



BOARD OF COMMISSIONERS

BOARD OF COUNTY COMMISSIONERS MEETING

9:00 AM, WEDNESDAY, AUGUST 25, 2021

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

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

AGENDA

MEETING FORMAT

In response to the COVID-19 public health emergency, Oregon Governor Kate Brown issued Executive Order 20-16 (later enacted as part of HB 4212) directing government entities to utilize virtual meetings whenever possible and to take necessary measures to facilitate public participation in these virtual meetings. Since May 4, 2020, meetings and hearings of the Deschutes County Board of Commissioners have been conducted primarily in a virtual format.

Attendance/Participation options include: A) In Person Attendance and B) Live Stream Video: Members of the public may still view the BOCC meetings/hearings in real time via the Public Meeting Portal at www.deschutes.org/meetings.

Citizen Input: Citizen Input is invited in order to provide the public with an opportunity to comment on any meeting topic that is not on the current agenda. Citizen Input is provided by submitting an email to: citizeninput@deschutes.org or by leaving a voice message at 541-385-1734. Citizen input received by 8:00 a.m. before the start of the meeting will be included in the meeting record.

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: *For items not on this Agenda*

Note: *In addition to the option of providing in-person comments at the meeting, citizen input comments may be emailed to citizeninput@deschutes.org or you may leave a brief voicemail at 541.385.1734. To be timely, citizen input must be received by 8:00 a.m. on the day of the meeting.*

CONSENT AGENDA

1. Consideration of Board Signature for Order No. 2021-011, the Deschutes County Surplus Property Auction
2. Consideration of Board Signature for Order No. 2021-039, authorizing the Deschutes County Property Manager to execute the documents associated with the sale of County-owned property located at 16688 Box Way, La Pine, Oregon 97739
3. Consideration of Board Signature of Resolution No. 2021-059 Transferring Appropriations and Increasing 2.0 Regular Duration FTE in support of the Community Development Department within the 2021-2022 Deschutes County Budget.
4. Consideration of Resolution No. 2021-060 Increasing 3.0 Regular Duration FTE in support of the Solid Waste Department within the 2021-2022 Deschutes County Budget.
5. Consideration of Board Signature to Appoint Michael Pennavaria to the Deschutes County Dog Control Board of Supervisors
6. Consideration of Board Signature to Appoint Sandy Storrie to the Deschutes County Dog Control Board of Supervisors
7. Consideration of Board Signature to Appoint Lynn McAward to the Deschutes County Dog Control Board of Supervisors
8. Consideration of Board Signature to Thank Norma Brenton of the Deschutes County Dog Board Control of Supervisors
9. Consideration of Board Signature to Thank Keith Winsor of the Deschutes County Public Health Advisory Board
10. Consideration of Board Signature to Reappoint David Huntley to the Deschutes County Public Health Advisory Board
11. Consideration of Board Signature to Reappoint Peter Boehm to the Deschutes County Public Health Advisory Board

12. Consideration of Board Signature to Appoint Danielle MacBain to the Deschutes County Behavioral Health Advisory Board
13. Consideration of Board Signature to Appoint Michael Shults to the Deschutes County Behavioral Health Advisory Board
14. Approval of Minutes of the August 11, 2021 BOCC Meeting
15. Approval of Minutes of the August 16, 2021 BOCC Meeting
16. Approval of Minutes of the August 18, 2021 BOCC Meeting

ACTION ITEMS

- [17.](#) **9:05 AM PRESENTATION:** Bend/Deschutes County Transportation Safety Briefing
- [18.](#) **9:30 AM Public Hearing:** Marijuana Retail and Annual Reporting Text Amendments
- [19.](#) **10:15 AM** Consideration of Chair Signature of Document No. 2021-631, Oregon Health Authority (OHA) #171296, Parent Child Interaction Therapy (PCIT)
- [20.](#) **10:30 AM** Consideration of Board Signature of Resolution No. 2021-061, Authorizing the Cash Redemption of the County's Full Faith and Credit Obligations Related to La Pine Sewer District
- [21.](#) **10:45 AM** American Rescue Plan Update - Supportive Housing

LUNCH RECESS

- [22.](#) **1:00PM** Consideration of Proposed Contribution to Brothers Hampton Rangeland Fire Protection District and Authorization of County Administrator Signature of Document No. 2021-691, Memorandum of Understanding
- [23.](#) **1:15 PM** Progress Update for Senate Bill 762 (Wildfire Hazard Mitigation)
- [24.](#) **2:00 PM** Terrebonne Wastewater Feasibility Study Update

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.

25. 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.



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, August 25, 2021

SUBJECT: Consideration of Board Signature for Auction Order No. 2021-011, the Deschutes County Surplus Property Auction

RECCOMENDED MOTION:

Move approval of Board signature of Order No. 2021-001, for the Deschutes County Surplus Property Auction.

BACKGROUND AND POLICY IMPLICATIONS:

The attached list of 12 County-owned properties with corresponding maps are proposed for inclusion in the 2021 Deschutes County Surplus Property Auction scheduled for Friday, October 8, 2021 at the Deschutes County Fairgrounds.

Property Management staff has worked with County Counsel, the Community Development Department – including Planning, Environmental Soils and Code Enforcement, County Surveyor, County Engineer, County Forester, Finance Department, Tax Office, Assessor's Office, and the Sheriff's Office to evaluate the list of initial properties and prepare documents associated with the sale.

In order to establish the property values, Property Management engages the services of an experienced licensed real estate broker. The broker provides a 'Broker Opinion of Value' for each property and these values are typically reduced to 80% to establish the minimum bids for the purpose of the auction –these amounts are noted as the minimum bids on the attached document. If all properties sell at the established minimum bid, the proceeds of the sale would be \$777,880.

Most properties sold at auction sell above the minimum bid – thus generating additional sale proceeds. If not all properties sell at auction, those properties that do not sell may be available for purchase on a first come first served basis as provided by ORS. Generally speaking, most properties sell at auction.

Standard operating procedure and as done in the past, Deschutes County will offer financing for properties sold for \$20,000 or more at an interest rate of 4.25% amortized over a 10-year term. Properties that sell for less than \$20,000 are required to be paid in full the day of the auction by cash/cashier's check. Parcels may be removed from the auction list at any time.

BUDGET IMPACTS:

If the properties sell at the established minimum bid, the proceeds of the sale will be \$777,880. Properties that do not sell at auction will be available for sale on a first come first served basis at the minimum bid price, or possibly a lower amount as authorized by ORS. As provided by ORS 275, the sale's proceeds reimburse post-foreclosure direct management and carrying costs associated with foreclosed properties with the remaining proceeds distributed to the applicable taxing districts.

ATTENDANCE:

Kristie Bollinger, Property Manager

REVIEWED
LEGAL COUNSEL

08/25/2021 Item #1.

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order for the Sale of Certain Real *
Property Acquired by Deschutes County * ORDER NO. 2021-011

WHEREAS, Deschutes County has acquired title to certain real property, described in Exhibit "A," attached and incorporated by this reference, pursuant to real property tax foreclosure proceedings on file in the Circuit Court of the State of Oregon for Deschutes County and by other means, and

WHEREAS, foreclosure proceedings are completed, and tax deeds in the regular form have been executed by the Deschutes County Tax Collector and recorded in the Deed Records of Deschutes County pursuant to Oregon Revised Statute (ORS) 312.200 with respect to real properties acquired by tax foreclosure, and

WHEREAS, ORS 271.310 and 275.110 authorize the sale by the Board of County Commissioners of the real property acquired through real property tax foreclosure and other means, and

WHEREAS, the real property described in Exhibit "A," attached is not needed for County purposes and, thus, surplus, and

WHEREAS, it is in the best interests of the County to sell the real property described in Exhibit "A", and that the minimum price set forth after the description of each parcel shall be the minimum price for said sale; now, therefore,

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

Section 1. That the Deschutes County Sheriff hereby is authorized and directed, pursuant to ORS 275.120, to offer for sale the property described in Exhibit "A", attached hereto and by this reference incorporated herein, to the highest and best Bidders, for cash, cashier's check or terms, or combination thereof, as determined by the Board of County Commissioners pursuant to ORS 275.190, but not less than the minimum bid hereby fixed, plus recording fees.

Section 2. That said sale is to be made at the Deschutes County Fairgrounds, 3800 SW Airport Way, Redmond, Oregon, 97756, beginning at 10:00 a.m. on Friday, October 8, 2021, and remaining open until 2:00 p.m. to allow for Bidders to submit the appropriate purchase payment. COVID-19 precautions will be in place; check the County website for applicable procedures.

Section 3. That on the sale date, Bidders with the provisionally accepted high bid may leave the premises to obtain cash or cashier's checks but must return to the Deschutes County Fairgrounds prior to 2:00 p.m., with no Bidder admittance allowed after 2:00 p.m..

Section 4. That all sales shall be deemed conditional until such time as the Board of County Commissioners formally accepts or rejects said sale.

Section 5. That, if the Sheriff is unsuccessful in selling any real property listed in Exhibit "A" at said sale, said real property may be sold at private sale pursuant to ORS 275.200.

Section 6. That the Deschutes County Property Manager is authorized to take those actions reasonably calculated to efficiently and successfully conduct the aforementioned land sale, including deviation from or modification of sale procedures and removing properties from the sale, when, in the opinion of the Property Manager, said deviations or modifications are justified and in accordance with the applicable ORS.

Section 7. That the Deschutes County Property Manager or the County Administrator is authorized and ordered to sign the Seller's Disclosure Statements and the Sales and Purchase Agreements for the County owned property to be sold at the October 8, 2021, public auction.

Section 8. That the sample promissory note and trust deed attached as Exhibit "B" and incorporated by this reference, shall be the documents authorized for sale of the properties eligible for County financing as identified in Exhibit "A".

Dated this _____ day of _____, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PHIL CHANG, Vice Chair

ATTEST:

Recording Secretary

PATTI ADAIR, Commissioner

EXHIBIT "A"

NOTICE OF SALE

By virtue of Order No. 2021-011 adopted by the Board of County Commissioners of Deschutes County, Oregon, on August 25, 2021, authorizing the sale of real property under ORS 271.310 and 275.110, notice is hereby given that, on October 8, 2021, at 10:00 a.m. at the Deschutes County Fairgrounds, located at 3800 SW Airport Way, Redmond 97756, Oregon, the Sheriff or his designee shall proceed to sell, at public auction to the highest and best bidder, for cash, cashier's check or terms, or combination thereof, the right and title to and interest for Deschutes County in the real property listed below:

Parcel ID	2021-01
Assessor Account	118340
Assessor Market Value	\$48,820
Map and Taxlot	171221DC00400
Acres	0.52
Zoning	Light Industrial (IL)
Property Address	62810 BOYD ACRES RD, BEND, OR 97701
Minimum Bid	\$45,280
Comments	Unimproved triangle shaped property located adjacent to Pilot Butte Canal. No utilities currently available to property. Legal access is unconfirmed. Contact City of Bend Community Development Department with inquires and questions related to allowed uses and development.

Parcel ID	2021-02
Assessor Account	115601
Assessor Market Value	\$75,500
Map and Taxlot	201012AC02700
Acres	0.58
Zoning	Rural Residential (RR10)
Property Address	17097 COVINA RD, BEND, OR 97707
Minimum Bid	\$42,000
Comments	Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. (BLKS 18-25) Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area -development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the AS and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to uses and development.

Parcel ID	2021-03
Assessor Account	115873
Assessor Market Value	\$75,500
Map and Taxlot	201012C005500
Acres	0.50
Zoning	Rural Residential (RR10)
Property Address	16925 FONTANA RD, BEND, OR 97707
Minimum Bid	\$53,600

EXHIBIT "A"

Comments Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. Unit 4 Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area - development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the AS and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID 2021-04
 Assessor Account 116115
 Assessor Market Value \$75,500
 Map and Taxlot 201012D004600
 Acres 0.50
 Zoning Rural Residential (RR)
 Property Address 17075 FONTANA RD, BEND, OR 97707
 Minimum Bid \$53,600
 Comments Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. Unit 4 Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area - development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the AS and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID 2021-05
 Assessor Account 116205
 Assessor Market Value \$75,500
 Map and Taxlot 201012D014100
 Acres 0.67
 Zoning Rural Residential (RR)
 Property Address 17196 INDIO RD, BEND, OR 97707
 Minimum Bid \$48,000
 Comments Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. Unit 4 Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area - development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the AS and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

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Parcel ID 2021-06
 Assessor Account 116606
 Assessor Market Value \$75,500
 Map and Taxlot 201013C009300
 Acres 0.49
 Zoning Rural Residential (RR10)
 Property Address 16967 UPLAND RD, BEND, OR 97707
 Minimum Bid \$53,600
 Comments Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. Unit 9 Part 2 Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area -development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the LM and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID 2021-07
 Assessor Account 116600
 Assessor Market Value \$94,500
 Map and Taxlot 201013C010000
 Acres 0.87
 Zoning Rural Residential (RR10)
 Property Address 16905 UPLAND RD, BEND, OR 97707
 Minimum Bid \$36,000
 Comments Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. Unit 9 Part 2 Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area -development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the WA overlay zone may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID 2021-08
 Assessor Account 116640
 Assessor Market Value \$64,000
 Map and Taxlot 201013C014900
 Acres 1.12
 Zoning Rural Residential (RR10)
 Property Address 56031 SAVAGE DR, BEND, OR 97707
 Minimum Bid
 Comments Unimproved property; legal lot of record. Located in Sun Dance Phase I Plat. Wildland fire fuel treatment required as a condition of purchase. High ground water area -development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the WA overlay zone may be applicable. Contact Deschutes County Community Development

EXHIBIT "A"

Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID	2021-09
Assessor Account	117115
Assessor Market Value	\$75,500
Map and Taxlot	201107C007700
Acres	0.48
Zoning	Rural Residential (RR10)
Property Address	17216 JACINTO RD, BEND, OR 97707
Minimum Bid	\$24,000
Comments	Unimproved property; legal lot of record. Located in Deschutes River Recreation Homesites Inc. (C) Plat. High ground water area - development may not be permitted due to restriction on installing an onsite sanitary sewer system. Further restrictions resulting from the AS and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID	2021-10
Assessor Account	114156
Assessor Market Value	\$75,630
Map and Taxlot	211035C002800
Acres	1.02
Zoning	Rural Residential (RR10)
Property Address	52525 RIVER PINE RD, LA PINE, OR 97739
Minimum Bid	\$55,000
Comments	Includes small outbuildings; legal lot of record. Located in Ahern Acres Plat. Further restrictions resulting from the WA overlay zone may be applicable. Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development.

Parcel ID	2021-11
Assessor Account	144183
Assessor Market Value	\$696,115
Map and Taxlot	220901A003100
Acres	1.40
Zoning	Rural Residential (RR10)
Property Address	14717 NORTH SUGAR PINE WAY, LA PINE, OR 97739
Minimum Bid	\$297,600
Comments	Located in Ponderosa Pines Plat. Includes a 3,563 square foot unfinished lodge-style building and an adjacent 3,072 square foot out-building constructed in approximately 2004. Multiple code violations; buyer will be required to remedy as outlined in the memorandum from Deschutes County Code Endorsement dated March 29, 2021. Further restrictions resulting from the WA overlay

EXHIBIT "A"

zone may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with inquires and questions related to allowed uses and development and Code Enforcement for questions related to the requirements outlined in the March 29, 2021 memorandum.

Parcel ID	2021-12
Assessor Account	143581
Assessor Market Value	\$18,480
Map and Taxlot	2221170001600
Acres	11.48
Zoning	Exclusive Farm Use – Horse Ridge Subzone
Property Address	**NO SITUS ADDRESS** Brothers, OR 97712
Minimum Bid	\$9,200
Comments	Unimproved property. Further restrictions resulting from the SGHA-Core Zone and the LM and WA overlay zones may be applicable. Contact Deschutes County Community Development Planning Division and Environmental Soils Division with questions related to allowed uses and development.

1) All prospective Bidders shall register prior to or on the day of the sale. Registrations on the day of sale must be completed and received, as noted below, prior to start of the auction. The registration form is available at www.deschutes.org. Registration shall be submitted by one of the following options:

a) Email to Kristie.Bollinger@deschutes.org b) Fax to 541-317-3168, c) Mail to Deschutes County Property Management; P.O. Box 6005; Bend, OR 97708-6005, d) or in person between October 4, 2021 through October 7, 2021, during the hours of 9:00 a.m. and 12:00 p.m. at 14 NW Kearney Avenue in Bend, Oregon. After 12:00 p.m. (NOON) on October 7, 2021 all filled out registrations should be brought in person to the auction location and have registration form completed and check-in done prior to auction start time of 10:00 a.m. Bidder must provide a completed registration form, which includes bidder's legal name, physical address, mailing address, telephone number, how to take title, and signatures. Bidders must provide an acceptable picture I.D. on the day of the auction, prior to 10:00 a.m. and prior to bidding.

2) **ALL PARCELS ARE SOLD AS IS.** Potential Bidders should thoroughly investigate all aspects of a property prior to bidding. Deschutes County has not surveyed the aforementioned real properties and makes no representation as to boundaries, encroachments or encumbrances. Deschutes County does not guarantee or warrant that any parcel is buildable, suitable for septic system, has legal access, is vacant or is usable for any particular purpose. The County shall not warrant or defend the fee simple title of real property offered for sale to be free of defects or encumbrances, but will only sell and convey such interest as the County acquired by foreclosure or other means and holds at the time of sale. Furthermore, conveyance is subject to all valid, recorded easements, road right-of-way dedications, the right of any municipal corporation to purchase such property pursuant to State law, and subject to the right of the Board of County Commissioners to reject any and all bids.

3) The highest offer for any parcel that is equal to or exceeds the minimum bid price shall be conditionally accepted as of the close of bidding for that parcel. Upon conditional acceptance of an offer at the time of the sale, the sale as to that parcel shall be deemed closed. For properties where financing is available the following terms apply: either equal payments over 10 years (120 payments) with a fixed interest rate of 4.25% -or- down payment and second/final payment in 30 days; both with a nonrefundable cash down payment of not less than 20% of the purchase price, secured by a promissory note and trust deed. Copies of the complete contract terms may be found at www.deschutes.org or a copy will be provided at \$0.25 per page upon request to the County Property Manager listed above, by October 1, 2021. On

EXHIBIT "A"

the sale date, Bidders with the provisionally accepted high bid may leave the premises to obtain cash or cashier's checks but must return to the Deschutes County Fairgrounds prior to 2:00 p.m. No admittance after 2:00 p.m. will be allowed.

4) Cash is defined as all legal U.S. currency. Cashier's checks must be payable to Deschutes County Sheriff's Office, and cashier's checks must be drawn on a financial institution that is authorized to do business under the laws of Oregon or the United States and recognized as such by Deschutes County. If any part of the purchase price is paid with a cashier's check the Purchaser (winning Bidder) will be given a receipt in lieu of a certificate of sale until verification from the financial institution that final settlement has been made on the cashier's check. Upon receiving such verification, the Purchaser will receive a Certificate of Sale. If any part of the purchase price is paid through the contract for terms, the Purchaser will be provided a Certificate of Sale that includes the terms and will be required to sign a promissory note for which a trust deed will be recorded. Regardless of method of purchase, upon receipt of Certificate of Sale, the Certificate of Sale must be recorded with the Deschutes County Clerk at the sole cost of the Purchaser.

5) SOME PROPERTY WILL BE SOLD SUBJECT TO BUYER AGREEING TO MITIGATE THE WILDFIRE FUELS.

6) SOME PROPERTY MAY BE SOLD SUBJECT TO BUYER AGREEING THAT a) SUCH PROPERTY IS UNDEVELOPABLE DUE TO THE INABILITY TO CONSTRUCT AN ON-SITE SANITARY SEWER SYSTEM, b) AND/OR THAT THE SUBJECT PROPERTY IS NOT A LEGAL LOT OF RECORD, c) AND/OR LEGAL ACCESS TO SUBJECT PROPERTY IS UNKNOWN.

7) An example of the Wildland Fire Fuel Treatment Agreement is available for review on the Deschutes County website (www.deschutes.org) and at the office of Deschutes County Property Management, 14 NW Kearney Avenue, Bend, Oregon.

8) For information on the property auction, contact Deschutes County Property Management at 541-385-1414. Additionally, Deschutes County reserves the right to remove any property from the auction list at or before the auction. The Board of County Commissioners may authorize the sale of any real property not sold at this auction to be sold by private sale pursuant to ORS 275.200.

9) Deschutes County encourages persons with disabilities to participate in all programs and activities. To request information in an alternative format, please call 541-385-1749 or 541-330-4631.

SHANE NELSON
Deschutes County Sheriff

By

_____, Civil Technician

Published in Bend Bulletin
Date of First and Successive Publications:

275.120 Sheriff's notice of sale. (1) Upon receipt of a certified copy of the order referred to in ORS 275.110, the sheriff shall publish a notice of the sale of such property in a newspaper of general circulation, printed and published in the county where the land is situated, once each week for four consecutive weeks prior to such sale.

EXHIBIT "B"

REVIEWED

LEGAL COUNSEL

NOTE

PARTIES:

Promisor: **«BUYERFIRSTNAME» «BUYERMIDDLENAME» «BUYERLASTNAME»**
 «BuyerAddress1»
 «BuyerCityStateZip»

Promisee: **DESCHUTES COUNTY**, a political subdivision of the State of Oregon
 Finance Department
 PO Box 6005
 Bend, Oregon 97708-6005

1) FOR VALUE RECEIVED, Promisor promises to pay Promisee, at Promisee's order, the purchase price, which consists of the principal sum of this note plus the twenty percent (20%) previously paid to Promisee as a down payment, for the real property commonly known as («SitusAddress») and legally described as:

«LegalDescription»

2) in the principal sum of «AmountFinanced» with interest on the unpaid principal balance from the designated closing date or the date of closing, until paid, at the rate of Four and One Quarter percent (4.25%) per annum. Principal and interest shall be payable to Deschutes County Treasurer, Finance Department, PO Box 6005, Bend, Oregon 97708-6005, or such other place as Promisee may designate, in consecutive monthly installments of _____/100 DOLLARS (\$_____), on the 1st day of each month beginning December 1, 2021. Such monthly installments shall continue until the entire indebtedness evidenced by this Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on November 1, 2031. Promisee acknowledges receipt of a down payment in the amount of «DownPayment».

3) If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Promisor, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of Promisee. The date specified shall not be less than thirty days (30) from the date such notice is mailed. Promisee may exercise this option to accelerate during any default by Promisor regardless of any prior forbearance.

4) Promisor shall pay to Promisee a late charge of five percent (5%) of any monthly installment not received by Promisee within ten (10) days after the installment is due. Such late charge shall be paid on demand and Promisee may add such late charge to the principal balance of the Note.

5) Promisor may prepay the principal amount outstanding in whole or in part without penalty. Promisee may require that any partial prepayments (i) be made on the date monthly installments are due and (ii) be in the amount of that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless Promisee shall otherwise agree in writing.

6) All persons liable either now or hereafter for payment of this Note severally waive

EXHIBIT "B"

presentment, demand for payment and notice of nonpayment. This Note shall be the joint and several obligation of all persons liable for payment of this Note, and shall be binding upon them and their successors and assigns.

7) Any notice to Promisor provided for in this Note shall be given by mailing such notice by certified mail addressed to Promisor at the address set forth under Promisor's name, or to such other address as Promisor may designate by notice to Promisee. Any notice to Promisee shall be given by mailing such notice by certified mail, return receipt requested, to Promisee at the address set forth under Promisee's name, or at such other address as may have been designated by notice to Promisor.

8) This obligation is secured by a real estate Trust Deed, Deschutes County Document Number _____, with power of sale, of even date herewith, and is subject to all of the terms and conditions of such Trust Deed.

9) If this Note is placed in the hands of an attorney, Promisor agrees to pay the reasonable fee and expenses of such attorney even though no suit or action is instituted or no sale of the property has been directed under the terms of the real estate Trust Deed securing this obligation. Such fees, expenses and costs may, at Promisee's option, be added to the principal balance of this Note.

10) Failure to exercise any option to declare default or accelerate the balance due hereon shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. Modification of the terms of payment of this Note made at the request of any person liable thereof shall not impair such person's liability or the liability of any other person now or hereafter liable for the payment hereof.

11) In the event that a building permit or a manufactured home placement permit is issued on the premises identified in the Trust Deed, this Note immediately becomes due and payable.

12) Promisor acknowledges that based upon Promisor's own inspection and investigation, Promisor is satisfied that the premises identified in the Trust Deed do not now contain any amounts of hazardous, toxic, radioactive or other substances for which a property owner or operator may be liable under state or federal environmental pollution or health and safety laws.

