Psilocybin-producing fungi is recognized as a crop for the purpose of a farm use, a farm, and farming practice. Therefore, it is permitted outright on Exclusive Farm Use (EFU) land and if a county chooses, it can also be recognized in other zones where farm or forest uses are allowed.
- Counties may adopt “reasonable” time, place, and manner regulations.

- Psilocybin-producing fungi must be grown indoors.
- Commercial activities in conjunction with farm use do not apply to growing psilocybin. However, the operation of a psilocybin service center may be carried on in conjunction with a psilocybin-producing fungi crop on Exclusive Farm Use land.

### *Manufacturing*

- Psilocybin- manufacturing must take place indoors.
- Counties may adopt “reasonable” time, place, and manner regulations.
- Manufacturing may be carried on in conjunction with a psilocybin producing fungi crop.

### *Service Centers*

- Service centers may not be located within 1,000 feet of elementary or secondary schools (500 feet if there is a physical or geographic barrier).
- Service centers may not be located in municipalities on lands zoned exclusively for residential use.
- Service centers may not be located in single family dwellings
- Counties may adopt “reasonable” time, place, and manner regulations.
- Service centers may be carried on in conjunction with a psilocybin producing fungi crop.
- Facilitators are required to pass an OHA exam. Possessing a medical license is not required.
- A psilocybin service center is not a health care facility subject to ORS chapter 441.

## **B. Psilocybin and Land Use in Deschutes County**

Psilocybin production, manufacturing and service centers will have the most direct relevance to land use in Deschutes County. Given that service centers are not considered to be health care facilities, staff believes this presents several options of what a service center could look like, ranging from a relatively simple clinical setup similar to a doctor or therapist’s office, to potentially a more retreat-oriented business that may involve an overnight stay and the integration of psilocybin production and manufacturing. Staff anticipates some of these details as well as those governing manufacturing will be determined through the rulemaking process.

## **C. Rulemaking**

Measure 109 leaves many questions unanswered; many further details are slated to be determined in the rulemaking process, which will take place throughout the duration of 2022. The Oregon Psilocybin Advisory Board, which is comprised of fourteen to sixteen members with varying types of expertise outlined in Measure 109, will advise on numerous issues that will contribute to rulemaking. Those issues with the most significance to Deschutes County’s decision-making include:

- Recommendations to the authority on the requirements, specifications and guidelines for providing psilocybin services to a client
- Recommendations to the authority on the education and training that psilocybin service facilitators must complete
- Recommendations to the authority on public health and safety standards and industry best practices for holding and completing an administration session, including:

- Whether group administration sessions should be available;
- Whether clients should be able to access common or outside areas on the premises of the psilocybin service center at which the administration session is held;
- The circumstances under which an administration session is considered complete; and
- The transportation needs of the client after the completion of the administration session.

#### **D. Next Steps**

This memorandum provides an introduction to the psilocybin program and touches on some of the issues staff anticipates the Board will need to consider in the near future. Staff will return to the Board in approximately two to four weeks to continue the discussion of psilocybin in Deschutes County.

Soon, the Board will need to consider its preferred approach to psilocybin, including:

1. Allowing the program to proceed per Measure 109 and subsequent rulemaking;
2. Opting out and referring the matter to the voters in the next general election on November 8, 2022. This option would likely require initial coordination with the County Counsel and County Clerk by mid-August; or
3. Adopting time, place, and manner regulations for a psilocybin program to coincide with OHA accepting the first license applications on January 2, 2023.

Because OHA rulemaking and, thus, key aspects of the program will likely not be known by the time any “opt out” choice would need to be referred to voters, the Board will potentially be placed in a difficult position of choosing to stay opted in by default, or to refer an opt out measure to the voters without knowing key aspects of the program. Staff continues to engage in dialogue with other counties, industry representatives, and lawmakers to help inform the Board, Planning Commission, Community Development divisions, other departments, and the public on the details of this significant new undertaking.

Attachments:

1. Measure 109 text
2. Oregon Health Authority Q&A summary

## AN ACT

Be It Enacted by the People of the State of Oregon:

**SECTION 1. Findings.**

The People of the State of Oregon find that:

- (1) Oregon has the one of the highest prevalence of mental illness among adults in the nation;
- (2) An estimated one in every five adults in Oregon is coping with a mental health condition;
- (3) The Governor has declared addiction as a public health crisis in this state;
- (4) The 2019–2021 Governor’s Budget proposes spending over \$2.8 billion on mental health and behavioral health programs;
- (5) Studies conducted by nationally and internationally recognized medical institutions indicate that psilocybin has shown efficacy, tolerability, and safety in the treatment of a variety of mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress;
- (6) The United States Food and Drug Administration has:
  - (a) Determined that preliminary clinical evidence indicates that psilocybin may demonstrate substantial improvement over available therapies for treatment-resistant depression; and
  - (b) Granted a Breakthrough Therapy designation for a treatment that uses psilocybin as a therapy for such depression;
- (7) The Oregon Health Authority has direct supervision of all matters relating to the preservation of life and health of the people of this state;
- (8) During a two-year program development period, the authority should:
  - (a) Examine, publish, and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions; and
  - (b) Adopt rules and regulations for the eventual implementation of a comprehensive regulatory framework that will allow persons 21 years of age and older in this state to be provided psilocybin services; and
- (9) An advisory board should be established within the authority for the purpose of advising and making recommendations to the authority.



**SECTION 2. Purposes of this 2020 Act.**

(1) The People of the State of Oregon declare that the purposes of this 2020 Act are:

(a) To educate the people of this state about the safety and efficacy of psilocybin in treating mental health conditions;

(b) To reduce the prevalence of mental illness among adults in this state, and to improve the physical, mental, and social well-being of all people in this state;

(c) To develop a long-term strategic plan for ensuring that psilocybin services will become and remain a safe, accessible and affordable therapeutic option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate;

(d) To protect the safety, welfare, health and peace of the people of this state by prioritizing this state's limited law enforcement resources in the most effective, consistent and rational way; and

(e) After a two-year program development period, to:

(A) Permit persons licensed, controlled and regulated by this state to legally manufacture psilocybin products and provide psilocybin services to persons 21 years of age and older, subject to the provisions of this 2020 Act; and

(B) Establish a comprehensive regulatory framework concerning psilocybin products and psilocybin services under state law.

(2) The People of the State of Oregon intend that the provisions of this 2020 Act, together with other provisions of state law, will:

(a) Prevent the distribution of psilocybin products to other persons who are not permitted to possess psilocybin products under the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act, including but not limited to persons under 21 years of age; and

(b) Prevent the diversion of psilocybin products from this state to other states.

**SECTION 3. Short title.**

Sections 3 to 129 of this 2020 Act shall be known and may be cited as the Oregon Psilocybin Services Act.

**SECTION 4. Construction.**

Sections 3 to 129 of this 2020 Act may not be construed:

- (1) To require a government medical assistance program or private health insurer to reimburse a person for costs associated with the use of psilocybin products;
- (2) To amend or affect state or federal law pertaining to employment matters;
- (3) To amend or affect state or federal law pertaining to landlord-tenant matters;
- (4) To prohibit a recipient of a federal grant or an applicant for a federal grant from prohibiting the manufacture, delivery, possession or use of psilocybin products to the extent necessary to satisfy federal requirements for the grant;
- (5) To prohibit a party to a federal contract or a person applying to be a party to a federal contract from prohibiting the manufacture, delivery, possession or use of psilocybin products to the extent necessary to comply with the terms and conditions of the contract or to satisfy federal requirements for the contract;
- (6) To require a person to violate a federal law;
- (7) To exempt a person from a federal law or obstruct the enforcement of a federal law; or
- (8) To amend or affect state law, to the extent that a person does not manufacture, deliver, or possess psilocybin products in accordance with the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

#### **SECTION 5. Definitions.**

As used in sections 3 to 129 of this 2020 Act:

- (1) "Administration session" means a session held at a psilocybin service center at which a client purchases, consumes, and experiences the effects of a psilocybin product under the supervision of a psilocybin service facilitator.
- (2) "Client" means an individual that is provided psilocybin services in this state.
- (3) "Integration session" means a meeting between a client and a psilocybin service facilitator that may occur after the client completes an administration session.
- (4) "Legal entity" means a corporation, limited liability company, limited partnership, or other legal entity that is registered with the office of the Secretary of State or with a comparable office of another jurisdiction.
- (5) "Licensee" means a person that holds a license issued under section 23, 26, 30 or 97 of this 2020 Act.

(6) "Licensee representative" means an owner, director, officer, manager, employee, agent or other representative of a licensee, to the extent that the person acts in a representative capacity.

(7) "Manufacture" means the manufacture, planting, cultivation, growing, harvesting, production, preparation, propagation, compounding, conversion or processing of a psilocybin product, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the psilocybin product or labeling or relabeling of its container.

(8)(a) "Premises" includes the following areas of a location licensed under sections 3 to 129 of this 2020 Act:

(A) All public and private enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms and storerooms;

(B) All areas outside a building that the Oregon Health Authority has specifically licensed for the manufacturing of psilocybin products or the operation of a psilocybin service center; and

(C) For a location that the authority has specifically licensed for the operation of a psilocybin service center outside a building, that portion of the location used to operate the psilocybin service center and provide psilocybin services to clients.

(b) "Premises" does not include a primary residence.

(9) "Preparation session" means a meeting between a client and a psilocybin service facilitator that must occur before the client participates in an administration session.

(10) "Psilocybin" means psilocybin or psilocin.

(11) "Psilocybin product manufacturer" means a person that manufactures psilocybin products in this state.

(12)(a) "Psilocybin products" means:

(A) Psilocybin-producing fungi; and

(B) Mixtures or substances containing a detectable amount of psilocybin.

(b) "Psilocybin products" does not include psilocybin services.

(13) "Psilocybin service center" means an establishment:

(a) At which administration sessions are held; and

(b) At which other psilocybin services may be provided.

(14) "Psilocybin service center operator" means a person that operates a psilocybin service center in this state.

(15) "Psilocybin service facilitator" means an individual that facilitates the provision of psilocybin services in this state.

(16) "Psilocybin services" means services provided to a client before, during, and after the client's consumption of a psilocybin product, including:

- (a) A preparation session;
- (b) An administration session; and
- (c) An integration session.

(17) "Two-year program development period" means the period beginning on January 1, 2021 and ending no later than December 31, 2022.

## OREGON PSILOCYBIN ADVISORY BOARD

### **SECTION 6. Members; terms; meetings; compensation.**

(1)(a) The Oregon Psilocybin Advisory Board is established within the Oregon Health Authority for the purpose of advising and making recommendations to the authority. The Oregon Psilocybin Advisory Board shall consist of:

- (A) Fourteen to sixteen members appointed by the Governor as specified in paragraph (b) of this subsection;
- (B) The Public Health Director or the Public Health Director's designee;
- (C) If the Public Health Director is not the State Health Officer, the State Health Officer or a physician licensed under ORS chapter 677 acting as the State Health Officer's designee;
- (D) If the Public Health Director is the State Health Officer, a representative from the Oregon Health Authority who is familiar with public health programs and public health activities in this state; and
- (E) A designee of the Oregon Health Policy Board.

(b) The Governor shall appoint the following individuals to the board:

- (A) Any four of the following:
  - (i) A state employee who has technical expertise in the field of public health;
  - (ii) A local health officer, as defined in ORS 431.003;

- (iii) An individual who is a member of, or who represents, a federally recognized Indian tribe in this state;
  - (iv) An individual who is a member of, or who represents, the Addictions and Mental Health Planning and Advisory Council within the authority;
  - (v) An individual who is a member of, or who represents, the Health Equity Policy Committee within the authority;
  - (vi) An individual who is a member of, or who represents, the Palliative Care and Quality of Life Interdisciplinary Advisory Council within the authority; and
  - (vii) An individual who represents individuals who provide public health services directly to the public;
- (B) A psychologist licensed under ORS chapter 675 who has professional experience engaging in the diagnosis or treatment of a mental, emotional, or behavioral condition;
  - (C) A physician licensed under ORS chapter 677 who holds a degree of Doctor of Medicine;
  - (D) A naturopathic physician licensed under ORS chapter 685;
  - (E) An expert in the field of public health who has a background in academia;
  - (F) Any three of the following:
    - (i) A person who has professional experience conducting scientific research regarding the use of psychedelic compounds in clinical therapy;
    - (ii) A person who has experience in the field of mycology;
    - (iii) A person who has experience in the field of ethnobotany;
    - (iv) A person who has experience in the field of psychopharmacology; and
    - (v) A person who has experience in the field of psilocybin harm reduction;
  - (G) A person representing the Oregon Liquor Control Commission who has experience working with the system developed and maintained by the commission under ORS 475B.177 for tracking the transfer of marijuana items;
  - (H) A person representing the Oregon Department of Justice; and
  - (I) The following:
    - (i) During the two-year program development period:
      - (I) One of the chief petitioners of this 2020 Act; and
      - (II) One or two at-large members; and

(ii) After the two-year program development period, one, two, or three at-large members.

(2)(a) The term of office for a board member appointed under this section is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on January 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.

(b) Members of the board described in subsection (1)(a)(B) to (E) of this section are nonvoting ex officio members of the board.

(3) A majority of the voting members of the board constitutes a quorum for the transaction of business.

(4) Official action by the board requires the approval of a majority of the voting members of the board.

(5) The board shall elect one of its voting members to serve as chairperson.

(6) During the two-year program development period, the board shall meet at least once every two calendar months at a time and place determined by the chairperson or a majority of the voting members of the board. After the two-year program development period, the board shall meet at least once every calendar quarter at a time and place determined by the chairperson or a majority of the voting members of the board. The board also may meet at other times and places specified by the call of the chairperson or of a majority of the voting members of the board.

(7) The board may adopt rules necessary for the operation of the board.

(8) The board may establish committees and subcommittees necessary for the operation of the board.

(9) Members of the board are entitled to compensation and expenses as provided in ORS 292.495.

#### **SECTION 7. Duties of Oregon Psilocybin Advisory Board.**

The Oregon Psilocybin Advisory Board shall:

(1) Provide advice to the Oregon Health Authority with respect to the administration of sections 3 to 129 of this 2020 Act;

(2) Make recommendations to the authority on available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating

mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress;

(3) Make recommendations to the authority on the requirements, specifications and guidelines for providing psilocybin services to a client, including:

(a) The requirements, specifications and guidelines for holding and verifying the completion of a preparation session, an administration session, and an integration session; and

(b) The contents of the client information form that a client must complete and sign before the client participates in an administration session, giving particular consideration to:

(A) The information that should be solicited from the client to determine whether the client should participate in the administration session, including information that may identify risk factors and contraindications;

(B) The information that should be solicited from the client to assist the psilocybin service center operator and the psilocybin service facilitator in meeting any public health and safety standards and industry best practices during the administration session; and

(C) The health and safety warnings and other disclosures that should be made to the client before the client participates in the administration session.

(4) Make recommendations to the authority on public health and safety standards and industry best practices for each type of licensee under sections 3 to 129 of this 2020 Act;

(5) Make recommendations to the authority on the formulation of a code of professional conduct for psilocybin service facilitators, giving particular consideration to a code of ethics;

(6) Make recommendations to the authority on the education and training that psilocybin service facilitators must complete:

(a) Giving particular consideration to:

(A) Facilitation skills that are affirming, non-judgmental, and non-directive;

(B) Support skills for clients during an administration session, including specialized skills for:

(i) Client safety; and

(ii) Clients who may have a mental health condition;

(C) The environment in which psilocybin services should occur; and

(D) Social and cultural considerations; and

(b) Including whether such education and training should be available through online resources;

- (7) Make recommendations to the authority on the examinations that psilocybin service facilitators must pass;
- (8) Make recommendations to the authority on public health and safety standards and industry best practices for holding and completing an administration session, including:
- (a) Whether group administration sessions should be available;
  - (b) Whether clients should be able to access common or outside areas on the premises of the psilocybin service center at which the administration session is held;
  - (c) The circumstances under which an administration session is considered complete; and
  - (d) The transportation needs of the client after the completion of the administration session;
- (9) Develop a long-term strategic plan for ensuring that psilocybin services will become and remain a safe, accessible and affordable therapeutic option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate;
- (10) Monitor and study federal laws, regulations and policies regarding psilocybin; and
- (11) Attempt to meet with the United States Attorney's Office for the District of Oregon to discuss this 2020 Act and potential federal enforcement policies regarding psilocybin in Oregon after the expiration of the two-year program development period.

## **POWERS AND DUTIES OF OREGON HEALTH AUTHORITY**

### **SECTION 8. General powers and duties; rules.**

- (1) The Oregon Health Authority has the duties, functions and powers specified in sections 3 to 129 of this 2020 Act and the powers necessary or proper to enable the authority to carry out the authority's duties, functions and powers under sections 3 to 129 of this 2020 Act. The jurisdiction, supervision, duties, functions and powers of the authority extend to any person that produces, processes, transports, delivers, sells or purchases a psilocybin product in this state or that provides a psilocybin service in this state. The authority may sue and be sued.
- (2) The duties, functions and powers of the authority specified in sections 3 to 129 of this 2020 Act include the following:
- (a) To examine, publish, and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress.



(b) After the two-year program development period:

(A) To regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of psilocybin services in this state in accordance with the provisions of sections 3 to 129 of this 2020 Act;

(B) To issue, renew, suspend, revoke or refuse to issue or renew licenses for the manufacturing or sale of psilocybin products, the provision of psilocybin services, or other licenses related to the consumption of psilocybin products, and to permit, in the authority's discretion, the transfer of a license between persons; and

(C) To regulate the use of psilocybin products and psilocybin services for other purposes as deemed necessary or appropriate by the authority.

(c) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of sections 3 to 129 of this 2020 Act, including rules that the authority considers necessary to protect the public health and safety.

(d) To exercise all powers incidental, convenient or necessary to enable the authority to administer or carry out the provisions of sections 3 to 129 of this 2020 Act or any other law of this state that charges the authority with a duty, function or power related to psilocybin products and psilocybin services. Powers described in this paragraph include, but are not limited to:

(A) Issuing subpoenas;

(B) Compelling the attendance of witnesses;

(C) Administering oaths;

(D) Certifying official acts;

(E) Taking depositions as provided by law;

(F) Compelling the production of books, payrolls, accounts, papers, records, documents and testimony; and

(G) Establishing fees in addition to the application, licensing and renewal fees described in sections 23, 26, 30 and 97 of this 2020 Act, provided that any fee established by the authority is reasonably calculated not to exceed the cost of the activity for which the fee is charged.

(e) To adopt rules prohibiting advertising psilocybin products to the public.

(f) To adopt rules regulating and prohibiting advertising psilocybin services in a manner:

(A) That is appealing to minors;

(B) That promotes excessive use;

(C) That promotes illegal activity;

(D) That violates the code of professional conduct for psilocybin service facilitators formulated by the authority; or

(E) That otherwise presents a significant risk to public health and safety.

(3) The authority may not require that a psilocybin product be manufactured by means of chemical synthesis.

(4) The authority may not require a client to be diagnosed with or have any particular medical condition as a condition to being provided psilocybin services.

(5) Fees collected pursuant to subsection (2)(d)(G) of this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

**SECTION 9. Authority to purchase, possess, seize, transfer to licensee or dispose of psilocybin products.**

Subject to any applicable provision of ORS chapter 183, the Oregon Health Authority may purchase, possess, seize, transfer to a licensee or dispose of psilocybin products as is necessary for the authority to ensure compliance with and enforce the provisions of sections 3 to 129 of this 2020 Act and any rule adopted under sections 3 to 129 of this 2020 Act.

**TWO-YEAR PROGRAM DEVELOPMENT PERIOD**

**SECTION 10. No licenses.**

Unless the Legislative Assembly provides otherwise, the Oregon Health Authority may not issue any licenses under sections 3 to 129 of this 2020 Act during the two-year program development period.

**SECTION 11. Oregon Psilocybin Advisory Board; dates.**

(1) On or before February 28, 2021, the Governor shall appoint the individuals specified in subsection (1)(b) of section 6 of this 2020 Act to the Oregon Psilocybin Board.

(2) On or before March 31, 2021, the board shall hold its first meeting at a time and place specified by the Governor.