13) Accordingly, Promisor agrees that, as between Promisee and Promisor, Promisor will assume responsibility and liability and shall indemnify Promisee for any release or discharge of hazardous, toxic, radioactive or other dangerous substances regulated under state or federal pollution control laws found hereafter on, in or about the premises identified in the Trust Deed.

NOTICE TO THE PROMISOR

DO NOT SIGN THIS NOTE BEFORE YOU READ IT. THIS NOTE AUTHORIZES THE PROMISEE TO REFUSE TO ACCEPT PARTIAL PREPAYMENTS WHICH ARE NOT TENDERED ON THE DATE MONTHLY INSTALLMENTS ARE DUE AND WHICH ARE NOT IN THE AMOUNT OF THAT PART OF ONE OR MORE INSTALLMENTS WHICH WOULD BE APPLICABLE TO PRINCIPAL. CAUTION: READ BEFORE SIGNING.

EXHIBIT "B"

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

PROMISOR:

_____ Date: _____

STATE OF OREGON)
) ss.
County of Deschutes)

This instrument was signed before me on _____, 2021,

By _____.

My Commission Expires:
Notary Public for Oregon

Exhibit B
Trust Deed example (2 pages)



9. At any time, and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; or (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee fees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon default by grantor hereunder, beneficiary may, at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney fees, upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of the property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder, or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such event, the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.752 to 86.815.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.778 may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed, together with trustee and attorney fees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of: (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney; (2) to the obligation secured by the trust deed; (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority; and (4) the surplus, if any, to the grantor, or to any successor in interest entitled to such surplus.

16. Beneficiary may, from time to time, appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

The grantor covenants to and agrees with the beneficiary and the beneficiary's successors in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in any addendum or exhibit attached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than insurance grantor might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are (choose one):*
(a) primarily for grantor's personal, family or household purposes (see Important Notice below).
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.
This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

In construing this instrument, where the context so requires, the singular includes the plural, and all grammatical changes shall be made so that this instrument shall apply equally to businesses, other entities and to individuals.

IN WITNESS WHEREOF, grantor has executed this instrument the date stated above; any signature on behalf of a business or other entity is made with the authority of that entity.

*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is inapplicable. If warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures. If compliance with the Act is not required, disregard this notice.

STATE OF OREGON, County of _____) ss.
This record was acknowledged before me on _____
by _____
This record was acknowledged before me on _____
by _____
as _____
of _____

Notary Public for Oregon
My commission expires _____

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.)

TO: _____ Trustee
The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by the trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed, the estate now held by you under the same. Mail the reconveyance and documents to _____

DATED _____
Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both should be delivered to the trustee for cancellation before reconveyance is made.
Beneficiary

REVIEWED

LEGAL COUNSEL

08/25/2021 Item #2.

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Designating Kristie Bollinger, the Deschutes County Property Manager, as the Deschutes County Representative for the Purpose of Signing Documentation for the Sale of Deschutes County Owned Property Located at 16688 Box Way, La Pine, Oregon 97739

*
*
*
*

ORDER NO. 2021-039

WHEREAS, the Board of County Commissioners of Deschutes County has authorized the sale of property located at 16688 Box Way, La Pine, Oregon 97739 to Bath Properties, LLC; and

WHEREAS, Deschutes County received an offer from Bath Properties, LLC to purchase property (Purchase and Sale Agreement or PSA) for Thirty Two Thousand Eight Hundred Forty Five Dollars and Seventy Five Cents (\$32,845.75), subject to a due diligence period scheduled to expire in Sixty (60) Days from the date the PSA is executed; and

WHEREAS, Bath Properties, LLC, has paid Four Thousand (\$4,000) Dollars Earnest Money that will be applied to the purchase price at closing; and

WHEREAS, the transaction closing is projected to occur within Thirty Five (35) Days after the due diligence period or from when Bath Properties, LLC removes contingencies, at which time documents necessary to conclude the transaction need to be signed on behalf of Deschutes County as the seller; now, THEREFORE,

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

Section 1. Kristie Bollinger, the Deschutes County Property Manager, is designated as the Deschutes County representative for the purpose of signing the necessary documents for the sale of property located at 16688 Box Way, La Pine, Oregon 97739.

SIGNATURES ON FOLLOWING PAGE

Dated this _____ of _____, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PHIL CHANG, Vice Chair

ATTEST:

Recording Secretary

PATTI ADAIR, Commissioner



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, August 25, 2021

SUBJECT: Consideration of Board Signature for Order No. 2021-039, authorizing the Deschutes County Property Manager to execute the documents associated with the sale of County-owned property located at 16688 Box Way, La Pine, Oregon 97739

RECOMMENDED MOTION:

Move to approve and sign Board Order No. 2021-039, authorizing the Deschutes County Property Manager to execute the documents associated with the sale of County-owned property located at 16688 Box Way, La Pine, Oregon 97739

BACKGROUND AND POLICY IMPLICATIONS:

Deschutes County owns property in the Newberry Business Park known as Map and TaxLot 221014AB00126 located at 16688 Box Way, La Pine. The TaxLot is 0.43-acres and the Real Market Value (RMV) by the Assessor’s Office is \$48,880.

In 2019, the County and the City of La Pine (City) entered into an Intergovernmental Agreement (IGA) that provided the City full power and authority for the marketing, promotion and sale negotiations for County-owned property located in the industrial area (La Pine Industrial, Newberry Business Park and Finley Butte Industrial Park) for the purpose of economic development. The IGA provides for a 50/50 split of gross proceeds from property sales. The Economic Development for Central Oregon/Sunriver La Pine Economic Development (ECDO/SLED) works closely with the City, County and business owners to help bring business opportunities to fruition.

Bath Properties, LLC owns four lots adjacent to the County-owned property, and owns and operates Newberry Self Storage, which currently consists of 132-units. Jesse and Chandra Bath have made an offer to purchase the adjacent described TaxLot for the purpose of expanding and developing an additional 50 self-storage units. Highlights of the offer includes,

1. Purchase price of \$32,845.75 (equates to \$76,385/acre or \$1.75 per square foot)
2. \$4,000 refundable earnest money (becomes nonrefundable after purchaser removes contingency)
3. 60-day (calendar) contingency/due diligence period
4. Closing to occur within 35-days (calendar) after purchaser accepts the condition of property

The City and ECDO/SLED support the transaction including the sales price and the City Manager, Geoff Wullschlager has signed the Purchase and Sale Agreement accordingly.

BUDGET IMPACTS:

Proceeds of the property sale totaling \$32,845.75 will be split between the County and the City per the terms of the IGA.

ATTENDANCE:

Kristie Bollinger, Property Manager



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 8/25/2021

SUBJECT: Consideration of Resolution No. 2021-059 Transferring Appropriations and Increasing 2.0 Regular Duration FTE in support of the Community Development Department within the 2021-2022 Deschutes County Budget.

RECOMMENDED MOTION:

Move approval of Resolution 2021-059 transferring \$209,500 from Contingency to Program Expense and Increasing 2.0 Regular Duration FTE in support of the Community Development Department within the 2021-2022 Deschutes County Budget.

BACKGROUND AND POLICY IMPLICATIONS:

On August 11th, the Deschutes County Community Development Department presented to the Board of County Commissioners regarding increasing 2.0 regular duration FTE support of building safety and wastewater treatment systems. These positions may generate fees to cover their costs, currently a transfer of contingency is requested to cover the expense.

BUDGET IMPACTS: These positions may cover their costs with building safety and septic fees. This resolution would transfer \$209,500 in contingency to cover the costs.

ATTENDANCE:

Dan Emerson, Budget Manager.

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY,
OREGON

A Resolution to Transfer Appropriations *
Increase FTE within the 2021-2022 * RESOLUTION NO. 2021-059
Deschutes County Budget *

WHEREAS, the Deschutes County Community Development Department presented to the Board of County Commissioners on 8/11/2021, with regards to increasing appropriations and adding 2.0 regular duration FTE in capacity support of building safety and wastewater treatment systems, and

WHEREAS, ORS 294.463 allows the transfer of contingency within a fund when authorized by resolution of the governing body, and

WHEREAS, it is necessary to transfer \$209,500 in Contingency to Program Expense within the Community Development Department to accommodate this request, and

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

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

Section 1. That the following amounts be appropriated in the 2021-22 County Budget:

<u>Community Development</u>	
Program Expense	\$ 209,500
Contingency	(\$ 209,500)
Total Community Development	<u>\$ 0</u>

Section 2. That the Chief Financial Officer make the appropriate entries in the Deschutes County Financial System to show the above appropriations:

Section 3. That the following FTE be added:

Job Class	Type	Duration if Limited Duration	FTE
Building Safety Inspector III	Regular		1.00
Environmental Health Specialist III	Regular		1.00
Total FTE			2.00

Section 4. That the Human Resources Director make the appropriate entries in the Deschutes County FTE Authorized Positions Roster to reflect the above FTE changes.

DATED this _____ day of August, 2021.

BOARD OF COUNTY COMMISSIONERS OF
DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

ATTEST:

PHIL CHANG, Vice-Chair

Recording Secretary

PATTI ADAIR, Commissioner

REVENUE

	Line Number			
Item	Project Code	Segment 2	Org	Object

APPROPRIATION

	Line Number			
Item	Project Code	Segment 2	Org	Object
			2952150	410101-420701
			2922250	410101-420702
			2954150	410101-420701
			2950150	501971

Increasing 2 FTE to support capacity needs with regards to building safety and wastewater treatr

Fund:
 Dept:
 Requested by:
 Date:

	Description	Current Budgeted Amount	To (From)	Revised Budget
TOTAL		-	-	-

Category	Description	Current Budgeted Amount	To (From)	Revised Budget
(Pers, M&S, Cap Out, Contingency)	(Element-Object, e.g. Time Mgmt, Temp Help, Computer Hardware)			
Personnel	Various Personnel Objects	\$2,044,290.00	108,900	2,153,190
Personnel	Various Personnel Objects	\$509,100.00	12,100	
Personnel	Various Personnel Objects	\$640,255.00	88,500	728,755
Contingency	Contingency	\$1,089,672.00	(209,500)	880,172
TOTAL		4,283,317	-	3,762,117

ment systems.

295
295
Dan Emerson
8/5/2022



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 8/25/2021

SUBJECT: Consideration of Resolution No. 2021-60 Increasing 3.0 Regular Duration FTE in support of the Solid Waste Department within the 2021-2022 Deschutes County Budget.

RECOMMENDED MOTION:

Move approval of Resolution 2021-060 Increasing 3.0 Regular Duration Landfill Site Attendant FTE in support of the Solid Waste Department within the 2021-2022 Deschutes County Budget.

BACKGROUND AND POLICY IMPLICATIONS:

Previously the Deschutes County Solid Waste Department presented to the Board of County Commissioners regarding increasing 3.0 regular duration landfill site attendant FTE in support of solid waste facilities. Approval of this Resolution would result in the creation of the above mentioned positions.

BUDGET IMPACTS: The positions are covered in the FY22 budget with vacancy savings and a reduction of contract labor services. In FY23, these positions would be funded as an ongoing portion of Solid Waste personnel costs.

ATTENDANCE:

Dan Emerson, Budget Manager.

DATED this _____ day of August, 2021.

BOARD OF COUNTY COMMISSIONERS OF
DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

ATTEST:

PHIL CHANG, Vice-Chair

Recording Secretary

PATTI ADAIR, Commissioner



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: August 25, 2021

SUBJECT: Bend/Deschutes County Transportation Safety Briefing

RECOMMENDED MOTION:

No Motion, request comments and consensus for support of continued transportation safety efforts.

BACKGROUND AND POLICY IMPLICATIONS:

In 2020, the Oregon Department of Transportation (ODOT) Safety Division awarded the Bend Metropolitan Planning Organization (MPO) a grant to complete the following tasks:

- ✓ Create a plan to implement a Regional Multidisciplinary Safety Committee
- ✓ Create and implement Safety Communications Plans for Bend and Deschutes County
- ✓ Develop a Safety Communications Calendar
- ✓ Host a community campaign and event on transportation safety

With the development of these tools, the Bend MPO, in coordination with Deschutes County, cities of Bend and Redmond, and other community partners, will continue the momentum by organizing a *Safe Travel Summit*. This will be a virtual safety event for community leaders and include billboards announcing a community survey in September 2021.

Bend MPO and staff will provide an overview of the transportation safety action plans completed and review crash emphasis areas identified in the plans. These emphasis areas drive the outreach efforts.

In 2020, with vehicle travel down significantly due to COVID, serious crashes increased steeply. There were 31 traffic fatalities in Deschutes County – the most in over 5 years.

What's happening and what can be done about it? City of Bend, Deschutes County, ODOT and the MPO plan to kick off a community conversation on this pressing topic in September. There will be an online survey and a first-ever *Safe Travel Summit* to be held on Thursday, September 30. Elected officials from around Central Oregon and other community leaders are invited to participate in this important virtual event.

BUDGET IMPACTS:

None

ATTENDANCE:

Chris Doty, Deschutes County Road Department

Tyler Deke, Bend MPO

Jovi Anderson, Bend MPO

Clark Worth, Barney and Worth Consultants



BOARD OF
COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: 8/25/2021

SUBJECT: Public Hearing: Marijuana Retail and Annual Reporting Text Amendments

BACKGROUND AND POLICY IMPLICATIONS:

The Board of County Commissioners will hold a public hearing on August 25 concerning legislative amendments to 1) extend the permitted hours for marijuana retail businesses and 2) modify marijuana annual reporting requirements.

BUDGET IMPACTS:

None

ATTENDANCE:

Tanya Saltzman, Senior Planner



MEMORANDUM

TO: Deschutes County Board of Commissioners

FROM: Tanya Saltzman, AICP, Senior Planner

DATE: August 19, 2021

SUBJECT: Public Hearing: Marijuana Retail Hours and Annual Reporting Text Amendments

The Board of County Commissioners (Board) will conduct a public hearing on August 25 concerning Ordinance No. 2021-011, legislative amendments to 1) extend the permitted hours for marijuana retail businesses and 2) modify marijuana annual reporting requirements.

Staff submitted a 35-day Post-Acknowledgement Plan Amendment (PAPA) notice to the Department of Land Conservation and Development (DLCD) on June 9, 2021. Staff initially brought these issues to the Planning Commission for a preliminary discussion on May 13,¹ and had a subsequent discussion with the Board of County Commissioners on May 24,² at which time the Board directed staff to initiate the text amendment process. Staff held a public hearing before the Planning Commission on July 22, 2021, at which time the Planning Commission recommended approval with minor clarifications that are noted below.

A summary of the proposed amendments and background information was provided to the Board in the packet submitted for its August 18, 2021 work session.³

I. PROPOSAL

The proposed text amendments are as follows:

- DCC 18.116.330(C)(1): Changes hours of operation for marijuana retailing from 9:00 a.m. – 7:00 p.m. to 7:00 a.m. – 10:00 p.m., in line with OLCC hours.

¹ https://deschutescountyor.iqm2.com/Citizens/Detail_Meeting.aspx?ID=2770

² https://deschutescountyor.iqm2.com/Citizens/Detail_Meeting.aspx?ID=2701

³ <https://www.deschutes.org/bcc/page/board-county-commissioners-meeting-40>

- DCC 18.116.330(D)(1): Adds text to state **“If directed by the Board of County Commissioners, an annual report shall be submitted to the Community Development Department...”** (new text indicated in bold type).

The applicant, in this case Deschutes County Community Development, has submitted findings summarizing the amendments and stating that the text amendments are in compliance with the Statewide Planning Goals, and applicable policies of the Deschutes County Comprehensive Plan.

II. PUBLIC COMMENTS

At the time of writing, no additional public comments have been received concerning the proposed amendments beyond those received during the Planning Commission public hearing process, which were summarized to the Board on August 18.

III. NEXT STEPS

The Board will open the August 25 public hearing to receive public testimony. At the conclusion of the public hearing, the Board can:

- Continue the hearing to a date certain;
- Close the oral record and leave the written record open to a date certain;
- Close the oral record and the written record and set a date for deliberations; or
- Close the hearing and begin deliberations.

Attachments:

1. Draft Ordinance No. 2021-011 - Emergency
2. Draft Ordinance No. 2021-011 – Non-Emergency
3. Corresponding Exhibits to Ordinance No. 2021-011:
 - Exhibit A – DCC Chapter 18.116, Supplementary Provisions
 - Exhibit B – Findings

REVIEWED
LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Ordinance Amending Deschutes County Code Title 18, Deschutes County Zoning, to Extend Recreational Marijuana Retail Hours of Operation and Modify Marijuana Annual Reporting Requirements. * * * * * ORDINANCE NO. 2021-011

WHEREAS, the Deschutes County Community Development Department (CDD) initiated amendments (Planning Division File No. 247-21-000579-TA) to the Deschutes County Code (DCC) Title 18, Chapter 18.116, Supplementary Provisions; to extend the permitted hours of operation of marijuana retail businesses and to modify marijuana annual reporting requirements; and

WHEREAS, the Deschutes County Planning Commission reviewed the proposed changes on July 22, 2021 and forwarded to the Deschutes County Board of County Commissioners ("Board") a unanimous recommendation of approval pending minor clarifications to the proposed language; and

WHEREAS, the Board considered this matter after a duly noticed public hearing on August 25, 2021 and concluded that the public will benefit from the proposed changes to the Deschutes County Code Title 18; now, therefore,

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

Section 1. AMENDMENT. DCC 18.116. Supplementary Provisions, is amended to read as described in Exhibit "A", attached hereto and by this reference incorporated herein, with new language underlined and language to be deleted in ~~striketrough~~.

///

Section 2. FINDINGS. The Board adopts as its findings, Exhibit "B" attached and incorporated by reference herein.

Dated this _____ of _____, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PHILIP CHANG, Vice Chair

ATTEST:

Recording Secretary

PATTI ADAIR

Date of 1st Reading: _____ day of _____, 2021.

Date of 2nd Reading: _____ day of _____, 2021.

Record of Adoption Vote:

Commissioner	Yes	No	Abstained	Excused
Anthony DeBone	___	___	___	___
Philip Chang	___	___	___	___
Patti Adair	___	___	___	___

Effective date: _____ day of _____, 2021.

REVIEWED
LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Ordinance Amending Deschutes County Code Title 18, Deschutes County Zoning, to Extend Recreational Marijuana Retail Hours of Operation and Modify Marijuana Annual Reporting Requirements and Declaring an Emergency. *
*
*
*
*
ORDINANCE NO. 2021-011

WHEREAS, the Deschutes County Community Development Department (CDD) initiated amendments (Planning Division File No. 247-21-000579-TA) to the Deschutes County Code (DCC) Title 18, Chapter 18.116, Supplementary Provisions; to extend the permitted hours of operation of marijuana retail businesses and to modify marijuana annual reporting requirements; and

WHEREAS, the Deschutes County Planning Commission reviewed the proposed changes on July 22, 2021 and forwarded to the Deschutes County Board of County Commissioners (“Board”) a unanimous recommendation of approval pending minor clarifications to the proposed language; and

WHEREAS, the Board considered this matter after a duly noticed public hearing on August 25, 2021 and concluded that the public will benefit from the proposed changes to the Deschutes County Code Title 18; now, therefore,

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

Section 1. AMENDMENT. DCC 18.116. Supplementary Provisions, is amended to read as described in Exhibit “A”, attached hereto and by this reference incorporated herein, with new language underlined and language to be deleted in ~~striketrough~~.

Section 2. FINDINGS. The Board adopts as its findings, Exhibit “B” attached and incorporated by reference herein.

///

Section 3. EMERGENCY. This Ordinance being necessary for the immediate preservation of the public peace, health, safety, and welfare, an emergency is declared to exist, and this Ordinance becomes effective thirty (30) days after adoption.

Dated this _____ of _____, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PHILIP CHANG, Vice Chair

ATTEST:

Recording Secretary

PATTI ADAIR

Date of 1st Reading: _____ day of _____, 2021.

Date of 2nd Reading: _____ day of _____, 2021.

Record of Adoption Vote:

Commissioner	Yes	No	Abstained	Excused
Anthony DeBone	___	___	___	___
Philip Chang	___	___	___	___
Patti Adair	___	___	___	___

Effective date: _____ day of _____, 2021.

Chapter 18.116. SUPPLEMENTARY PROVISIONS

18.116.330 Marijuana Production, Processing, Retailing, and Wholesaling

* * *

- C. Marijuana Retailing. Marijuana retailing, including recreational and medical marijuana sales, shall be subject to the following standards and criteria:
1. Hours. Hours of operation shall be no earlier than 9:00 a.m. and no later than 7:00 p.m. on the same day.
 2. Odor. The building, or portion thereof, used for marijuana retailing shall be designed or equipped to prevent detection of marijuana plant odor off premise by a person of normal sensitivity.
 3. Window Service. The use shall not have a walk-up or drive-thru window service.
 4. Secure Waste Disposal. Marijuana waste shall be stored in a secured waste receptacle in the possession of and under the control of the OLCC licensee or OHA registrant.
 5. Minors. No person under the age of 21 shall be permitted to be present in the building, or portion thereof, occupied by the marijuana retailer, except as allowed by state law.
 6. Co-Location of Related Activities and Uses. Marijuana and tobacco products shall not be smoked, ingested, or otherwise consumed in the building space occupied by the marijuana retailer. In addition, marijuana retailing shall not be co-located on the same lot or parcel or within the same building with any marijuana social club or marijuana smoking club.
 7. Separation Distances. Minimum separation distances shall apply as follows:
 - a. The use shall be located a minimum of 1,000 feet from:
 - i. A public elementary or secondary school for which attendance is compulsory under Oregon Revised Statutes 339.010, et seq., including any parking lot appurtenant thereto and any property used by the school;
 - ii. A private or parochial elementary or secondary school, teaching children as described in ORS 339.030(1)(a), including any parking lot appurtenant thereto and any property used by the school;
 - iii. A licensed child care center or licensed preschool, including any parking lot appurtenant thereto and any property used by the child care center or preschool. This does not include licensed or unlicensed family child care which occurs at or in residential structures;
 - iv. National monuments and state parks; and
 - v. Any other marijuana retail facility licensed by the OLCC or marijuana dispensary registered with the OHA.
 - b. For purposes of DCC 18.116.330(B)(7), distance shall be measured from the lot line of the affected property to the closest point of the building space occupied by the marijuana retailer. For purposes of DCC 18.116.330(B)(7)(a)(vi), distance shall be measured from the closest point of the building space occupied by one marijuana retailer to the closest point of the building space occupied by the other marijuana retailer.
 - c. A change in use to another property to a use identified in DCC 18.116.330(B)(7), after a marijuana retailer has been licensed by or registered with the State of Oregon shall not result in the marijuana retailer being in violation of DCC 18.116.330(B)(7).
- D. Annual Reporting
1. If directed by the Board of County Commissioners, an annual report shall be submitted to the Community Development Department by the real property owner or licensee, if different, each February 1, documenting all of the following as of December 31 of the previous year, including the applicable fee as adopted in the current County Fee Schedule and a fully executed Consent to Inspect Premises form:
 - a. Documentation demonstrating compliance with the:

- i. Land use decision and permits.
 - ii. Fire, health, safety, waste water, and building codes and laws.
 - iii. State of Oregon licensing requirements.
- b. Failure to timely submit the annual report, fee, and Consent to Inspect Premises form or to demonstrate compliance with DCC 18.116. 330(C)(1)(a) shall serve as acknowledgement by the real property owner and licensee that the otherwise allowed use is not in compliance with Deschutes County Code; authorizes permit revocation under DCC Title 22, and may be relied upon by the State of Oregon to deny new or license renewal(s) for the subject use.
 - c. Other information as may be reasonably required by the Planning Director to ensure compliance with Deschutes County Code, applicable State regulations, and to protect the public health, safety, and welfare.
 - d. Marijuana Control Plan to be established and maintained by the Community Development Department.
 - e. Conditions of Approval Agreement to be established and maintained by the Community Development Department.
 - f. This information shall be public record subject to ORS 192.502(17).
- ([Ord. 2021-011 §1, 2021](#); Ord. 2021-007 §x, 2021; Ord. 2020-007 §16, 2020; Ord. 2019-012, 2019; Ord. 2018-012 §3, 2018; Ord. 2016-015 §10, 2016)

FINDINGS

I. PROPOSAL

This is a legislative text amendment to Deschutes County Code (DCC), Title 18, County Zoning. The changes are as follows:

- DCC 18.116.330(C)(1): Changes hours of operation for marijuana retailing from 9:00 a.m. – 7:00 p.m. to 7:00 a.m. – 10:00 p.m., in line with OLCC hours.
- DCC 18.116.330(D)(1): Adds text to state **“If directed by the Board of County Commissioners, an annual report shall be submitted to the Community Development Department...”** (new text indicated in bold type).