(3) On or before June 30, 2021, and from time to time after such date, the board shall submit its findings and recommendations to the Oregon Health Authority on available medical, psychological, and scientific studies, research, and other information relating to the safety and

efficacy of psilocybin in treating mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress.

(4) On or before June 30, 2022, the board shall submit its findings and recommendations:

(a) For rules and regulations for the implementation of sections 3 to 129 of this 2020 Act;

(b) For a long-term strategic plan for ensuring that psilocybin services will become and remain a safe, accessible and affordable therapeutic option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate; and

(c) With respect to federal laws, regulations and policies regarding psilocybin.

### **SECTION 12. Oregon Health Authority; dates.**

(1) On or before July 31, 2021, and from time to time after such date, the Oregon Health Authority shall publish and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress.

(2) On or before December 31, 2022, the authority shall prescribe forms and adopt such rules and regulations as the authority deems necessary for the implementation of sections 3 to 129 of this 2020 Act.

## **APPLICATION PROCESS AND LICENSES**

### **SECTION 13. Date.**

On or before January 2, 2023, the Oregon Health Authority shall begin receiving applications for the licensing of persons to:

- (1) Manufacture psilocybin products;
- (2) Operate a psilocybin service center;
- (3) Facilitate psilocybin services; and
- (4) Test psilocybin products.

### **SECTION 14. Application process for all licensees; rules.**

- (1) Except as provided in subsection (2) of this section, an applicant for a license or renewal of a license issued under sections 3 to 129 of this 2020 Act shall apply to the Oregon Health Authority in the form required by the authority by rule, showing the name and address of the applicant, location of the premises that is to be operated under the license and other pertinent information required by the authority. The authority may not issue or renew a license until the applicant has complied with the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.
- (2) The authority may reject any application that is not submitted in the form required by the authority by rule. The authority shall give applicants an opportunity to be heard if an application is rejected. A hearing under this subsection is not subject to the requirements for contested case proceedings under ORS chapter 183.
- (3) Except as provided in subsection (2) of this section, a revocation of, or a refusal to issue or renew, a license issued under sections 3 to 129 of this 2020 Act is subject to the requirements for contested case proceedings under ORS chapter 183.
- (4) An applicant for a facilitator license or renewal of a facilitator license issued under section 30 of this 2020 Act need not show the location of any premises.

**SECTION 15. Grounds for refusing to issue license or issuing restricted license.**

- (1) The Oregon Health Authority may not license an applicant under the provisions of sections 3 to 129 of this 2020 Act if the applicant is under 21 years of age.
- (2) The authority may refuse to issue a license or may issue a restricted license to an applicant under the provisions of sections 3 to 129 of this 2020 Act if the authority makes a finding that the applicant:
  - (a) Has not completed any education or training required by the provisions of sections 3 to 129 of this 2020 Act or rules adopted under sections 3 to 129 of this 2020 Act.
  - (b) Has not passed any examination required by the provisions of sections 3 to 129 of this 2020 Act or rules adopted under sections 3 to 129 of this 2020 Act.
  - (c) Is in the habit of using alcoholic beverages, habit-forming drugs, or controlled substances to excess.
  - (d) Has made false statements to the authority.
  - (e) Is incompetent or physically unable to carry on the management of the establishment proposed to be licensed.

(f) Has been convicted of violating a federal law, state law or local ordinance if the conviction is substantially related to the fitness and ability of the applicant to lawfully carry out activities under the license.

(g) Is not of good repute and moral character.

(h) Does not have a good record of compliance with sections 3 to 129 of this 2020 Act or any rule adopted under sections 3 to 129 of this 2020 Act.

(i) Is not the legitimate owner of the premises proposed to be licensed, or has not disclosed that other persons have ownership interests in the premises proposed to be licensed.

(j) Has not demonstrated financial responsibility sufficient to adequately meet the requirements of the premises proposed to be licensed.

(k) Is unable to understand the laws of this state relating to psilocybin products, psilocybin services, or the rules adopted under sections 3 to 129 of this 2020 Act.

(3) Notwithstanding subsection (2)(f) of this section, in determining whether to issue a license or a restricted license to an applicant, the authority may not consider the prior conviction of the applicant or any owner, director, officer, manager, employee, agent or other representative of the applicant for:

(a) The manufacture of psilocybin or the manufacture of a marijuana item, as defined in ORS 475B.015, if:

(A) The date of the conviction is two or more years before the date of the application; and

(B) The person has not been convicted more than once for the manufacture of psilocybin or a marijuana item; or

(b) The possession of a controlled substance, as defined in ORS 475.005, or a marijuana item, as defined in ORS 475B.015, if:

(A) The date of the conviction is two or more years before the date of the application; or

(B) The person has not been convicted more than once for the possession of a controlled substance or a marijuana item.

#### **SECTION 16. Authority to require fingerprints of applicants and other individuals.**

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Health Authority may require the fingerprints of any individual listed on an application submitted under section 14 of this 2020 Act. The powers conferred on the authority under this section include the power to require the fingerprints of:

- (1) If the applicant is a limited partnership, each general partner of the limited partnership;
- (2) If the applicant is a manager-managed limited liability company, each manager of the limited liability company;
- (3) If the applicant is a member-managed limited liability company, each voting member of the limited liability company;
- (4) If the applicant is a corporation, each director and officer of the corporation; and
- (5) Any individual who holds a financial interest of 10 percent or more in the person applying for the license.

**SECTION 17. Properties of license.**

A license issued under sections 3 to 129 of this 2020 Act:

- (1) Is a personal privilege.
- (2) Is renewable in the manner provided in section 14 of this 2020 Act, except for a cause that would be grounds for refusal to issue the license under section 15 of this 2020 Act.
- (3) Is revocable or suspendible as provided in section 64 of this 2020 Act.
- (4) Except for a license issued to a psilocybin service facilitator under section 30 of this 2020 Act, is transferable from the premises for which the license was originally issued to another premises subject to the provisions of sections 3 to 129 of this 2020 Act, applicable rules adopted under sections 3 to 129 of this 2020 Act and applicable local ordinances.
- (5) If the license was issued to an individual, expires upon the death of the licensee, except as provided in section 51 of this 2020 Act.
- (6) Does not constitute property.
- (7) Is not alienable.
- (8) Is not subject to attachment or execution.
- (9) Does not descend by the laws of testate or intestate devolution.

**SECTION 18. Duties of Oregon Health Authority with respect to issuing licenses.**

- (1) The Oregon Health Authority shall approve or deny an application to be licensed under sections 3 to 129 of this 2020 Act. Upon receiving an application under section 14 of this 2020 Act, the authority may not unreasonably delay processing, approving or denying the application or, if the application is approved, issuing the license.

(2) The licenses described in sections 3 to 129 of this 2020 Act must be issued by the authority, subject to the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(3) The authority may not license a premises that does not have defined boundaries. A premises does not need to be enclosed by a wall, fence or other structure, but the authority may require a premises to be enclosed as a condition of issuing or renewing a license. The authority may not license a mobile premises.

**SECTION 19. Duty to request land use compatibility statement.**

(1) Prior to receiving a license under section 23 or 26 of this 2020 Act, an applicant shall request a land use compatibility statement from the city or county that authorizes the land use. The land use compatibility statement must demonstrate that the requested license is for a land use that is allowable as a permitted or conditional use within the given zoning designation where the land is located. The Oregon Health Authority may not issue a license if the land use compatibility statement shows that the proposed land use is prohibited in the applicable zone.

(2) Except as provided in subsection (3) of this section, a city or county that receives a request for a land use compatibility statement under this section must act on that request within 21 days of:

- (a) Receipt of the request, if the land use is allowable as an outright permitted use; or
- (b) Final local permit approval, if the land use is allowable as a conditional use.

(3) A city or county that receives a request for a land use compatibility statement under this section is not required to act on that request during the period that the authority discontinues licensing those premises pursuant to section 128(4) of this 2020 Act.

(4) A city or county action concerning a land use compatibility statement under this section is not a land use decision for purposes of ORS chapter 195, 196, 197, 215 or 227.

**LICENSEES IN GENERAL**

**SECTION 20. Lawful manufacture, delivery, and possession of psilocybin products.**

Licensees and licensee representatives may manufacture, deliver and possess psilocybin products subject to the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act. The manufacture, delivery or possession of psilocybin products by a licensee or a licensee representative in compliance with sections 3 to 129 of this 2020 Act and rules

adopted under sections 3 to 129 of this 2020 Act does not constitute a criminal or civil offense under the laws of this state.

**SECTION 21. Restriction on financial interests in multiple licensees.**

An individual may not have a financial interest in:

- (1) More than one psilocybin product manufacturer; or
- (2) More than five psilocybin service center operators.

**SECTION 22. Authority to hold multiple licenses.**

Subject to section 21 of this 2020 Act:

- (1) A person may hold multiple service center operator licenses under section 26 this 2020 Act; and
- (2) A person may hold both a manufacturer license under section 23 this 2020 Act and a service center operator license under section 26 this 2020 Act at the same or different premises.

**LICENSE TO MANUFACTURE PSILOCYBIN PRODUCTS**

**SECTION 23. Manufacturer license; fees; rules.**

- (1) The manufacture of psilocybin products is subject to regulation by the Oregon Health Authority.
- (2) A psilocybin product manufacturer must have a manufacturer license issued by the authority for the premises at which the psilocybin products are manufactured. To hold a manufacturer license issued under this section, a psilocybin product manufacturer:
  - (a) Must apply for a license in the manner described in section 14 of this 2020 Act;
  - (b) Must provide proof that the applicant is 21 years of age or older;
  - (c) Must, until January 1, 2025:
    - (A) If the direct owner of the business operating or to be operated under the license is a legal entity, provide proof that more than 50 percent of the shares, membership interests, partnership interests, or other ownership interests of the legal entity are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years;



(B) If the direct owner of the business operating or to be operated under the license is a partnership that is not a legal entity, provide proof that more than 50 percent of the partnership interests of the partnership are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years; and

(C) If the direct owner of the business operating or to be operated under the license is an individual, provide proof that the individual has been a resident of this state for two or more years; and

(d) Must meet the requirements of any rule adopted by the authority under subsections (3) and (4) of this section.

(3)(a) If the applicant is not the owner of the premises at which the psilocybin is to be manufactured, the applicant shall submit to the authority signed informed consent from the owner of the premises to manufacture psilocybin at the premises.

(b) The authority may adopt rules regarding the informed consent described in this subsection.

(4) The authority shall adopt rules that:

(a) Require a psilocybin product manufacturer to annually renew a license issued under this section;

(b) Establish application, licensure and renewal of licensure fees for psilocybin product manufacturers; and

(c) Require psilocybin products manufactured by psilocybin product manufacturers to be tested in accordance with section 96 of this 2020 Act.

(5) Fees adopted under subsection (4)(b) of this section:

(a) May not exceed, together with other fees collected under sections 3 to 129 of this 2020 Act, the cost of administering sections 3 to 129 of this 2020 Act; and

(b) Shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

#### **SECTION 24. Psilocybin product manufacturers; endorsements.**

(1) The Oregon Health Authority shall adopt rules that designate different types of manufacturing activities. A psilocybin product manufacturer may only engage in a type of manufacturing activity if the psilocybin product manufacturer has received an endorsement from the authority for that type of manufacturing activity.

(2) An applicant must request an endorsement upon submission of an initial application but may also request an endorsement at any time following licensure.

- (3) Only one application and license fee is required regardless of how many endorsements an applicant or licensee requests or at what time the request is made.
- (4) A psilocybin product manufacturer licensee may hold multiple endorsements.
- (5) The authority may deny a psilocybin product manufacturer's request for an endorsement or revoke an existing endorsement if the psilocybin product manufacturer cannot or does not meet the requirements for the endorsement that is requested. If the authority denies or revokes approval the psilocybin product manufacturer has a right to a hearing under the procedures of ORS chapter 183.

**SECTION 25. Psilocybin product quantities; rules.**

The Oregon Health Authority shall adopt rules restricting the quantities of psilocybin products at premises for which a license has been issued under section 23 of this 2020 Act. In adopting rules under this section, the authority shall take into consideration the demand for psilocybin services in this state, the number of psilocybin product manufacturers applying for a license under section 23 of this 2020 Act, the number of psilocybin product manufacturers that hold a license issued under section 23 of this 2020 Act and whether the availability of psilocybin products in this state is commensurate with the demand for psilocybin services.

**LICENSE TO OPERATE PSILOCYBIN SERVICE CENTER**

**SECTION 26. Service center operator license; fees; rules.**

- (1)(a) The operation of a psilocybin service center is subject to regulation by the Oregon Health Authority.
- (b) A psilocybin service center is not a health care facility subject to ORS chapter 441.
- (2) A psilocybin service center operator must have a service center operator license issued by the authority for the premises at which psilocybin services are provided. To hold a service center operator license under this section, a psilocybin service center operator:
- (a) Must apply for a license in the manner described in section 14 of this 2020 Act;
- (b) Must provide proof that the applicant is 21 years of age or older;
- (c) Must, until January 1, 2025:
- (A) If the direct owner of the business operating or to be operated under the license is a legal entity, provide proof that more than 50 percent of the shares, membership interests, partnership

interests, or other ownership interests of the legal entity are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years;

(B) If the direct owner of the business operating or to be operated under the license is a partnership that is not a legal entity, provide proof that more than 50 percent of the partnership interests of the partnership are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years; and

(C) If the direct owner of the business operating or to be operated under the license is an individual, provide proof that the individual has been a resident of this state for two or more years;

(d) Must ensure that the psilocybin service center is located in an area that is not:

(A) Within the limits of an incorporated city or town; and

(B) Zoned exclusively for residential use;

(e) Except as provided in section 27 of this 2020 Act, must ensure that the psilocybin service center is not located within 1,000 feet of:

(A) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or

(B) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and

(f) Must meet the requirements of any rule adopted by the authority under subsection (3) of this section.

(3) The authority shall adopt rules that:

(a) Require a psilocybin service center operator to annually renew a license issued under this section;

(b) Establish application, licensure and renewal of licensure fees for psilocybin service center operators;

(c) Require psilocybin products sold by a psilocybin service center operator to be tested in accordance with section 96 of this 2020 Act; and

(d) Require a psilocybin service center operator to meet any public health and safety standards and industry best practices established by the authority by rule.

(4) Fees adopted under subsection (3)(b) of this section:

(a) May not exceed, together with other fees collected under sections 3 to 129 of this 2020 Act, the cost of administering sections 3 to 129 of this 2020 Act; and

(b) Shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

**SECTION 27. Proximity of psilocybin service center to school.**

Notwithstanding subsection 2(e) of section 26 of this 2020 Act, a psilocybin service center may be located within 1,000 feet of a school if:

(1) The psilocybin service center is not located within 500 feet of:

(a) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or

(b) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and

(2) The Oregon Health Authority determines that there is a physical or geographic barrier capable of preventing children from traversing to the premises of the psilocybin service center.

**SECTION 28. Establishment of school after issuance of license.**

If a school described in subsection 2(e) of section 26 of this 2020 Act that has not previously been attended by children is established within 1,000 feet of a premises for which a license has been issued under section 26 of this 2020 Act, the psilocybin service center operator located at that premises may remain at that location unless the Oregon Health Authority revokes the license of the psilocybin service center operator under section 64 of this 2020 Act.

**SECTION 29. Requirement to verify person's age; rules.**

The Oregon Health Authority may adopt rules establishing the circumstances under which the authority may require a psilocybin service center operator that holds a license issued under section 26 of this 2020 Act to use an age verification scanner or any other equipment used to verify a person's age for the purpose of ensuring that the psilocybin service center operator does not sell psilocybin products to a person under 21 years of age. Information obtained under this section may not be retained after verifying a person's age and may not be used for any purpose other than verifying a person's age.

**LICENSE TO FACILITATE PSILOCYBIN SERVICES**

**SECTION 30. Facilitator license; fees; rules.**

- (1) The facilitation of psilocybin services is subject to regulation by the Oregon Health Authority.
- (2) A psilocybin service facilitator must have a facilitator license issued by the authority. To hold a facilitator license issued under this section, a psilocybin service facilitator:
  - (a) Must apply for a license in the manner described in section 14 of this 2020 Act;
  - (b) Must provide proof that the applicant is 21 years of age or older;
  - (c) Must, until January 1, 2025, provide proof that the applicant has been a resident of this state for two or more years;
  - (d) Must have a high school diploma or equivalent education;
  - (e) Must submit evidence of completion of education and training prescribed and approved by the authority;
  - (f) Must have passed an examination approved, administered or recognized by the authority; and
  - (g) Must meet the requirements of any rule adopted by the authority under subsection (4) of this section.
- (3) The authority may not require a psilocybin service facilitator to have a degree from a university, college, post-secondary institution, or other institution of higher education.
- (4) The authority shall adopt rules that:
  - (a) Require a psilocybin service facilitator to annually renew a license issued under this section;
  - (b) Establish application, licensure and renewal of licensure fees for psilocybin service facilitators; and
  - (c) Require a psilocybin service facilitator to meet any public health and safety standards and industry best practices established by the authority by rule.
- (5) Fees adopted under subsection (4)(b) of this section:
  - (a) May not exceed, together with other fees collected under sections 3 to 129 of this 2020 Act, the cost of administering sections 3 to 129 of this 2020 Act; and
  - (b) Shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.
- (6) A psilocybin service facilitator may be, but need not be, an employee, manager, director, officer, partner, member, shareholder, or direct or indirect owner of one or more psilocybin service center operators.

(7) A license issued to a psilocybin service facilitator under this section is not limited to any one or more premises.

**SECTION 31. Examinations; rules.**

The Oregon Health Authority shall offer an examination for applicants for licenses to facilitate psilocybin services at least twice a year. An applicant who fails any part of the examination may retake the failed section in accordance with rules adopted by the authority.

**SECTION 32. Requirement to verify person's age; rules.**

The Oregon Health Authority may adopt rules establishing the circumstances under which the authority may require a psilocybin service facilitator that holds a license issued under section 30 of this 2020 Act to use an age verification scanner or any other equipment used to verify a person's age for the purpose of ensuring that the psilocybin service facilitator does not provide psilocybin services to a person under 21 years of age. Information obtained under this section may not be retained after verifying a person's age and may not be used for any purpose other than verifying a person's age.

**PSILOCYBIN SERVICES**

**SECTION 33. Psilocybin services.**

The Oregon Health Authority shall adopt by rule the requirements, specifications and guidelines for:

- (1) Providing psilocybin services to a client;
- (2) Holding and verifying the completion of a preparation session;
- (3) Having a client complete, sign, and deliver a client information form to a psilocybin service center operator and a psilocybin service facilitator;
- (4) Holding and verifying the completion of an administration session; and
- (5) Holding and verifying the completion of an integration session.

**SECTION 34. Preparation session.**

- (1) Before a client participates in an administration session, the client must attend a preparation session with a psilocybin service facilitator.
- (2) A preparation session may be, but need not be, held at a psilocybin service center.
- (3) If a preparation session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon Health Authority, the psilocybin service facilitator must certify, in a form and manner prescribed by the authority, that the client completed the preparation session.

**SECTION 35. Client information form.**

- (1) Before a client participates in an administration session:
  - (a) The client must complete and sign a client information form, in a form and manner prescribed by the Oregon Health Authority; and
  - (b) A copy of the completed and signed client information form must be delivered to:
    - (A) The psilocybin service center operator that operates the psilocybin service center at which the administration session is to be held; and
    - (B) The psilocybin service facilitator that will supervise the administration session.
- (2) The client information form:
  - (a) Will solicit from the client such information as may be necessary:
    - (A) To enable a psilocybin service center operator and a psilocybin service facilitator to determine whether the client should participate in an administration session, including information that may identify risk factors and contraindications; and
    - (B) If so, to assist the psilocybin service center operator and the psilocybin service facilitator in meeting any public health and safety standards and industry best practices during the administration session; and
  - (b) Will contain such health and safety warnings and other disclosures to the client as the authority may prescribe.

**SECTION 36. Administration session.**

- (1) After a client completes a preparation session and completes and signs a client information form, the client may participate in an administration session.
- (2) An administration session must be held at a psilocybin service center.

(3) If an administration session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon Health Authority, the psilocybin service facilitator must certify, in a form and manner prescribed by the authority, that the client completed the administration session.

**SECTION 37. Integration session.**

(1) After a client completes an administration session, the psilocybin service facilitator who supervised the administration session must offer the client an opportunity to participate in an integration session. The client may, but need not, participate in an integration session.