II. REVIEW CRITERIA

Deschutes County lacks specific criteria in DCC Titles 18, 22, or 23 for reviewing a legislative plan amendment. Nonetheless, since Deschutes County is initiating one, the County bears the responsibility for justifying that the amendments are consistent with Statewide Planning Goals and its existing Comprehensive Plan.

A. Statewide Planning Goals and Guidelines

Goal 1: Citizen Involvement: The amendments do not propose to change the structure of the County’s citizen involvement program. Notice of the proposed amendments were provided to the *Bulletin* for the Board public hearing.

Goal 2: Land Use Planning: This goal is met because ORS 197.610 allows local governments to initiate post acknowledgments plan amendments (PAPA). An Oregon Land Conservation and Development Department 35-day notice was initiated on June 9, 2021. The Planning Commission held a public hearing on July 22, 2021 and the Board of County Commissioners will hold a public hearing on August 25, 2021. The Findings document provides the adequate factual basis for the amendments.

Goal 3: Agricultural Lands: The proposed amendments do not make changes regarding marijuana’s status as a farm crop, or the appropriate location of commercial grow sites and processing operations, and therefore continue to support Statewide Goal 3, to preserve and maintain agricultural lands. The proposed amendments to the County Code are consistent with these provisions of state law and are therefore consistent with Goal 3.

Goal 4: Forest Lands: The proposed text amendments do not propose to change the County’s Plan policies or implementing regulations for compliance with Goal 4, and therefore are in compliance.

Goal 5: Open Spaces, Scenic and Historic Areas, and Natural Resources: Complies because the text amendment does not propose to change the County’s Plan policies or implementing regulations for Goal 5 open spaces, scenic and historic areas, and natural resources.

Goal 6: Air, Water and Land Resources Quality: The proposed text amendments do not propose to change the County’s Plan policies or implementing regulations for compliance with Goal 6, and therefore are in compliance.

Goal 7: Areas Subject to Natural Disasters and Hazards: The proposed text amendments do not propose to change the County’s Plan or implementing regulations regarding natural disasters and hazards; therefore, they are in compliance.

Goal 8: Recreational Needs: Complies because the text amendment does not propose to change the County’s Plan or implementing regulations regarding recreational needs.

Goal 9: Economy of the State: Goal 9 and its implementing regulations focus on economic analysis and economic development planning required in urban Comprehensive Plans. The proposed amendments apply to rural lands but do not propose to amend the Comprehensive Plan. Nevertheless, there are currently two retail marijuana businesses in unincorporated Deschutes County. DCC 18.116.330(C)(1) permits hours of operation from 9am to 7pm for marijuana retail; however, the OLCC permits hours of operation from 7am to 10pm. Increasing the allowable hours has the potential to increase those retail businesses’ economic opportunities with respect to sales as well as employment. Changing the reporting requirements will not have a direct effect on the economy of the state.

Goal 10: Housing: This goal is not applicable because, unlike municipalities, unincorporated areas are not obligated to fulfill certain housing requirements.

Goal 11: Public Facilities and Services: Complies because the text amendments do not propose to change the County’s Plan or implementing regulations regarding public facilities and services.

Goal 12: Transportation: The proposed text amendments do not propose to change the County’s Plan or implementing regulations regarding the Transportation System Plan; therefore, they are in compliance.

Goal 13: Energy Conservation: Complies because the text amendments do not propose to change the County’s Plan or implementing regulations regarding energy conservation.

Goal 14: Urbanization: Complies because the text amendments do not propose to change the County’s Plan or implementing regulations regarding urbanization.

Goals 15 through 19 are not applicable to the proposed text amendments because the County does not contain these types of lands.

D. Deschutes County Comprehensive Plan

Chapter 1, Comprehensive Planning: This chapter sets the Goals and Policies of how the County will involve the community and conduct land use planning. As described above, the proposed regulations will be discussed at work sessions with the Board of County Commissioners, as well as to the Planning Commission, which is the County’s official committee for public involvement. Both will conduct separate public hearings.

These actions also satisfy the Goals and relevant Policies of Section 1.3, Land Use Planning Policies. Goal 1 of this section is to “maintain an open and public land use process in which decisions are based on the objective evaluation of facts.” Staff, the Planning Commission, and the Board reviewed the text amendments.

Chapter 2, Resource Management: This chapter sets the Goals and Policies of how the County will protect resource lands, including but not limited to, Agriculture and Forest as well as Water Resources and Environmental Quality.

Section 2.2, Agricultural Lands Policies, states that Goal 1 is to “preserve and maintain agricultural lands and the agricultural industry.” Changing annual reporting requirements for existing marijuana production and processing businesses will not have a direct effect on the agricultural lands they may operate on. Retail businesses are not permitted on agricultural lands.

Goal 2 promotes a diversified, sustainable, revenue-generating agricultural sector. Policy 2.2.10 calls for the promotion of economically viable opportunities and practices while Policy 2.2.11 encourages small farming enterprises including but not limited to, niche markets and organic farming and valued-added projects. The proposed text amendments do not change existing marijuana businesses’ ability to operate as a revenue generating agricultural businesses.

Goal 3 specifies the Exclusive Farm Use (EFU) policies, classifications, and codes are consistent with local and emerging agricultural conditions and markets. As noted above, the proposed amendments only impact reporting aspects of marijuana recreational production and processing businesses.



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: August 25, 2021

SUBJECT: Consideration of Chair Signature of Document No. 2021-631, Oregon Health Authority (OHA) #171296, Parent Child Interaction Therapy (PCIT)

RECCOMENDED MOTION:

Move approval and signature of OHA #171296.

BACKGROUND AND POLICY IMPLICATIONS:

The Intergovernmental Agreement (#171296) outlines financing and expectations of Parent Child Interaction Therapy Services (PCIT) in Deschutes County at three (3) or more locations.

Parent Child Interaction Therapy Services (PCIT) are intended to meet the goals of the Oregon Early Learning System and to serve children two (2) through (7) years of age, and their parents, when the children have significant social, emotional, or behavioral disorders. PCIT caregivers are taught specific skills to establish or strengthen a nurturing and secure relationship with their child, while encouraging pro-social behavior and decreasing maladaptive behavior. Ideally, during coaching sessions, the therapist observes the interaction from behind a one-way mirror and provides guidance to the parent through a wireless communication system. Payments made for these services are for the purpose of supporting the PCIT infrastructure or other OHA approved evidence-based practice. Payments may also be used to serve children in this age group in need of mental health services who are not Medicaid eligible and who have no other resources to pay for services.

BUDGET IMPACTS:

\$163,400.

ATTENDANCE:

Shannon Brister-Raugust, Program Manager

DESCHUTES COUNTY DOCUMENT SUMMARY

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

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

Date:

Department:

Contractor/Supplier/Consultant Name:

Contractor Contact:

Contractor Phone #:

Type of Document: Intergovernmental Agreement #171296

Goods and/or Services: The Intergovernmental Agreement (#171296) outlines financing and expectations of Parent Child Interaction Therapy Services (PCIT) in Deschutes County at three (3) or more locations.

Background & History: The Oregon Health Authority (OHA) is working to fundamentally improve how health care is delivered and paid for, but because poor health is only partially due to lack of medical care, OHA is also working to reduce health disparities and to broaden the state's focus on prevention.

The Health Authority will transform the health care system in Oregon by:

- Improving the lifelong health of Oregonians
- Increasing the quality, reliability, and availability of care for all Oregonians
- Lowering or containing the cost of care so it's affordable to everyone

Parent Child Interaction Therapy Services (PCIT) are intended to meet the goals of the Oregon Early Learning System and to serve children two (2) through (7) years of age, and their parents, when the children have significant social, emotional, or behavioral disorders. PCIT caregivers are taught specific skills to establish or strengthen a nurturing and secure relationship with their child, while encouraging pro-social behavior and decreasing maladaptive behavior. Ideally, during coaching sessions, the therapist observes the interaction from behind a one-way mirror and provides guidance to the parent through a wireless communication system. Payments made for these services are for the purpose of supporting the PCIT infrastructure or other OHA approved evidence-based practice. Payments may also be used to serve children in this age group in need of mental health services who are not Medicaid eligible and who have no other resources to pay for services.

Agreement Start Date:

Ending Date:

Total Payment:

Insurance Certificate Received (check box)
Insurance Expiration Date:

Check all that apply:

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

Funding Source: (Included in current budget? Yes No

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

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

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

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

Departmental Contact and Title:

Deputy Director Approval:

Department Director Approval:

Signature: Janice Garceau
Janice Garceau (Jul 22, 2021 12:58 PDT)

Signature: George A Conway
George A Conway (Jul 22, 2021 13:53 PDT)

Email: janice.garceau@deschutes.org

Email: george.conway@deschutes.org

Title: Behavioral Health Director

Title: Director

Company: Deschutes County Health Services

Company: DCHS

Distribution of Document: Grace Justice Evans at Health Services.

Official Review:

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

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

Legal Review _____ Date _____

Document Number: 2021-631



Contract Number 171296

**STATE OF OREGON
PERSONAL/PROFESSIONAL SERVICES CONTRACT**

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

This Contract is between the State of Oregon, acting by and through its Oregon Health Authority, hereinafter referred to as “OHA,” and

**Deschutes County Health Services
2577 NE Courtney Dr.
Bend, Oregon 97701
Attention: George H. Conway and Barrett Flesh
Telephone: 541-322-7500
Fax: 541-322-7566
E-mail address: barrett.flesh@deschutes.org**

hereinafter referred to as “Contractor.”

Work to be performed under this Contract relates principally to OHA’s

**Health Systems
Child and Family Behavioral Health
500 Summer Street NE, E86
Salem, OR 97301-1118
Contract Administrator: Laurie Theodorou or delegate
Telephone: (503) 947-5525
Facsimile: (503) 378-8467
E-mail address: LAURIE.L.THEODOROU@dhs.oha.state.or.us**

1. Effective Date and Duration.

This Contract, when fully executed by every party, regardless of the date of execution by every party, shall become effective on the date this Contract has been approved by the Department of Justice or **July 1, 2021**, whichever date is later. Unless extended or terminated earlier in accordance with its terms, this Contract shall expire on **June 30, 2023**. Contract termination shall not extinguish or prejudice OHA’s right to enforce this Contract with respect to any default by Contractor that has not been cured.

2. Contract Documents.

a. This Contract consists of this document and includes the following listed exhibits which are incorporated into this Contract:

- (1) Exhibit A, Part 1: Statement of Work
- (2) Exhibit A, Part 2: Payment and Financial Reporting
- (3) Exhibit A, Part 3: Special Provisions
- (4) Exhibit B: Standard Terms and Conditions
- (5) Exhibit C: Insurance Requirements
- (6) Exhibit D: *[Reserved]*
- (7) Exhibit E: Financial Pages

There are no other contract documents unless specifically referenced and incorporated in this Contract.

b. This Contract and the documents listed in Section 2., “Contract Documents”, Subsection a. above, shall be in the following descending order of precedence: this Contract less all exhibits, Exhibits B, A, C, and E.

3. Consideration.

a. The maximum not-to-exceed amount payable to Contractor under this Contract, which includes any allowable expenses, is as set forth in Exhibit E, “Financial Pages.” OHA will not pay Contractor any amount in excess of the not-to-exceed amount for completing the Work and will not pay for Work performed before the date this Contract becomes effective or after the termination or expiration of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

a. Interim payments to Contractor shall be subject to ORS 293.462, and shall be made in accordance with the payment schedule and requirements in Exhibit A, Part 2., “Payment and Financial Reporting.”

b. OHA will only pay for completed Work under this Contract. For purposes of this Contract, “Work” means the tasks or services and deliverables accepted by OHA as described in Exhibit A, Part 1, “Statement of Work.”

4. Contractor or Subrecipient Determination. In accordance with the State Controller’s Oregon Accounting Manual, policy 30.40.00.102, OHA’s determination is that:

Contractor is a subrecipient Contractor is a contractor Not applicable

Catalog of Federal Domestic Assistance (CFDA) #(s) of federal funds to be paid through this Contract: N/A

5. Contractor Data and Certification.

a. Contractor Information. This information is requested pursuant to ORS 305.385.

PLEASE PRINT OR TYPE THE FOLLOWING INFORMATION

Contractor Name (exactly as filed with the IRS): Deschutes County

Street address: 1300 NW Wall Street

City, state, zip code: Bend, OR 97703

Email address: shannon.brister@deschutes.org; grace.evans@deschutes.org.

Telephone: () 541-322-7500 Fax: () 541-322-7565

Is Contractor a nonresident alien, as defined in 26 U.S.C. § 7701(b)(1)?

(Check one box): [] YES [X] NO

Business Designation: (Check one box):

- Professional Corporation, Nonprofit Corporation, Limited Partnership, Limited Liability Company, Limited Liability Partnership, Sole Proprietorship, Corporation, Partnership, Other Government Agency

Contractor Proof of Insurance. Contractor shall provide the following information upon submission of the signed Contract. All insurance listed herein and required by Exhibit C must be in effect prior to Contract execution.

Commercial General Liability Insurance Company: Self-insured

Policy #: N/A Expiration Date: N/A

Workers' Compensation: Does Contractor have any subject workers, as defined in ORS 656.027? (Check one box): [] YES [] NO If YES, provide the following information:

Workers' Compensation Insurance Company: Self-insured

Policy #: N/A Expiration Date: N/A

b. Certification. Without limiting the generality of the foregoing, by signature on this Contract, the undersigned hereby certifies under penalty of perjury that:

- (1) Contractor is in compliance with all insurance requirements in Exhibit C of this Contract, and notwithstanding any provision to the contrary, Contractor shall deliver to the OHA Contract Administrator (see page 1 of this Contract) the required Certificate(s) of Insurance within 30 days of execution of this Contract. By certifying compliance with all insurance as required by this Contract, Contractor acknowledges it may be found in breach of the Contract for failure to obtain required insurance. Contractor may also be in breach of the Contract for failure to provide Certificate(s) of Insurance as required and to maintain required coverage for the duration of the Contract;
(2) Contractor acknowledges that the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any "claim" (as defined by ORS 180.750) that is made by (or caused by) the Contractor and that pertains to this Contract or to the project for which the Contract work is being performed. Contractor

certifies that no claim described in the previous sentence is or will be a “false claim” (as defined by ORS 180.750) or an act prohibited by ORS 180.755. Contractor further acknowledges that in addition to the remedies under this Contract, if it makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against the Contractor;

- (3) The undersigned is authorized to act on behalf of Contractor and represents and warrants that Contractor has complied with the tax laws of the State of Oregon and the applicable tax laws of any political subdivision of Oregon. Contractor shall, throughout the duration of this Contract and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of Oregon. For the purposes of this Section, “tax laws” includes: (i) All tax laws of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of Oregon that applied to Contractor, to Contractor’s property, operations, receipts, or income, or to Contractor’s performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of Oregon that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor acknowledges that the Oregon Department of Administrative Services will report this Contract to the Oregon Department of Revenue (DOR). The DOR may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including: (i) garnishing the Contractor’s compensation under this Contract; or (ii) exercising a right of setoff against Contractor’s compensation under this Contract for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the DOR collects debts;

- (4) The information shown in Section 5.a., “Contractor Information” above is Contractor’s true, accurate and correct information;
- (5) To the best of the undersigned’s knowledge, Contractor has not discriminated against and will not discriminate against minority, women or emerging small business enterprises certified under ORS 200.055 in obtaining any required subcontracts;
- (6) Contractor and Contractor’s employees and agents are not included on the list titled “Specially Designated Nationals” maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at: <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;
- (7) Contractor is not listed on the non-procurement portion of the General Service Administration’s “List of Parties Excluded from Federal

procurement or Non-procurement Programs” currently found at:
<https://www.sam.gov/portal/public/SAM/>;

- (8) Contractor is not subject to backup withholding because:
 - (a) Contractor is exempt from backup withholding;
 - (b) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends; or
 - (c) The IRS has notified Contractor that Contractor is no longer subject to backup withholding; and
- (9) Contractor Federal Identification Number (FEIN) or Social Security Number (SSN) provided is true and accurate. If this information changes, Contractor shall provide OHA with the new FEIN or SSN within 10 days.

CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY ACKNOWLEDGES THAT CONTRACTOR HAS READ THIS CONTRACT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACTOR: YOU WILL NOT BE PAID FOR SERVICES RENDERED PRIOR TO NECESSARY STATE APPROVALS.

6. Signatures. This Contract and any subsequent amendments may be executed in several counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Contract and any amendments so executed shall constitute an original.

Deschutes County Health Services

By:

State of Oregon, acting by and through its Oregon Health Authority

By:

Approved by: Director, OHA Health Systems Division

By:

Approved for Legal Sufficiency:

Via email by Jeffrey Wahl, Assistant Attorney General on July 8, 2021. Email in contract file.

Department of Justice

Date

- (4) **Established PCIT Site** means an entity that meets the following criteria:
- (a) Employs 2 or more therapists who have each completed 56 hours of PCIT initial trainings and documented PCIT consultation by an OHA authorized PCIT trainer for 1 or more calendar years;
 - (b) Provided PCIT services to 20 or more Individuals for 4 or more sessions each fiscal year for 2 or more years;
 - (c) Provided PCIT according to fidelity protocols for the 2 most recent fidelity reviews completed by an Oregon PCIT International Regional (Level II) Trainer, or Oregon PCIT International Implementation Specialist; and
 - (d) Employs PCIT trained therapists who attend Oregon or National PCIT conferences and Oregon PCIT Consortium statewide conference calls.
- (5) **Eyberg Child Behavior Inventory (ECBI)** is a comprehensive, behaviorally specific, parent rating scale that assesses the current frequency and severity of disruptive behaviors. This is a requirement of fidelity PCIT implementation <https://www.parinc.com/Products/Pkey/97>.
- (6) **Family Support Specialist** means a person who is certified to be a Peer Support Specialist or Peer Wellness Specialist through OHA and is a family member of an individual who is a current or former recipient of addictions or mental health services as described in: <http://www.oregon.gov/oha/hsd/amh-pd/pages/index.aspx>
- (7) **Fidelity** is the extent to which delivery of an intervention adheres to the protocol or program model originally developed and supported by research.
- (8) **Frontier County** is defined by the Oregon Office of Rural health as an Oregon County with 6 or fewer residents per square mile; 10 Oregon counties are considered Frontier. More information about Rural and Frontier areas of Oregon is available at: <https://www.ohsu.edu/xd/outreach/oregon-rural-health/about/index.cfm>
- (9) **Individual(s)** refers to the Child receiving services.
- (10) **National Provider Identifier (NPI)** is a unique 10-digit identification number issued to health care providers in the United States by the Centers for Medicare and Medicaid Services (CMS).
- (11) **Oregon Office of Rural Health (ORH)** is supported by the Federal Office of Rural Health Policy, the State of Oregon and Oregon Health & Science University. ORH offers assistance to hospitals, clinics and communities to strengthen the rural health care delivery system. Additional information is available at: <https://www.ohsu.edu/xd/outreach/oregon-rural-health/about/index.cfm>

- (12) **PCIT Master Trainers are certified by PCIT International.** Master Trainers are approved to conduct the training and consultation of professional or graduate-level clinicians in national and international mental health service delivery systems. Master Trainers are also vetted to train Level 1 and Level 2 Trainers on a national and international scope.
- (13) **PCIT Program** means a recognized team employed by an entity authorized to provide outpatient treatment (<https://www.oregon.gov/oha/HSD/OHP/Pages/Provider-Enroll.aspx>)
Required components of a PCIT Program include:
- (a) Employment of 2 or more mental health therapists certified by PCIT International, (or documentation by the University of California, Davis PCIT Training Center of training completion and competency) or actively receiving OHA approved, on-going training and consultation in PCIT;
 - (b) Administrative support for provision of PCIT fidelity implementation in its entirety, including on-going consultation, training, and data collection;
 - (c) Serving Individuals 2 through 6 years of age and their families in need of PCIT services (5 or more hours per week of PCIT direct services on average for each PCIT-trained therapist); and
 - (d) Providing a therapy room, modified to support fidelity PCIT, coaching and recording equipment, and safe backup to timeout.
- (14) **PCIT Regional Trainer/Consultant** is defined by the following:
Qualified to train and supervise therapists external to their own program or agency, according to the PCIT International Level II requirements; OR documentation of being in current process of becoming certified to train according the International guidelines specified at: <http://www.pcit.org/trainer-requirements.html> AND meets the following guidelines:
- (a) Independently licensed mental health service provider with a masters or doctoral degree who is authorized by a licensing board to provide clinical supervision;
 - (b) Documented history of at least 5 years of active involvement in the PCIT community;
 - (c) Minimum of 4 PCIT cases to graduation criteria as defined by the 2011 PCIT Protocol and 2 years of experience providing PCIT as a certified therapist;
 - (d) Develop and maintain consistent PCIT training and supervision documentation which meets PCIT International Certification Guidelines, as per each site's current contract or agreement with OHA;
 - (e) Participate in the Oregon PCIT Steering Committee monthly;

- (f) Attend the Annual Oregon PCIT Conference;
 - (g) Attend 1 or more National/International PCIT conferences each biennium; and
 - (h) Maintain certification as a PCIT Trainer through participation in PCIT continuing education.
- (15) **Relief Nursery** means a community-based, non-governmental organization certified through the Association of Relief Nurseries. Relief Nurseries serve families with children 0 through 6 years of age who are most at risk of abuse and neglect; provide comprehensive and integrated early childhood therapeutic and family support services, including case management, parenting education, home visits, therapeutic classrooms, and other services. <https://www.oregonreliefnurseries.org/what-it-takes-to-be-a-relief-nurser>
- (16) **Rural Area** means all geographic areas in Oregon 10 or more miles from the centroid of a population center of 40,000 people or more. <https://www.ohsu.edu/xd/outreach/oregon-rural-health/data/upload/2017-AUHCN-Report.pdf> page 3.
- (17) **Parent Child Interaction Therapy (PCIT)** is a specialized form of mental health therapy developed by Sheila Edberg for children ages 2 through 6 years of age and their caregivers. It emphasizes relationship enhancement and behavior modification training through moment by moment coaching. PCIT requires intensive training by mental health professionals. The authorized training requirements can be found at <http://www.pcit.org/therapist-requirements.html>
- (18) **PCIT Program** means a recognized team employed by an entity authorized to provide outpatient treatment (<http://www.oregon.gov/oha/HSD/OHP/Pages/Provider-Enroll.aspx>).
- Required components of a PCIT program include:
- (a) Two or more mental health therapists certified by PCIT International, (or documentation by the UC Davis Training Center of training completion and competency) or actively receiving OHA approved, on-going training and consultation in PCIT;
 - (b) Administrative support for provision of PCIT fidelity implementation in its entirety, including on-going consultation, training and data collection;
 - (c) Individuals 2 through 6 years of age and their families in need of PCIT services (3 or more hours per week of PCIT direct services on average for each PCIT-trained therapist); and
 - (d) A therapy room modified to support fidelity PCIT, coaching and recording equipment, and safe backup to timeout.

- (18) **Satellite Office** is defined as a small PCIT setting in a different location from the main clinic, which may be staffed part-time by 1 or more PCIT clinicians who, may additionally provide PCIT in other locations. Administration and clerical support is often provided by the main clinic for satellite locations.
- (19) **System of Care (SOC)** means a coordinated network of community-based services and supports characterized by individualized care and a wide array of services that are provided within the least restrictive environment. This includes collaboration with system partners, participation and partnerships with families and youth, and coordination among child-servicing agencies and programs with cultural and linguistic responsiveness.
- (20) **Within-Agency (Level I) PCIT Trainer** is defined by the following:
 - (a) Qualified to teach and supervise therapists internal to their own program or agency according to the PCIT International Level I (Within-Agency Trainer) requirements; OR documentation of being in current process of becoming certified to train according the PCIT International guidelines: <http://www.pcit.org/trainer-requirements.html> ; or
 - (b) Documentation that trainer is certified through the University of California, Davis PCIT Training Center process as the equivalent of a Level I trainer; AND meets the following guidelines:
 - i. Independently licensed as a mental health service provider with a masters or doctoral degree, authorized by a licensing board to provide clinical supervision to a Qualified Mental Health Professionals (QMHP); and
 - ii. Documented history of at least 5 years of active involvement in the PCIT community.

b. Purpose

The State of Oregon, acting by and through the Oregon Health Authority (OHA), Health Systems Division (HSD), is issuing this Request for Information(RFI) for Parent Child Interaction Therapy (PCIT) Infrastructure and Services Development.