(2) An integration session may be, but need not be, held at a psilocybin service center.

(3) If an integration session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon Health Authority, the psilocybin service facilitator must certify, in a form and manner prescribed by the authority, that the client completed the integration session.

**SECTION 38. Protections on reliance on client information form.**

(1) If a client information form is offered as evidence in any administrative or criminal prosecution of a licensee or licensee representative for sale or service of a psilocybin product to a client, the licensee or licensee representative is not guilty of any offense prohibiting a person from selling or serving a psilocybin product to a client unless it is demonstrated that a reasonable person would have determined that the responses provided by the client on the client information form were incorrect or altered.

(2) A licensee or licensee representative shall be entitled to rely upon all statements, declarations, and representations made by a client in a client information form unless it is demonstrated that:

(a) A reasonable person would have determined that one or more of the statements, declarations, and representations made by the client in the client information form were incorrect or altered; or

(b) The licensee or licensee representative violated a provision of sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act relative to the client information form.

(3) Except as provided in subsection (2) of this section, no licensee or licensee representative shall incur legal liability by virtue of any untrue statements, declarations, or representations so relied upon in good faith by the licensee or licensee representative.



**SECTION 39. Protections on refusal to provide psilocybin services to a client.**

- (1) Subject to other applicable law, a licensee or licensee representative may refuse to provide psilocybin services to a potential client for any or no reason.
- (2)(a) Except as provided in paragraph (b) of this subsection, and subject to other applicable law, a licensee or licensee representative may cease providing psilocybin services to a client for any or no reason.
- (b) A psilocybin service center operator and a psilocybin service facilitator may not cease providing psilocybin services to a client during an administration session after the client has consumed a psilocybin product, except as authorized by the Oregon Health Authority by rule, or as necessary in an emergency.

**POWERS AND DUTIES OF OREGON HEALTH AUTHORITY WITH RESPECT TO  
LICENSEES**

**SECTION 40. Powers and duties relating to psilocybin service facilitators.**

The Oregon Health Authority shall:

- (1) Determine the qualifications, training, education and fitness of applicants for licenses to facilitate psilocybin services, giving particular consideration to:
- (a) Facilitation skills that are affirming, non-judgmental, and non-directive;
  - (b) Support skills for clients during an administration session, including specialized skills for:
    - (A) Client safety; and
    - (B) Clients who may have a mental health condition;
  - (c) The environment in which psilocybin services should occur; and
  - (d) Social and cultural considerations.
- (2) Formulate a code of professional conduct for psilocybin service facilitators, giving particular consideration to a code of ethics;
- (3) Establish standards of practice and professional responsibility for individuals licensed by the authority to facilitate psilocybin services;
- (4) Select licensing examinations for licenses to facilitate psilocybin services;
- (5) Provide for waivers of examinations as appropriate; and

(6) Appoint representatives to conduct or supervise examinations of applicants for licenses to facilitate psilocybin services.

**SECTION 41. Minimum standards of education and training for psilocybin service facilitators; rules.**

(1) The Oregon Health Authority shall adopt by rule minimum standards of education and training requirements for psilocybin service facilitators.

(2) The authority shall approve courses for psilocybin service facilitators. To obtain approval of a course, the provider of a course must submit an outline of instruction to the office and the Department of Education. The outline must include the approved courses, total hours of instruction, hours of lectures in theory and the hours of instruction in application of practical skills.

**SECTION 42. Authority to inspect books and premises; notice.**

(1) The Oregon Health Authority may, after 72 hours' notice, make an examination of the books of a licensee for the purpose of determining compliance with sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(2) The authority may at any time make an examination of a premises for which a license has been issued under sections 3 to 129 of this 2020 Act for the purpose of determining compliance with sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(3) The authority may not require the books of a licensee to be maintained on a premises of the licensee.

**SECTION 43. Authority to require segregation of premises.**

If a licensee holds more than one license issued under sections 3 to 129 of this 2020 Act for the same premises, the Oregon Health Authority may require the premises to be segregated into separate areas for conducting the activities permitted under each license as is necessary to protect the public health and safety.

**SECTION 44. Authority to require general liability insurance.**

As is necessary to protect the public health and safety, the Oregon Health Authority may require a licensee to maintain general liability insurance in an amount that the authority determines is reasonably affordable and available for the purpose of protecting the licensee against damages

resulting from a cause of action related to activities undertaken pursuant to the license held by the licensee.

**SECTION 45. Use of Oregon Liquor Control Commission tracking system for psilocybin products; exemptions; rules.**

(1) The Oregon Health Authority shall:

(a) Develop and maintain a system for tracking the transfer of psilocybin products between premises for which licenses have been issued under sections 3 to 129 of this 2020 Act; or

(b) Enter into an agreement with the Oregon Liquor Control Commission under which the commission shall permit the authority to use the system developed and maintained under ORS 475B.177 to track the transfer of psilocybin products between premises for which licenses have been issued under sections 3 to 129 of this 2020 Act.

(2) The purposes of the system include, but are not limited to:

(a) Preventing the diversion of psilocybin products to other states;

(b) Preventing persons from substituting or tampering with psilocybin products;

(c) Ensuring an accurate accounting of the production, processing and sale of psilocybin products;

(d) Ensuring that laboratory testing results are accurately reported; and

(e) Ensuring compliance with sections 3 to 129 of this 2020 Act, rules adopted under sections 3 to 129 of this 2020 Act and any other law of this state that charges the authority or commission with a duty, function or power related to psilocybin.

(3) The system must be capable of tracking, at a minimum:

(a) The manufacturing of psilocybin products;

(b) The sale of psilocybin products by a psilocybin service center operator to a client;

(c) The sale and purchase of psilocybin products between licensees, as permitted by sections 3 to 129 of this 2020 Act;

(d) The transfer of psilocybin products between premises for which licenses have been issued under sections 3 to 129 of this 2020 Act; and

(e) Any other information that the authority determines is reasonably necessary to accomplish the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

(4) Notwithstanding section 126 of this 2020 Act, before making any other distribution from the Oregon Psilocybin Account established under section 126 of this 2020 Act, the Department of Revenue shall first distribute moneys quarterly from the account to the commission for deposit in the Marijuana Control and Regulation Fund established under ORS 475B.296 for purposes of paying any costs incurred by the commission under subsection (1)(b) of this section. For purposes of estimating the amount of moneys necessary to pay any costs incurred under this section, the commission shall establish a formulary based on expected costs for each licensee that is tracked under this section. The commission shall provide to the Department of Revenue and the Legislative Fiscal Officer before each quarter the estimated amount of moneys necessary to pay costs expected to be incurred under this section and the formulary.

**SECTION 46. Authority to prevent diversion of psilocybin products.**

Except as otherwise provided by law, the Oregon Health Authority has any power, and may perform any function, necessary for the authority to prevent the diversion of psilocybin products from licensees to a source that is not operating legally under the laws of this state.

**SECTION 47. Authority to discipline for unregulated commerce.**

In addition to any other disciplinary action available to the Oregon Health Authority under sections 3 to 129 of this 2020 Act, the authority may immediately restrict, suspend or refuse to renew a license issued under sections 3 to 129 of this 2020 Act if circumstances create probable cause for the authority to conclude that a licensee has purchased or received a psilocybin product from an unlicensed source or that a licensee has sold, stored or transferred a psilocybin product in a manner that is not permitted by the licensee's license.

**SECTION 48. Authority to require financial disclosure from licensee.**

(1) The Oregon Health Authority may require a licensee or applicant for a license under sections 3 to 129 of this 2020 Act to submit, in a form and manner prescribed by the authority, to the authority a sworn statement showing:

- (a) The name and address of each person that has a financial interest in the business operating or to be operated under the license; and
- (b) The nature and extent of the financial interest of each person that has a financial interest in the business operating or to be operated under the license.

(2) The authority may refuse to issue, or may suspend, revoke or refuse to renew, a license issued under sections 3 to 129 of this 2020 Act if the authority determines that a person that has

a financial interest in the business operating or to be operated under the license committed or failed to commit an act that would constitute grounds for the authority to refuse to issue, or to suspend, revoke or refuse to renew, the license if the person were the licensee or applicant for the license.

**SECTION 49. Authority to investigate, discipline licensees.**

(1) Notwithstanding the lapse, suspension or revocation of a license issued under sections 3 to 129 of this 2020 Act, the Oregon Health Authority may:

- (a) Proceed with any investigation of, or any action or disciplinary proceeding against, the person who held the license; or
- (b) Revise or render void an order suspending or revoking the license.

(2) In cases involving the proposed denial of a license issued under sections 3 to 129 of this 2020 Act, the applicant for licensure may not withdraw the applicant's application.

**SECTION 50. Authority to investigate, discipline permit holder.**

(1) Notwithstanding the lapse, suspension or revocation of a permit issued under section 66 of this 2020 Act, the Oregon Health Authority may:

- (a) Proceed with any investigation of, or any action or disciplinary proceeding against, the person who held the permit; or
- (b) Revise or render void an order suspending or revoking the permit.

(2) In cases involving the proposed denial of a permit issued under section 66 of this 2020 Act, the applicant may not withdraw the applicant's application.

**SECTION 51. Powers related to decedents and insolvent or bankrupt persons.**

The Oregon Health Authority may, by rule or order, provide for the manner and conditions under which:

- (1) Psilocybin products left by a deceased, insolvent or bankrupt person or licensee, or subject to a security interest, may be foreclosed, sold under execution or otherwise disposed.
- (2) The business of a deceased, insolvent or bankrupt licensee may be operated for a reasonable period following the death, insolvency or bankruptcy.

(3) A secured party, as defined in ORS 79.0102, may continue to operate at a premises for which a license has been issued under sections 3 to 129 of this 2020 Act for a reasonable period after default on the indebtedness by the debtor.

## CONDUCT OF LICENSEES

### **SECTION 52. Prohibition against manufacturing psilocybin products outdoors.**

A psilocybin product manufacturer that holds a license under section 23 of this 2020 Act may not manufacture psilocybin products outdoors.

### **SECTION 53. Restrictions on delivery or receipt; waiver by authority.**

(1) A psilocybin product manufacturer that holds a license under section 23 of this 2020 Act:

(a) May deliver psilocybin products only to or on a premises for which a license has been issued under section 23 or section 26 of this 2020 Act; and

(b) May receive psilocybin products only from a psilocybin product manufacturer that holds a license under section 23 of this 2020 Act.

(2) A psilocybin service center operator that holds a license under section 26 of this 2020 Act:

(a) May deliver psilocybin products only to or on a premises for which a license has been issued under section 26 of this 2020 Act.; and

(b) May receive psilocybin products only from a psilocybin product manufacturer that holds a license under section 23 of this 2020 Act or a psilocybin service center operator that holds a license under section 26 of this 2020 Act.

(3) The sale of psilocybin products to a client by a psilocybin service center operator that holds a license issued under section 26 of this 2020 Act must be restricted to the premises for which the license has been issued.

(4) The Oregon Health Authority may by order waive the requirements of subsections (1) and (2) of this section to ensure compliance with sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act. An order issued under this subsection does not constitute a waiver of any other requirement of sections 3 to 129 of this 2020 Act or any other rule adopted under sections 3 to 129 of this 2020 Act.

**SECTION 54. Prohibition against selling or delivering psilocybin products to persons under 21 years of age.**

A licensee or licensee representative may not sell or deliver a psilocybin product to a person under 21 years of age.

**SECTION 55. Identification requirement; rules.**

(1) Subject to subsection (2) of this section, a licensee or licensee representative, before selling or providing a psilocybin product to another person, must require the person to produce one of the following pieces of identification:

- (a) The person's passport.
- (b) The person's driver license, issued by the State of Oregon or another state of the United States.
- (c) An identification card issued under ORS 807.400.
- (d) A United States military identification card.
- (e) An identification card issued by a federally recognized Indian tribe.
- (f) Any other identification card issued by a state or territory of the United States that bears a picture of the person, the name of the person, the person's date of birth and a physical description of the person.

(2) The Oregon Health Authority may adopt rules exempting a licensee or licensee representative from this section.

(3) A client may not be required to procure for the purpose of acquiring or purchasing a psilocybin product a piece of identification other than a piece of identification described in subsection (1) of this section.

**SECTION 56. Confidentiality of information and communications by clients; exceptions.**

A psilocybin service center operator, a psilocybin service facilitator, or any employee of a psilocybin service center operator or psilocybin service facilitator may not disclose any information that may be used to identify a client, or any communication made by a client during the course of providing psilocybin services or selling psilocybin products to the client, except:

- (1) When the client or a person authorized to act on behalf of the client gives consent to the disclosure;
- (2) When the client initiates legal action or makes a complaint against the psilocybin service center operator, the psilocybin service facilitator, or the employee;

- (3) When the communication reveals the intent to commit a crime harmful to the client or others;
- (4) When the communication reveals that a minor may have been a victim of a crime or physical, sexual or emotional abuse or neglect; or
- (5) When responding to an inquiry by the Oregon Health Authority made during the course of an investigation into the conduct of the psilocybin service center operator, the psilocybin service facilitator, or the employee under sections 3 to 129 of this 2020 Act.

**SECTION 57. Prohibition against purchasing, possessing, and consuming a psilocybin product outside a psilocybin service center.**

A client may purchase, possess, and consume a psilocybin product:

- (1) Only at a psilocybin service center; and
- (2) Only under the supervision of a psilocybin service facilitator.

**SECTION 58. Prohibition against psilocybin service facilitator consuming a psilocybin product during an administration session.**

A psilocybin service facilitator may not consume a psilocybin product during an administration session that the psilocybin service facilitator is supervising.

**SECTION 59. Prohibition against employing persons under 21 years of age.**

- (1) A licensee may not employ a person under 21 years of age at a premises for which a license has been issued under sections 3 to 129 of this 2020 Act.
- (2) During an inspection of a premises for which a license has been issued under sections 3 to 129 of this 2020 Act, the Oregon Health Authority may require proof that a person performing work at the premises is 21 years of age or older. If the person does not provide the authority with acceptable proof of age upon request, the authority may require the person to immediately cease any activity and leave the premises until the authority receives acceptable proof of age. This subsection does not apply to a person temporarily at the premises to make a service, maintenance or repair call or for other purposes independent of the premises operations.
- (3) If a person performing work has not provided proof of age requested by the authority under subsection (2) of this section, the authority may request that the licensee provide proof that the person is 21 years of age or older. Failure of the licensee to respond to a request made under this subsection by providing acceptable proof of age for a person is prima facie evidence that the



licensee has allowed the person to perform work at the premises for which a license has been issued under sections 3 to 129 of this 2020 Act in violation of the minimum age requirement.

**SECTION 60. Prohibition against obfuscating mark or label or using mark or label to deceive.**

(1) A licensee may not use or allow the use of a mark or label on the container of a psilocybin product that is kept for sale if the mark or label does not precisely and clearly indicate the nature of the container's contents or if the mark or label in any way might deceive a person about the nature, composition, quantity, age or quality of the container's contents.

(2) The Oregon Health Authority may prohibit a licensee from selling any psilocybin product that in the authority's judgment is deceptively labeled or contains injurious or adulterated ingredients.

**SECTION 61. Requirement that psilocybin products comply with minimum standards.**

(1) A psilocybin product may not be sold or offered for sale within this state unless the psilocybin product complies with the minimum standards prescribed by the statutory laws of this state.

(2) The Oregon Health Authority may prohibit the sale of a psilocybin product by a psilocybin service center operator for a reasonable period of time for the purpose of determining whether the psilocybin product complies with the minimum standards prescribed by the statutory laws of this state.

**SECTION 62. Other prohibitions.**

(1) A person may not make false representations or statements to the Oregon Health Authority in order to induce or prevent action by the authority.

(2) A licensee may not maintain a noisy, lewd, disorderly or insanitary establishment or supply impure or otherwise deleterious psilocybin products.

(3) A licensee may not misrepresent to a person or to the public any psilocybin products.

**SECTION 63. Purpose of license issued under sections 3 to 129 of this 2020 Act.**

A license issued under sections 3 to 129 of this 2020 Act serves the purpose of exempting the person that holds the license from the criminal laws of this state for possession, delivery or

manufacture of psilocybin products, provided that the person complies with all state laws and rules applicable to licensees.

## DISCIPLINING LICENSEES

### **SECTION 64. Grounds for revocation, suspension or restriction of license.**

The Oregon Health Authority may revoke, suspend or restrict a license issued under sections 3 to 129 of this 2020 Act or require a licensee or licensee representative to undergo training if the authority finds or has reasonable ground to believe any of the following to be true:

- (1) That the licensee or licensee representative:
  - (a) Has violated a provision of sections 3 to 129 of this 2020 Act or a rule adopted under ORS sections 3 to 129 of this 2020 Act, including any code of professional conduct or code of ethics.
  - (b) Has made any false representation or statement to the authority in order to induce or prevent action by the authority.
  - (c) Is insolvent or incompetent or physically unable to carry on the management of the establishment of the licensee.
  - (d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana, psilocybin products or controlled substances to excess.
  - (e) Has misrepresented to a person or the public any psilocybin products sold by the licensee or licensee representative.
  - (f) Since the issuance of the license, has been convicted of a felony, of violating any of the psilocybin products laws of this state, general or local, or of any misdemeanor or violation of any municipal ordinance committed on the premises for which the license has been issued.
- (2) That there is any other reason that, in the opinion of the authority, based on public convenience or necessity, warrants revoking, suspending or restricting the license.

## EMPLOYEES AND OTHER WORKERS

### **SECTION 65. Permit required to perform work for or on behalf of a licensee.**

(1) An individual who performs work for or on behalf of a licensee must have a valid permit issued by the Oregon Health Authority under section 66 of this 2020 Act if the individual participates in:

- (a) The provision of psilocybin services at the premises for which the license has been issued;
- (b) The possession, manufacturing, securing or selling of psilocybin products at the premises for which the license has been issued;
- (c) The recording of the possession, manufacturing, securing or selling of psilocybin products at the premises for which the license has been issued; or
- (d) The verification of any document described in section 55 of this 2020 Act.

(2) A licensee must verify that an individual has a valid permit issued under section 66 of this 2020 Act before allowing the individual to perform any work described in subsection (1) of this section at the premises for which the license has been issued.

**SECTION 66. Issuing, renewing permits; fees; rules.**

(1) The Oregon Health Authority shall issue permits to qualified applicants to perform work described in section 65 of this 2020 Act. The authority shall adopt rules establishing:

- (a) The qualifications for performing work described in section 65 of this 2020 Act;
- (b) The term of a permit issued under this section;
- (c) Procedures for applying for and renewing a permit issued under this section; and
- (d) Reasonable application, issuance and renewal fees for a permit issued under this section.

(2)(a) The authority may require an individual applying for a permit under this section to successfully complete a course, made available by or through the authority, through which the individual receives training on:

- (A) Checking identification;
- (B) Detecting intoxication;
- (C) Handling psilocybin products;
- (D) If applicable, the manufacturing of psilocybin products;
- (E) The content of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act; or
- (F) Any matter deemed necessary by the authority to protect the public health and safety.

- (b) The authority or other provider of a course may charge a reasonable fee for the course.
- (c) The authority may not require an individual to successfully complete a course more than once, except that:
- (A) As part of a final order suspending a permit issued under this section, the authority may require a permit holder to successfully complete the course as a condition of lifting the suspension; and
- (B) As part of a final order revoking a permit issued under this section, the authority shall require an individual to successfully complete the course prior to applying for a new permit.
- (3) The authority shall conduct a criminal records check under ORS 181A.195 on an individual applying for a permit under this section.
- (4) Subject to the applicable provisions of ORS chapter 183, the authority may suspend, revoke or refuse to issue or renew a permit if the individual who is applying for or who holds the permit:
- (a) Is convicted of a felony or is convicted of an offense under sections 3 to 129 of this 2020 Act, except that the authority may not consider a conviction for an offense under sections 3 to 129 of this 2020 Act if the date of the conviction is two or more years before the date of the application or renewal;
- (b) Violates any provision of sections 3 to 129 of this 2020 Act or any rule adopted under sections 3 to 129 of this 2020 Act; or
- (c) Makes a false statement to the authority.
- (5) A permit issued under this section is a personal privilege and permits work described under section 65 of this 2020 Act only for the individual who holds the permit.