Past funding by OHA for PCIT Program development and implementation across Oregon has been awarded in stages over the course of 18 years. This contract will provide OHA funding PCIT to continue to offset some the additional costs associated with providing this highly effective intervention with fidelity, while making the process for awarding PCIT funds transparent with increased clarity regarding the expected deliverables.

Funding from this contract will be used to improve access to high fidelity PCIT Services and for PCIT Program Development. PCIT services may be reimbursed by Medicaid or commercial insurance. Funds provided through this contract must be used for the additional infrastructure and training expenses to provide high fidelity PCIT services which are not reimbursed by Medicaid or other insurance. Funding may also be used to serve children in this age group in need of these mental health services who are not Medicaid eligible and who have no other resources to pay for services. Providing families with one of the most effective treatment options available for young children will improve child current and long-term psychological functioning, academic progress, and physical health, while reducing suffering and medical costs.

Standard PCIT was designed for children 2 through 6 years of age and their parents, when the children have significant social, emotional, or behavioral disorders which could increase their risk of maltreatment, interfere with their development, attachment, and with their readiness to learn. There are also well researched adaptations of PCIT, requiring additional training after being certified in standard PCIT. One such adaptation extends the age range of PCIT to be appropriate for children 12 through 24 months. Another adaptation, after additional training, may be used for children ages 7 through 8 years.

In PCIT, caregivers are taught specific skills to establish or strengthen a nurturing and secure relationship with their child, while encouraging pro-social behavior and decreasing maladaptive behavior. Ideally, during coaching sessions, the therapist observes the interaction from behind a one-way mirror and provides guidance to the parent through a wireless communication system. Each session is structured and includes measurement of progress which is shared with the caregiver. The average treatment length is 16-20 sessions.

In accordance with the values of the OHA Child and Family Behavioral Health Unit, PCIT incorporates System of Care principles, developmental science, and Trauma Informed Care. PCIT is recognized nationally as having a significant body of evidence demonstrating that it is effective in treating the effects of chronic trauma or neglect, increasing caregiver's positive parenting skills, reducing child maladaptive behaviors and reducing the risk of child maltreatment.

There continues to be a systemic shortage of mental health therapists trained and available to provide high fidelity, evidence-based mental health treatment for children from birth through 8 years of age. This shortage is compounded by limited infrastructure to train and support this specialized workforce. The purpose of these payments is to reduce actual or perceived barriers to providing high fidelity PCIT whenever appropriate as the preferred service rather than less effective behavioral health services.

Therefore, it is imperative that Contractors have the experience and commitment for adherence to the PCIT International standards for fidelity practice of PCIT through well-conducted research, training, outcome tracking, and continuing education of therapists (and where appropriate, employing Within-Agency PCIT trainers). Contractors serving Individuals in Areas of Unmet Mental Health Care Need may qualify for additional funding to support travel costs, additional

supervision and lost productivity caused by serving Individuals in low population areas.

c. Tasks

MHS 11 Services

The fundamental work of standard PCIT is to improve social-emotional and behavioral outcomes for children 2 through 6 years of age. With documentation of OHA-approved additional training in PCIT adaptations, PCIT payments may also be used to treat children 12 to 24 months of age, and those 7 to 8 years of age. Treatment shall include caregiver(s) and other important people living and interacting with the child.

- (a)** Payments shall be used to enhance the ability of PCIT programs to provide fidelity PCIT in standard outpatient clinics (in-person or via telehealth) and across multiple service settings such as home, primary care, school, or childcare. All Services delivered under this Contract shall:
 - (a)** Implement the evidence-based practice PCIT with fidelity in an appropriate clinic space using most current PCIT procedural manuals, coding manuals, and tools;
 - (b)** Be provided in a culturally responsive, trauma informed manner, including sensitivity to family, language, race, and ethnicity;
 - (c)** Demonstrate outreach to, and access by, identified ethnic, linguistic, or cultural minorities in the same proportions as exist in the service area of the clinic;
 - (d)** Develop information and referral processes for family members to local community support organizations and to Family Support Specialists when appropriate; and
 - (e)** Demonstrate collaboration with early learning hubs, child welfare, and other early childhood SOC partners to serve families with the following risk factors:
 - i.** A combination of demographic, child, family, and environmental risks such as having a single parent; receiving public assistance; lack of employment, current education or job training; being a teen parent; or lack of school diploma or general equivalency diploma (GED);
 - ii.** Children with the known circumstances to place them at risk, including placement in foster care; having an incarcerated parent; or homelessness;
 - iii.** Children whose parents have factors known to place children at risk, including parental mental health issues, depression, substance abuse, and domestic violence;
 - (f)** Developing information and referral processes for family members to the local community support organizations.

(2) Performance Requirements

There are 6 modules in MHS 11 Services that require different levels of Services be provided by Contractor. Contractor will receive payments based on the OHA approved module(s) shown below that Contractor is approved to provide. The purpose of the MHS 11 optional modules is to support expanding PCIT beyond maintaining minimum requirements for provision of standard PCIT Services.

Contractor shall be required to provide documentation of fulfillment of the requirements for all optional modules. Module #1 below is the required base module for all standard PCIT Services to be provided. Modules 2 through 6 are optional modules that will only be required once OHA has approved a specific module(s) per Contractor.

a. Module #1 – PCIT Established Site or Implementation

(1) Staffing and Administration

Contractor shall provide and maintain a minimum of 2 staff (with minimum 0.15 FTE each, devoted to PCIT services) who are QMHPs; plus, the clerical, administration, and administrative support necessary for implementation of PCIT program development and high fidelity PCIT services which includes:

- (a)** Requiring each clinician trained in PCIT to provide PCIT services to 20 or more families, for 4 or more sessions per family, each biennium;
- (b)** Serving ethnically diverse families in the same proportion as is represented in the county.
- (c)** Providing planning, outreach and implementation of culturally, linguistically, and ethnically appropriate PCIT Services;
- (d)** Implementing any necessary incentives to engage and maintain families in treatment;
- (e)** Four or more times per fiscal year, coordinating, collaborating, and otherwise participating actively in regularly scheduled meetings with the local Oregon Early Learning Systems, primary care service providers, and local referral sources for families with empirically demonstrated risk factors.
- (f)** Establishing and maintaining information pertinent to fidelity reviews including:
 - i.** Require attendance and provide paid time during the work week for PCIT trained clinicians to participate in ongoing PCIT training and consultation monthly to become certified, or to maintain certification. Document content and hours of clinician training, consultation, and supervision. This information will be reviewed as part of the PCIT fidelity reviews. The training guidelines are disseminated by the National PCIT Training Committee and posted on the PCIT International website located at <http://www.pcit.org/initial-therapist-training.html>;

- ii. Evidence documented in the Electronic Health Records (EHR) of Individuals and in reports to OHA of data-driven treatment decisions and the development of performance expectations through the use of the Eyberg Child Behavior Inventory, and the Dyadic Parent-Child Interaction Coding System, and documentation of session by session adherence to PCIT protocols;
- iii. Use of the most current PCIT coding and procedures for implementing the practice;
- iv. Maintain appropriate PCIT specific clinic space; stripped down room, coaching and recording equipment, a range of developmentally appropriate toys for the children, safe backup to timeout, and ideally one-way mirrors or monitors for coaching from outside the therapy room;
- v. Participate in 1 or more fidelity reviews each biennium by OHA, OR an OHA-approved external entity, and implement required changes; and
- vi. Attendance by all PCIT staff at the Annual Oregon PCIT conference.

(2) Contractor with Satellite PCIT Site Module may:

- (a) Qualify for additional funding for established Satellite sites, for each eligible location meeting criteria, subject to funds available and at OHA’s sole discretion.
- (b) Be awarded partial funding of the New Location Module #3, depending on their demonstrated need for room modifications, equipment, training, and the potential increase in client base as a result of improving access.
- (c) Be staffed with 1 or more PCIT-trained therapists for 4 or more hours per therapist, per week, devoted to providing PCIT Services directly to families.
- (d) Provide PCIT Services to 10 or more Individuals for 4 or more sessions per biennium at the eligible Satellite location(s).
- (e) Be required to have PCIT-trained therapists, who provide Services in a Satellite location, participate in PCIT consultation or supervision in person or via telehealth technology with the main clinic PCIT team 1 or more times per month.

(3) Requirement exceptions for PCIT Program in Area of Unmet Mental Health Need: Program may:

- (a) Employ 1 or more PCIT-Trained therapist(s) for .15 FTE each to provide 4 or more hours per week devoted to PCIT services directly to families.
- (b) Provide PCIT services to 20 or more Individuals for 4 or more sessions per biennium.

- (c) Attend PCIT-specific consultation/supervision 2 times per month or more, live or via tele-conferencing.
- (d) Participate in PCIT fidelity reviews 1 or more times per fiscal year.
- (e) Qualify for additional funding for travel and increased frequency of consultation.

b. Module #2 - PCIT Optional Expanded Team

This module is provided to support the established PCIT programs expanding their PCIT program to increase access to MHS 11 Services within their community. Contractors may qualify for one or more Expanded Team module payments. Each may include:

(1) Optional Module # 2a - Add clinician(s) above the 2 required per site.

- (a) Training, travel and other expenses for an additional QMHP staff as a PCIT therapist(s) beyond the two-staff required minimum;
- (b) Documentation by OHA approved PCIT Trainer that each additional clinician funded for training completed 56 hours of PCIT International Training by November 30, 2019;
- (c) Documentation of each clinician receiving 28 hours of PCIT consultation per year, for 2 years;
- (d) Documentation of each clinician attending 4 or more hours of statewide PCIT calls per year, for 2 years;
- (e) Documentation of paid expenses for each clinician attending Oregon PCIT conference;
- (f) Documentation that each clinician provided PCIT to 10 or more families in the quarterly data reporting form developed by OHA, which includes child, family and progress data, and PCIT specific expenditures; and
- (g) Documentation of purchased additional assessment tools required for PCIT expanded team.

(2) Optional Module # 2b - PCIT Recalibration/Certification by PCIT International.

Clinicians who are eligible include PCIT therapists initially trained before 2011 with two completed PCIT cases and not yet certified.

- (a) Each clinician funded for recalibration training shall complete 16 hours of PCIT International Training to update skillsets to the latest practices for PCIT implementation including DPICS-IV coding, refresh and practice CDI and PDI coaching skills;
- (b) Documentation that recalibration training requirements were completed, and therapist is certified by PCIT International within 2 years from recalibration training;

- (c) Documentation in Quarterly PCIT quarterly report that therapists receiving recalibration training are attending 24 hours of PCIT Consultation per biennium;
- (d) Documentation in PCIT quarterly report that therapists receiving recalibration training are providing PCIT services to 20 clients for 4 or more PCIT sessions per biennium or;
- (e) Train one PCIT certified therapist as a Level I (within agency) PCIT trainer.

(3) Optional Module #2c – Train 1 certified PCIT therapist as a Within-Agency

(Level 1) Trainer.

- (a) Completion of 8 hours didactic training which meets the PCIT International Trainer requirements located at <http://www.pcit.org/trainer-requirements.html>;
- (b) Monthly follow-up consultation to the Level I Trainer Course with a PCIT International Certified Master Trainer or Level 2 Trainer. (24 or more hours total for biennium);
- (c) Supervise a therapist-in-training to complete at least one PCIT case to graduation criteria while under consultation from a Certified Master Trainer or Level II Trainer;
- (d) Complete all Level I Within-Agency training requirements and competencies within 2 years;
- (e) Provide PCIT services to 10 or more families per biennium; and
- (f) Maintain Level I Trainer certification by completing at least 6 hours of PCIT International authorized Continuing Education credit every 2 years or.

(4) Optional Module #2d – PCIT Expanded Team (QMHA Skills Builders)

- (a) 2 QMHA staff receive 16 hours of PCIT training each in Adjunct in-home skills building;
- (b) Each QMHA PCIT trained staff provide 20 PCIT specific in-home skills building sessions per biennium;
- (c) Each QMHA PCIT trained staff provide 20 or more PCIT specific in-home skills building sessions per biennium; and
- (d) Documentation in Electronic Health Records of PCIT QMHA and primary QMHP communicating and collaborating on behalf of Individuals to address treatment goals.

c. Module #3 – Optional New PCIT Program Development or New Location

The purpose of this module is to support the development of PCIT programs in locations which have not previously had access to PCIT. Examples of such locations would include Frontier Counties, Rural Areas, in a Relief Nursery, or

adult addictions treatment center where children are housed with a parent, child welfare office, Oregon Tribal Clinic, school, or other location. Contractors requesting payments for a Satellite site may be paid partial payments for this module depending on their demonstrated need for room modifications, equipment, training, and the potential increase in client base by improving access. Contractor shall Promote high fidelity implementation of PCIT. This includes providing support for the extra demands of staff learning this evidence-based therapy through supervisors and the administration arranging adjusted productivity and caseload expectations, if needed. New program Development or New Location PCIT programs are required to also meet the Module #1 tasks and performance requirements. This module includes the following:

- (1)** Contractor may be approved for payments for this module when:
 - (a)** The mental health provider or contractor had not provided PCIT Services prior to July 1st, 2019, and is seeking payments to train and support 2 or more QMHP in the provision of high fidelity PCIT; or
 - (b)** An established PCIT Contractor is seeking payments to expand access to PCIT through creating a high fidelity PCIT site in a service area which did not have access to PCIT Services.
 - (c)** Within 4 months of execution of Agreement, send 2 or more QMHP to be trained in PCIT as per PCIT International requirements; with the goal of meeting International certification qualification within 2 years;
 - (d)** Within 4 months of execution of PCIT staff, including Program Manager supervising the PCIT trainees will attend OHA approved training in requirements of high fidelity PCIT Program, PCIT quarterly reporting and other PCIT contract expectations;
 - (e)** Purchase or complete any materials, equipment and room modifications to maintain fidelity within 4 months of Agreement execution;
 - (f)** Provide the time and funding for 2 or more mental health clinicians to travel twice for PCIT Initial and Continuation trainings (one is 40 hours, the other is 16), and to participate in live or teleconferencing PCIT consultation with their training cohort. This will occur weekly for the first month after their initial training, and subsequently twice a month for 2 years;
 - (g)** Ensure PCIT therapists receiving PCIT training through this grant begin providing PCIT services to 5 or more Individuals starting the week after returning from the initial training. In addition, therapists will maintain an active PCIT caseload which is the equivalent to 5 or more face to face service hours weekly during the initial training;
 - (h)** Ensure that access to session recording equipment, video conferencing capability and secure file transfer is available for clinicians to start documenting their PCIT Core Competencies the week they return from their first Intensive training;

- (i) Program shall provide PCIT services to 40 Individuals for 4 or more PCIT sessions per biennium. (**New location Satellite PCIT Sites** shall provide PCIT services to 10 or more clients per biennium);
- (j) Eight or more times per quarter, coordinate, collaborate, and otherwise participate actively in regularly scheduled meetings with the local Oregon Early Learning Systems, primary care service providers, and local referral sources for families with empirically demonstrated risk factors;
- (k) Participate in one or more fidelity reviews each biennium by OHA or an OHA-approved external entity and implement required changes;
- (l) Establish and maintain information pertinent to fidelity reviews, including:
 - i. Content and hours of clinician training, support, and supervision. The training guidelines are disseminated by the national PCIT Training Committee and posted on the PCIT International website located at <http://www.pcit.org/initial-therapist-training.html>;
 - ii. Evidence of data-driven treatment decisions and the development of performance expectations through use of the Edberg Child Behavior Inventory and the Dyadic Parent-Child Interaction Coding System which is documented in the EHRs of Individuals and in reports to OHA;
 - iii. Use the most current PCIT coding manuals and protocols for implementing the practice;
 - iv. Maintain appropriate PCIT specific clinic space; stripped down room, one-way, equipment, and a range of developmentally appropriate toys for the children; and
- (m) PCIT program staff shall attend an Annual Oregon PCIT conference and attend the 4 or more scheduled Oregon PCIT Consortium National Expert Conference calls per year.

c. Module #4 – Optional PCIT Certified Within-Agency (Level I) Trainer Consultation

- (c) The purpose of this module is to support the provision of PCIT training and consultation activities by currently certified PCIT Level I trainers to expand local access to PCIT Services, to address employee turnover, and to support supervision of staff actively providing PCIT Services. The module includes the following:
 - (a) Offer and provide direct initial training and consultation each biennium to 2 or more trainees as needed to address agency staff turnover;
 - (b) Submit documentation of number of hours of training or PCIT specific supervision provided, and the number of staff receiving training or supervision in each quarterly report;

- (c) Provide on-going training and PCIT consultation for PCIT trained clinicians within the trainer’s agency who have met all PCIT core competencies in order to maintain fidelity;
- (d) Provide fidelity PCIT treatment to 10 or more Individuals for 4 or more sessions each biennium to remain current with PCIT skills;
- (e) Document in the quarterly report on-going Level I Trainer supervision with a PCIT International Master Trainer or Oregon Regional (Level II) trainer 4 or more occasions per fiscal year, totaling 6 or more hours; and
- (f) May also include assisting a Level II trainer in training clinicians from local agencies serving Medicaid eligible families.

d. Module #5 – Optional PCIT Regional (Level II) Trainer

The purpose of this module is to support the provision of PCIT training and consultation activities by certified PCIT International Level II trainers to expand access to PCIT Services through increasing the number of therapists statewide who are fully trained and certified in high fidelity PCIT implementation. Contractor must offer and provide direct training and consultation each biennium to 24 or more clinicians in PCIT. In addition, Regional trainers will participate in Oregon PCIT conference planning, Oregon PCIT Consortium Steering Committee and OHA fidelity reviews for OHA funded PCIT programs across Oregon.

- (1) Staffing must include:
 - (a) Full time supervisor position (1.0 FTE) for 2 years, who is PCIT International Certified as a Level II trainer; or
 - (b) Half-time supervisor position (.5 FTE) or more for 2 years, who is a Level I trainer who will participate in and assist the Regional (Level II) or Master Trainer with statewide implementation; or
 - (c) A combination of the above positions not totaling more than 1.5 FTE.
 - (d) Level II Trainer shall provide:
 - i. Offer 56 hr. of Initial and Follow up trainings 2 or more times per year for a total of 24 or more QMHP staff per biennium;
 - ii. 24 months of PCIT specific group or individual observation, consultation and supervision to trainees (60 or more hours). This shall occur weekly for the first month after their initial training, and twice a month for two years;
 - iii. Live or video review and core competency evaluation and documentation of meeting PCIT International standards for all trainees;
 - iv. Travel necessary to provide onsite training and supervision to PCIT programs with trainees in the first year as needed;

- v. Attendance at Oregon and National and International Conferences 3 or more times each biennium and other continuing education as needed to maintain PCIT International Certification as a Level II Trainer;
- vi. Travel necessary to provide annual fidelity reviews to 12 or more PCIT sites in Oregon as needed to ensure fidelity implementation; and
- vii. Quarterly reports to OHA in the approved format within 45 calendar days after the end of each quarter.

e. Module #6 – Optional PCIT Innovation

- (1) The purpose of this module is to provide established PCIT programs with the support needed to expand their PCIT Services to populations or settings which do not have access to PCIT Services using standard PCIT. No more than 1 innovation module will be provided to any Contractor. The availability and amount of an innovation module payment is dependent upon the quantity and amounts of actual Contract payments needed for programs utilizing standard PCIT Services, the scope of the innovation module proposal that is submitted, and the availability of funding. To be considered for a PCIT innovation module, the Contractor must:
- (a) Employ 2 QMHP (2 FTE) who are certified as therapists or trainers by PCIT International, or documentation from a University of California, Davis PCIT trainer that the therapists have competed all core competencies at a therapist level or above. Proposals from PCIT sites in Areas of Unmet Need may be considered;
 - (b) Document that Contractor has provided PCIT Services to 60 or more Individuals for 4 or more sessions each in the biennium which has most recently ended;
 - (c) Document training by a Master Trainer or researcher associated with the specific adaptation of PCIT that Contractor plans to implement or letter from the Master Trainer or researcher agreeing to train and consult with the site when payment is made may be submitted as proof of intent;
 - (d) Submit executed contract with the Master Trainer or Researcher associated with the OHA grant funded adaptation of PCIT by November 15th, 2021. Contract must itemize the frequency and duration of training and consultation regarding implementation of the PCIT adaptation for the duration of the biennium or longer;
 - (e) Submit itemized list of additional equipment, toys, training, software, internet access or other requirements of the adaptation;
 - (f) Demonstrate the community need for an adaptation of standard PCIT Services for a specific subgroup of the Contractors service area by identifying other services available to the targeted

population, and how the adaptation fills a gap in community services; and

- (g) Submit quarterly reports within 45 calendar days after the end of each quarter in an OHA approved format which document expenditures, training and consultation hours, number of clients served, pre and post treatment standardized scores, and other outcome data associated with the adaptation.

(2) Examples of PCIT adaptations which fill a gap in Early Childhood Services array, or extend access to PCIT Services for underserved populations are as follows:

- (a) PCIT Toddler: A modified version of PCIT for young toddlers (PCIT-T) adapted to meet the developmental needs of children 12 through 24 months of age;
- (b) Intensive Family Coaching: In-home, team model using provider pairs working simultaneously in the home with the caregiver-child dyad at each visit, for 3 times per week;
- (c) Other evidence-informed PCIT adaptations.

(3) Reporting Requirements

All Individuals receiving MHS 11 Services with payments made through this Contract must be enrolled and that Individual’s record maintained in the Measures and Outcomes Tracking System (MOTS) as specified in OHA’s MOTS Reference Manual, located at: <http://www.oregon.gov/OHA/HSD/AMH-MOTS/pages/resource.aspx> ,and the Who Reports in MOTS Policy, as stated below:

Which Behavioral Health Providers are Required to Report in MOTS?

The data collection system for the Health Systems Division (HSD) is the Measures and Outcomes Tracking System or MOTS. In general, behavioral health providers who are either licensed or have a letter of approval from the HSD (or the former Addictions & Mental Health Division [AMH]), and receive public funds to provide treatment services are required to report to MOTS. In addition to the general rule above, there are four basic ways to classify who is required to submit data to MOTS:

- a. Providers with HSD contracts that deliver treatment services (this includes Community Mental Health Programs [CMHP], Local Mental Health Authorities [LMHA] and other types of community behavioral health providers); these programs should all have a license or letter of approval from the HSD or AMH;
- b. Providers that are subcontractors (can be a subcontractor of a CMHP or other entity that holds a contract with HSD or OHA, such as a Mental Health Organization [MHO] or a Coordinated Care Organization [CCO]);

- c. Providers that HSD does not contract with but are required to submit data to MOTS by State/Federal statute or rule; these include DUII services providers and methadone maintenance providers; and
- d. Providers that contract with other governmental agencies (e.g., Oregon Youth Authority [OYA] or the Department of Corrections [DOC] to deliver mental health and/or substance abuse services).

Note: Primary care physicians that provide a single service on behalf of the CMHP are not required to report the MOTS status or service level data.

If there are any questions, contact MOTS Support at MOTS.Support@state.or.us.

5. Special Reporting Requirements

Contractor shall prepare and electronically submit to OHA at: amhcontract.administrator@state.or.us, written quarterly reports on the delivery of PCIT Program Development and Services, no later than 45 calendar days following the end of each subject quarter for which payment is made through this Contract. Reports must be prepared using forms and procedures prescribed by OHA. Forms are located at: <http://www.oregon.gov/OHA/HSD/AMH/Pages/Reporting-Requirements.aspx>.

(4) Payment Calculation, Disbursement, and Confirmation of Performance and Reporting Requirement Procedures

OHA provides financial assistance for MHS 11 Services in two different ways, through Part A, or Part C payments. The payment type is set forth in Exhibit C, “Financial Pages,” in MHS 11 lines in which column “Part ABC” will contain an “A” for Part A, or a “C” for Part C payments, for non-Medicaid-eligible Services. Contractor is not entitled to funding for Part A or Part C payments (or both) in combination with Medicaid payments for the same Service, during the same time period or date of Service for the same Individual. Contractor and Service Providers shall maintain compliance with OAR 410-172-0600 to 410-172-0860, OAR 943-120-0310, and OAR 943-120-0320. Contractor will receive payments per the OHA approved Module(s) for this Contract.