**SECTION 67. Authority to require fingerprints of individuals listed on application.**

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Health Authority may require the fingerprints of any individual listed on an application submitted under section 66 of this 2020 Act.

**SECTION 68. Whistleblower protection for employees.**

(1) It is an unlawful employment practice for a licensee to discharge, demote, suspend or in any manner discriminate or retaliate against an employee of the licensee with regard to promotion, compensation or other terms, conditions or privileges of employment on the basis that the employee has in good faith reported information to the Oregon Health Authority that the

employee believes is evidence of a violation of sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act.

(2) This section is subject to enforcement under ORS chapter 659A.

## PSILOCYBIN CONTROL AND REGULATION FUND

### **SECTION 69. Psilocybin Control and Regulation Fund.**

The Psilocybin Control and Regulation Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Psilocybin Control and Regulation Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Health Authority to administer and enforce sections 3 to 129 of this 2020 Act.

## PROHIBITED CONDUCT

### **SECTION 70. Prohibition against person under 21 years of age entering premises; penalty.**

(1) Except as authorized by the Oregon Health Authority by rule, or as necessary in an emergency, a person under 21 years of age may not enter or attempt to enter any portion of a premises that is posted or otherwise identified as being prohibited to the use of persons under 21 years of age.

(2) A person who violates subsection (1) of this section commits a Class B violation.

(3) The prohibitions of this section do not apply to a person under 21 years of age who is acting under the direction of the authority or under the direction of state or local law enforcement agencies for the purpose of investigating possible violations of laws prohibiting sales of psilocybin products to persons who are under 21 years of age.

(4) The prohibitions of this section do not apply to a person under 21 years of age who is acting under the direction of a licensee for the purpose of investigating possible violations by employees of the licensee of laws prohibiting sales of psilocybin products to persons who are under 21 years of age.

(5)(a) A person under 21 years of age is not in violation of, and is immune from prosecution under, this section if:

(A) The person contacted emergency medical services or a law enforcement agency in order to obtain medical assistance for another person who was in need of medical assistance because that

person consumed a psilocybin product and the evidence of the violation was obtained as a result of the person's having contacted emergency medical services or a law enforcement agency; or

(B) The person was in need of medical assistance because the person consumed a psilocybin product and the evidence of the violation was obtained as a result of the person's having sought or obtained the medical assistance.

(b) Paragraph (a) of this subsection does not exclude the use of evidence obtained as a result of a person's having sought medical assistance in proceedings for crimes or offenses other than a violation of this section.

**SECTION 71. Prohibition against producing identification that falsely indicates age; protections on reliance on identification.**

(1) A person may not produce any piece of identification that falsely indicates the person's age.

(2) Violation of this section is a Class A misdemeanor.

(3) If a piece of identification is offered as evidence in any administrative or criminal prosecution of a licensee or licensee representative for sale or service of a psilocybin product to a person under 21 years of age, the licensee or licensee representative is not guilty of any offense prohibiting a person from selling or serving a psilocybin product to a person under 21 years of age unless it is demonstrated that a reasonable person would have determined that the identification exhibited by the person under 21 years of age was altered, or that the identification exhibited by the person under 21 years of age did not accurately describe the person to whom the psilocybin product was sold or served.

**SECTION 72. Prohibition regarding person who is visibly intoxicated; penalty.**

(1) A person may not sell, give or otherwise make available a psilocybin product to a person who is visibly intoxicated.

(2) Violation of this section is a Class A misdemeanor.

**SECTION 73. Prohibition against giving psilocybin product as prize; penalty.**

(1) A psilocybin product may not be given as a prize, premium or consideration for a lottery, contest, game of chance, game of skill or competition of any kind.

(2) Violation of this section is a Class A violation.

## CIVIL ENFORCEMENT OF SECTIONS 3 TO 129 OF THIS 2020 ACT

### **SECTION 74. Authority to issue subpoenas.**

For purposes of sections 3 to 129 of this 2020 Act, the provisions of ORS 183.440 apply to subpoenas issued by the Oregon Health Authority and to subpoenas issued by an authorized agent of the authority.

### **SECTION 75. Civil penalty for violating sections 3 to 129 of this 2020 Act.**

In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act a civil penalty that does not exceed \$5,000 for each violation. The authority shall impose civil penalties under this section in the manner provided by ORS 183.745. Moneys collected under this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

## CRIMINAL ENFORCEMENT OF SECTIONS 3 TO 129 OF THIS 2020 ACT

### **SECTION 76. Authority of law enforcement to enforce sections 3 to 129 of this 2020 Act.**

The law enforcement officers of this state may enforce sections 3 to 129 of this 2020 Act and assist the Oregon Health Authority in detecting violations of sections 3 to 129 of this 2020 Act and apprehending offenders. A law enforcement officer who has notice, knowledge or reasonable ground of suspicion of a violation of sections 3 to 129 of this 2020 Act shall immediately notify the district attorney who has jurisdiction over the violation and furnish the district attorney who has jurisdiction over the violation with names and addresses of any witnesses to the violation or other information related to the violation.

### **SECTION 77. Duty to notify Oregon Health Authority of conviction of licensee.**

The county courts, district attorneys and municipal authorities, immediately upon the conviction of a licensee of a violation of sections 3 to 129 of this 2020 Act, or of a violation of any other law of this state or ordinance of a city or county located in this state an element of which is the possession, delivery or manufacture of a psilocybin product, shall notify the Oregon Health Authority of the conviction.

**SECTION 78. Penalty for violating sections 3 to 129 of this 2020 Act.**

Subject to ORS 153.022, violation of a rule adopted under subsection (2)(c) of section 8 of this 2020 Act is a Class C violation.

**REGULATION BY CITIES AND COUNTIES OF PSILOCYBIN PRODUCTS****SECTION 79. Preemption of municipal charter amendments and local ordinances.**

The provisions of sections 3 to 129 of this 2020 Act are designed to operate uniformly throughout the state and are paramount and superior to and fully replace and supersede any municipal charter amendment or local ordinance inconsistent with the provisions of sections 3 to 129 of this 2020 Act. Amendments and ordinances that are inconsistent with the provisions of sections 3 to 129 of this 2020 Act are repealed.

**SECTION 80. No local licenses.**

The authority to require a license for the manufacturing or sale of psilocybin products in this state, or for the provision of psilocybin services in this state, is vested solely in the Legislative Assembly.

**SECTION 81. Local time, place and manner regulations.**

(1) For purposes of this section, “reasonable regulations” includes:

- (a) Reasonable conditions on the manner in which a psilocybin product manufacturer that holds a license issued under section 23 of this 2020 Act may manufacture psilocybin products;
- (b) Reasonable conditions on the manner in which a psilocybin service center operator that holds a license issued under section 26 of this 2020 Act may provide psilocybin services;
- (c) Reasonable limitations on the hours during which a premises for which a license has been issued under sections 3 to 129 of this 2020 Act may operate;
- (d) Reasonable requirements related to the public’s access to a premises for which a license has been issued under sections 3 to 129 of this 2020 Act; and
- (e) Reasonable limitations on where a premises for which a license may be issued under sections 3 to 129 of this 2020 Act may be located.



(2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county may adopt ordinances that impose reasonable regulations on the operation of businesses located at premises for which a license has been issued under sections 3 to 129 of this 2020 Act if the premises are located in the area subject to the jurisdiction of the city or county, except that the governing body of a city or county may not adopt an ordinance that prohibits a premises for which a license has been issued under section 26 of this 2020 Act from being located within a distance that is greater than 1,000 feet of another premises for which a license has been issued under section 26 of this 2020 Act.

**SECTION 82. Local tax or fee; referral to electors for approval.**

(1)(a) The authority to impose a tax or fee on the manufacturing or sale of psilocybin products in this state, or on the provision of psilocybin services in this state, is vested solely in the Legislative Assembly.

(b) A county, city or other municipal corporation or district may not adopt or enact ordinances imposing a tax or fee on the manufacturing or sale of psilocybin products in this state or on the provision of psilocybin services in this state.

**SECTION 83. Repeal of city, county ordinance that prohibits certain establishments.**

(1) The governing body of a city or county may repeal an ordinance that prohibits the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:

(a) Psilocybin product manufacturers that hold a license issued under section 23 of this 2020 Act;

(b) Psilocybin service center operators that hold a license issued under section 26 of this 2020 Act;  
or

(c) Any combination of the entities described in this subsection.

(2) If the governing body of a city or county repeals an ordinance under this section, the governing body must provide the text of the ordinance to the Oregon Health Authority, in a form and manner prescribed by the authority, if the ordinance concerns a premises for which a license has been issued under sections 3 to 129 of this 2020 Act.

**POWERS AND DUTIES OF STATE AGENCIES AND OFFICERS AND GOVERNOR**

**SECTION 84. Duty of Oregon Liquor Control Commission to assist.**

The Oregon Liquor Control Commission shall assist and cooperate with the Oregon Health Authority and the State Department of Agriculture to the extent necessary for the authority and the department to carry out the duties of the authority and the department under sections 3 to 129 of this 2020 Act.

**SECTION 85. Duty of State Department of Agriculture to assist.**

The State Department of Agriculture shall assist and cooperate with the Oregon Health Authority to the extent necessary for the authority to carry out the duties of the authority under sections 3 to 129 of this 2020 Act.

**SECTION 86. Authority of State Department of Agriculture.**

The State Department of Agriculture may possess, test and dispose of psilocybin products.

**SECTION 87. Prohibition against refusing to perform duties on basis that certain conduct is prohibited by federal law.**

(1) The Oregon Health Authority, the State Department of Agriculture and the Oregon Liquor Control Commission may not refuse to perform any duty under sections 3 to 129 of this 2020 Act on the basis that manufacturing, distributing, dispensing, possessing or using psilocybin products is prohibited by federal law.

(2) The authority may not revoke or refuse to issue or renew a license or permit under sections 3 to 129 of this 2020 Act on the basis that manufacturing, distributing, dispensing, possessing or using psilocybin products is prohibited by federal law.

**SECTION 88. Immunity for state agencies, officers and employees in performance of duties.**

A person may not sue the Oregon Health Authority, the State Department of Agriculture or the Oregon Liquor Control Commission or a member of the commission, or any employee of the authority, department or commission, for performing or omitting to perform any duty, function or power of the authority, department or commission set forth in sections 3 to 129 of this 2020 Act or in any other law of this state requiring the authority, department or commission to perform a duty, function or power related to psilocybin products.

**SECTION 89. Authority to purchase, possess, seize or dispose of psilocybin products.**

Subject to any applicable provision of ORS chapter 131A or 183, any state officer, board, commission, corporation, institution, department or other state body, and any local officer, board, commission, institution, department or other local government body, that is authorized by the statutory laws of this state to perform a duty, function or power with respect to a psilocybin product, may purchase, possess, seize or dispose of the psilocybin product as the state officer, board, commission, corporation, institution, department or other state body, or the local officer, board, commission, institution, department or other local government body, considers necessary to ensure compliance with and enforce the applicable statutory law or any rule adopted under the applicable statutory law.

**SECTION 90. Authority of Governor to suspend license or permit without notice.**

In case of invasion, disaster, insurrection or riot, or imminent danger of invasion, disaster, insurrection or riot, the Governor may, for the duration of the invasion, disaster, insurrection or riot, or imminent danger, immediately and without notice suspend, in the area involved, any license or permit issued under sections 3 to 129 of this 2020 Act.

**OTHER PROVISIONS**

**SECTION 91. Psilocybin-producing fungi as crop; exceptions to permitted uses.**

(1) Psilocybin-producing fungi is:

- (a) A crop for the purposes of “farm use” as defined in ORS 215.203;
- (b) A crop for purposes of a “farm” and “farming practice,” both as defined in ORS 30.930;
- (c) A product of farm use as described in ORS 308A.062; and
- (d) The product of an agricultural activity for purposes of ORS 568.909.

(2) Notwithstanding ORS chapters 195, 196, 197, 215 and 227, the following are not permitted uses on land designated for exclusive farm use:

- (a) A new dwelling used in conjunction with a psilocybin-producing fungi crop;
- (b) A farm stand, as described in ORS 215.213 (1)(r) or 215.283 (1)(o), used in conjunction with a psilocybin-producing fungi crop; and
- (c) Subject to subsection (3) of this section, a commercial activity, as described in ORS 215.213 (2)(c) or 215.283 (2)(a), carried on in conjunction with a psilocybin-producing fungi crop.

(3) The operation of a psilocybin service center may be carried on in conjunction with a psilocybin-producing fungi crop.

(4) A county may allow the manufacture of psilocybin products as a farm use on land zoned for farm or forest use in the same manner as the manufacture of psilocybin products is allowed in exclusive farm use zones under this section and ORS 215.213, 215.283 and 475B.063.

(5) This section applies to psilocybin product manufacturers that hold a license under section 23 of this 2020 Act.

**SECTION 92. Regulation of psilocybin products as food or other commodity subject to regulation by State Department of Agriculture.**

(1) Notwithstanding the authority granted to the State Department of Agriculture under ORS chapters 571, 618 and 633 and ORS 632.275 to 632.290, 632.450 to 632.490, 632.516 to 632.625, 632.705 to 632.815, 632.835 to 632.850 and 632.900 to 632.985, the department may not exercise authority over psilocybin products or a licensee, except that ORS 618.121 to 618.161, 618.991, 618.995, 633.311 to 633.479, 633.992 and 633.994 apply to psilocybin products or to a licensee.

(2) In exercising its authority under ORS chapter 616, the department may not:

(a) Establish standards for psilocybin products as a food additive, as defined in ORS 616.205;

(b) Consider psilocybin products to be an adulterant, unless the concentration of a psilocybin product exceeds acceptable levels established by the Oregon Health Authority by rule; or

(c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to psilocybin products or enforce ORS 616.256, 616.265, 616.270 or 616.275 with respect to psilocybin products.

**SECTION 93. Enforceability of contracts.**

A contract is not unenforceable on the basis that manufacturing, distributing, dispensing, possessing or using psilocybin products is prohibited by federal law.

**SECTION 94. Oregon Health Authority hotline for verification of license.**

The Oregon Health Authority shall maintain a telephone hotline for the following persons to inquire if an address is the location of a premises for which a license has been issued under sections 3 to 129 of this 2020 Act or is the location of a premises for which an application for licensure has been submitted under section 14 of this 2020 Act:

(1) A person designated by a city or a county;

- (2) A person designated by the Water Resources Department; and
- (3) A person designated by the watermaster of any water district.

**SECTION 95. Certain information related to licensure exempt from disclosure.**

(1) Subject to subsection (2) of this section, information is exempt from public disclosure under ORS 192.311 to 192.478 if the information is:

- (a) Personally identifiable information, as defined in ORS 432.005;
- (b) The address of a premises for which a license has been issued or for which an applicant has proposed licensure under section 23, 26 or 97 of this 2020 Act;
- (c) Related to the security plan or the operational plan for a premises for which a license has been issued or for which an applicant has proposed licensure under sections 23, 26 or 97 of this 2020 Act; or
- (d) Related to any record that the Oregon Health Authority determines contains proprietary information of a licensee.

(2) The exemption from public disclosure as provided by this section does not apply to:

- (a) The name of an individual listed on an application, if the individual is a direct owner of the business operating or to be operated under the license; or
- (b) A request for information if the request is made by a law enforcement agency.

(3) For purposes of subsection (2)(a) of this section, an individual is not a direct owner of the business operating or to be operated under the license if:

- (a) The direct owner of the business operating or to be operated under the license is a legal entity; and
- (b) The individual is merely a general partner, limited partner, member, shareholder, or other direct or indirect owner of the legal entity.

**TESTING OF PSILOCYBIN PRODUCTS**

**SECTION 96. Testing standards and processes; rules.**

(1) As is necessary to protect the public health and safety, and in consultation with the Oregon Liquor Control Commission and the State Department of Agriculture, the Oregon Health Authority shall adopt rules:

- (a) Establishing standards for testing psilocybin products.
- (b) Identifying appropriate tests for psilocybin products, depending on the type of psilocybin product and the manner in which the psilocybin product was manufactured, that are necessary to protect the public health and safety, which may include, but not be limited to, tests for:
  - (A) Microbiological contaminants;
  - (B) Pesticides;
  - (C) Other contaminants;
  - (D) Solvents or residual solvents; and
  - (E) Psilocybin concentration.
- (c) Establishing procedures for determining batch sizes and for sampling psilocybin products.
- (d) Establishing different minimum standards for different varieties of psilocybin products.
- (2) In addition to the testing requirements established under subsection (1) of this section, the authority may require psilocybin products to be tested in accordance with any applicable law of this state, or any applicable rule adopted under a law of this state, related to the production and processing of food products or commodities.
- (3) In adopting rules under sections 3 to 129 of this 2020 Act, the authority may require a psilocybin product manufacturer that holds a license under section 23 of this 2020 Act to test psilocybin products before selling or transferring the psilocybin products.
- (4) The authority may conduct random testing of psilocybin products for the purpose of determining whether a licensee subject to testing under subsection (3) of this section is in compliance with this section.
- (5) In adopting rules to implement this section, the authority may not require a psilocybin product to undergo the same test more than once unless the psilocybin product is processed into a different type of psilocybin product or the condition of the psilocybin product has fundamentally changed.
- (6) The testing of psilocybin products as required by this section must be conducted by a laboratory licensed by the authority under section 97 of this 2020 Act and accredited by the authority under section 100 of this 2020 Act.
- (7) In adopting rules under subsection (1) of this section, the authority:
  - (a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost to the ultimate client; and

(b) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.

**SECTION 97. Laboratory licensure; qualifications; fees; rules.**

(1) A laboratory that conducts testing of psilocybin products as required by section 96 of this 2020 Act must have a license to operate at the premises at which the psilocybin products are tested.

(2) For purposes of this section, the Oregon Health Authority shall adopt rules establishing:

(a) Qualifications to be licensed under this section, including that an applicant for licensure under this section must be accredited by the authority as described in section 100 of this 2020 Act;

(b) Processes for applying for and renewing a license under this section;

(c) Fees for applying for, receiving and renewing a license under this section; and

(d) Procedures for:

(A) Tracking psilocybin products to be tested;

(B) Documenting and reporting test results; and

(C) Disposing of samples of psilocybin products that have been tested.

(3) A license issued under this section must be renewed annually.

(4) The authority may inspect premises licensed under this section to ensure compliance with sections 96 to 104 of this 2020 Act and rules adopted under sections 96 to 104 of this 2020 Act.

(5) Subject to the applicable provisions of ORS chapter 183, the authority may refuse to issue or renew, or may suspend or revoke, a license issued under this section for violation of a provision of sections 3 to 129 of this 2020 Act or a rule adopted under a provision of sections 3 to 129 of this 2020 Act.

(6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay the expenses incurred by the authority under sections 3 to 129 of this 2020 Act.

(7) Fee moneys collected under this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

**SECTION 98. Authority to require fingerprints of applicants and other individuals.**

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Health Authority may require the fingerprints of any individual listed on an application submitted under section 97 of this 2020 Act. The powers conferred on the authority under this section include the power to require the fingerprints of:

- (1) If the applicant is a limited partnership, each general partner of the limited partnership;
- (2) If the applicant is a manager-managed limited liability company, each manager of the limited liability company;
- (3) If the applicant is a member-managed limited liability company, each voting member of the limited liability company;
- (4) If the applicant is a corporation, each director and officer of the corporation; and
- (5) Any individual who holds a financial interest of 10 percent or more in the person applying for the license.

**SECTION 99. Statement of applicant for license under Section 97 of this 2020 Act.**

- (1) The Oregon Health Authority may require a licensee or applicant for a license under section 97 of this 2020 Act to submit, in a form and manner prescribed by the authority, to the authority a sworn statement showing:
  - (a) The name and address of each person that has a financial interest in the business operating or to be operated under the license; and
  - (b) The nature and extent of the financial interest of each person that has a financial interest in the business operating or to be operated under the license.
- (2) The authority may refuse to issue, or may suspend, revoke or refuse to renew, a license issued under section 97 of this 2020 Act if the authority determines that a person that has a financial interest in the business operating or to be operated under the license committed or failed to commit an act that would constitute grounds for the authority to refuse to issue, or to suspend, revoke or refuse to renew, the license if the person were the licensee or applicant for the license.

**SECTION 100. Laboratory accreditation; qualifications; fees; rules.**

- (1) A laboratory that conducts testing of psilocybin products as required by section 96 of this 2020 Act must be accredited under ORS 438.605 to 438.620 and meet other qualifications as established by the Oregon Health Authority under this section.



(2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the authority shall require an applicant for accreditation under ORS 438.605 to 438.620 for purposes related to the testing of psilocybin products to:

(a) Complete an application;

(b) Undergo an onsite inspection; and

(c) Meet other applicable requirements, specifications and guidelines for testing psilocybin products, as determined to be appropriate by the authority by rule.

(3) The authority may inspect premises licensed under section 97 of this 2020 Act to ensure compliance with sections 96 to 104 of this 2020 Act and rules adopted under sections 96 to 104 of this 2020 Act.

(4) Subject to the applicable provisions of ORS chapter 183, the authority may refuse to issue or renew, or may suspend or revoke, a laboratory's accreditation granted under this section and ORS 438.605 to 438.620 for violation of a provision of sections 3 to 129 of this 2020 Act or a rule adopted under a provision of sections 3 to 129 of this 2020 Act.

(5) In establishing fees under ORS 438.620 for laboratories that test psilocybin products, the authority shall establish fees that are reasonably calculated to pay the expenses incurred by the authority under this section and ORS 438.605 to 438.620 in accrediting laboratories that test psilocybin products.

**SECTION 101. Authority of Oregon Health Authority to discipline licensees of authority.**

Subject to the applicable provisions of ORS chapter 183, if an applicant or licensee violates a provision of sections 96 to 104 of this 2020 Act or a rule adopted under a provision of sections 96 to 104 of this 2020 Act, the Oregon Health Authority may refuse to issue or renew, or may suspend or revoke, a license issued under section 23, 26, 30 or 97 of this 2020 Act.

**SECTION 102. Authority of Oregon Health Authority over certain persons, license actions.**

(1) Notwithstanding the lapse, suspension or revocation of a license issued under section 97 of this 2020 Act, the Oregon Health Authority may:

(a) Proceed with any investigation of, or any action or disciplinary proceeding against, the person who held the license; or

(b) Revise or render void an order suspending or revoking the license.

(2) In cases involving the proposed denial of a license issued under sections 3 to 129 of this 2020 Act, the applicant for licensure may not withdraw the applicant's application.

**SECTION 103. Civil penalty for violating sections 96 to 104 of this 2020 Act.**

(1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 96 to 104 of this 2020 Act, or a rule adopted under a provision of sections 96 to 104 of this 2020 Act, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) Moneys collected under this section shall be deposited in the Oregon Health Authority Fund established under ORS 413.101 and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

**SECTION 104. Exemption from criminal liability.**

A person who holds a license under section 97 of this 2020 Act, and an employee of or other person who performs work for a person who holds a license under section 97 of this 2020 Act, are exempt from the criminal laws of this state for possession, delivery or manufacture of psilocybin, aiding and abetting another in the possession, delivery or manufacture of psilocybin, or any other criminal offense in which possession, delivery or manufacture of psilocybin is an element, while performing activities related to testing as described in sections 96 to 104 of this 2020 Act.

**PACKAGING, LABELING AND DOSAGE OF PSILOCYBIN PRODUCTS****SECTION 105. Labeling requirements; rules.**

(1) As is necessary to protect the public health and safety, and in consultation with the State Department of Agriculture and the Oregon Liquor Control Commission, the Oregon Health Authority shall adopt rules establishing standards for the labeling of psilocybin products, including but not limited to:

- (a) Ensuring that psilocybin products have labeling that communicates:
  - (A) Health and safety warnings;
  - (B) If applicable, activation time;
  - (C) Potency;

(D) If applicable, serving size and the number of servings included in a psilocybin product;

(E) Content of the psilocybin product; and

(b) Labeling that is in accordance with applicable state food labeling requirements for the same type of food product or potable liquid when the food product or potable liquid does not contain psilocybin.

(2) In adopting rules under sections 3 to 129 of this 2020 Act, the authority shall require all psilocybin products sold or transferred by a psilocybin service center that holds a license issued under section 26 of this 2020 Act to be labeled in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(3) In adopting rules under subsection (1) of this section, the authority:

(a) May establish different labeling standards for different varieties and types of psilocybin products;

(b) Shall consider the cost of a potential requirement and how that cost will affect the cost to the ultimate client; and

(c) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.

**SECTION 106. Authority to require preapproval of labels.**

(1) The Oregon Health Authority may by rule require a licensee to submit a label intended for use on a psilocybin product for preapproval by the authority before the licensee may sell or transfer a psilocybin product bearing the label. The authority shall determine whether a label submitted under this section complies with section 105 of this 2020 Act and any rule adopted under section 105 of this 2020 Act.

(2) The authority may impose a fee for submitting a label for preapproval under this section that is reasonably calculated to not exceed the cost of administering this section.

**SECTION 107. Packaging requirements; rules.**

(1) As is necessary to protect the public health and safety, and in consultation with the State Department of Agriculture and the Oregon Liquor Control Commission, the Oregon Health Authority shall adopt rules establishing standards for the packaging of psilocybin products, including but not limited to ensuring that psilocybin products are not marketed in a manner that:

(a) Is untruthful or misleading; or

- (b) Otherwise creates a significant risk of harm to public health and safety.
- (2) In adopting rules under sections 3 to 129 of this 2020 Act, the authority shall require all psilocybin products sold or transferred by a psilocybin service center that holds a license issued under section 26 of this 2020 Act to be packaged in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.
- (3) In adopting rules under subsection (1) of this section, the authority:
  - (a) May establish different packaging standards for different varieties and types of psilocybin products;
  - (b) May consider the effect on the environment of requiring certain packaging;
  - (c) Shall consider the cost of a potential requirement and how that cost will affect the cost to the ultimate client; and
  - (d) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.

**SECTION 108. Authority to require preapproval of packaging.**

- (1) The Oregon Health Authority may by rule require a licensee to submit packaging intended for a psilocybin product for preapproval by the authority before the licensee may sell or transfer a psilocybin product packaged in the packaging. The authority shall determine whether packaging submitted under this section complies with section 107 of this 2020 Act and any rule adopted under section 107 of this 2020 Act.
- (2) The authority may impose a fee for submitting packaging for preapproval under this section that is reasonably calculated to not exceed the cost of administering this section.

**SECTION 109. Dosage requirements; rules.**

- (1) The Oregon Health Authority shall adopt rules establishing:
  - (a) The maximum concentration of psilocybin that is permitted in a single serving of a psilocybin product; and
  - (b) The number of servings that are permitted in a psilocybin product package.
- (2) In adopting rules under sections 3 to 129 of this 2020 Act, the authority shall require all psilocybin products sold or transferred by a psilocybin service center that holds a license under section 26 of this 2020 Act to meet the concentration standards and packaging standards adopted by rule pursuant to this section.

**SECTION 110. Authority of Oregon Health Authority to inspect.**

To ensure compliance with sections 105 to 112 of this 2020 Act and any rule adopted under sections 105 to 112 of this 2020 Act, the Oregon Health Authority may inspect the premises of a person that holds a license under section 23 or 26 of this 2020 Act.

**SECTION 111. Authority of Oregon Health Authority to discipline licensees of authority.**

Subject to the applicable provisions of ORS chapter 183, if the applicant or licensee violates a provision of sections 105 to 112 of this 2020 Act or a rule adopted under a provision of sections 105 to 112 of this 2020 Act, the Oregon Health Authority may refuse to issue or renew, or may suspend or revoke, a license issued under section 23, 26 or 30 of this 2020 Act.

**SECTION 112. Civil penalty for violating sections 105 to 112 of this 2020 Act.**

(1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 105 to 112 of this 2020 Act, or a rule adopted under a provision of sections 105 to 112 of this 2020 Act, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) Moneys collected under this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

## TAXATION OF PSILOCYBIN PRODUCTS

**SECTION 113. Definitions for sections 113 to 127 of this 2020 Act.**

As used in sections 113 to 127 of this 2020 Act:

(1) “Retail sale” means any transfer, exchange, gift or barter of a psilocybin product by any person to a client.

(2) “Retail sales price” means the price paid for a psilocybin product, excluding tax, to a psilocybin service center operator by or on behalf of a client.

**SECTION 114. Imposition of tax on retail sale of psilocybin products.**

(1) A tax is hereby imposed upon the retail sale of psilocybin products in this state. The tax imposed by this section is a direct tax on the client, for which payment upon retail sale is required. The tax shall be collected at the point of sale of a psilocybin product by a psilocybin service center operator at the time at which the retail sale occurs.

(2) The tax imposed under this section shall be imposed at the rate of 15 percent of the retail sales price of psilocybin products.

(3) If the tax imposed under this section does not equal an amount calculable to a whole cent, the tax shall be equal to the next higher whole cent.

(4) Except as otherwise provided by the Department of Revenue by rule, the amount of the tax shall be separately stated on an invoice, receipt or other similar document that the psilocybin service center operator provides to the client at the time at which the retail sale occurs.

(5) A person may not knowingly sell, purchase, install, transfer or possess electronic devices or software programs for the purposes of:

(a) Hiding or removing records of retail sales of psilocybin products; or

(b) Falsifying records of retail sales of psilocybin products.

(6)(a) A psilocybin service center operator may not discount a psilocybin product or offer a psilocybin product for free if the retail sale of the psilocybin product is made in conjunction with the retail sale of any other item or service.

(b) Paragraph (a) of this subsection does not affect any provision of sections 3 to 129 of this 2020 Act or any rule adopted by the Oregon Health Authority pursuant to sections 3 to 129 of this 2020 Act that is related to the retail sale of psilocybin products.

(7) The authority shall regularly review the rate of tax under subsection (2) of this section and make recommendations to the Legislative Assembly regarding appropriate adjustments to the rate that will further the purposes of:

(a) Providing the authority with moneys sufficient to administer and enforce sections 3 to 129 of this 2020 Act; and

(b) Not providing the authority with moneys that exceed, together with fees collected under sections 3 to 129 of this 2020 Act, the cost of administering and enforcing sections 3 to 129 of this 2020 Act.

**SECTION 115. Collection of tax; refund; credit; penalties.**

- (1) Except as otherwise provided in sections 113 to 127 of this 2020 Act, the tax imposed upon the client under section 114 of this 2020 Act shall be collected at the point of sale and remitted by each psilocybin service center operator that engages in the retail sale of psilocybin products. The tax is considered a tax upon the psilocybin service center operator that is required to collect the tax, and the psilocybin service center operator is considered a taxpayer.
- (2) The psilocybin service center operator shall file a return to the Department of Revenue on or before the last day of January, April, July and October of each year for the previous calendar quarter.
- (3) The psilocybin service center operator shall pay the tax to the department in the form and manner prescribed by the department, but not later than with each quarterly return, without regard to an extension granted under subsection (5) of this section.
- (4) Psilocybin service center operators shall file the returns required under this section regardless of whether any tax is owed.
- (5) For good cause, the department may extend the time for filing a return under this section. The extension may be granted at any time if a written request is filed with the department during or prior to the period for which the extension may be granted. The department may not grant an extension of more than 30 days.
- (6) Interest shall be added at the rate established under ORS 305.220 from the time the return was originally required to be filed to the time of payment.
- (7) If a psilocybin service center operator fails to file a return or pay the tax as required by this section, the department shall impose a penalty in the manner provided in ORS 314.400.
- (8) Except as provided in subsections (9) and (10) of this section, the period prescribed for the department to allow or make a refund of any overpayment of tax paid under sections 113 to 127 of this 2020 Act is as provided in ORS 314.415.
- (9)(a) The department shall first apply any overpayment of tax by a psilocybin service center operator to any psilocybin tax that is owed by the psilocybin service center operator.
- (b) If after any offset against any delinquent amount the overpayment of tax remains greater than \$1,000, the remaining refund shall be applied as a credit against the next subsequent calendar quarter as an estimated payment.
- (10) The department may not make a refund of, or credit, any overpayment of tax under sections 113 to 127 of this 2020 Act that was credited to the account of a psilocybin service center operator under subsection (9)(b) of this section if the return for that tax period is not filed within three years after the due date of that return.

**SECTION 116. Psilocybin revenue estimate.**

(1) Not later than 30 days before the beginning of each calendar quarter, the Oregon Department of Administrative Services shall forecast and prepare an estimate of the revenue that will be received during the remainder of the current biennium and subsequent three biennia pursuant to the tax imposed under section 114 of this 2020 Act. The estimate may be made on the basis of all pertinent information available to the Oregon Department of Administrative Services. Upon making the estimate, the Oregon Department of Administrative Services shall report the estimate to the Legislative Revenue Officer, the Legislative Fiscal Officer and the Department of Revenue.

(2) The Department of Revenue and the Oregon Health Authority shall provide the Oregon Department of Administrative Services with any information necessary for the Oregon Department of Administrative Services to perform its duties under this section.

**SECTION 117. Enforcement; liability; notice of liability; notices of determination and assessment.**

(1) Every person who collects any amount under section 115 of this 2020 Act shall hold the same in trust for the State of Oregon and for the payment thereof to the Department of Revenue in the manner and at the time provided in section 115 of this 2020 Act.

(2) At any time a psilocybin service center operator fails to remit any amount collected, the department may enforce collection by the issuance of a distraint warrant for the collection of the delinquent amount and all penalties, interest and collection charges accrued thereon. The warrant shall be issued, recorded and proceeded upon in the same manner and shall have the same force and effect as is prescribed with respect to warrants for the collection of delinquent income taxes.

(3)(a) In the case of a psilocybin service center operator that is assessed pursuant to the provisions of ORS 305.265 (12) and 314.407 (1), the department may issue a notice of liability to any officer, employee or member of the psilocybin service center operator within three years from the time of assessment. Within 30 days from the date the notice of liability is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or advise the department in writing of objections to the liability and, if desired, request a conference. A conference shall be governed by the provisions of ORS 305.265 pertaining to a conference requested from a notice of deficiency.

(b) After a conference or, if no conference is requested, a determination of the issues considering the written objections, the department shall mail the officer, employee or member a conference letter affirming, canceling or adjusting the notice of liability. Within 90 days from the date the conference letter is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or appeal to the tax court in the manner provided for an appeal from a notice of assessment.



(c) If the department does not receive payment or written objection to the notice of liability within 30 days after the notice of liability was mailed, the notice of liability becomes final. In that event, the officer, employee or member may appeal the notice of liability to the tax court within 90 days after it became final in the manner provided for an appeal from a notice of assessment.

(4)(a) In the case of a failure to file a return on the due date, governed by the provisions of ORS 305.265 (10) and 314.400, the department, in addition to any action described in the provisions of ORS 305.265 (10) and 314.400, may send notices of determination and assessment to any officer, employee or member any time within three years after the assessment. The time of assessment against the officer, employee or member is 30 days after the date the notice of determination and assessment is mailed. Within 30 days from the date the notice of determination and assessment is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or advise the department in writing of objections to the assessment and, if desired, request a conference. A conference shall be governed by the provisions of ORS 305.265 pertaining to a conference requested from a notice of deficiency.

(b) After a conference or, if no conference is requested, a determination of the issues considering the written objections, the department shall mail the officer, employee or member a conference letter affirming, canceling or adjusting the notice of determination and assessment. Within 90 days from the date the conference letter is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or appeal in the manner provided for an appeal from a notice of assessment.

(c) If the department does not receive payment or written objection to the notice of determination and assessment within 30 days after the notice of determination and assessment was mailed, the notice of determination and assessment becomes final. In that event, the officer, employee or member may appeal the notice of determination and assessment to the tax court within 90 days after it became final in the manner provided for an appeal from a notice of assessment.

(5)(a) More than one officer or employee of a corporation may be held jointly and severally liable for payment of taxes.

(b) Notwithstanding the confidentiality provisions of section 125 of this 2020 Act, if more than one officer or employee of a corporation may be held jointly and severally liable for payment of taxes, the department may require any or all of the officers, members or employees who may be held liable to appear before the department for a joint determination of liability. The department shall notify each officer, member or employee of the time and place set for the determination of liability.

(c) Each person notified of a joint determination under this subsection shall appear and present such information as is necessary to establish that person's liability or nonliability for payment of taxes to the department. If a person who was notified fails to appear, the department shall make

its determination on the basis of all the information and evidence presented. The department's determination is binding on all persons notified and required to appear under this subsection.

(d)(A) If an appeal is taken to the Oregon Tax Court pursuant to section 125 of this 2020 Act by any person determined to be liable for unpaid taxes under this subsection, each person required to appear before the department under this subsection shall be impleaded by the plaintiff. The department may implead any officer, employee or member who may be held jointly and severally liable for the payment of taxes. Each person impleaded under this paragraph shall be made a party to the action before the tax court and shall make available to the tax court the information that was presented before the department, as well as other information that may be presented to the court.

(B) The court may determine that one or more persons impleaded under this paragraph are liable for unpaid taxes without regard to any earlier determination by the department that an impleaded person was not liable for unpaid taxes.

(C) If a person required to appear before the court under this subsection fails or refuses to appear or bring such information in part or in whole, or is outside the jurisdiction of the tax court, the court shall make its determination on the basis of all the evidence introduced. Notwithstanding section 125 of this 2020 Act, the evidence constitutes a public record and shall be available to the parties and the court. The determination of the tax court is binding on all persons made parties to the action under this subsection.

(e) This section may not be construed to preclude a determination by the department or the Oregon Tax Court that more than one officer, employee or member are jointly and severally liable for unpaid taxes.

#### **SECTION 118. Duty to keep receipts, invoices and other records.**

(1) A psilocybin service center operator shall keep receipts, invoices and other pertinent records related to retail sales of psilocybin products in the form required by the Department of Revenue. Each record shall be preserved for five years from the time to which the record relates, or for as long as the psilocybin service center operator retains the psilocybin products to which the record relates, whichever is later. During the retention period and at any time prior to the destruction of records, the department may give written notice to the psilocybin service center operator not to destroy records described in the notice without written permission of the department. Notwithstanding any other provision of law, the department shall preserve reports and returns filed with the department for at least five years.

(2) The department or its authorized representative, upon oral or written demand, may make examinations of the books, papers, records and equipment of persons making retail sales of

psilocybin products and any other investigations as the department deems necessary to carry out the provisions of sections 113 to 127 of this 2020 Act.

**SECTION 119. Authority to require production of books, papers, accounts and other information.**

(1) The Department of Revenue has authority, by order or subpoena to be served with the same force and effect and in the same manner as a subpoena is served in a civil action in the circuit court, or the Oregon Tax Court, to require the production at any time and place the department designates of any books, papers, accounts or other information necessary to carry out sections 113 to 127 of this 2020 Act. The department may require the attendance of any person having knowledge in the premises, and may take testimony and require proof material for the information, with power to administer oaths to the person.

(2) If a person fails to comply with a subpoena or order of the department or to produce or permit the examination or inspection of any books, papers, records and equipment pertinent to an investigation or inquiry under sections 113 to 127 of this 2020 Act, or to testify to any matter regarding which the person is lawfully interrogated, the department may apply to the Oregon Tax Court or to the circuit court of the county in which the person resides or where the person is for an order to the person to attend and testify, or otherwise to comply with the demand or request of the department. The department shall apply to the court by ex parte motion, upon which the court shall make an order requiring the person against whom the motion is directed to comply with the request or demand of the department within 10 days after the service of the order, or within the additional time granted by the court, or to justify the failure within that time. The order shall be served upon the person to whom it is directed in the manner required by this state for service of process, which service is required to confer jurisdiction upon the court. Failure to obey any order issued by the court under this section is contempt of court. The remedy provided by this section is in addition to other remedies, civil or criminal, existing under the tax laws or other laws of this state.

**SECTION 120. Disclosure of information.**

(1) Notwithstanding the confidentiality provisions of section 125 of this 2020 Act, the Department of Revenue may disclose information received under ORS 317.363 and sections 113 to 127 of this 2020 Act to the Oregon Health Authority to carry out the provisions of sections 3 to 129 of this 2020 Act.

(2) The authority may disclose information obtained pursuant to sections 3 to 129 of this 2020 Act to the department for the purpose of carrying out the provisions of sections 3 to 129 of this 2020 Act.