- a. Payments made to Contractor or Service Providers are subject to the following:
 - (1) OHA shall not authorize in aggregate, under this “Payment Calculation, Disbursement, and Confirmation of Performance and Reporting Requirements Procedures” section, payments requested for MHS 11 Services in excess of the contractual Not-to-Exceed amount. Total aggregate payments means the total of all payments authorized in Exhibit E, “Financial Pages” before reducing payments to account for client resources received by the Contractor or Service Provider from an Individual, or from another on behalf of the Individual, in support of Individual’s care and Services provided. The monthly rate will be prorated for any month in which the Individual does not receive Services for a portion of the month. Payments will be reduced (offset) by the amount of payments received by the Contractor or Service Provider from the Individual, the Individual’s health insurance provider, another person’s health insurance provider under which Individual is also covered, or any other Third Party Resource (TPR) in support of Individual’s care and Services provided;

- (2) OHA is not obligated to provide payment for any MHS 11 Services that are not properly reported in accordance with the “Reporting Requirements” and “Special Reporting Requirements” sections above or as required in an applicable Specialized Service Requirements by the date 60 calendar days after the earlier of expiration or termination of this Contract, termination of OHA’s obligation to provide payments for MHS 11 Services, or termination of Contractor’s obligation to include the Program Area in which MHS 11 Services fall within its Services.
- b. The Part A payments will be calculated, disbursed, and confirmed as follows:
- (1) Calculation of Payments: The Part A payments for MHS 11 Services provided under a particular line of Exhibit E, “Financial Pages,” containing an “A” in column “Part ABC,” from payments identified in that line of the Financial Pages, containing an “A” in column “Part ABC,” shall not exceed the total payments for MHS 11 Services as specified in that line of the Financial Pages and are subject to the limitations described herein.
- (2) Disbursement of Payments: Unless a different disbursement method is specified in that line of Exhibit E, “Financial Pages,” OHA will disburse the Part A payments for MHS 11 Services delivered under a particular line of the Financial Pages containing an “A” in column “Part ABC” to Contractor in substantially equal monthly payments during the period specified in that line of the Financial Pages, subject to the following:
- (a) OHA may, after 30 calendar days (unless parties mutually agree otherwise) written notice to Contractor, reduce the monthly payments based on under-used payments identified through the quarterly reports or failure to provide Services to fidelity in accordance with the “Reporting Requirements” and “Special Reporting Requirements” sections above;
- (b) OHA may, after 30 calendar days (unless parties mutually agree otherwise) written notice to Contractor, adjust monthly payments to meet cash flow requirements for continued delivery of MHS 11 Services described herein;
- (c) Upon amendment to the Financial Pages, OHA shall adjust monthly payments as necessary, to reflect changes in the payments made for MHS 11 Services provided under that line of the Financial Pages; and
- (d) OHA is not obligated to provide payments for any MHS 11 Services not properly reported in accordance with the “Reporting Requirements” and “Special Reporting Requirements” sections above by the date 60 calendar days after the earlier of expiration or termination of this Contract, termination of OHA’s obligation to provide payments for MHS 11 Services, or termination of Contractor’s obligation to include the Program Area in which MHS 11 Services fall in its Services; and

- (e) OHA will reduce the payments made for MHS 11 Services delivered under a particular line of Exhibit E, “Financial Pages,” containing and “A” in column “Part ABC,” by the amount received by a Provider of MHS 11 Services, as payment for the cost of the Services delivered to an Individual, from the Individual’s health insurance provider, another person’s health insurance provided under which Individual is also covered, or any other Third Party Resource (TPR) in support of Individual’s care and Services provided. Contractor is obligated to report to OHA, by email at amhcontract.administrator@state.or.us any TPR payments no later than 30 calendar days following receipt of payment by Contractor or Service Provider. The report shall include the following:
 - i. OHA Contract name and number;
 - ii. Individual's name and date of birth;
 - iii. Service for which payment was received;
 - iv. Date of service covered by payment; and
 - v. Amount of payment.

c. The Part C payments will be calculated and disbursed as follows:

- (1) Calculation of Performance Payment: The Performance Payment is 5% of each fiscal years’ total cost for MHS 11 Services for this Contract that have been moved into a Performance Payment outside of the regular monthly payments. Contractor will qualify for a performance payment at the end of each fiscal year if they meet the required performance criteria, as shown in section 2. “Performance Requirements” above, as determined by meeting a minimum of three of the five criteria listed below as follows:
 - i. Serve target number of Individuals for 4 or more PCIT sessions for each Module awarded.
 - ii. Serve minority Individuals in the same proportion as live in the county of the program.
 - iii. Certification has been acquired at the end of the biennium for each clinician funded for initial training at beginning of biennium.
 - iv. Documentation of an adequate or higher fidelity rating was determined at the end of the biennium.
 - v. All reports shall be submitted in accordance with the “Reporting Requirements” and “Special Reporting Requirements” section above.
- (2) Disbursement of Performance Payment: The performance payment is based on achievement of the performance criteria in accordance with the “Performance Requirements” section above. Data will be verified by the Contract Administrator through review of the quarterly reports, consultation with the PCIT Trainers, and if needed, OHP billing data). Upon OHA’s determination that Contractor met or exceeded the

performance criteria, Contractor may prepare and electronically submit a written invoice, to amhcontract.administrator@state.or.us, for a performance payment, not to exceed the amount specified in that particular line of the Exhibit E, “Financial Pages.”

- d.** Confirmation of Performance and Reporting Requirements: Contractor shall be required to demonstrate through the data properly reported in accordance with the “Reporting Requirements” and “Special Reporting Requirements” sections above, how payments made for MHS 11 Services were utilized consistent with the terms and limitations herein to meet the performance requirements of this Service Description, and that the Contractor shall be subject to the monitoring and review of performance requirements and quality measures by the OHA Contract Administrator for the Program under which MHS 11 Service Description falls.

EXHIBIT A**Part 2
Payment and Financial Reporting****1. Payment Provisions.**

OHA agrees to pay Contractor for accomplishing the Work required by this Contract as described in Exhibit A, Part 1, "Statement of Work" and Exhibit E, "Financial Pages."

2. Travel and Other Expenses.

OHA shall not reimburse Contractor separately for any travel or additional expenses under this Contract.

EXHIBIT A

Part 3 Special Provisions

1. Confidentiality of Information.

a. Client Information:

- (1) All information as to personal facts and circumstances obtained by the Contractor on the client (“Client Information”) shall be treated as privileged communications, shall be held confidential, and shall not be divulged without the written consent of the client, his or her guardian, or the responsible parent when the client is a minor child, or except as required by other terms of this Contract. Nothing prohibits the disclosure of information in summaries, statistical, or other forms which does not identify particular individuals.
- (2) The use or disclosure of Client Information shall be limited to persons directly connected with the administration of this Contract. Confidentiality policies shall be applied to all requests from outside sources.
- (3) If Contractor, or any of its officers, directors, employees, agents, or subcontractors receives or has access to confidential Social Security Administration (SSA), or Federal Tax Information (FTI) records in the performance of Work under this Contract, Contractor shall comply, and ensure that all of Contractor’s officers, directors, employees, agents and subcontractors comply, with the following provisions:
 - (a) With respect to SSA records:
 - i. Provide a current list of employees and employees of any agent or subcontractor with access to SSA records;
 - ii. Adhere to the same security requirements as employees of OHA;
 - iii. Abide by all relevant Federal laws, restrictions on access, use, disclosure, and the security requirements contained within OHA’s agreement with SSA;
 - iv. Provide its employees and agents the same security awareness training as OHA’s employees; and
 - v. Include the provisions of this Section 1.a.(3)(a) in any subcontract.
 - (b) With respect to Federal Tax Information (FTI), as defined in IRS Publication 1075:
 - i. Contractor and its officers, directors and employees with access to, or who use FTI provided by OHA must meet the background check requirements defined in IRS Publication 1075;

- ii. Any FTI made available to Contractor shall be used only for the purpose of carrying out the provisions of this Contract. Contractor shall treat all information contained in FTI as confidential and that information shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited;
 - iii. Contractor shall account for all FTI upon receipt and shall properly store all FTI before, during, and after processing. In addition, all FTI related output and products will be given the same level of protection as required for the source material;
 - iv. No work involving FTI furnished under this Contract will be subcontracted without prior written approval of the IRS;
 - v. Maintain a list of employees who are authorized access to FTI. Such list will be provided to OHA and, upon request, to the IRS reviewing office; and
 - vi. Include the provisions of this Section 1.a.(3)(b) in any subcontract.
- (c) Failure to abide by any of the requirements in this subsection could result in criminal or civil penalties and result in termination of this Contract.
 - (d) Contractor may be subject to periodic and ongoing security reviews to ensure compliance with the requirements of Section 1.a.(3).
- (4) Except as prohibited by Section 1.a.(3) above, OHA, Contractor and any subcontractor will share information as necessary to effectively serve OHA clients.

b. Non-Client Information:

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

- document except to the extent applicable law still restricts disclosure;
- (b) Is furnished by the originating Party to others without restrictions similar to those imposed on the receiving Party under the Contract;
 - (c) Is rightfully in the receiving Party's possession without the obligation of nondisclosure prior to the time of its disclosure by the originating Party under the Contract;
 - (d) Is obtained from a source other than the originating Party without the obligation of confidentiality;
 - (e) Is disclosed with the written consent of the originating Party; or
 - (f) Is independently developed by the receiving Party's officers, directors, employees and agents who can be shown to have had no access to the Confidential Non-Client Information.
- (3) Nondisclosure. The receiving Party shall hold all Confidential Non-Client Information in strict confidence, using at least the same degree of care that it uses in maintaining the confidentiality of its own confidential information; and shall not sell, assign, license, market, transfer or otherwise dispose of, give or disclose Confidential Non-Client Information to third parties; shall not use Confidential Non-Client Information for any purposes whatsoever other than as contemplated by this Contract or reasonably related thereto; and shall advise any of its officers, directors, employees and agents that receive or have access to the Confidential Non-Client Information of their obligations to keep Confidential Non-Client Information confidential. These confidentiality obligations do not restrict disclosure of information otherwise qualifying as Confidential Non-Client Information if the receiving Party can show that either of the following conditions exists: (i) the information was disclosed in response to a subpoena or court order duly issued in a judicial or legislative process, in which case the receiving Party shall notify the originating Party of the subpoena five days prior to the disclosure, unless such notice could not reasonably be given; or (ii) the disclosure was required to respond to a request for the information made under the Oregon Public Records Law, ORS 192.311 to 192.478. The receiving Party shall notify the originating Party of a public records request five days prior to the disclosure.
- c. Upon request and pursuant to the instructions of OHA, Contractor shall return or destroy all copies of Confidential Information, and Contractor shall certify in writing the return or destruction of all Confidential Information.
 - d. "Client" means any individual, family or provider:
 - (1) For whom OHA must provide Services and incidental or specialized Goods, in any combination thereof ("Services and Incidental Supplies"), according to state, federal law, rule, and policy. Those Services and Incidental Supplies include but are not limited to treatment, care,

protection, and support without regard to the proximity of the services being provided;

- (2) Who in fact receives and utilizes services provided by OHA primarily for that individual's or family's benefit;
- (3) Who is under the custody, care, or both of OHA; or
- (4) Who provides direct care or Services and is a proxy or representative of the non-provider Client.

2. Amendments.

- a.** Subject to Section 2.c. below, OHA reserves the right to amend or extend the Contract under the following general circumstances:
 - (1) OHA may extend the Contract for additional periods of time up to a total Contract period of 5 years, and for additional money associated with the extended period(s) of time. The determination for any extension for time may be based on OHA's satisfaction with performance of the work or services provided by the Contractor under this Contract.
 - (2) OHA may periodically amend any payment rates throughout the life of the Contract proportionate to increases in Portland Metropolitan Consumer Price Index; and to provide Cost Of Living Adjustments (COLA) if OHA so chooses. Any negotiation of increases in rates to implement a COLA will be as directed by the Oregon State Legislature. In addition, OHA may periodically amend any payment rates throughout the life of the Contract to meet current market conditions.
- b.** OHA further reserves the right to amend the Statement of for the following:
 - (1) Programmatic changes, additions or modifications deemed necessary to accurately reflect the original scope of work that may not have been expressed in the original Contract or previous amendments to the Contract;
 - (2) Implement additional phases of the Work; or
 - (3) As necessitated by changes in Code of Federal Regulations, Oregon Revised Statutes, or Oregon Administrative Rules, which, in part or in combination, govern the provision of services provided under this Contract.
- c.** Upon identification, by any party to this Contract, of any circumstance which may require an amendment to this Contract, the parties may enter into negotiations regarding the proposed modifications. Any resulting amendment must be in writing and be signed by all parties to the Contract before the modified or additional provisions are binding on either party. All amendments must comply with Exhibit B, "Standard Terms and Conditions", Section 24. "Amendments; Waiver; Consent." of this Contract.

3. Contractor Requirements to Report Abuse of Certain Classes of Persons.

- a.** Contractor shall comply with, and cause its employees, agents and subcontractors to comply with, the applicable laws for mandatory reporting of abuse including but not limited to abuse of the following classes of persons in Oregon:
 - (1) Children (ORS 419B.005 through 419B.045);
 - (2) Elderly Persons (ORS 124.055 through 124.065);
 - (3) Residents of Long Term Care Facilities (ORS 441.630 through 441.645);
 - (4) Adults with Mental Illness or Developmental Disabilities (ORS 430.735 through 430.743).
- b.** In addition to the requirements of Section 3.a. above, if law enforcement is notified regarding a report of child abuse, Contractor shall also notify the local Child Protective Services Office of the Department of Human Services within 24 hours. If law enforcement is notified regarding a report of abuse of elderly, long term care facility residents, adults with mental illness or developmental disabilities, the Contractor shall also notify the local Aging and People with Disabilities Office of the Department of Human Services within 24 hours.
- c.** If known, the abuse report should contain the following:
 - (1) The name and address of the abused person and any people responsible for that person’s care;
 - (2) The abused person’s age;
 - (3) The nature and the extent of the abuse, including any evidence of previous abuse;
 - (4) The explanation given for the abuse;
 - (5) The date of the incident; and
 - (6) Any other information that might be helpful in establishing the cause of the abuse and the identity of the abuser.

4. Equal Access to Services. Contractor shall provide equal access to covered services for both males and females under 18 years of age, including access to appropriate facilities, services and treatment, to achieve the policy in ORS 417.270.

5. Media Disclosure. The Contractor will not provide information to the media regarding a recipient of services purchased under this Contract without first consulting the OHA office that referred the child or family. The Contractor will make immediate contact with the OHA office when media contact occurs. The OHA office will assist the Contractor with an appropriate follow-up response for the media.

6. Nondiscrimination.

- a.** The Contractor must provide services to OHA clients without regard to race, religion, national origin, sex, age, marital status, sexual orientation or disability (as defined under the Americans with Disabilities Act). Contracted services must reasonably accommodate the cultural, language, and other special needs of clients.

- ii. Any FTI made available to Contractor shall be used only for the purpose of carrying out the provisions of this Contract. Contractor shall treat all information contained in FTI as confidential and that information shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited;
 - iii. Contractor shall account for all FTI upon receipt and shall properly store all FTI before, during, and after processing. In addition, all FTI related output and products will be given the same level of protection as required for the source material;
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 - v. Maintain a list of employees who are authorized access to FTI. Such list will be provided to OHA and, upon request, to the IRS reviewing office; and
 - vi. Include the provisions of this Section 1.a.(3)(b) in any subcontract.
- (c) Failure to abide by any of the requirements in this subsection could result in criminal or civil penalties and result in termination of this Contract.
 - (d) Contractor may be subject to periodic and ongoing security reviews to ensure compliance with the requirements of Section 1.a.(3).
- (4) Except as prohibited by Section 1.a.(3) above, OHA, Contractor and any subcontractor will share information as necessary to effectively serve OHA clients.

b. Non-Client Information:

- (1) Each Party acknowledges that it and any of its officers, directors, employees and agents may, in the course of performing its responsibilities under the Contract, be exposed to or acquire information that is confidential to the other Party. To the extent permitted by law, any and all information of any form provided to a Party or its officers, directors, employees and agents in the performance of the Contract that reasonably could at the time of its disclosure be understood to be confidential shall be deemed to be confidential information of the originating Party (“Confidential Non-Client Information”).
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 - (c) Is rightfully in the receiving Party's possession without the obligation of nondisclosure prior to the time of its disclosure by the originating Party under the Contract;
 - (d) Is obtained from a source other than the originating Party without the obligation of confidentiality;
 - (e) Is disclosed with the written consent of the originating Party; or
 - (f) Is independently developed by the receiving Party's officers, directors, employees and agents who can be shown to have had no access to the Confidential Non-Client Information.
- (3) Nondisclosure. The receiving Party shall hold all Confidential Non-Client Information in strict confidence, using at least the same degree of care that it uses in maintaining the confidentiality of its own confidential information; and shall not sell, assign, license, market, transfer or otherwise dispose of, give or disclose Confidential Non-Client Information to third parties; shall not use Confidential Non-Client Information for any purposes whatsoever other than as contemplated by this Contract or reasonably related thereto; and shall advise any of its officers, directors, employees and agents that receive or have access to the Confidential Non-Client Information of their obligations to keep Confidential Non-Client Information confidential. These confidentiality obligations do not restrict disclosure of information otherwise qualifying as Confidential Non-Client Information if the receiving Party can show that either of the following conditions exists: (i) the information was disclosed in response to a subpoena or court order duly issued in a judicial or legislative process, in which case the receiving Party shall notify the originating Party of the subpoena five days prior to the disclosure, unless such notice could not reasonably be given; or (ii) the disclosure was required to respond to a request for the information made under the Oregon Public Records Law, ORS 192.311 to 192.478. The receiving Party shall notify the originating Party of a public records request five days prior to the disclosure.
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 - (3) As necessitated by changes in Code of Federal Regulations, Oregon Revised Statutes, or Oregon Administrative Rules, which, in part or in combination, govern the provision of services provided under this Contract.
- c.** Upon identification, by any party to this Contract, of any circumstance which may require an amendment to this Contract, the parties may enter into negotiations regarding the proposed modifications. Any resulting amendment must be in writing and be signed by all parties to the Contract before the modified or additional provisions are binding on either party. All amendments must comply with Exhibit B, "Standard Terms and Conditions", Section 24. "Amendments; Waiver; Consent." of this Contract.

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- c.** If known, the abuse report should contain the following:
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 - (2) The abused person’s age;
 - (3) The nature and the extent of the abuse, including any evidence of previous abuse;
 - (4) The explanation given for the abuse;
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EXHIBIT B

Standard Terms and Conditions

- 1. Governing Law, Consent to Jurisdiction.** This Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between OHA or any other agency or department of the State of Oregon, or both, and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the State of Oregon of the jurisdiction of any court or of any form of defense to or immunity from any Claim, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. This Section shall survive expiration or termination of this Contract.
- 2. Compliance with Law.** Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to Contractor and the Contract. OHA's performance under the Contract is conditioned upon Contractor's compliance with the obligations of contractors under ORS 279B.220, 279B.230 and 279B.235, which are incorporated by reference herein. This Section shall survive expiration or termination of this Contract.
- 3. Independent Contractor.**

 - a.** Contractor is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.
 - b.** If Contractor is currently performing work for the State of Oregon or the federal government, Contractor by signature to this Contract, represents and warrants that Contractor's Work to be performed under this Contract creates no potential or actual conflict of interest as defined by ORS Chapter 244 and that no statutes, rules or regulations of the State of Oregon or federal agency for which Contractor currently performs work would prohibit Contractor's Work under this Contract. If compensation under this Contract is to be charged against federal funds, Contractor certifies that it is not currently employed by the federal government.
 - c.** Contractor is responsible for all federal and state taxes applicable to compensation paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, OHA will not withhold from such compensation any amounts to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation paid to Contractor under this Contract, except as a self-employed individual.

EXHIBIT B

Standard Terms and Conditions

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- 3. Independent Contractor.**

 - a.** Contractor is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.
 - b.** If Contractor is currently performing work for the State of Oregon or the federal government, Contractor by signature to this Contract, represents and warrants that Contractor's Work to be performed under this Contract creates no potential or actual conflict of interest as defined by ORS Chapter 244 and that no statutes, rules or regulations of the State of Oregon or federal agency for which Contractor currently performs work would prohibit Contractor's Work under this Contract. If compensation under this Contract is to be charged against federal funds, Contractor certifies that it is not currently employed by the federal government.
 - c.** Contractor is responsible for all federal and state taxes applicable to compensation paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, OHA will not withhold from such compensation any amounts to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation paid to Contractor under this Contract, except as a self-employed individual.

- d. Contractor shall perform all Work as an Independent Contractor, as defined in ORS 670.600. OHA reserves the right (i) to determine and modify the delivery schedule for the Work, and (ii) to evaluate the quality of the Work Product, however, OHA may not and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the Work.

4. Representations and Warranties.

- a. **Contractor's Representations and Warranties.** Contractor represents and warrants to OHA that:

- (1) Contractor has the power and authority to enter into and perform this Contract;
- (2) The obligations set forth in this Contract, when executed and delivered, shall be valid and binding obligations of the Contractor enforceable in accordance with its terms;
- (3) Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with the highest standards prevalent in Contractor's industry, trade or profession;
- (4) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work; and
- (5) Contractor prepared its proposal related to this Contract, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty.

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

5. Time is of the Essence. Contractor agrees that time is of the essence under this Contract.

6. Funds Available and Authorized; Payments.

- a. Contractor shall not be compensated for Work performed under this Contract by any other agency or department of the State of Oregon or the federal government. OHA certifies that it has sufficient funds currently authorized for expenditure to finance the costs of this Contract within OHA's current biennial appropriation or limitation. Contractor understands and agrees that OHA's payment for Work performed is contingent on OHA receiving appropriations, limitations, allotments or other expenditure authority sufficient to allow OHA, in the exercise of its reasonable administrative discretion, to continue to make payments under this Contract.
- b. **Payment Method.** Payments under this Contract will be made by Electronic Funds Transfer (EFT). Upon request, Contractor shall provide its taxpayer identification number (TIN) and other necessary banking information to receive EFT payment. Contractor shall maintain at its own expense a single financial

institution or authorized payment agent capable of receiving and processing EFT using the Automated Clearing House (ACH) transfer method. The most current designation and EFT information will be used for all payments under this Contract. Contractor shall provide this designation and information on a form provided by OHA. In the event that EFT information changes or the Contractor elects to designate a different financial institution for the receipt of any payment made using EFT procedures, the Contractor shall provide the changed information or designation to OHA on an OHA-approved form. OHA is not required to make any payment under this Contract until receipt of the correct EFT designation and payment information from the Contractor.

7. Recovery of Overpayments. IF BILLINGS UNDER THIS CONTRACT, OR UNDER ANY OTHER CONTRACT BETWEEN CONTRACTOR AND OHA, RESULT IN PAYMENTS TO CONTRACTOR TO WHICH CONTRACTOR IS NOT ENTITLED, OHA, AFTER GIVING WRITTEN NOTIFICATION TO CONTRACTOR, MAY WITHHOLD FROM PAYMENTS DUE TO CONTRACTOR SUCH AMOUNTS, OVER SUCH PERIODS OF TIME, AS ARE NECESSARY TO RECOVER THE AMOUNT OF THE OVERPAYMENT, UNLESS CONTRACTOR PROVIDES A WRITTEN OBJECTION WITHIN 14 CALENDAR DAYS FROM THE DATE OF THE NOTICE. ABSENT TIMELY WRITTEN OBJECTION, CONTRACTOR HEREBY REASSIGNS TO OHA ANY RIGHT CONTRACTOR MAY HAVE TO RECEIVE SUCH PAYMENTS. IF CONTRACTOR PROVIDES A TIMELY WRITTEN OBJECTION TO OHA'S WITHHOLDING OF SUCH PAYMENTS, THE PARTIES AGREE TO CONFER IN GOOD FAITH REGARDING THE NATURE AND AMOUNT OF THE OVERPAYMENT IN DISPUTE AND THE MANNER IN WHICH THE OVERPAYMENT IS TO BE REPAID. OHA RESERVES ITS RIGHT TO PURSUE ANY OR ALL OF THE REMEDIES AVAILABLE TO IT UNDER THIS CONTRACT AND AT LAW OR IN EQUITY INCLUDING OHA'S RIGHT TO SETOFF.