**SECTION 121. Right to appeal determination of tax liability.**

Except as otherwise provided in sections 3 to 129 of this 2020 Act, a person aggrieved by an act or determination of the Department of Revenue or its authorized agent under ORS 317.363 and sections 113 to 127 of this 2020 Act may appeal, within 90 days after the act or determination, to the Oregon Tax Court in the manner provided in ORS 305.404 to 305.560. These appeal rights are the exclusive remedy available to determine the person's liability for the tax imposed under sections 113 to 127 of this 2020 Act.

**SECTION 122. Duty to return excess tax collected.**

(1)(a) When an amount represented by a psilocybin service center operator at retail to a client as constituting the tax imposed under sections 113 to 127 of this 2020 Act is computed upon an amount that is not taxable or is in excess of the taxable amount and is actually paid by the client to the psilocybin service center operator, the excess tax paid shall be returned by the psilocybin service center operator to the client upon written notification by the Department of Revenue or the client.

(b) The written notification must contain information necessary to determine the validity of the client's claim.

(2) If the psilocybin service center operator does not return the excess tax within 60 days after mailing of the written notification required under subsection (1) of this section, the client may appeal to the department for a refund of the amount of the excess tax, in the manner and within the time allowed under rules adopted by the department.

(3) If excess tax is returned to the client by the department, the department may issue a notice of deficiency for the excess tax to the psilocybin service center operator in the manner provided under ORS 305.265.

**SECTION 123. Authority to retain portions of tax to pay expenses incurred.**

For the purpose of compensating psilocybin service center operators for expenses incurred in collecting the tax imposed under section 114 of this 2020 Act, each psilocybin service center operator is permitted to deduct and retain two percent of the amount of taxes that are collected by the psilocybin service center operator from all retail sales of psilocybin products conducted by the psilocybin service center operator.

**SECTION 124. Duties and powers of Department of Revenue; rules; interagency cooperation.**

(1) The Department of Revenue shall administer and enforce sections 113 to 127 of this 2020 Act. The department is authorized to establish rules and procedures for the implementation and enforcement of sections 113 to 127 of this 2020 Act that are consistent with sections 113 to 127 of this 2020 Act and that the department considers necessary and appropriate to administer and enforce sections 113 to 127 of this 2020 Act.

(2) The Oregon Health Authority shall enter into an agreement with the department for the purpose of administering and enforcing those provisions of sections 113 to 127 of this 2020 Act, and rules or procedures established for the purpose of implementing and enforcing sections 113 to 127 of this 2020 Act, that the authority and the department determine are necessary for the effective and efficient administration, implementation and enforcement of sections 113 to 127 of this 2020 Act.

**SECTION 125. Applicability of tax laws to sections 113 to 127 of this 2020 Act.**

Except as otherwise provided in sections 113 to 127 of this 2020 Act or where the context requires otherwise, the provisions of ORS chapters 305 and 314 as to the audit and examination of returns, periods of limitation, determination of and notices of deficiencies, assessments, collections, liens, delinquencies, claims for refund and refunds, conferences, appeals to the Oregon Tax Court, stays of collection pending appeal, confidentiality of returns and the penalties relative thereto, and the procedures relating thereto, apply to the determinations of taxes, penalties and interest under sections 113 to 127 of this 2020 Act.

**SECTION 126. Oregon Psilocybin Account.**

(1) There is established the Oregon Psilocybin Account, separate and distinct from the General Fund.

(2) The account shall consist of moneys transferred to the account under section 127 of this 2020 Act.

(3)(a) The Department of Revenue shall certify quarterly the amount of moneys available in the Oregon Psilocybin Account.

(b) The department shall transfer quarterly the moneys in the Oregon Psilocybin Account to the Psilocybin Control and Regulation Fund.

**SECTION 127. Suspense account; payment of expenses; crediting balance to Oregon Psilocybin Account.**

(1) All moneys received by the Department of Revenue under sections 113 to 127 of this 2020 Act shall be deposited in the State Treasury and credited to a suspense account established under ORS 293.445. The department may pay expenses for the administration and enforcement of sections 113 to 127 of this 2020 Act out of moneys received from the tax imposed under section 114 of this 2020 Act. Amounts necessary to pay administrative and enforcement expenses are continuously appropriated to the department from the suspense account.

(2) After the payment of administrative and enforcement expenses and refunds or credits arising from erroneous overpayments, the department shall credit the balance of the moneys received by the department under this section to the Oregon Psilocybin Account established under section 126 of this 2020 Act.

## AUTHORITY OF CITIES AND COUNTIES TO PROHIBIT ESTABLISHMENT OF PSILOCYBIN-RELATED BUSINESSES

### **SECTION 128. Adoption of ordinances; referral to electors for approval.**

(1) The governing body of a city or county may adopt ordinances to be referred to the electors of the city or county as described in subsection (2) of this section that prohibit or allow the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:

- (a) Psilocybin product manufacturers that hold a license issued under section 23 of this 2020 Act;
- (b) Psilocybin service center operators that hold a license issued under section 26 of this 2020 Act;  
or
- (c) Any combination of the entities described in this subsection.

(2) If the governing body of a city or county adopts an ordinance under this section, the governing body shall submit the measure of the ordinance to the electors of the city or county for approval at the next statewide general election.

(3) If the governing body of a city or county adopts an ordinance under this section, the governing body must provide the text of the ordinance to the Oregon Health Authority.

(4) Upon receiving notice of a prohibition under subsection (3) of this section, the authority shall discontinue licensing those premises to which the prohibition applies until the date of the next statewide general election.

(5) If an allowance is approved at the next statewide general election under subsection (2) of this section, the authority shall begin licensing the premises to which the allowance applies on the

first business day of the January immediately following the date of the next statewide general election.

(6) Notwithstanding any other provisions of law, a city or county that adopts an ordinance under this section that prohibits the establishment of an entity described in subsection (1) of this section may not impose a tax or fee on the manufacturing or sale of psilocybin products.

## SEVERABILITY

### **SECTION 129. Severability.**

If any section, subsection, paragraph, phrase or word of sections 3 to 129 of this 2020 Act is held to be unconstitutional, void or illegal, either on its face or as applied, that holding does not affect the applicability, constitutionality or legality of any other section, subsection, paragraph, phrase or word of sections 3 to 129 of this 2020 Act. To that end, the sections, subsections, paragraphs, phrases and words of sections 3 to 129 of this 2020 Act are intended to be severable. It is hereby declared to be the intent of the people of this state in adopting sections 3 to 129 of this 2020 Act that sections 3 to 129 of this 2020 Act would have been adopted had such unconstitutional, void or illegal sections, subsections, paragraphs, phrases or words, if any, not been included in sections 3 to 129 of this 2020 Act.

## CONFORMING AMENDMENT

### **SECTION 130. ORS 475.005 is amended to read:**

As used in ORS 475.005 to 475.285 and 475.752 to 475.980, unless the context requires otherwise:

- (1) "Abuse" means the repetitive excessive use of a drug short of dependence, without legal or medical supervision, which may have a detrimental effect on the individual or society.
- (2) "Administer" means the direct application of a controlled substance, whether by injection, inhalation, ingestion or any other means, to the body of a patient or research subject by:
  - (a) A practitioner or an authorized agent thereof; or
  - (b) The patient or research subject at the direction of the practitioner.
- (3) "Administration" means the Drug Enforcement Administration of the United States Department of Justice, or its successor agency.

(4) “Agent” means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor or dispenser. It does not include a common or contract carrier, public warehouseman or employee of the carrier or warehouseman.

(5) “Board” means the State Board of Pharmacy.

(6) “Controlled substance”:

(a) Means a drug or its immediate precursor classified in Schedules I through V under the federal Controlled Substances Act, 21 U.S.C. 811 to 812, as modified under ORS 475.035. The use of the term “precursor” in this paragraph does not control and is not controlled by the use of the term “precursor” in ORS 475.752 to 475.980.

(b) Does not include:

(A) The plant Cannabis family Cannabaceae;

(B) Any part of the plant Cannabis family Cannabaceae, whether growing or not;

(C) Resin extracted from any part of the plant Cannabis family Cannabaceae;

(D) The seeds of the plant Cannabis family Cannabaceae [*or*]

(E) Any compound, manufacture, salt, derivative, mixture or preparation of a plant, part of a plant, resin or seed described in this paragraph [*.*]; **or**

**(F) Psilocybin or psilocin, but only if and to the extent that a person manufactures, delivers, or possesses psilocybin, psilocin, or psilocybin products in accordance with the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.**

(7) “Counterfeit substance” means a controlled substance or its container or labeling, which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number or device, or any likeness thereof, of a manufacturer, distributor or dispenser other than the person who in fact manufactured, delivered or dispensed the substance.

(8) “Deliver” or “delivery” means the actual, constructive or attempted transfer, other than by administering or dispensing, from one person to another of a controlled substance, whether or not there is an agency relationship.

(9) “Device” means instruments, apparatus or contrivances, including their components, parts or accessories, intended:

(a) For use in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or animals; or

(b) To affect the structure of any function of the body of humans or animals.



(10) "Dispense" means to deliver a controlled substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, and includes the prescribing, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.

(11) "Dispenser" means a practitioner who dispenses.

(12) "Distributor" means a person who delivers.

(13) "Drug" means:

(a) Substances recognized as drugs in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States or official National Formulary, or any supplement to any of them;

(b) Substances intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or animals;

(c) Substances (other than food) intended to affect the structure or any function of the body of humans or animals; and

(d) Substances intended for use as a component of any article specified in paragraph (a), (b) or (c) of this subsection; however, the term does not include devices or their components, parts or accessories.

(14) "Electronically transmitted" or "electronic transmission" means a communication sent or received through technological apparatuses, including computer terminals or other equipment or mechanisms linked by telephone or microwave relays, or any similar apparatus having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

(15) "Manufacture" means the production, preparation, propagation, compounding, conversion or processing of a controlled substance, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled substance:

(a) By a practitioner as an incident to administering or dispensing of a controlled substance in the course of professional practice; or

(b) By a practitioner, or by an authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching or chemical analysis and not for sale.

(16) "Person" includes a government subdivision or agency, business trust, estate, trust or any other legal entity

(17) "Practitioner" means physician, dentist, veterinarian, scientific investigator, certified nurse practitioner, physician assistant or other person licensed, registered or otherwise permitted by

law to dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state but does not include a pharmacist or a pharmacy.

(18) "Prescription" means a written, oral or electronically transmitted direction, given by a practitioner for the preparation and use of a drug. When the context requires, "prescription" also means the drug prepared under such written, oral or electronically transmitted direction. Any label affixed to a drug prepared under written, oral or electronically transmitted direction shall prominently display a warning that the removal thereof is prohibited by law.

(19) "Production" includes the manufacture, planting, cultivation, growing or harvesting of a controlled substance.

(20) "Research" means an activity conducted by the person registered with the federal Drug Enforcement Administration pursuant to a protocol approved by the United States Food and Drug Administration.

(21) "Ultimate user" means a person who lawfully possesses a controlled substance for the use of the person or for the use of a member of the household of the person or for administering to an animal owned by the person or by a member of the household of the person.

(22) "Usable quantity" means:

(a) An amount of a controlled substance that is sufficient to physically weigh independent of its packaging and that does not fall below the uncertainty of the measuring scale; or

(b) An amount of a controlled substance that has not been deemed unweighable, as determined by a Department of State Police forensic laboratory, due to the circumstances of the controlled substance.

(23) "Within 1,000 feet" means a straight line measurement in a radius extending for 1,000 feet or less in every direction from a specified location or from any point on the boundary line of a specified unit of property.

## OTHER AMENDMENTS

### **SECTION 131. ORS 316.680 is amended to read:**

316.680. (1) There shall be subtracted from federal taxable income:

(a) The interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent includable in gross income for federal income tax purposes but exempt from state income taxes under the

laws of the United States. However, the amount subtracted under this paragraph shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this paragraph, and by any expenses incurred in the production of interest or dividend income described in this paragraph to the extent that such expenses, including amortizable bond premiums, are deductible in determining federal taxable income.

(b) The amount of any federal income taxes accrued by the taxpayer during the taxable year as described in ORS 316.685, less the amount of any refunds of federal taxes previously accrued for which a tax benefit was received.

(c) Amounts allowable under sections 2621(a)(2) and 2622(b) of the Internal Revenue Code to the extent that the taxpayer does not elect under section 642(g) of the Internal Revenue Code to reduce federal taxable income by those amounts.

(d) Any supplemental payments made to JOBS Plus Program participants under ORS 411.892.

(e)(A) Federal pension income that is attributable to federal employment occurring before October 1, 1991. Federal pension income that is attributable to federal employment occurring before October 1, 1991, shall be determined by multiplying the total amount of federal pension income for the tax year by the ratio of the number of months of federal creditable service occurring before October 1, 1991, over the total number of months of federal creditable service.

(B) The subtraction allowed under this paragraph applies only to federal pension income received at a time when:

(i) Benefit increases provided under chapter 569, Oregon Laws 1995, are in effect; or

(ii) Public Employees Retirement System benefits received for service prior to October 1, 1991, are exempt from state income tax.

(C) As used in this paragraph:

(i) "Federal creditable service" means those periods of time for which a federal employee earned a federal pension.

(ii) "Federal pension" means any form of retirement allowance provided by the federal government, its agencies or its instrumentalities to retirees of the federal government or their beneficiaries.

(f) Any amount included in federal taxable income for the tax year that is attributable to the conversion of a regular individual retirement account into a Roth individual retirement account described in section 408A of the Internal Revenue Code, to the extent that:

(A) The amount was subject to the income tax of another state or the District of Columbia in a prior tax year; and

(B) The taxpayer was a resident of the other state or the District of Columbia for that prior tax year.

(g) Any amounts awarded to the taxpayer by the Public Safety Memorial Fund Board under ORS 243.954 to 243.974 to the extent that the taxpayer has not taken the amount as a deduction in determining the taxpayer's federal taxable income for the tax year.

(h) If included in taxable income for federal tax purposes, the amount withdrawn during the tax year in qualified withdrawals from a savings network account for higher education established under ORS 178.300 to 178.355.

(i) Any federal deduction that the taxpayer would have been allowed for the production, processing or sale of marijuana items authorized under ORS 475B.010 to 475B.545 or 475B.785 to 475B.949 but for section 280E of the Internal Revenue Code.

**(j) Any federal deduction that the taxpayer would have been allowed for the manufacturing or sale of psilocybin products or the provision of psilocybin services authorized under sections 3 to 129 of this 2020 Act but for section 280E of the Internal Revenue Code.**

[(j)] (k) If included in taxable income for federal tax purposes, any distributions from an ABL account that do not exceed the qualified disability expenses of the designated beneficiary as provided in ORS 178.375 and 178.380 and rules adopted by the Oregon 529 Savings Board.

(2) There shall be added to federal taxable income:

(a) Interest or dividends, exempt from federal income tax, on obligations or securities of any foreign state or of a political subdivision or authority of any foreign state. However, the amount added under this paragraph shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this paragraph and by any expenses incurred in the production of interest or dividend income described in this paragraph.

(b) Interest or dividends on obligations of any authority, commission, instrumentality and territorial possession of the United States that by the laws of the United States are exempt from federal income tax but not from state income taxes. However, the amount added under this paragraph shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this paragraph and by any expenses incurred in the production of interest or dividend income described in this paragraph.

(c) The amount of any federal estate taxes allocable to income in respect of a decedent not taxable by Oregon.

(d) The amount of any allowance for depletion in excess of the taxpayer's adjusted basis in the property depleted, deducted on the taxpayer's federal income tax return for the taxable year, pursuant to sections 613, 613A, 614, 616 and 617 of the Internal Revenue Code.

(e) For taxable years beginning on or after January 1, 1985, the dollar amount deducted under section 151 of the Internal Revenue Code for personal exemptions for the taxable year.

(f) The amount taken as a deduction on the taxpayer's federal return for unused qualified business credits under section 196 of the Internal Revenue Code.

(g) The amount of any increased benefits paid to a taxpayer under chapter 569, Oregon Laws 1995, under the provisions of chapter 796, Oregon Laws 1991, and under section 26, chapter 815, Oregon Laws 1991, that is not includable in the taxpayer's federal taxable income under the Internal Revenue Code.

(h) The amount of any long term care insurance premiums paid or incurred by the taxpayer during the tax year if:

(A) The amount is taken into account as a deduction on the taxpayer's federal return for the tax year; and

(B) The taxpayer claims the credit allowed under ORS 315.610 for the tax year.

(i) Any amount taken as a deduction under section 1341 of the Internal Revenue Code in computing federal taxable income for the tax year, if the taxpayer has claimed a credit for claim of right income repayment adjustment under ORS 315.068.

(j) If the taxpayer makes a nonqualified withdrawal, as defined in ORS 178.300, from a savings network account for higher education established under ORS 178.300 to 178.355, the amount of the withdrawal that is attributable to contributions that were subtracted from federal taxable income under ORS 316.699.

(k) If the taxpayer makes a distribution from an ABLE account that is not a qualified disability expense of the designated beneficiary as provided in ORS 178.375 and 178.380 and rules adopted by the Oregon 529 Savings Board, the amount of the distribution that is attributable to contributions that were subtracted from federal taxable income under ORS 316.699.

(3) Discount and gain or loss on retirement or disposition of obligations described under subsection (2)(a) of this section issued on or after January 1, 1985, shall be treated for purposes of this chapter in the same manner as under sections 1271 to 1283 and other pertinent sections of the Internal Revenue Code as if the obligations, although issued by a foreign state or a political subdivision of a foreign state, were not tax exempt under the Internal Revenue Code.

**SECTION 132. ORS 317.363 is amended to read:**

317.363. Section 280E of the Internal Revenue Code applies to all trafficking in controlled substances in Schedule I or Schedule II that is prohibited by federal law or the laws of this state, other than conduct authorized under:

- (1) ORS 475B.010 to 475B.545 or 475B.785 to 475B.949 [.]; or
- (2) Sections 3 to 129 of this 2020 Act.

## DATES

### **SECTION 133. Effective date.**

This 2020 Act becomes effective 30 days after the date on which it is approved by a majority of the votes cast on it.

### **SECTION 134. Operative date.**

(1) Sections 3 to 129 of this 2020 Act and the amendments to ORS 475.005, 316.680, and 317.363 by sections 130 to 132 of this 2020 Act become operative on January 1, 2021.

(2) The Oregon Health Authority, the Governor, the Department of Agriculture and the Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the authority, the Governor, the department or the commission to exercise, on and after the operative date specified in subsection (1) of this section, all the duties, functions and powers conferred on the authority, the Governor, the department and the commission by sections 3 to 129 of this 2020 Act.



# Oregon Psilocybin Services Section

## 2021 Public Listening Sessions

### Summary of Questions and Answers

The Oregon Health Authority (OHA) held a series of three virtual public listening sessions in December of 2021. The listening sessions were two hours in length and open to the public. OHA staff compiled questions across the three listening sessions and summarized questions and answers in this document.

The listening sessions were recorded and can be found on our [Public Listening Sessions webpage](#). Input from the public listening sessions will continue to inform program development, educational materials, and community engagement in 2022.

#### Definitions

**“RAC”** = Rule Advisory Committee, made up of members of the public who participate in discussions about draft rules during the rulemaking process

**“May Rules”** = The spring rulemaking process will result in the first set of rules being adopted by the end of May

**“The Board”** = The [Oregon Psilocybin Advisory Board](#)

**“M109”** = Ballot Measure 109, the Oregon Psilocybin Services Act

\* For more definitions of terms used in this document, please refer to Section 5 of the [Oregon Psilocybin Services Act \(M109\)](#)

## General Questions

**Q: When will rules be adopted for Oregon Psilocybin Services?**

A: OHA will complete two rulemaking sessions in 2022. The first round of rulemaking in February will focus on training programs and products/testing, with rules likely to be adopted by the end of May 2022. The second round of rulemaking in the fall will focus on the remainder of program rules. The final rules will be adopted by December 31, 2022 in time for OHA to begin receiving applications for licensure on January 2, 2023.

**Q: Will one person be able to hold multiple license types?**

A: Individuals may hold multiple licenses if they meet the eligibility requirements to apply for licensure and receive approval for licensure. An individual may not hold an interest in more than one manufacturer license or more than five service center licenses.

**Q: Have there been conversations about creating equitable opportunities for minority business owners to ensure access within the market as the program is built?**

A: Yes, equitable opportunities for minority business owners have been, and continue to be, discussed. OHA is working to better understand ways to address equity issues within the statutory authorities granted by M109 and within administrative rules. Although OHA is unable to prioritize licensees based on race, OHA is exploring social equity considerations for licensees.