8. Ownership of Work Product.

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

- (1) "Contractor Intellectual Property" means any intellectual property owned by Contractor and developed independently from the Work.
- (2) "Third Party Intellectual Property" means any intellectual property owned by parties other than OHA or Contractor.
- (3) "Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all intellectual property rights therein that Contractor is required to deliver to OHA pursuant to the Work.

b. Original Works. All Work Product created by Contractor pursuant to the Work, including derivative works and compilations, and whether or not such Work Product is considered a "work made for hire," shall be the exclusive property of OHA. OHA and Contractor agree that all Work Product is "work made for hire"

of which OHA is the author within the meaning of the United States Copyright Act. If for any reason the original Work Product created pursuant to the Work is not “work made for hire,” Contractor hereby irrevocably assigns to OHA any and all of its rights, title, and interest in all original Work Product created pursuant to the Work, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Upon OHA's reasonable request, Contractor shall execute such further documents and instruments necessary to fully vest such rights in OHA. Contractor forever waives any and all rights relating to original Work Product created pursuant to the Work, including without limitation, any and all rights arising under 17 U.S.C. §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

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

9. Indemnity.

- a. CONTRACTOR SHALL DEFEND (SUBJECT TO ORS CHAPTER 180), SAVE, HOLD HARMLESS, AND INDEMNIFY THE STATE OF OREGON AND OHA AND THEIR OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY NATURE WHATSOEVER, INCLUDING ATTORNEYS FEES, RESULTING FROM, ARISING OUT OF, OR RELATING TO THE ACTIVITIES OF CONTRACTOR OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS CONTRACT.
- b. **INDEMNITY FOR INFRINGEMENT CLAIMS.** WITHOUT LIMITING THE GENERALITY OF SECTION 9.a. ABOVE, CONTRACTOR EXPRESSLY AGREES TO DEFEND, INDEMNIFY, AND HOLD OHA, THE STATE OF OREGON AND THEIR AGENCIES, SUBDIVISIONS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL CLAIMS, SUITS, ACTIONS, LOSSES, LIABILITIES, COSTS,

EXPENSES, INCLUDING ATTORNEYS FEES, AND DAMAGES ARISING OUT OF OR RELATED TO ANY CLAIMS THAT THE WORK, THE WORK PRODUCT OR ANY OTHER TANGIBLE OR INTANGIBLE ITEMS DELIVERED TO OHA BY CONTRACTOR THAT MAY BE THE SUBJECT OF PROTECTION UNDER ANY STATE OR FEDERAL INTELLECTUAL PROPERTY LAW OR DOCTRINE, OR OHA'S USE THEREOF, INFRINGES ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK, TRADE DRESS, MASK WORK, UTILITY DESIGN, OR OTHER PROPRIETARY RIGHT OF ANY THIRD PARTY; PROVIDED, THAT THE STATE OF OREGON SHALL PROVIDE CONTRACTOR WITH PROMPT WRITTEN NOTICE OF ANY INFRINGEMENT CLAIM.

THIS SECTION SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS CONTRACT.

10. Default; Remedies; Termination.

- a. Default by Contractor.** Contractor shall be in default under this Contract if:
- (1) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or
 - (2) Contractor no longer holds a license or certificate that is required for Contractor to perform its obligations under the Contract and Contractor has not obtained such license or certificate within 14 calendar days after OHA's notice or such longer period as OHA may specify in such notice; or
 - (3) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within 14 calendar days after OHA's notice, or such longer period as OHA may specify in such notice; or
 - (4) Contractor failed to comply with the tax laws of this state or a political subdivision of this state before the Contractor executed this Contract or fails to comply with the tax laws of this state or a political subdivision of this state during the term of this Contract.
- b. OHA's Remedies for Contractor's Default.** In the event Contractor is in default under Section 10.a. above, OHA may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:
- (1) termination of this Contract under Section 10.e.(2) below;
 - (2) withholding all monies due for Work and Work Products that Contractor has failed to deliver within any scheduled completion dates or has performed inadequately or defectively;

- (3) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief; or
- (4) exercise of its right of recovery of overpayments under Section 7., “Recovery of Overpayment”, of this Exhibit B.

These remedies are cumulative to the extent the remedies are not inconsistent, and OHA may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If a court determines that Contractor was not in default under Section 10.a. above, then Contractor shall be entitled to the same remedies as if this Contract was terminated pursuant to Section 10.e.(1) below.

- c. **Default by OHA.** OHA shall be in default under this Contract if OHA commits any material breach or default of any covenant, warranty, or obligation under this Contract, and such breach or default is not cured within 30 calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.
- d. **Contractor’s Remedies for OHA’s Default.** In the event OHA terminates the Contract under Section 10.e.(1) below, or in the event OHA is in default under Section 10.c. above, and whether or not Contractor elects to exercise its right to terminate the Contract under Section 10.e.(3) below, Contractor's sole monetary remedy shall be: (i) with respect to Work compensable at a stated rate, a claim for unpaid invoices, time worked within any limits set forth in this Contract but not yet invoiced, authorized expenses incurred and interest within the limits permitted under ORS 293.462, and (ii) with respect to deliverable-based Work, a claim for the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by OHA, less previous amounts paid and any claim(s) that OHA has against Contractor. In no event shall OHA be liable to Contractor for any expenses related to termination of this Contract or for anticipated profits. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section 10.d., Contractor shall immediately pay any excess to OHA upon written demand. If Contractor does not immediately pay the excess, OHA may recover the overpayments in accordance with Section 7., “Recovery of Overpayments”, and may pursue any other remedy that may be available to it.
- e. **Termination.**
 - (1) OHA’s Right to Terminate at its Discretion. At its sole discretion, OHA may terminate this Contract:
 - (a) For its convenience upon 30 days’ prior written notice by OHA to Contractor;
 - (b) Immediately upon written notice if OHA fails to receive funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to pay for the Work or Work Products;
 - (c) Immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that OHA’s purchase of the Work or Work Products under this

Contract is prohibited, or OHA is prohibited from paying for such Work or Work Products from the planned funding source; or

(d) Immediately upon written notice to Contractor if there is a threat to the health, safety, or welfare of any OHA client or recipient of services under this Contract, including any Medicaid Eligible Individual, under its care.

(2) OHA's Right to Terminate for Cause. In addition to any other rights and remedies OHA may have under this Contract, OHA may terminate this Contract immediately upon written notice to Contractor, or at such later date as OHA may establish in such notice, if Contractor is in default under Section 10.a. above.

(3) Contractor's Right to Terminate for Cause. Contractor may terminate this Contract upon 30 days written notice to OHA, or at such later date as Contractor may establish in such notice, if OHA is in default under Section 10.c. above, and OHA fails to cure such default within 30 calendar days after OHA receives Contractor's notice or such longer period as Contractor may specify in such notice.

(4) Mutual Termination. The Contract may be terminated immediately upon mutual written consent of the parties or at such other time as the parties may agree in the written consent.

(5) Return of Property. Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to OHA all of OHA's property that is in the possession or under the control of Contractor at that time. This Section 10.e.(5) survives the expiration or termination of this Contract.

(6) Effect of Termination: Upon receiving a notice of termination of this Contract, or upon issuing a notice of termination to OHA, Contractor shall immediately cease all activities under this Contract, unless in a notice issued by OHA, OHA expressly directs otherwise.

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

- a. Cancel or modify the stop work order by a supplementary written notice; or
- b. Terminate the work as permitted by either the Default or the Convenience provisions of Section 10., "Default; Remedies; Termination."

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

12. **Limitation of Liabilities.** EXCEPT FOR LIABILITY ARISING UNDER OR RELATED TO SECTION 9., "INDEMNITY", NEITHER PARTY SHALL BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS CONTRACT.
13. **Insurance.** Contractor shall maintain insurance as set forth in Exhibit C, attached hereto.
14. **Records Maintenance, Access.** Contractor shall maintain all financial records relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records, books, documents, papers, plans, records of shipments and payments, and writings of Contractor, whether in paper, electronic or other form, that are pertinent to this Contract, in such a manner as to clearly document Contractor's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments, and writings of Contractor, whether in paper, electronic or other form, that are pertinent to this Contract, are collectively referred to as "Records." Contractor acknowledges and agrees that OHA, the Secretary of State's Office, and the federal government, and their duly authorized representatives shall have access to all Records to perform examinations and audits, and to make excerpts and transcripts. Contractor shall retain and keep accessible all Records for the longest of:
 - a. Six years following final payment and termination of this Contract;
 - b. The period as may be required by applicable law, including the records retention schedules set forth in OAR Chapter 166; or
 - c. Until the conclusion of any audit, controversy or litigation arising out of or related to this Contract.
15. **Information Privacy/Security/Access.** If the Work performed under this Contract requires Contractor or, when allowed, its subcontractor(s), to have access to or use of any OHA computer system or other OHA Information Asset for which OHA imposes security requirements, and OHA grants Contractor or its subcontractor(s) access to such OHA Information Assets or Network and Information Systems, Contractor shall comply and require all subcontractor(s) to which such access has been granted to comply with OAR 943-014-0300 through 943-014-0320, as such rules may be revised from time to time. For purposes of this Section, "Information Asset" and "Network and Information System" have the meaning set forth in OAR 943-014-0305, as such rule may be revised from time to time.
16. **Force Majeure.** No party is responsible for delay or default caused by an event beyond its reasonable control. OHA may terminate this Contract, without liability to Contractor, upon written notice after reasonably determining the delay or default reasonably prevents performance of this Contract.
17. **Foreign Contractor.** If Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Contract.

- 18. **Subcontracts; Assignment; Successors.** Contractor shall not assign, transfer, or subcontract rights or responsibilities under this Contract, in whole or in part, without the prior written approval of OHA. This Contract’s provisions are binding upon and inure to the benefit of the parties to this Contract and their respective successors and assigns.
- 19. **No Third Party Beneficiaries.** OHA and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract. This Section shall survive expiration or termination of this Contract.
- 20. **Severability.** The parties agree that if any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid. This Section shall survive expiration or termination of this Contract.
- 21. **Notice.** Except as otherwise expressly provided in this Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, fax, or mailing the same, postage prepaid to Contractor or OHA at the address or number set forth in this Contract, or to such other addresses or numbers as either party may indicate pursuant to this Section. Any communication or notice so addressed and mailed by regular mail shall be deemed received and effective five days after the date of mailing. Any communication or notice delivered by fax shall be deemed received and effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours of the recipient, or on the next business day if transmission was outside normal business hours of the recipient. Notwithstanding the foregoing, to be effective against the other party, any notice transmitted by fax must be confirmed by telephone notice to the other party. Any communication or notice given by personal delivery shall be deemed effective when actually delivered to the addressee.

OHA: Office of Contracts & Procurement
635 Capitol Street NE, Suite 350
Salem, OR 97301
Telephone: 503-945-5818
Fax: 503-378-4324

This Section shall survive expiration or termination of this Contract.

- 22. **Headings.** The headings and captions to sections of this Contract have been inserted for identification and reference purposes only and shall not be used to construe the meaning or to interpret this Contract.
- 23. **Merger Clause.** This Contract constitutes the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, regarding this Contract not specified herein.

- 24. Amendments; Waiver; Consent.** OHA may amend this Contract to the extent provided herein, the solicitation document, if any from which this Contract arose, and to the extent permitted by applicable statutes and administrative rules. No amendment, waiver, or other consent under this Contract shall bind either party unless it is in writing and signed by both parties and when required, the Department of Justice. Such amendment, waiver, or consent shall be effective only in the specific instance and for the specific purpose given. The failure of either party to enforce any provision of this Contract shall not constitute a waiver by that party of that or any other provision. This Section shall survive the expiration or termination of this Contract.
- 25. Contractor's Failure to Perform.** Contractor's failure to perform the statement of work specified in this Contract, or to meet the performance standards established in this Contract, may result in consequences that include, but are not limited to:
- a. Reducing or withholding payment under this Contract;
 - b. Requiring Contractor to perform at Contractor's expense additional work necessary to perform the statement of work or meet performance standards; or
 - c. Declaring a default of this Contract and pursuing any available remedies for default, including termination of the Contract as permitted in Section 10., "Default; Remedies; Termination", of this Contract.

EXHIBIT C

Insurance Requirements

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

WORKERS’ COMPENSATION & EMPLOYERS’ LIABILITY

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

COMMERCIAL GENERAL LIABILITY:

Required **Not required**

Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this contract, and have no limitation of coverage to designated premises, project or operation. Coverage shall be written on an occurrence basis in an amount of not less than **\$1,000,000.00** per occurrence. Annual aggregate limit shall not be less than **\$2,000,000.00**.

AUTOMOBILE LIABILITY INSURANCE:

Required **Not required**

PROFESSIONAL LIABILITY:

Required **Not required**

EXCESS/UMBRELLA INSURANCE:

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

ADDITIONAL INSURED:

All liability insurance, except for Workers' Compensation, Professional Liability, and Network Security and Privacy Liability (if applicable), required under this Contract must include an additional insured endorsement specifying the State of Oregon, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on ISO Form CG 20 10 07 04 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 07 04 or equivalent.

WAIVER OF SUBROGATION:

Contractor shall waive rights of subrogation which Contractor or any insurer of Contractor may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Contractor will obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the Contractor or the Contractor's insurer(s).

TAIL COVERAGE:

If any of the required insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, Contractor shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Contract, for a minimum of 24 months following the later of (i) Contractor's completion and Agency's acceptance of all Services required under this Contract, or, (ii) Agency or Contractor termination of this Contract, or, (iii) The expiration of all warranty periods provided under this Contract.

CERTIFICATE(S) AND PROOF OF INSURANCE:

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

NOTICE OF CHANGE OR CANCELLATION:

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

INSURANCE REQUIREMENT REVIEW:

Contractor agrees to periodic review of insurance requirements by Agency under this Contract and to provide updated requirements as mutually agreed upon by Contractor and Agency.

STATE ACCEPTANCE:

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

EXHIBIT D
[Reserved]

EXHIBIT E

Financial Pages

MODIFICATION INPUT REVIEW REPORT

MOD#: M0454

CONTRACT#: 171296

CONTRACTOR: DESCHUTES COUNTY HEALTH SERVICES

INPUT CHECKED BY: _____ DATE CHECKED: _____

SE#	FUND	PROJ	CODE	CRMS	PROVIDER	EFFECTIVE	SLOT	RATE	OPERATING	STARTUP PART	PART	PAAF	BASE	CLIENT	SE#
						DATE	CHANGE/TYPE		DOLLARS	DOLLARS ABC	IV	CD		CODE	
FISCAL YEAR: 2021-2022															
		BASE			NI PARENT CHILD INTE										
11	804	NIPCIT				7/1/2021 - 6/30/2022	0 /N/A		\$77,618.00	\$0.00	A	1	Y		1
		BASE			NI PARENT CHILD INTE										
11	804	NIPCIT				7/1/2021 - 6/30/2022	0 /N/A		\$4,088.00	\$0.00	C	1	Y		2
TOTAL FOR SE# 11									<u>\$81,706.00</u>	<u>\$0.00</u>					
TOTAL FOR 2021-2022									<u>\$81,706.00</u>	<u>\$0.00</u>					
FISCAL YEAR: 2022-2023															
		BASE			NI PARENT CHILD INTE										
11	804	NIPCIT				7/1/2022 - 6/30/2023	0 /N/A		\$77,618.00	\$0.00	A	1	Y		1
		BASE			NI PARENT CHILD INTE										
11	804	NIPCIT				7/1/2022 - 6/30/2023	0 /N/A		\$4,088.00	\$0.00	C	1	Y		2
TOTAL FOR SE# 11									<u>\$81,706.00</u>	<u>\$0.00</u>					
TOTAL FOR 2022-2023									<u>\$81,706.00</u>	<u>\$0.00</u>					
TOTAL FOR M0454 171296									<u>\$163,412.00</u>	<u>\$0.00</u>					

OREGON HEALTH AUTHORITY
Financial Assistance Award Amendment (FAAA)

CONTRACTOR: DESCHUTES COUNTY HEALTH SERVICES
DATE: 06/28/2021

Contract#: 171296
REF#: 000

REASON FOR FAAA (for information only):

These payments are for MHS 11 Parent Child Interaction Therapy Services (PCIT) for continued PCIT program development and services. Payments provided through this Agreement are subject to the Legislative approval of the Oregon Health Authority's 2021-2023 Budget, at the level proposed in the Governor's Balanced Budget or higher.

The following special condition(s) apply to funds as indicated by the special condition number in column 9. Each special condition set forth below may be qualified by a full description in the Financial Assistance Award.

- M0454 1 The expenditure of payments made for MHS 11- Parent Child Interaction Therapy (PCIT) services must result in Provider planning, outreach and implementation of culturally, linguistically and ethnically appropriate PCIT services to 40 or more families for at least 4 PCIT specific sessions each fiscal year. MHS 11 - PCIT applies to the payments subject to this special condition.
- M0454 2 A) These payments are for MHS 11 Services. B) The payments subject to this special condition will be disbursed to Contractor in one lump sum at the end of each fiscal year upon receipt of approved invoice.

Confidential
CONTRACTOR TAX IDENTIFICATION INFORMATION
For Accounting Purposes Only

The State of Oregon requires contractors to provide their Federal Employer Identification Number (FEIN) or Social Security Number (SSN). This information is requested pursuant to ORS 305.385 and OAR 125-246-0330(2). Social Security numbers provided pursuant to this section will be used for the administration of state, federal and local tax laws. The State of Oregon may report this information to the Internal Revenue Service (IRS). Contractors must keep this information current at all times. Contractors are required to notify the State of Oregon contract administrator within 10 business days if this information changes. The State of Oregon reserves the right to ask contractors to update this information at any time during the document term.

Document number: 171296

Legal name *(tax filing)*: Deschutes County Oregon

DBA name *(if applicable)*: Deschutes County Health Services

Billing address: 2577 NE Courtney Drive

City: Bend State: OR Zip: 97739

Phone: 541-322-7500

FEIN: 93-6002292

- OR -

SSN:

Kirsten Maerki

From: Do Not Reply
Sent: Friday, July 9, 2021 3:50 PM
To: Kirsten Maerki
Subject: Fiscal Services Contract Requests - PCIT Document Return, CTII and PPS...

[Health Services](#)

PCIT Document Return, CTII and PPS... has been added

[Modify my alert settings](#) | [View PCIT Document Return, CTII and PPS...](#) | [View Fiscal Services Contract Requests](#) | [Mobile View](#)

Title:	PCIT Document Return, CTII and PPS Contract
End Date:	6/30/2021
Payment Instruction Notes:	
Division:	Behavioral Health
Project Code/Cost Center:	None
Program or Team:	PCIT
Start Date:	7/1/2021
Payment Instruction:	Other
Request:	New
Lead/Point of Contact:	Shannon Brister-Raugust
Contractor Name:	OHA
Fiscal Impact:	County Expenditure
Program Manager:	Shannon Brister-Raugust
Fiscal Reporting Required:	Yes
Scope of Work:	See documents sent in email
Contractor Contact:	<i>Heidi S. Tracy</i> Procurement & Contract Specialist 2 ODHS/OHA Shared Services Office of Contracts & Procurement 635 Capitol St NE, Suite 350 Salem, OR 97301-2532 Phone: (503) 934-3487 Fax: (503) 378-4324

Email: heidi.s.tracy@dhsosha.state.or.us

Admin Reviewed:	No
Admin Contract State:	New
Priority Level:	Within next two weeks
Procurement Type:	Not Applicable
Maximum Compensation:	\$0.00
For Public Health:	No
Request a consultation appointment?:	No

Last Modified 7/9/2021 3:45 PM by Shannon Brister



APPROVAL MEMO

REFERENCE: Contract No. 2021-631

Director/Deputy Director:

I have read this document in its entirety; we can accept/accomplish the Statement of Work. I have reviewed the Document Summary and I approve moving forward. This is my consent for signature.

Sincerely,

Signature: 

Email: shannon.brister@deschutes.org

Title: Program Manager

Company: Deschutes County Health Services

Administrative Notice of Execution:

Signature:

Email: grace.evans@deschutes.org

Title:

Company:

DOCUMENT RETURN STATEMENT

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

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

Document number: 171296 , hereinafter referred to as "Document."

I, _____
Name Title

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

_____ by email.

Contractor's name

On _____ ,
Date

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

Authorizing signature

Date

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



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: August 25, 2021

SUBJECT: Consideration of a Resolution Authorizing the Cash Redemption of the County's Full Faith and Credit Obligations Related to La Pine Sewer District

RECOMMENDED MOTION:

I move to approve Resolution 2021-061 authorizing the cash redemption of the County's Full Faith and Credit Obligations related to La Pine Sewer District.

BACKGROUND AND POLICY IMPLICATIONS:

In 2004, the Board of County Commissioners (Board) entered into an intergovernmental agreement with the La Pine Special Sewer District (District), later assumed by City of La Pine through annexation in 2012, to accommodate the extension of sewer services to the entire Newberry Neighborhood. The County aided the District in constructing the increased sewer capacity through the transfer of federal grant funds and a County loan in the amount of \$1,130,350.

Funds to make the improvements, and as the basis for the loan, were a component of a larger 2003 County debt obligation (Series 2003) that was refinanced in 2012 (Series 2012). The Series 2012 obligations are callable (able to be refinanced or refunded) on December 1, 2021. The Board approved resolution 2021-056 on July 14, 2021 authorizing the refinancing of Series 2012 obligations. The balance owing on the bonds related to the sewer improvement project at the time of the call is approximately \$521,588.

The loan and bond payments have been funded by sewer SDCs. Due to recent and expected growth in the Newberry Neighborhood, County staff expects to collect enough SDCs this year to fully fund both the loan and outstanding debt balance years ahead of schedule.

Approval of this resolution will allow the County to fund the portion of the Series 2012 debt refinancing, related to the sewer improvement project, with cash collected from sewer SDCs at which time the loan will be fully satisfied.

BUDGET IMPACTS:

The budget impact of the refunding/refinancing of the Series 2012 bonds, and the use of cash to fund the sewer improvement project, were not known at the time of the adoption of the FY 2021-22 budget. If the resolution is approved, staff will return to the Board with a request to adjust budget appropriations accordingly.

ATTENDANCE:

Greg Munn, County Treasurer and Chief Financial Officer
Sherri Pinner, Sr. Management Analyst, Community Development

REVIEWED

LEGAL COUNSEL



For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

A Resolution Authorizing the Cash *
Redemption of the County’s Full Faith * RESOLUTION NO. 2021-061
and Credit Obligations Related to La Pine *
Sewer District

WHEREAS, the County previously refinanced the construction of capital projects, including sewer system improvements for the La Pine Sewer District (the “La Pine Sewer Projects”) through the County’s Full Faith and Credit Obligations, Series 2012 (the “2012 Obligations”); and

WHEREAS, although the County is obligated to pay the debt service on the portion of the 2012 Obligations allocable to the La Pine Sewer Projects, the County has entered into a loan with the La Pine Sewer District, which was assumed by the City of La Pine (the “La Pine Loan”), for the payment of the debt service through sewer system development charges (SDCs); and

WHEREAS, growth in the City of La Pine has caused sewer SDCs to increase significantly and the loan is fully funded; and

WHEREAS, the La Pine Sewer Projects are operated by the City of La Pine, and not the County, and it is possible that the City of La Pine may use the La Pine Sewer Projects in the future in a way that would result in “private business use” as defined in Section 141(b)(6) of the Internal Revenue Code of 1986, as amended (the “Code”), such as a sale, lease or private management of the La Pine Sewer Projects, and that such use could impact the exclusion from gross income of the 2012 Obligations or any debt issued to refinance the 2012 Obligations; and

WHEREAS, the County wishes to use sewer SDCs collected for repayment of the La Pine Loan to redeem that portion of the 2012 Obligations allocable to the La Pine Sewer Projects to satisfy an “anticipatory remedial action” described in Section 1.141-12(d)(3) of the Treasury Regulations so that future uses of the La Pine Sewer Projects will not impact the exclusion from gross income of any debt issued to refinance the 2012 Obligations.

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

Section 1. Transfer of Funds.

The County hereby authorizes the transfer of the SDCs held and collected for the repayment of the La Pine Loan to U.S. Bank National Association, as escrow agent, for the redemption of the 2012 Obligations allocable to the La Pine Sewer Projects.

Section 2. Anticipatory Remedial Action.

The County hereby declares its intention to redeem that portion of the 2012 Obligations allocable to the La Pine Sewer Projects. This action is taken in compliance with Section 1.141-12(d)(3) of the Treasury Regulations which requires that the County declare its official intent to take an anticipatory remedial action prior to the redemption of the affected debt.

Section 3. Effective Date.

This Resolution shall take effect immediately upon its adoption. DATED this ____ day of _____, 2021.

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, CHAIR

PHIL CHANG, VICE CHAIR

PATTI ADAIR, COMMISSIONER

ATTEST:

Recording Secretary



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: August 25, 2021

SUBJECT: American Rescue Plan Funding Update

RECOMMENDED MOTION:

A to-be-determined motion will be required if they Board choses to fund additional projects from ARPA funds.

BACKGROUND AND POLICY IMPLICATIONS:

This is a recurring agenda item to provide the Board of County Commissioners updates on the status of ARPA funds and the opportunity to review eligible project requests for funding consideration.

Discussion items for today's update:

- 1. Cleveland Commons project funding proposal. This is a follow up to the project presentation on 08.04.21.
- 2. Review ARPA funding requests.

BUDGET IMPACTS:

None. Budget appropriations for the entire \$38 million ARPA funding award are included in the FY 2021-22 Adopted Budget.

ATTENDANCE:

- Greg Munn, County Treasurer and Chief Financial Officer
- Dan Emerson, Budget Manager
- Colleen Thomas, Health Services
- David Brandt, Executive Director, Housing Works
- Scott Cooper, Executive Director, NeighborImpact

Cleveland Avenue Residence

Permanent Supportive Housing Development in Bend, OR
36 units + on-site supportive services

Will be Central Oregon's **only** residence serving our community members exiting chronic homelessness.

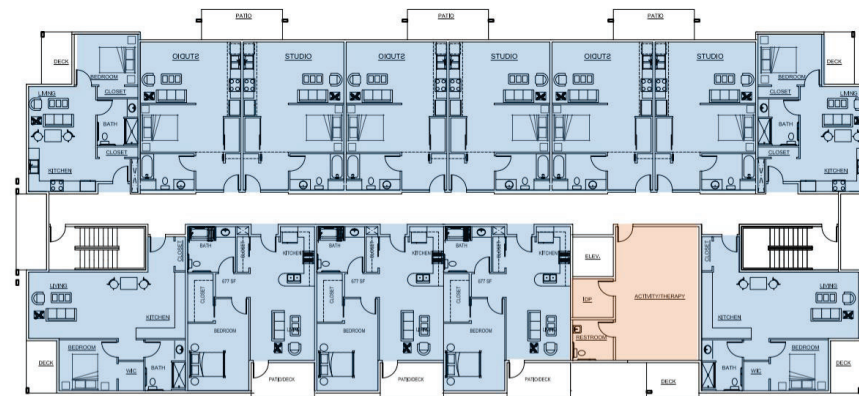
Integrating on-site healthcare, behavioral health supports, and trauma-informed resident services.

Centrally located • Significant local support • Tenant-centered design

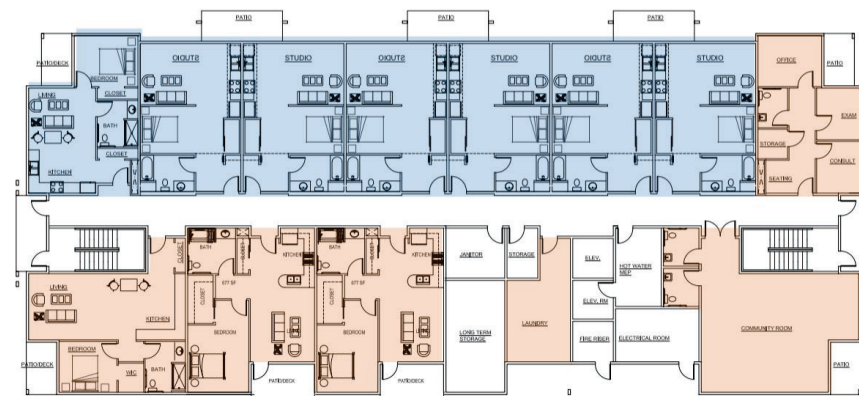
Made possible through innovative partnerships between well-established regional agencies:



Neighbor**Impact**



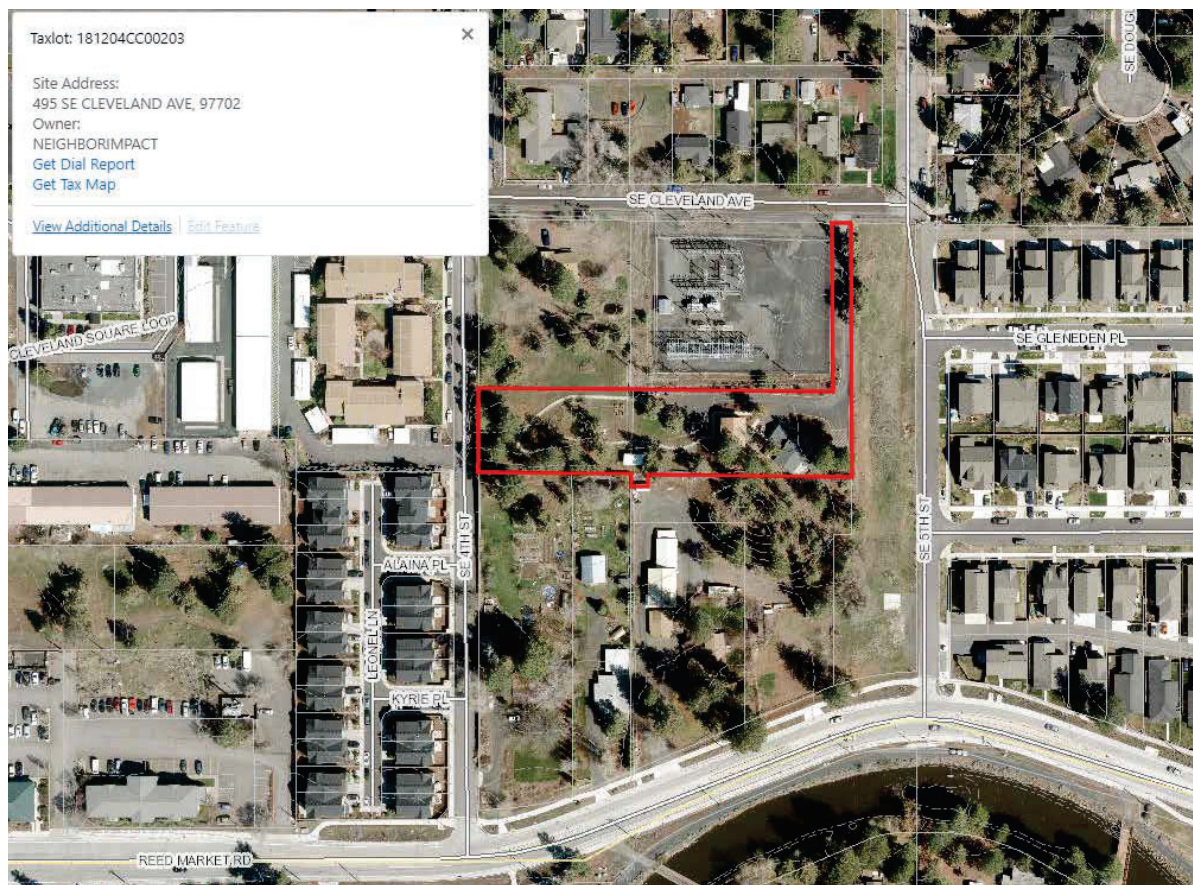
2ND/3RD LEVEL



1ST LEVEL

The Central Oregon 2020-2021 Supportive Housing Institute team members are: David Brandt, Rodger Moore, Colleen Sinsky, and Colleen Thomas.

Permanent Supportive Housing CLEVELAND APARTMENTS





Site Features

- 44 Parking Spaces (2 ADA)
- Open Space
- Bike Parking

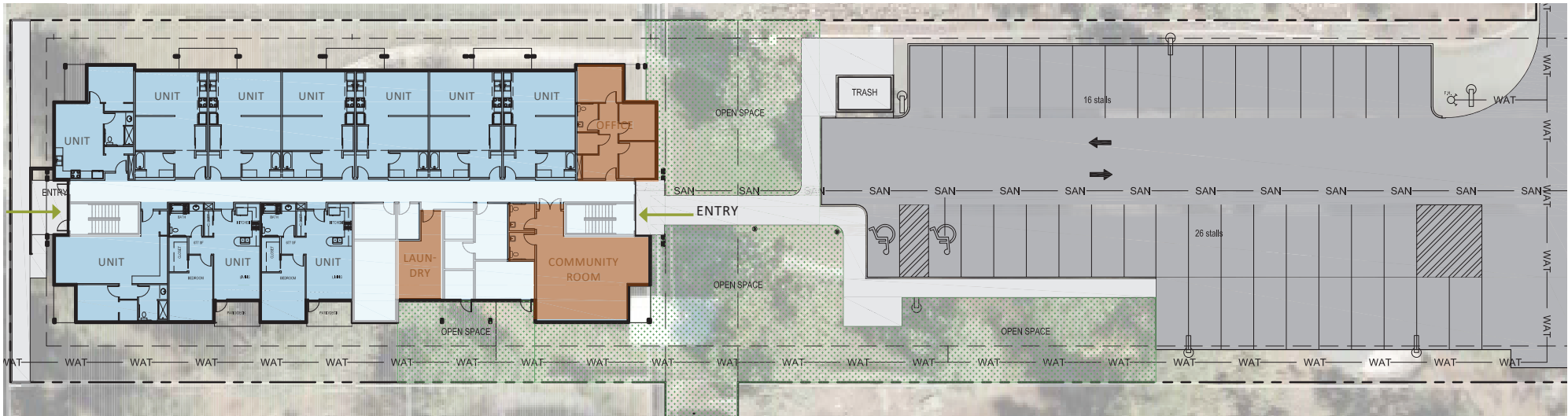
Residential Features

- 3 Story Building
- 31,854 Gross SF

Studio:	18
1 Bedroom:	18
TOTAL:	36 Units

Cleveland Apartments
 Bend, Oregon
 4/24/220





- Private Residential Space
- Community/Office Space

OPPORTUNITIES

- Residents and services under one roof.
- Multiple amenity spaces
- Laundry in building.
- Maximum amount of units.

CHALLENGES

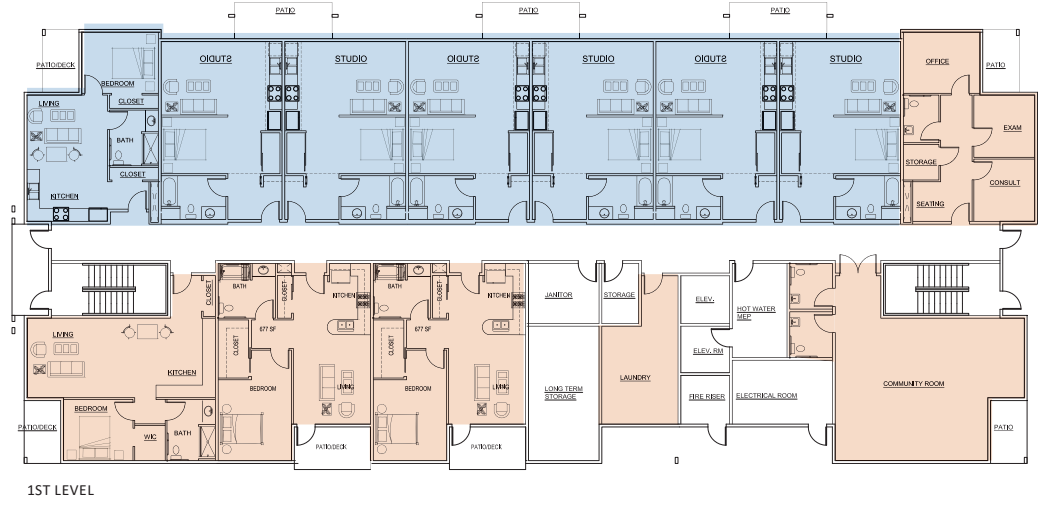
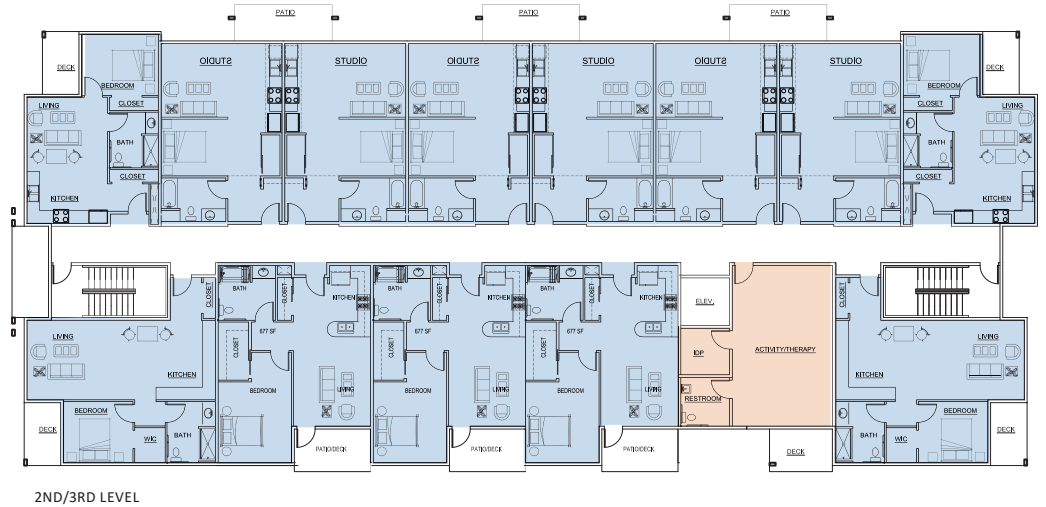
- Confirm parking count and variance with City.
- Back access need to coordinate with power station to see if we can borrow land for proper 24' wide drive aisle.
- Least amount of open space.
- 4th street possible right of way dedication will affect the design.

Cleveland Apartments
 Bend, Oregon
 4/24/220



	SF	Studio	One-Bedroom	Total Units
1st Level	10,818	6	6	12
2nd Level	10,518	6	6	12
3rd Level	10,518	6	6	12
TOTAL	31,854	18	18	36

Private Residential Space
 Community/Office Space

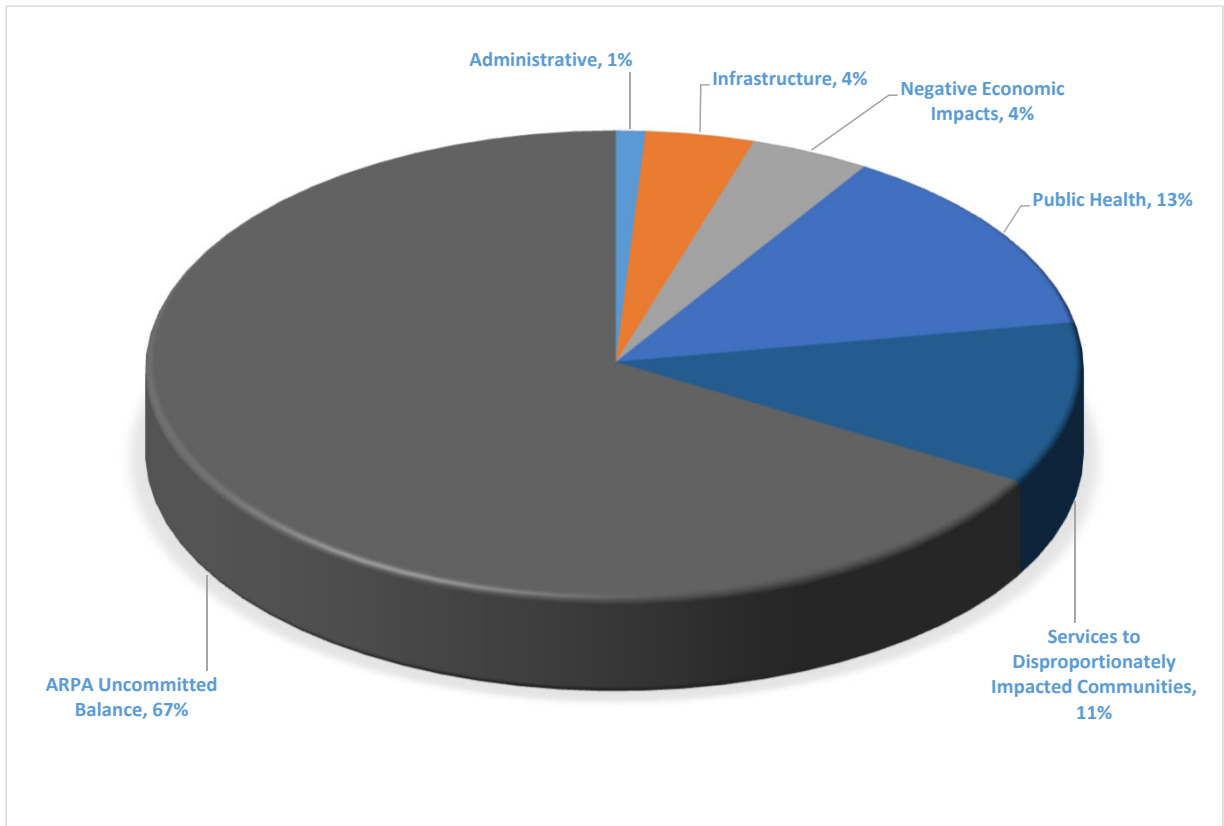
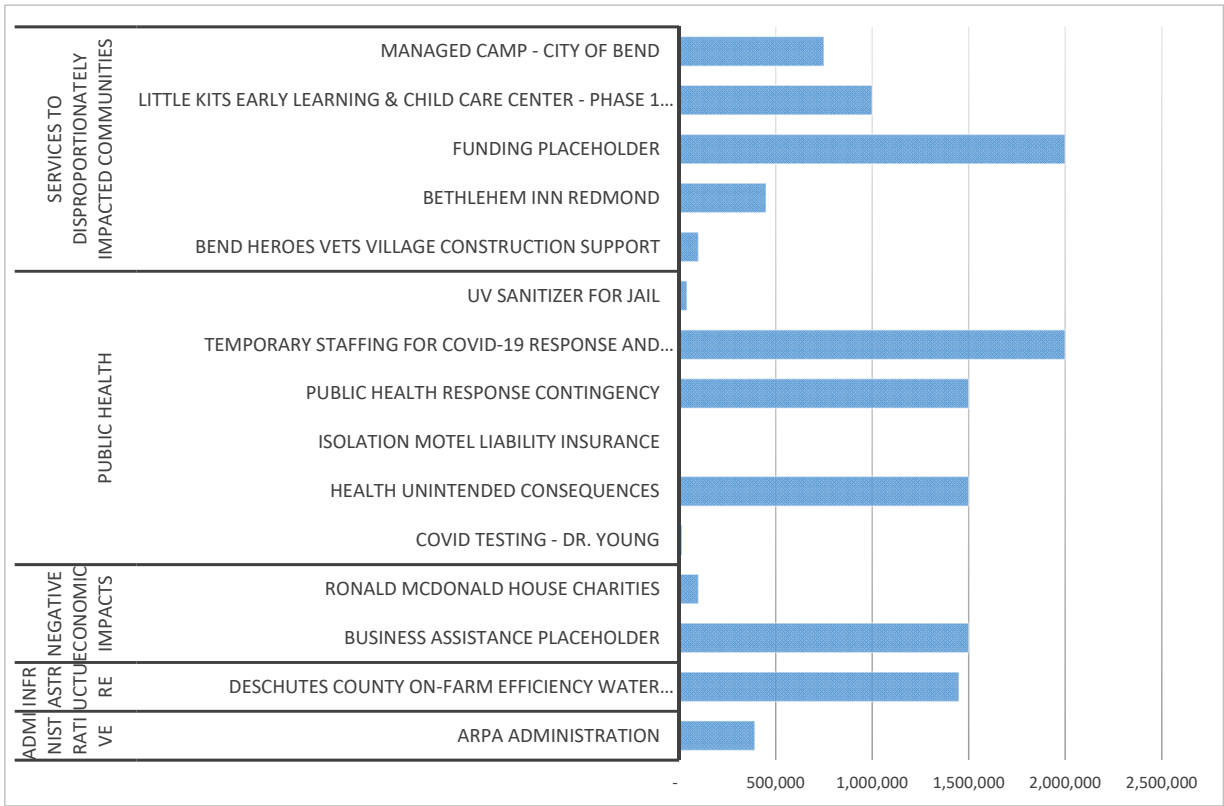


Cleveland Apartments
 Bend, Oregon
 4/24/220



Deschutes County ARPA Commitments

Revised 08.18.21



Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
Public Health	9,976,300	5,063,184
Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
Higher rated HVAC filters for County facilities		
Annual		
North county health facility-acquisition and remodel		
Expansion of health services in north county.	8,300,000	
North county health facility-furniture, fixtures and equipment		
To accommodate expansion of health services in north county.	897,700	
COVID-19 Contact Tracing		
Temporary Staffing for COVID-19 Response and Outreach (Contact Tracers, Case Investigators, and Call Center staff)		
Outbreak Investigation, containment, and future pediatric needs. Temporary staffing will be used to support activities, such as staffing the call center, conducting investigations, outreaching and engaging with the community, and various other activities that support the ongoing COVID-19 response and recovery efforts. 23 CI/CT staff as of July 2021; 16 Call Center staff. Estimate is \$30K from 7.1.21 - 6.30.23. Represents phased-down approach at: * 100% July 1 - Sept 2021 * 75% October 1 - December 2021 * 50% January - June 2022 * 25% July 2022 - June 2023 On 08.11.21 the BOCC approved \$700,000 to be spent of original \$2M request with balance of \$1.3M to be placed in a reserve appropriation.		700,000
On 08.11.21 the BOCC approved \$700K of original \$2M request to be spent on project with balance of \$1.3M to be reserved for possible future allocations.		1,300,000
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
Isolation motel liability insurance		
Paid approx 05.13.21 to extend to 07.01.22 out of ARPA funds ahead of BOCC approval. Move to CW if not approved. BOCC approved 07.14.21.		8,184
Outreach Van		
Outreach and support for preventive and clinical services, meeting community where they are at.. One-time capital investment (multi-program van).	85,000	
Personal Protective Equipment		
UV sanitizer for jail		
BOCC approved 07.14.21.		40,000
(blank)		
Health Unintended Consequences		
Funding placeholder		1,500,000
Public Health Response Contingency		

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
Funding placeholder		1,500,000
Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
Additional County cleaning supplies and labor (annual)	168,000	
Additional County cleaning supplies and labor FY21		
March 11-June 30, 2021	49,000	
Mobile technology upgrade for the Clerk		
A mobile training cart would allow training of new and existing employees while accommodating social distancing. It will also be used for virtual appellant sessions for Board of Property Tax Appeals instead of meeting in person. The entire setup will include a cart, TV, camera, microphone, wireless keyboard and mouse. Virtual meeting rooms such as Zoom, Webex or MS Teams will be utilized and accessed through a laptop the office already owns. The flexibility of having the setup on a cart allows for multiple training configurations within the Clerk's office.	6,600	
Clear Access, and its related peripherals, is a portable accessible ballot marking device that allows voters with disabilities to mark their ballot independently. Using this device on their own limits the close proximity voters would otherwise need to have with staff if the technology was not available. It could be used in the office or in the field.		
Mental Health Services		
Technology enhancements for telemedicine and collaboration		
Cameras, microphones, and additional technology in large conference rooms to facilitate telemedicine and group work.	200,000	
The Shield free counseling to Veterans		
THE SHIELD's mission is to remove all barriers to our local Veterans accessing mental health services. Our primary activity is providing specialized, evidence-based mental health counseling/therapy at no cost to our Veterans. We eliminate the long wait-times for appointments; no co-pays; no deductibles; no red-tape & no bureaucracy. Our clients only need to make one contact to see a therapist. One call or one email and they have an expedited appointment to meet with a counselor without waiting. THE SHIELD is pursuing funding for our CY2021-2022 program to provide free specialized counseling to Central Oregon Veterans. We are requesting \$20,000 in ARPA funding which will provide 200 hours of specialized counseling to local Veterans. 100% of grants & donations go directly toward providing services to clients. All fundraising and administrative costs are covered through our unpaid volunteer board members and other volunteers of THE SHIELD.	20,000	
COVID-19 Testing		
Covid Testing		
Increase access to reliable and rapid covid tests. Estimate through FY23.	250,000	
COVID testing - Dr. Young		
Amount to fully fund contract that isn't covered by CARES. BOCC approved 07.14.21.		15,000
Negative Economic Impacts	7,733,249	1,600,000
Household Assistance: Food Programs		
Food Insecurity for Older Adults -- Partnership with Council on Aging & Redmond Senior Center		