**Q: Are there any efforts to address conflicts of interest and moderate current committee members' ability to have advanced notice of details before they are made public?**

A: All committee members are public officials and are responsible for complying with Oregon Government Ethics Law. All advisory board meetings and subcommittee meetings are accessible to the public. Meeting notes and recordings are also available online at: [Oregon Psilocybin Advisory Board](#).

**Q: Is the state planning to allocate any funding to support clinical research to improve the therapy and the use of psychedelic substances as a whole?**

A: No. Under M109, the funds received from application and licensure fees must cover the costs of Oregon Psilocybin Services operations. There are no additional funding sources to support additional work at this time.



**Q: If rules are counter-productive to a functioning system, how quickly can rule changes be made and what is the process for license holders to submit requests for rule changes?**

A: The administrative rule making process requires approximately six months from start to finish for each set of rules being adopted. In the case of an emergency, the agency may choose to use a temporary rule making process that is much quicker. OHA will continually evaluate rules for efficacy.

## Products & Testing

**Q: What are the land use requirements for manufacturing/production?**

A: M109 requires that the property owner give permission for psilocybin production. Other land use requirements may be established by local governments. Applicants will be required to produce a Land Use Compatibility Statement (LUCS) which demonstrates that the proposed use of the property is consistent with local zoning code.

**Q: What are the final forms that psilocybin can take, in terms of products?**

A: We will adopt administrative rules that specify which product forms will be permitted. These rules will be effective in May 2022.

**Q: What will the laboratories be required to test for?**

A: This will be addressed in May rules, although additional rulemaking may occur later in 2022.

**Q: Will there be security requirements for manufacturers and service centers?**

A: Yes. Exact requirements will be established in rule.

**Q: Can people grow and use mushrooms for their own personal use?**

A: M109 does not allow for personal use. M109 creates a regulatory framework for the production of psilocybin and the provision of psilocybin services.

## Service Centers

**Q: What are the land use requirements for a service center?**

A: M109 requires that a service center be at least 1000 ft. from a school and have defined boundaries. Other land use requirements may be established by local governments. Applicants will be required to produce a Land Use Compatibility Statement (LUCS) which demonstrates that the proposed use of the property is consistent with local zoning code.

**Q: What is considered the boundaries of the center?**

A: Boundaries and other premises requirements for licensed service centers will be considered during rulemaking later in 2022.

**Q: What will the criteria be for the Center? interior design, furniture, music system, lighting, bathrooms, etc.**

A: Premises requirements for licensed service centers will be considered during rulemaking later in 2022. Generally, these rules will focus on requirements that affect public health and safety rather than items such as lighting and design.

**Q: Can centers have access to the outdoors?**

A: The board has recommended that service centers have access to the outdoors. Under M109, licensed service centers must have defined boundaries and cannot be located on public land. Specific requirements for service centers premises will be considered during rulemaking later in 2022.

**Q: Will there be different categories of service centers?**

A: No.

**Q: Can the service centers operate ancillary or peripheral services that could offer additional revenue streams and help with financial viability?**

A: These requirements will be considered during rulemaking in 2022.

## Administration Session

**Q: Will clients need a medical referral to receive psilocybin services in a service center?**

A: No. M109 specifically states that a client will not be required to be diagnosed with a medical condition to receive psilocybin services. Clients must be 21 years of age or older to access psilocybin services.

**Q: What is the process by which the client gets the medicine for treatment?**

A: A client may purchase psilocybin products from a licensed service center for consumption during a facilitated administrative session at that service center. Licensed facilitators will not provide psilocybin products to clients.

**Q: How will dosage be recommended? Will clients have a chance to voice their preference for dosage?**

A: Rules specifying dosage requirements will be adopted later in 2022. Clients will have an opportunity to discuss all aspects of their administrative session, including dosage, during their preparation session with a licensed facilitator. Maximum doses may be established in rule. Clients and licensed facilitators will work together to determine dosage. These details will be established in rule.

**Q: If someone is participating in multiple administration sessions within a small window of time is a separate prep session required for each administration session?**

A: Yes. M109 requires a preparation session to precede each administration session.

**Q: Could the client choose to participate in multiple prep sessions before the administration session? What about multiple integration sessions after the administration session?**

A: Details on the preparation, administration, and integration sessions will be established in rule later this year.

**Q: Is the board considering micro-dosing sessions?**

A: The term “microdose” is not used in M109. M109 requires OHA to establish the maximum concentration of psilocybin that is permitted in a single serving of a psilocybin

product, and the number of servings that are permitted in a psilocybin product package. Details will be established in rule later this year.

**Q: Will there be a standardized screening tool for harm reduction purposes?**

A: M109 requires a preparation session for clients with a licensed facilitator. A client intake form is required for this process and will include documentation of risk factors and contraindications, as well as considerations for health and safety. Details will be considered during the rulemaking process.

**Q: Will sessions be able to be subsidized for those who cannot afford a session?**

A: M109 does not allow OHA to use funds in this manner. Funds from application and licensure fees must cover the costs for Oregon Psilocybin Services. OHA does not have statutory authority to regulate costs of psilocybin services. Private organizations or licensed service centers and facilitators may choose to offer subsidies for lower income clients.

**Q: Will groups be allowed? How large?**

A: The board has recommended that group sessions be permitted. The exact requirements for group sessions will be detailed in administrative rules to be adopted later in 2022.

**Q: How much will services cost?**

A: Under M109, OHA cannot control the costs for training or services. The program will set application and license fees in rule and there will be a 15% sales tax on sale of psilocybin products to clients for administration sessions. Licensees and training programs will determine the cost of their services.

## Training Programs

**Q: What are the general requirements of a facilitator training program?**

A: Training program curriculum must be approved by OHA. Application requirements for training program approval will be established in May rules.

**Q: What are the requirements of the trainers themselves?**

A: The requirements will be specified in May rules.

**Q: When can the facilitator training programs start?**

A: OHA estimates that staffing and systems will be in place to approve training programs in June of 2022. OHA will not be able to offer retroactive approval for programs operating before that time.

**Q: There are already a lot of training programs out there... what is transferrable?**

A: The board has recommended that some transfer of credits be allowed. Rules on transfer of credits will be discussed in the May rulemaking.

**Q: How does OHA plan to acknowledge traditional and indigenous healers within the training requirements?**

A: Experience in traditional healing may be considered as transferrable credits depending on what is established in May Rules.

**Q: Will the training for facilitators include significant material on how to deal with mental health issues or issues related to trauma that arise during session?**

A: The board has made recommendations on training curriculum, including trauma-informed care, and OHA will be considering these recommendations during May rulemaking.

**Q: How much will a training program cost?**

A: Under M109, OHA cannot control the costs for training programs or psilocybin services. The program will set application and license fees in rule, and there will be a 15% sales tax on sale of psilocybin products to clients for administration sessions. Licensees and training programs will determine the cost of their services.

## Facilitation

**Q: Is there somewhere I can find information about qualifications (certification, degree, experience, etc.) for preparing to work as a Psilocybin Services Facilitator?**

A: Every facilitator must complete a training program that is approved by OHA as a condition of being licensed. A high school diploma, or its equivalent, will be required without additional degrees or certifications. Additional qualifications will be discussed during May rulemaking.

**Q: Does a facilitator have to have a medical license?**

A: No.

**Q: Will a facilitator be required to have participated themselves in a psilocybin administration session?**

A: No.

**Q: Will there be standardized safety protocols that facilitators will be required to follow?**

A: Yes. Exact requirements will be established in rule.

**Q: Are 2 licenses required for a facilitator delivering this service; one for providing psilocybin products and another for the service itself?**

A: Psilocybin products are provided to clients by a licensed service center for administration sessions that take place at their location. M109 allows a person to hold both a service center and facilitator license, if that is what the licensee chooses to apply for.

**Q: Will the same license apply to both solo and group sessions? Will there be different types of facilitator licenses?**

A: The board has recommended that there only be one type of facilitator license. OHA will consider this recommendation before adopting May Rules.

**Q: Can the psilocybin services be offered within a ceremonial or religious context?**

A: Yes, if psilocybin services take place at a licensed service center and is otherwise compliant with statute and rule requirements.

**Q: How will OHA ensure that those who hold traditional knowledge or have experience with natural healing practices are recognized and have equitable access to licensing?**

A: The board has made recommendations on training curriculum, including history of Indigenous practices, and OHA will be considering these recommendations during May rule making. Experience with traditional healing may be eligible for credit in a training program.

For more information, please go to: [www.oregon.gov/psilocybin](http://www.oregon.gov/psilocybin)



## BOARD OF COMMISSIONERS

# AGENDA REQUEST & STAFF REPORT

**MEETING DATE:** Wednesday, June 1, 2022

**SUBJECT:** Continued Public Hearing: Deschutes County Road Department Nighttime Noise Variance (File No. 247-22-000243-V)

**RECOMMENDED MOTION:**

*Road Department and CDD Staff recommend approval as the request is in the interest of safety and convenience of both the travelling public and road construction workers.*

**BACKGROUND AND POLICY IMPLICATIONS:**

*The Board will conduct a continued public hearing on June 1, 2022, to consider a request for a nighttime (10 p.m. – 6 a.m.) Noise Variance (File No. 247-22-000243-V) to construct bridge approach repairs and pavement rehabilitation on Tumalo Road and Deschutes Market Road between Tumalo Place and 19<sup>th</sup> Street. The nighttime work is expected to take approximately three weeks and will begin after June 2, 2022, and be completed by August 31, 2022.*

**BUDGET IMPACTS:**

*None.*

**ATTENDANCE:**

*Tarik Rawlings, Associate Planner*





**MEMORANDUM**

**TO:** Deschutes County Board of Commissioners (Board)

**FROM:** Tarik Rawlings, Associate Planner

**DATE:** May 25, 2022

**SUBJECT:** Continued Public Hearing: Deschutes County Road Department Noise Variance request

The Board of County Commissioners (Board) is conducting a continued public hearing on June 1, 2022, to consider a request for a nighttime (10 p.m. – 6 a.m.) Noise Variance (File No. 247-22-000243-V) to construct bridge approach repairs and pavement rehabilitation on Tumalo Road and Deschutes Market Road between Tumalo Place and 19<sup>th</sup> Street. The nighttime work is expected to take approximately three weeks and will begin after June 2, 2022, and be completed by August 31, 2022.

**I. SUMMARY**

The Deschutes County Road Department is requesting a nighttime Noise Variance to construct bridge approach repairs and pavement rehabilitation on Tumalo Road and Deschutes Market Road between Tumalo Place and 19<sup>th</sup> Street. Due to high daytime traffic volumes in the project vicinity (Average Daily Traffic of 7,369), construction needs to be performed during nighttime hours (10 p.m. – 6 a.m.).

Single-lane closures will be required to perform the work, requiring temporary traffic control via flagging and pilot car operations. Performing construction during nighttime hours will reduce the inconvenience to the traveling public by reducing the length of traffic queues resulting from flagging operations. Traffic volumes during nighttime hours within the project corridor are approximately 90% less than daytime volumes, according to a Road Department traffic study conducted within the project limits in August 2019. Daytime traffic volumes are high enough to cause extensive traffic queues upstream of the project on Tumalo Road/Tumalo Place and Deschutes Market Road, as well as US Highway 97. Nighttime construction will minimize the propensity for traffic queues to become excessively long and cause delays to the public.

## II. PUBLIC COMMENTS

Since the Notice of Public Hearing was mailed to neighboring property owners on April 19, 2022, and published in the Bend Bulletin on April 24, 2022, one public comment has been received, expressing support for the proposal. No other public comments have been received.

## III. RECOMMENDATION

It is the Road Department's opinion that the public nuisance caused by nighttime construction will be benign in comparison to the nuisance caused by traffic queues resulting from daytime construction. In the interest of the safety and convenience of both the traveling public and the workers within the construction work zone, staff recommends the subject noise variance request be approved.

### ATTACHMENTS:

1. 247-22-000243-V Application Materials, including project area and noise impact area map
2. Document # 2022-378 – Draft Noise Permit
3. Land Use Sign Affidavit
4. Public Comment – R. Reams



File No. 247- 22-000243-V

**COMMUNITY**

**NOISE PERMIT APPLICATION**  
INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

1. Complete the application form and provide appropriate original signatures. To ensure timely processing of your application, all materials must be submitted on single-sided, 8.5" x 11" paper. Do not use binders, tabs/dividers, staples or tape.
2. Include a copy of the current deed showing the property owners.
3. Attach correct fee.
4. Include a plot plan that shows all property lines and existing and proposed structures, parking, landscaping, lighting, etc.
5. If this application includes oversized plans a single, reduced-size plan no larger than 11" x 17" with graphic scale shall also be included.
6. All applicable standards and criteria must be addressed in writing prior to acceptance of the application. Detailed descriptions, maps and other relevant information must be attached to the application.

**FEE:** \_\_\_\_\_

Applicant's Name (print): Cody Smith, Deschutes Co. Road Dept.  
 Mailing Address: 61150 SE 27<sup>th</sup> St.  
 Applicant's Email Address: Cody.Smith@deschutes.org

Phone: (541) 322-7113  
 City/State/Zip: Bend, OR 97702

Property Owner's Name (if different)\*: N/A  
 Mailing Address: N/A

Phone: (N/A)  
 City/State/Zip: N/A

1. Property Description: T16S R 12E, Section 26. (No tax lots - County road right of way)
2. Property Zone(s): EFU & RI  
Property Size (acres or sq. ft.): N/A
3. Lot of Record? (State reason): N/A, County road right-of-way
4. Property Address: N/A, County road right-of-way
5. Present Use of Property: County road, Rural Collector/Rural Arterial
6. Existing Structures: Five public highway bridges (BR#18394, BR#18208, BR#18299, BR#18493, BR#18494)
7. Request:

Deschutes County Road Department (Road Department) is requesting a nighttime noise variance to construct bridge approach repairs and pavement rehabilitation on Tumalo Rd and Deschutes Market Rd between Tumalo Place and 19<sup>th</sup> Street. Due to high daytime traffic volumes in the Project

vicinity (Average Daily Traffic of 7,369), construction needs to be performed during nighttime hours (10 p.m.-6 a.m.).

Single-lane closures will be required to perform the work, requiring temporary traffic control in the form of flagging and pilot car operations. Performing construction during nighttime hours will reduce the inconvenience to public road users by reducing the length of traffic queues resulting from flagging operations. Traffic volumes during nighttime hours within the Project corridor are approximately 90% less than daytime volumes, according to a Road Department traffic study conducted within the Project limits in August 2019. Daytime traffic volumes are high enough to cause extensive traffic queues upstream of the Project on Tumalo Rd/Tumalo Pl and Deschutes Market Rd, as well as US 97. Nighttime construction will minimize the propensity for traffic queues to become excessively long and cause delays to the public.

It is the Road Department’s opinion that the public nuisance caused by nighttime construction will be benign in comparison to the nuisance caused by traffic queues resulting from daytime construction. The Project is located primarily in a Rural Industrial (RI)-zoned area, and there are no residences in the immediate vicinity of the Project site. The Federal Highway Administration (FHWA) “Construction Noise Handbook” describes construction equipment noise levels and provides the following information for all equipment that may be used on the project. This data is for the period beginning in 1970 through 2006. The information is for both stationary and mobile sources and for steady, intermittent, and impulse type noises.

<b>Equipment Description</b>	<b>Spec. 721.560 L<sub>max</sub> @ 50 feet (dBA, slow)</b>	<b>Actual measured L<sub>max</sub> @ 50 feet (dBA, slow) (Samples averaged)</b>
Backhoe	80	78
Compactor (ground)	80	83
Compressor (air)	80	78
Dump Truck	84	76
Flat Bed Truck	84	74
Front End Loader	80	79
Generator	82	81
Grader	85	N/A
Pavement Scarifier	85	90
Paver	85	77
Pickup Truck	55	75
Pneumatic Tools	85	85
Roller	85	80
Vacuum Street Sweeper	80	82
Warning Horn	85	83

Source: Table 9.1 RCNM Default Noise Emission Reference Levels and Usage Factors

For each generic type of equipment listed in the table, the following information is provided:

- The specification “Spec” limit for each piece of equipment expressed as L<sub>max</sub> level in dBA “slow” at a reference distance of 50 feet from the loudest side of the equipment.
- The measured “Actual” emission level at 50 feet for each piece of equipment is based on hundreds of emission measurements performed on Central Artery/Tunnel (CA/T) work sites.

The National Highway Institute (NHI) provides additional information on what occurs when there are no barriers or objects between the source and receptor. Noise levels decrease 6 dBA each time

the distance from the point source doubles in paved environments. In locations where soft ground exists, an additional 1.5 dBA decrease occurs per doubling distance. When the above numbers differ, the Road Department has used the higher (noisier) values when determining the dBAS for the equipment to be used.

The Planning Division utilizes the Department of Environment Quality (DEQ) standards for noise as set forth in Oregon Administrative Rule (OAR) 340-035-0035 when reviewing noise permits under Deschutes County Code (DCC) 8.08. The Road Department has used Table 8, New Industrial and Commercial Noise Source Standards, from OAR 340-035-0035 to determine the potential noise impact area. Table 8 sets a nighttime standard of 50 dBA for noise. The highest dBA from the equipment table is 90 dBA, resulting in a potential noise impact area of a 3,200-foot radius from Tumalo Road and Tumalo Place. At 3,200 feet the highest expected dBA from any equipment would be 48 dBA, which meets the DEQ standard. Approximately 227 properties are within the noise radius area, many of which do not have residences. The impacted properties are shown on the attached map, Figure 1.

The nighttime work is expected to begin no sooner than June 1, 2022. The duration of the nighttime work is anticipated to be no more than three weeks. The work will be completed by August 31, 2022. Nighttime work will occur between 10 p.m. and 6 a.m. Sunday night through Friday morning each week. The Road Department will issue a media release to inform the travelling public no later than one week prior to start of work. Additionally, portable changeable message boards will be installed on Deschutes Market Rd and Tumalo Rd no later than two weeks prior to start of work.

8. Property will be served by:


Sewer: N/A as project occurs on public right of way and no sewer is present.

Onsite Disposal System: N/A, on-site portable systems will be used as necessary.

9. Domestic Water Source: N/A.

To the best of my knowledge, the proposal complies with all previous conditions of approval and all other applicable local, state, and federal laws. By signing this application, I acknowledge that Deschutes County planning staff may make a site visit(s) to the address(es) listed on this application in order to evaluate the property(ies) with the Deschutes County Code criteria applicable to the land use request(s) submitted. Please describe any special circumstances regarding a potential site visit:

\_\_\_\_\_  
\_\_\_\_\_

Applicant's Signature:  Date: 2022.02.22 13:36:52 -08'00' \_\_\_\_\_ Date: \_\_\_\_\_

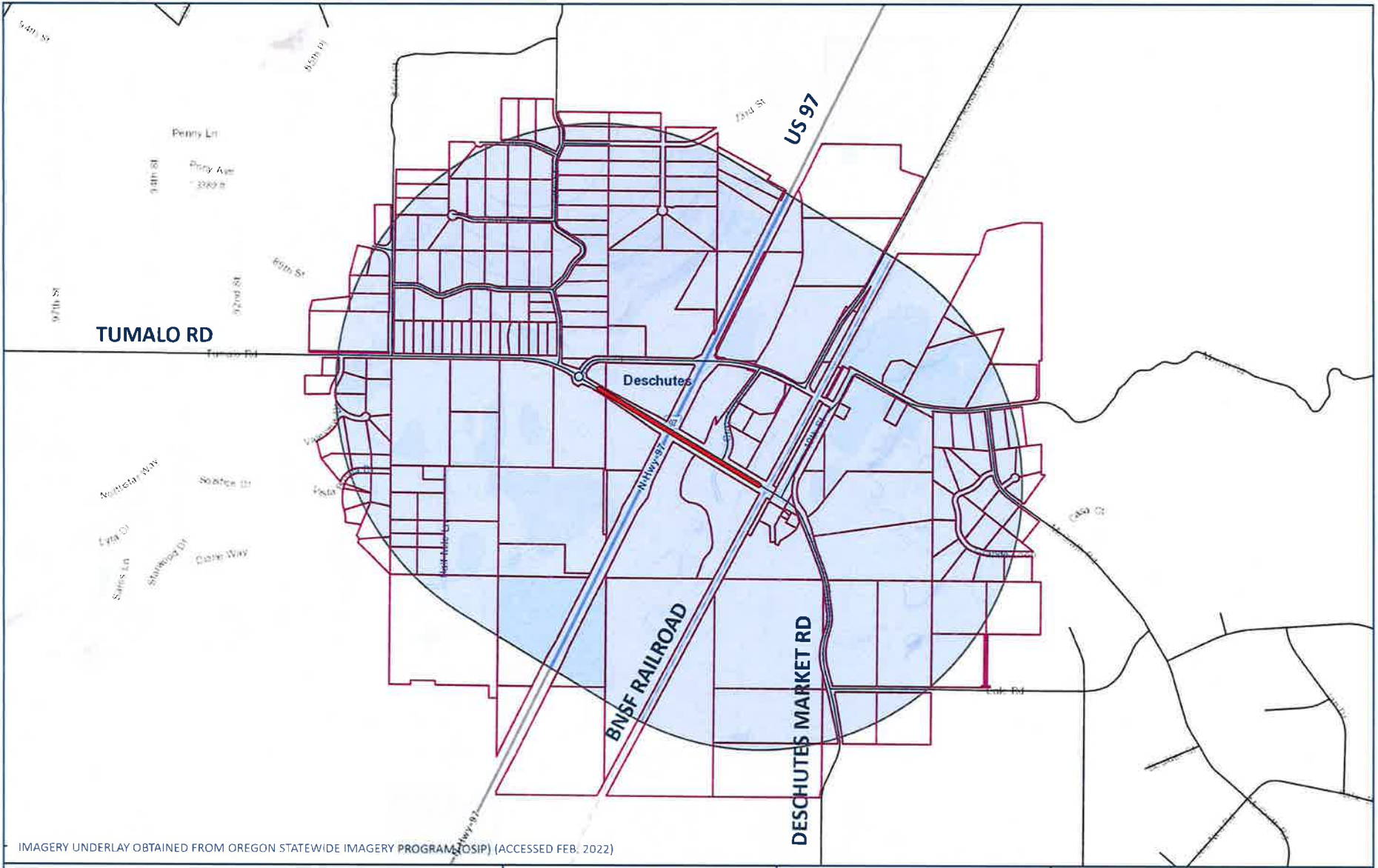
Property Owner's Signature (if different)\*: \_\_\_\_\_ Date: \_\_\_\_\_

Agent's Name (if applicable): \_\_\_\_\_ Phone: (\_\_\_\_\_) \_\_\_\_\_




Mailing Address: \_\_\_\_\_ City/State/Zip: \_\_\_\_\_

Agent's Email Address: \_\_\_\_\_

**\*If this application is not signed by the property owner, a letter authorizing signature by the applicant must be attached. By signing this application, the applicant understands and agrees that Deschutes County may require a deposit for hearings officers' fees prior to the application being deemed complete. If the application is heard by a hearings officer, the applicant will be responsible for the actual costs of the hearings officer.**



IMAGERY UNDERLAY OBTAINED FROM OREGON STATEWIDE IMAGERY PROGRAM (OSIP) (ACCESSED FEB. 2022)

<p><b>LEGEND</b></p> <ul style="list-style-type: none"> <li><span style="color: red;">—</span> PROJECT SEGMENT</li> <li><span style="border: 1px solid red; display: inline-block; width: 20px; height: 10px;"></span> IMPACTED PROPERTIES</li> <li><span style="background-color: lightblue; border: 1px solid lightblue; display: inline-block; width: 20px; height: 10px;"></span> NOISE IMPACT AREA (3,200 FEET)</li> <li><span style="border-bottom: 1px solid black; display: inline-block; width: 20px;"></span> DESCHUTES COUNTY ROADS</li> </ul>	<p>N</p>  <p>0 500 1,000 2,000</p>  <p>Feet</p>	<p><b>NOISE IMPACT AREA</b> <b>FIGURE 1</b></p> <hr/> <p><b>PAVING OF</b> <b>DESCHUTES JUNCTION</b></p> <hr/> <p>FEB. 2022      SHT. 1 OF 1</p>	 <p><b>ROAD</b> <b>DEPARTMENT</b></p>
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COMMUNITY DEVELOPMENT

LAND USE ACTION SIGNS

A land use action requires the posting of a sign, which provides a brief description of the application submitted. It is the applicant's responsibility to post this sign at least ten (10) days before the date set for receipt of comments. The sign is to be posted so that it is clearly visible along the most traveled street. The sign should be mounted on a sturdy backing, such as plywood, and posted within ten (10) to fifteen (15) feet of the street so that it is visible from the street. Please do not attach the sign to a tree. It is advisable to cover the sign with protective material such as plastic wrap to protect it from inclement weather. Please remove the sign at the end of the comment period.

THE APPLICANT SHALL PROVIDE AN AFFIDAVIT ATTESTING TO THE FACT THAT THIS SIGN HAS BEEN POSTED.

LAND USE ACTION SIGN AFFIDAVIT

STATE OF OREGON ) File Number(s) 247-22-000243-V
) ss.
COUNTY OF DESCHUTES )

I, TRAVIS FARSTVEDT, being first duly sworn, depose and state as follows:
(Name)

I placed a Notice of Land Use Action sign on the Applicant's property on MAY 10, 2022, where it can be clearly seen from DESCHUTES MARKET RD.
(Date)
(Name of road)

If the land use sign notices a hearing, the hearing is to be held on TBD.
(Date)

Dated this 10 day of May, 2022.

[Signature]
Affiant

Subscribed and sworn to before me this 10 day of May, 2022



[Signature]
Notary Public for Oregon
My Commission Expires: 6/21/25



## Tarik Rawlings

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**From:** Ron Reams <rjreamo@gmail.com>  
**Sent:** Tuesday, May 24, 2022 5:06 PM  
**To:** Tarik Rawlings  
**Subject:** File # 247-22-000243-V

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

You don't often get email from rjreamo@gmail.com. [Learn why this is important](#)

[EXTERNAL EMAIL]

---

Tarik,  
For the record.  
We have no issues with the noise variance requested for the above file.  
--  
Ron Reams

REVIEWED  

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LEGAL COUNSEL

06/01/2022 Item #12.

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

# NOISE PERMIT

PURSUANT TO DESCHUTES COUNTY CODE (DCC) CHAPTER 8.08

LOCATION: Tumalo Road and Deschutes Market Road from 19<sup>th</sup> Street to Tumalo Place.

FILE NUMBER: 247-22-000243-V

OWNER: Deschutes County Road Department

OPERATOR: Cody Smith

PHONE: (541) 322-7113

PROJECT DESCRIPTION: The applicant requests approval of a noise permit to allow nighttime construction to construct bridge approach repairs and pavement rehabilitation on Tumalo Road and Deschutes Market Road between Tumalo Place and 19<sup>th</sup> Street.

DATES AND TIMES OF PROJECT: Nighttime construction activities are anticipated to begin no sooner than June 2, 2022, and are anticipated to be completed no later than August 31, 2022. Nighttime construction will occur Sunday night through Friday morning, between 10:00 p.m. and 6:00 a.m.

FINDINGS: The Board of County Commissioners (“Board”) finds that a public necessity exists for granting this permit for construction hours between 10:00 p.m. and 6:00 a.m. The Board bases the findings on evidence in the record and testimony at the hearing. These findings include:

1. A need to construct bridge approach repairs and pavement rehabilitation on Tumalo Road and Deschutes Market Road between Tumalo Place and 19<sup>th</sup> Street;
2. A desire to conduct construction from 10:00 p.m. to 6:00 a.m. to minimize traffic delays, decrease the risk of construction related accidents on Tumalo Road and Deschutes Market Road, and reduce potential traffic queues affecting US 97 and County roads.

CONDITIONS OF APPROVAL:

1. Construction activities may be conducted beginning June 2, 2022.
2. Fifteen days prior to commencing any construction activities, the Owner shall notify all property owners who testified at the public hearing for this permit of the dates and times the construction activities will occur.
3. This permit expires August 31, 2022.
4. THE APPROVED PERMIT SHALL BE RETAINED ON-SITE UNTIL THE PROJECT IS COMPLETE.
5. BY ACCEPTANCE OF THIS PERMIT, OWNER/OPERATOR CONSENT TO ALLOW BOTH COUNTY CODE ENFORCEMENT AND LAW ENFORCEMENT PERSONNEL TO COME ON THE PREMISES FOR WHICH THE PERMIT HAD BEEN GRANTED FOR THE PURPOSE OF INSPECTION AND ENFORCEMENT OF THE TERMS AND CONDITIONS OF THE PERMIT AND DCC 8.08, AND ANY OTHER APPLICABLE LAWS OR ORDINANCES.

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

# Community Development Department

## Deschutes County Board of County Commissioners June 1, 2022

**File No. 247-22-000243-V**

**Applicant: Deschutes County Road Dept.**

Case Planner: Tarik Rawlings, Associate Planner  
Email: [tarik.rawlings@deschutes.org](mailto:tarik.rawlings@deschutes.org)  
Phone: (541) 317-3148



# Hearing Procedure

**The hearing will be conducted in the following order:**

- 1. Staff will explain the hearing format and how to testify**
- 2. Staff will provide a brief report**
- 3. The applicant will present its testimony and evidence**
- 4. Opponents and proponents will present testimony and evidence**
- 5. Any other interested persons will testify and present evidence**
- 6. The applicant may present rebuttal testimony**
- 7. Closing remarks from Staff**



# Hearing Procedure

- In-person and remote participation meeting format
- Connection interruption
- Zoom participants are either Attendees or Panelists
  - Attendees are *not* on audio or video
  - Panelists will have audio and video recorded
    - ❖ Ability to mute microphone and blackout video



# In-Person Participants

- If you are attending in-person and want to testify please make sure you have added your name to the sign-in sheet.
- This list will be used to call-up each person for their testimony.



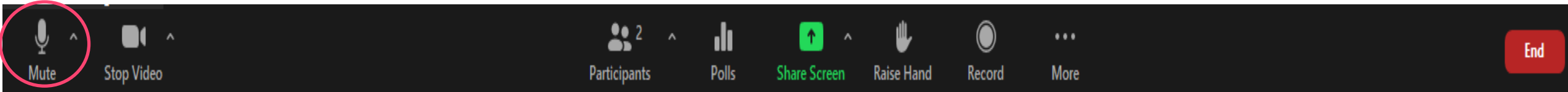
- If you're on Zoom or telephone, I will add your name and address to the sign-in sheet.



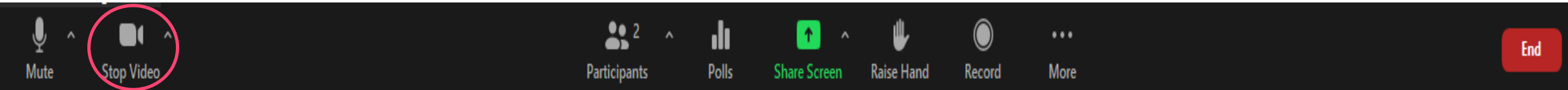
# Zoom Participants

## Important Tools for Panelists on a Computer

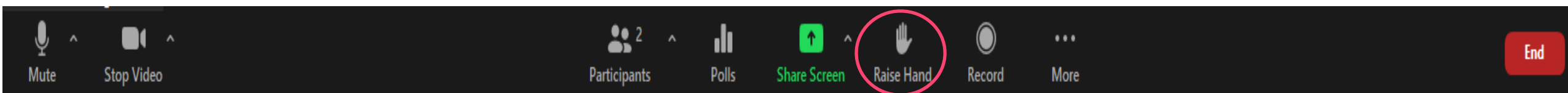
### ➤ *Microphone*



### ➤ *Video*



### ➤ *Raise Hand*





# Zoom Participants

## Important Tools for Panelists Calling in by Phone

- **Mute / Unmute**

- ❖ **Enter \*6 on your keypad**



- **Raise Hand**

- ❖ **Enter \*9 on your keypad**



# Zoom Participants

➤ Zoom Attendees who wish to testify please use the “Raise Hand” feature now

❖ **Computer Attendees**

- Select the *Raise Hand* button



❖ **Call-in Attendees**

- *Dial \*9* on your keypad to Raise Hand



# Hearing Procedure

## Order of Testimony

1. Applicant
2. Anyone in *support* of the applicant's request
  - In-person participants will be called up first
  - Remote participants will be called up next
3. Anyone *neutral* to the applicant's request
  - In-person participants will be called up first
  - Remote participants will be called up next
4. Anyone in *opposition* to the applicant's request
  - In-person participants will called up first
  - Remote participants will be called up next
5. Applicant has an opportunity for rebuttal testimony



# Hearing Procedure

- **Orderly hearing**
- **Written testimony can be submitted to staff**
  - ❖ **In-person - Hand to staff**
  - ❖ **Remote - Email to staff: [Tarik.rawlings@deschutes.org](mailto:Tarik.rawlings@deschutes.org)**
- **Emails**
  - ❖ **Greater than 20 pages**
  - ❖ **Any color figures**
  - ❖ **Printed larger than 8.5" x 11"**
  - ❖ **Must be submitted as a hard copy**

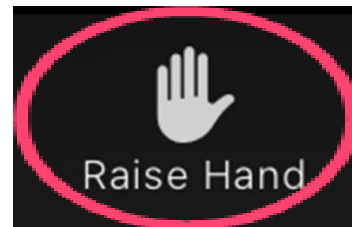


# Hearing Procedure

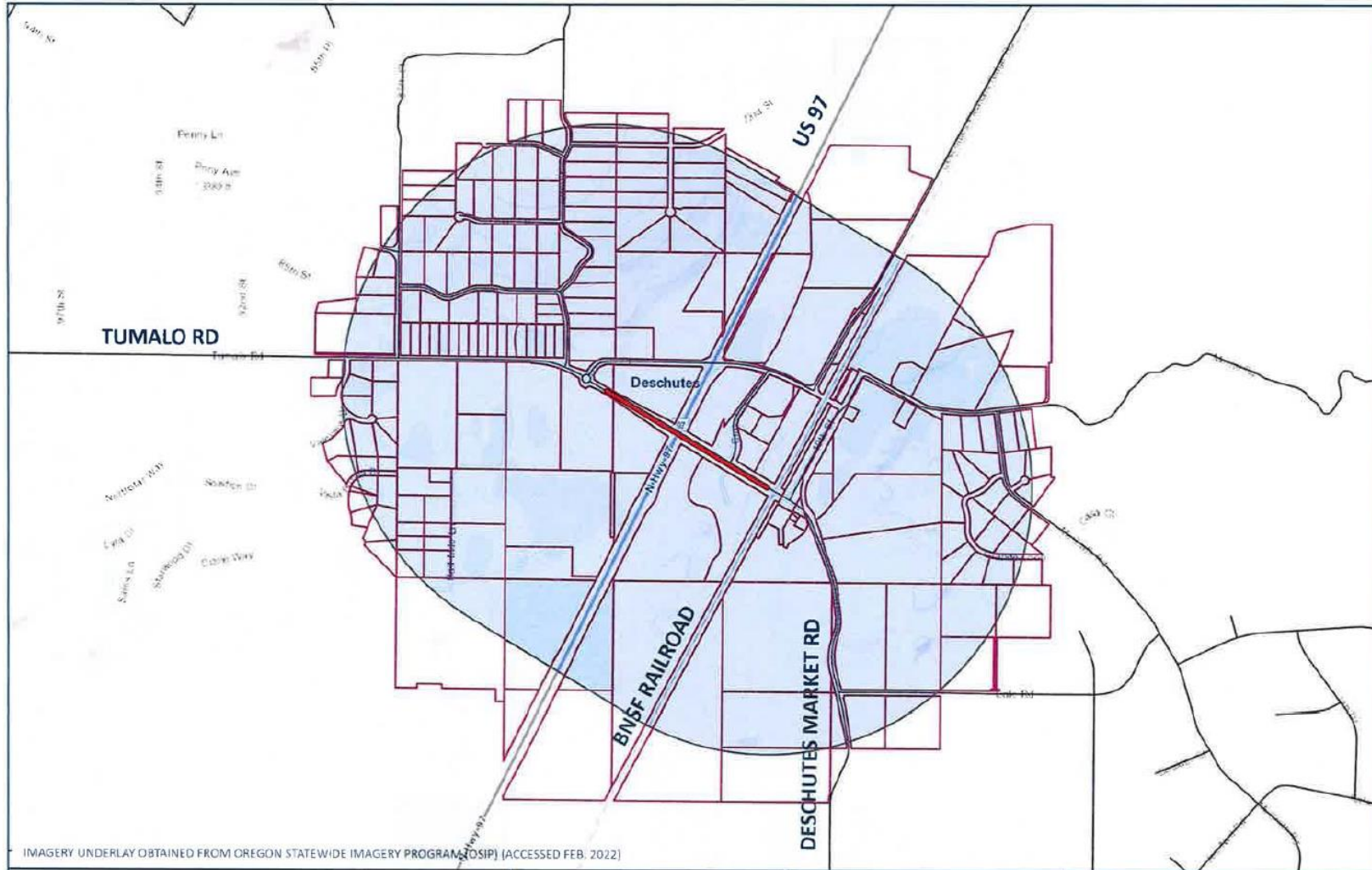
## Objections to Hearing Format?

If you would like to object to the hearing format,  
please notify us now.

Zoom Participants - Use the Raise Hand button / Dial \*9.



# Location



**Assessor's Map: 16-12-26  
and 16-12-27**

**Tumalo Road and  
Deschutes Market Road  
between Tumalo Place  
and 19<sup>th</sup> Street**



# Request

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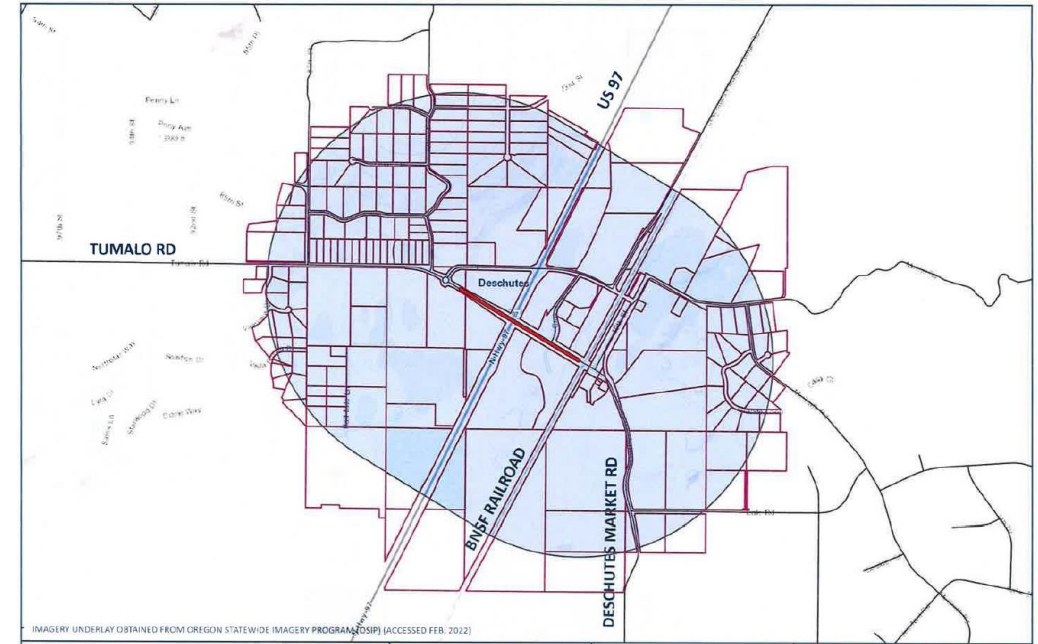
- **Noise Variance for nighttime construction**
- **Bridge approach repairs and pavement rehabilitation**
- **Three (3) weeks expected construction schedule**
- **Activities to take place between June 2 and August 31, 2022**



# Comments

No public comments received

No agency comments received





# Next Steps

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- Continue public hearing to a date and time certain
- Deliberations
- Motion to approve/deny the request and related Document 2022-378



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# Questions?

Tarik Rawlings, Associate Planner

541-317-3148, [Tarik.Rawlings@deschutes.org](mailto:Tarik.Rawlings@deschutes.org)