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
COHC recommended project. Includes Council on Aging -- \$500K (Include an ask to share with LaPine/Sisters); Redmond Senior Center -- \$300K	800,000	
NeighborImpact warehouse expansion We increased our numbers served during the pandemic by 54%. The volume of food being distributed does not appear to be receding because we had inadequate food pre-pandemic and people are continuing to utilize our system. The food warehouse is also part of the disaster recovery plan for Deschutes County. We currently have the smallest warehouse in the state (among the 21 food pantries) based on volume of food moved per square foot. The warehouse was last upgraded in 1992. Since then, Deschutes County has grown 239%. The warehouse is the same size. Funds would be used to extend the warehouse and to make improvements to HVAC, unloading area (including installation of a much-dreamed of unloading docks, plumbing and electrical systems, security and other construction needed to improve the facility. The \$5 million is probably high. Engineering is underway. Full cost but looking for partners.	5,000,000	
Nutritional assistance Nutritional assistance to local families who are financially struggling through purchase of fresh produce from Deschutes County farmers (coordinate through a food bank of the Veggie Rx program)		
The Giving Plate The Giving Plate's story is our own family's story and was birthed out of a season of our own loss after the 2008 recession. With little to give beyond our time, heart, and passion, we entered in to this venture of feeding our neighbors in need with a lot of faith. Yet, we never could have imagined the growth that was ahead for this little "mom and pop" food pantry. We are now the largest food pantry in Central Oregon, still run by the family that founded it, and one of the only pantries in Oregon with a kid's food pantry. We have a special focus on childhood hunger, with 60% of individuals we serve as an organization falling under the age of 18. Since 2017, The Giving Plate has been on a steady trajectory of growth as an organization given the need for our services, expanding our programs, and community awareness and support. In 2020, the need for our services rose to a whole new level with a 40% increase in the number of families we helped in our food-box program alone. In 2021, we have watched the need stabilize with some of the stimulus that the government has infused into our communities. Currently, we are helping an average of 550 families each month in our food-box program, and nearly 750 bags of food each month are going into the hands of children in need through our Kid's Korner program. For at least three years, the need for space has been an issue and are planning to consolidate operations into one location this year. We are capital campaigning to help raise funds for the remodeling work to make the location usable for our operations. Depending on the level of remodeling needed we are estimating a cost of \$500,000 to \$700,000. We have meetings set to get the numbers finalized and should have more clarity on the exact amount needed in the next couple months.	700,000	
Aid to Nonprofit Organizations		
La Pine Chamber of Commerce Help community recover from loss of events revenue.	250,000	
NeighborImpact rental assistance float loan		

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
<p>08.09.21 this item has been removed, no longer needed. \$1.5 million 1% interest cash flow line of credit or deposit. We will need this for the duration of distribution of pandemic-related relief. (American Rescue and Recovery Plan has some programs that go through 2027.) We will use the funds to manage cash flow needs while we wait for reimbursement to avoid turning off and turning back on rental assistance and to avoid delaying childcare center support payments. We can return the full \$1.5 to the county as soon as the volumes subside.</p>		
<p>Redmond Chamber - lost revenue The Redmond Chamber of Commerce & CVB remained active, helping all businesses in Redmond and surrounding area during the COVID year of 2020. The Redmond Chamber assisted all business, not just our 820+ members navigate the challenges of COVID. Many of our members struggled and some were closed under Executive Orders. These members lost the ability to pay their membership. As a Chamber, we made the decision to not drop any member for the inability to pay. This was when our members needed us the most. The Redmond Chamber of Commerce became a lifeline for information, PPP, PPE and other valuable information and grant programs as they became available. We would like to ask for funds to bring the outstanding 2020 membership current and the uncollected outstanding ad sales from the 2020-2021 Visitor Guide.</p>	53,249	
<p>Redmond Rotary Fundraiser cancellations</p>	90,000	
<p>Ronald McDonald House Charities Capital Campaign Project, local family foundation \$100K match. These past 13 months have been devastating for many individuals, businesses and non-profits in our community. With the cancellation of events due to a worldwide pandemic, it has greatly impacted the ability for us to fundraise to support our mission and the work that we do for families in need. BOCC approved 07.14.21.</p>		100,000
<p>Sisters Rodeo Association The Sisters Rodeo Association has suffered significant economic losses as a result of the COVID-19 pandemic. This last year, with no Rodeo event revenue, we have tapped into our reserves to maintain our facilities and meet our monthly expenses. Fortunately for an all-volunteer Association, no one was laid off or furloughed. Sisters Rodeo respectfully requests ARPA grant funds of \$100,000. Our intended use of the grant funds would include: student college scholarships; community and student club/organization grants; capital improvements for arena lighting and completion of previously commenced renovations of our storage facilities and other necessary repairs. Except for our pre-committed scholarships, we have been unable to meet these Association and community needs the last two years.</p>	100,000	
<p>Small business grants - Sisters COC These funds would be used for grants to businesses with the largest negative impacts due to COVID-19 and administrative and operational costs directly to the Sisters Area Chamber of Commerce. It is my request that you also consider supporting the other Chambers in Deschutes County with a portion of the Rescue funds.</p>	350,000	
<p>Sunriver Area Small Business Assistance Grant Program and Hiring Campaign With these critical funds, the Chamber would provide direct financial relief to those small businesses that have suffered from significant economic hardship from the COVID pandemic. The Chamber would also launch a new campaign to attract much needed employees for our local businesses.</p>	350,000	
<p>Small Business Economic Assistance (General)</p>		

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
Business Assistance Placeholder		1,500,000
Redmond Chamber - Redmond Parklet The City has a permit process for Redmond area businesses to apply for a temporary Parklet in the street in front of their business. The cost of permits, materials and construction make Parklets almost cost prohibitive - estimated at around \$10,000. The Redmond Chamber would like to offer four grants to cover costs to the first 4 businesses who request assistance with a Parklet.	40,000	
Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives) (blank)		
Work training for adults with disabilities		
Services to Disproportionately Impacted Communities	18,966,116	4,300,000
Healthy Childhood Environments: Child Care		
Childcare Facility and/or start up costs *County builds Funding Placeholder		2,000,000
Little Kits Early Learning & Child Care Center - Phase 1 Bend \$1M Deschutes County investment + \$1M Match Senator Knopp + \$300K City of Bend. Build modular center, Little Kits to operate center, Launch incremental workforce development programming on site. BOCC approved 07.14.21.		1,000,000
Little Kits Early Learning & Child Care Center - Phase 2 La Pine \$500K Deschutes County investment. Select home based providers or find location for center, Construction or building improvements as necessary, Build operational capacity.	500,000	
Little Kits Early Learning & Child Care Center - Phase 2 Redmond \$1.3M Deschutes County investment + \$200K Match Representative Zika. Develop partnership between REACH + Early Learning Center, Complete tenant improvements for childcare in existing physical centers, Local provider to operate center, Expand Little Kits workforce development programming at center.	1,300,000	
Little Kits Early Learning & Child Care Center - Phase 2 Sisters \$500K Deschutes County investment, Select home based providers or regional Early Childhood Center as operator(s), Construction or building improvements as necessary, Build operational capacity.	500,000	
ReVillage Childcare Proposal 4 childcare centers, purchase materials, administration Manzanita Preschool & Daycare Lost business during COVID-19	350,000	
Housing Support: Affordable Housing Affordable housing project		
Habitat for Humanity-Bend 12 Townhomes		

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
This is to complete the land development and construction of 12 townhomes on SE 27th Ave in Bend (total cost is \$3.5 million). Habitat for Humanity-Bend 8 Townhomes	2,000,000	
This is to complete the land development and construction of 8 townhomes on Watercress Way in Bend (total cost is \$2.5 million). Habitat for Humanity-Sisters Woodland Project	1,500,000	
Sisters Habitat for Humanity has successfully negotiated with the developers of Sisters Woodlands to purchase 10 to 15 residential lots at a price significantly below market value. Permanent Supportive Housing	1,500,000	
HOUSING PRIORITY #1. Staffing for DCHS to support efforts working with FUSE as well as other projects that are forthcoming. Of the DCHS projects proposed related to housing, this is most important as it will have the biggest impact. Habitat for Humanity La Pine Sunriver	2,099,777	
subsidize homebuilding costs Affordable Home Ownership	200,000	
Kor Community Land Trust respectfully requests \$600,000 of funds from Deschutes County to acquire land for two properties to advance the number of affordable housing it can develop for the area's workforce. This grant funding would stay in the land and be used to bring down the price of the homeownership units to make them affordable for households earning between 30-80% AMI.	600,000	
Housing Support: Services for Unhoused Persons		
Bend Heroes Vets Village construction support On 5/18/21 the County contributed an additional \$100K (for a total of \$250K) for the development of the Veterans Village project. This amount was funded out of the General Fund until a decision was made to use ARPA dollars. BOCC approved 07.14.21.		100,000
Bethlehem Inn Redmond Request \$450K of \$1.2M to complete conversion of 1960s motel into a year-round shelter with the capacity of up to 88 individuals per night. BOCC approved 07.14.21.		450,000
Construction of Cleveland Avenue Project Housing Impact LLP, a partnership between Housing Works, the regional housing authority, and Neighbor Impact, the regional Community Action Agency, is requesting approximately \$4.2 million in ARPA funds to support the construction of a 36 unit Permanent Supportive Housing apartment complex in the City of Bend to house the chronically homeless population which has grown considerably during the COVID-19 pandemic. The \$4.2 million dollar request reflects the amount of capital need to gap the total cost of the facility (\$8.5 million) and the funds that the partnership can deliver to the project through other non-competitive funding sources. A commitment of these funds would permit the partnership to begin construction of the project at the beginning of 2022. I have attached a number of documents which detail the request and the project.	4,200,000	
Managed Camp - City of Bend \$1.5M match to City funds. The initial estimates indicate that this level of funding would allow us to create safe camping spaces for approximately 60 households for a year. BOCC approved \$750K on 07.14.21.	750,000	750,000
Navigation Center		

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
HOUSING PRIORITY #2 (time sensitive). City of Bend has \$2.5 million for the building/acquisition of a site. Question remains on who and how this will be run. City of Bend just closed RFQ for entities able to provide services. Per Molly, not many options. DCHS requested to be considered. Would not have the bandwidth to support this with current staff. Request is to increase Colleen's team in order to coordinate projects, which will inevitably be coming to DCHS anyways. Included truck and M&S for supplies in this request, and is part of minimum ask.	774,117	
New facility in Redmond (blank)		
Redmond Oasis Village Project Jericho Road is presenting this request for American Rescue Fund support in the amount of \$367,500. The funds will be used to secure and prepare the living facilities and support units necessary for ten initial units with a goal of increasing the capacity to 40 units over a period of three years. Attached to this application is our Pro Forma Capital Budget for the Redmond Oasis Village Project.	367,500	
Sisters Cold Weather Shelter We are writing on behalf of the Sisters Cold Weather Shelter to request American Rescue Plan Act (ARPA) funding to purchase an existing building that is ready to function as a transitional and permanent shelter for at least six houseless guests and has an apartment for the full time resident staff. We are also requesting funding for start-up costs and staffing over three years. The facility would serve as a navigation and resource center for community members experiencing homelessness plus replace our system of host churches as our emergency warming shelter in the winter months. When you consider the opportunity, I am sure you will agree that this is a compelling all-inclusive solution. It is a perfect fit for a town the size of Sisters to begin addressing the daunting need of our community members who are currently forced to live in the national forest. We understand that the City of Sisters will also receive ARPA funding. We intend to work with them and other partners to help with this important project.	1,000,000	
Transitional Housing		
Managed Camp Support	359,951	
HOUSING PRIORITY #3. City of Bend putting \$1.5 million of their ARPA funds towards this project; requested Dechutes County to match. At present, BOCC awarded \$750K. City of Redmond intention to request funds to support structured camp next Wednesday (7.21.21). Staffing to support all structured camps.	964,771	
Housing Support: Other Housing Assistance		
Workforce Housing Project You can help address the workforce housing crisis by using the federal funds at your disposal to reduce the cost and delay the city and county cause in the process of constructing workforce housing. City and county planning and building permit processes adds tens of thousands of dollars to the cost of a house or apartment that someone working in Bend could afford. This increases the price of that housing for working families, and leads developers to create less workforce housing. The city and county should subsidize permitting fees and system development charges charged to workforce housing projects with the federal funds for those projects that lead to housing that working people in Bend can afford.		
Infrastructure	6,000,000	1,450,000

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

Eligible Requests

Project/Funding Request	Est. Cost	BOCC Approved
Clean Water: Other Sewer Infrastructure		
NeighborImpact south county septic replacement program		
We currently operate a modest septic replacement program for south county, mostly in La Pine area. This was put together to respond to concerns from DEQ about potential groundwater contamination. However, we are getting 2-3 calls per week inquiring about septic replacement and funding for well replacement as water tales. These calls appear to reflect a general dropping of the water table probably related to long-term drought. We turn most of these calls away but with the funding from the county, could extend the existing program to more residents ensuring continuation of quality water supply and accelerating septic replacement. Funds would be lent on an amortizing basis and returned to the lending fund as loans are repaid. We would approach Crook and Jefferson about their interest in making smaller investments to serve residents of their two counties.	1,000,000	
Terrebonne Sewer System		
The estimated cost for the first phase (commercial area) is approx \$5M. Portions of the first phase that could be funded piecemeal include installation of the dry-line piping that will need to be placed in the reconstructed roads (11th, B, C, Central, US 97) with the US 97 Project; this is approximately \$750,000. An additional piecemeal investment opportunity may include purchasing capacity for Terrebonne in the City of Redmond's Wastewater Treatment Plant (expansion project currently under design); this may equate to around \$500,000 to \$1M.	5,000,000	
Wastewater investments in South County		
Clean Water: Water Conservation		
Deschutes County On-Farm Efficiency Water Conservation Investment		
\$1.45M of a total \$4.75M project presented to and approved by the BOCC on 08.04.21.		1,450,000
Administrative	10,935	392,000
Administrative Expenses		
ARPA Administration		
Provides for 1 FTE and associated costs for term of ARPA funding (12.31.24). BOCC approved 07.14.21.		392,000
COIC grant distribution contract		
Administrative costs for "extreme risk" emergency business assistance grant funds distribution.	10,935	
Grand Total	42,686,600	12,805,184

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

All Requests

Project/Funding Request	Eligibility		
	Yes	TBD	No
Public Health	9,976,300	7,180,860	15,691
Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency			
Higher rated HVAC filters for County facilities			
North county health facility-acquisition and remodel	8,300,000		
North county health facility-furniture, fixtures and equipment	897,700		
COVID-19 Contact Tracing			
Temporary Staffing for COVID-19 Response and Outreach (Contact Tracers, Case Investigators, and Call Center staff)			
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)			
Isolation motel liability insurance			
Outreach Van	85,000		
Regional Resilience Coordinator position		90,000	
Personal Protective Equipment			
UV sanitizer for jail			
(blank)			
Health Unintended Consequences			
Public Health Response Contingency			
Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)			
Additional County cleaning supplies and labor (annual)	168,000		
Additional County cleaning supplies and labor FY21	49,000		
Circuit court facility rental at F&E		60,860	
Circuit court facility set up costs		30,000	
Expansion of the Jail Booking and Visitation Areas		7,000,000	
Mobile technology upgrade for the Clerk	6,600		
Mental Health Services			
Technology enhancements for telemedicine and collaboration	200,000		
The Shield free counseling to Veterans	20,000		
COVID-19 Testing			
Covid Testing	250,000		
COVID testing - Dr. Young			
COVID-19 Vaccination			
Vaccine Center rent Jan 18-20			15,691
Negative Economic Impacts	7,733,249	167,000	
Aid to Tourism, Travel, or Hospitality			

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

All Requests

Project/Funding Request	Eligibility		
	Yes	TBD	No
Fairgrounds capital improvements			
La Pine Frontier Days		75,000	
Smith Rock parking lot			
Household Assistance: Food Programs			
Food Insecurity for Older Adults -- Partnership with Council on Aging & Redmond Senior Center	800,000		
NeighborImpact warehouse expansion	5,000,000		
Nutritional assistance			
The Giving Plate	700,000		
Aid to Nonprofit Organizations			
Deschutes Cultural Coalition support		35,000	
La Pine Chamber of Commerce	250,000		
NeighborImpact rental assistance float loan			
Redmond Chamber - lost revenue	53,249		
Redmond Chamber - Sam Johnson Park Upgrade		54,000	
Redmond Rotary	90,000		
Ronald McDonald House Charities			
Sisters Rodeo Association	100,000		
Small business grants - Sisters COC	350,000		
Sunriver Area Small Business Assistance Grant Program and Hiring Campaign	350,000		
Small Business Economic Assistance (General)			
Business Assistance Placeholder			
Performing arts support			
Redmond Chamber - Redmond Parklet	40,000		
Dan Elingson farm		3,000	
Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)			
(blank)			
Services to Disproportionately Impacted Communities	18,966,116	1,059,880	5,000,000
Education Assistance: Early Learning			
School of Enrichment support		1,059,880	
Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System			
CASA of Central Oregon			
Healthy Childhood Environments: Child Care			
Childcare Facility and/or start up costs			

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

All Requests

Project/Funding Request	Eligibility		
	Yes	TBD	No
Funding Placeholder			
Little Kits Early Learning & Child Care Center - Phase 1 Bend			
Little Kits Early Learning & Child Care Center - Phase 2 La Pine	500,000		
Little Kits Early Learning & Child Care Center - Phase 2 Redmond	1,300,000		
Little Kits Early Learning & Child Care Center - Phase 2 Sisters	500,000		
ReVillage Childcare Proposal	350,000		
Manzanita Preschool & Daycare			
Housing Support: Affordable Housing			
Affordable housing project			
Habitat for Humanity-Bend 12 Townhomes	2,000,000		
Habitat for Humanity-Bend 8 Townhomes	1,500,000		
Habitat for Humanity-Land for Future Affordable Housing			5,000,000
Habitat for Humanity-Sisters Woodland Project	1,500,000		
Permanent Supportive Housing	2,099,777		
Habitat for Humanity La Pine Sunriver	200,000		
Affordable Home Ownership	600,000		
Housing Support: Services for Unhoused Persons			
Bend Heroes Vets Village construction support			
Bethlehem Inn Redmond			
Construction of Cleveland Avenue Project	4,200,000		
Managed Camp - City of Bend	750,000		
Navigation Center	774,117		
New facility in Redmond			
Redmond Oasis Village Project	367,500		
Sisters Cold Weather Shelter	1,000,000		
Transitional Housing	359,951		
Managed Camp Support	964,771		
Housing Support: Other Housing Assistance			
Workforce Housing Project			
Infrastructure	6,000,000	200,000	
Broadband: Other projects			
Broadband infrastructure in Sunriver area and greater Sisters area			
Sunriver Broadband		200,000	

Deschutes County American Recovery Plan Act

Project Planning List - revised 08.18.21

All Requests

Project/Funding Request	Eligibility		
	Yes	TBD	No
Clean Water: Other Sewer Infrastructure			
NeighborImpact south county septic replacement program	1,000,000		
Terrebonne Sewer System	5,000,000		
Wastewater investments in South County			
Clean Water: Water Conservation			
Deschutes County On-Farm Efficiency Water Conservation Investment			
Angelina Swanson Farm irrigation			
Revenue Replacement		915,061	
Provision of Government Services			
Clerk - Marriage licenses			
Clerk - Passport			
County Fair		150,000	
Fair and Expo		600,000	
Justice Court		165,061	
Room tax last three months of FY20			
RV Park			
Video lottery			
Administrative		10,935	
Administrative Expenses			
ARPA Administration			
COIC grant distribution contract	10,935		
Not Applicable			43,706,562
Not Applicable			
Biomass project			1,000,000
Courthouse expansion			24,800,000
Deschutes County Wildfire Community Resilience Project			350,000
Land for Future County Services			3,500,000
Mass Vaccination Center wrap up costs-volunteer appreciation			56,562
Negus Transfer Station			14,000,000
To Be Determined		44,756,467	
To Be Determined			
Community Organizations Active and Disaster			
Deschutes SWCD irrigation modernization FTE		2,000,000	

Deschutes County American Recovery Plan Act
Project Planning List - revised 08.18.21

All Requests

Project/Funding Request	Eligibility		
	Yes	TBD	No
Irrigation system modernization		10,000,000	
Public Safety Campus		7,500,000	
Regional Emergency Services Training and Coordination Center		24,706,467	
Saving Grace Infrastructure			
Habitat for Humanity La Pine Sunriver		550,000	
Increase Public Transportation hours			
Grand Total	42,686,600	54,279,268	48,722,253



BOARD OF
COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: Wednesday, August 25, 2021

SUBJECT: Consideration of Proposed Contribution to Brothers Hampton Rangeland Fire Protection District and Authorization of County Administrator Signature of Document No. 2021-691, Memorandum of Understanding

ATTENDANCE:
Sgt. Nathan Garibay, Emergency Manager



To: Deschutes County Board of Commissioners
From: Sgt. Nathan Garibay
Date: August 6, 2021
Subject: Proposed Contribution to Brothers-Hampton Rangeland Fire Protection Association

Commissioner/County Administrator Approval: _____

Date: _____

The Deschutes County Sheriff’s Office Emergency Services Manager and Deschutes County Forester propose the contribution of funds to the Brothers-Hampton Rangeland Fire Protection Association.

Brothers-Hampton Rangeland Fire Protection Association

The Brothers-Hampton Rangeland Fire Protection Association (RFPA) provides wildland fire suppression on otherwise unprotected lands in eastern Deschutes County as well as parts of Crook and Lake Counties including over 2,200 acres of property owned by Deschutes County. Brothers-Hampton RFPA is a non-profit association that was formed with the assistance of Oregon Department of Forestry and in compliance with Oregon Revised Statutes.

Financial contributions by the county would assist Brothers-Hampton RFPA in providing equipment and training to volunteers. It is proposed Deschutes County match annual membership dues at \$1000 increments (minimum of \$1000 and not to exceed \$5000) collected by Brothers-Hampton RFPA. These matching funds are contingent upon Brothers-Hampton RFPA demonstrating:

1. Compliant with 501c3 requirements
2. Fully insured for general liability
3. Compliant with ODF requirements
4. Provide an annual financial report and operational summary (can be the same as what is provided to Oregon Department of Forestry)
5. Maintains a cooperative operational relationship with other fire suppression agencies such as the Bureau of Land Management

Amount: No more than \$5,000 annually

Duration: September 1, 2021 until terminated

Reporting: Brothers-Hampton RFPA will report annually to Sgt. Nathan Garibay, Emergency Services Manager

Please contact Sgt. Garibay at 541-617-3303 if you have questions concerning this request.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is between Deschutes County, a political subdivision of the State of Oregon (County), and the Brothers-Hampton Rangeland Fire Protection Association (RFPA), a non-profit 501c3 organization operating within the State of Oregon.

EFFECTIVE DATE: This MOU is effective as of _____, 2021. Unless extended or terminated earlier in accordance with its terms, this MOU shall terminate June 30, 2026.

DESCRIPTION: This MOU applies to wildland fire protection operations of RFPA occurring within and adjacent to Deschutes County, Oregon.

1. AGREEMENT TERMS: Deschutes County will match annual membership dues at \$1000 increments (minimum of \$1000 and not to exceed \$5000) collected by Brothers-Hampton RFPA provided that RFPA demonstrates to the satisfaction of Deschutes County that RFPA is:
 - Compliant with 501c3 requirements
 - Fully insured for general liability
 - Compliant with ODF requirements
 - Provide an annual financial report and operational summary (can be the same as what is provided to Oregon Department of Forestry)
 - Maintains a cooperative operational relationship with other fire suppression agencies such as the Bureau of Land Management
2. TERMINATION: Any party may terminate its participation in this MOU for any reason by providing thirty (30) days’ written notice to the other party.
3. INDEPENDENT PARTY: It is agreed and understood that each party subject to this MOU will perform services and/or activities related to this MOU as an independent party, and not as an employee or agent of the other party.
4. ENTIRE MOU: This MOU sets forth the entire agreement between the parties. The MOU may be amended upon written approval of all parties.
5. This agreement may be signed and executed in counterparts.

RFPA:

BY:

Date

DESCHUTES COUNTY:

BY: Tom Anderson

Date



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: August 25, 2021

SUBJECT: Staff Report - Progress Update for Senate Bill 762 (Wildfire Hazard Mitigation)

BACKGROUND AND POLICY IMPLICATIONS:

During the 2021 state legislative session, a number of bills were introduced related to wildfire mitigation. On June 26, 2021, the Oregon Legislature passed Senate Bill (SB) 762, which has significant impacts on wildfire mitigation efforts across all jurisdictions in Oregon including Deschutes County. SB 762 contains numerous provisions that must occur at the state level before local governments can undertake additional actions.

Staff is updating the Board of County Commissioners (Board) regarding progress on state-level actions regarding SB 762 and opportunities for local involvement. Staff last updated the Board concerning SB 762 during a work session on July 14, 2021.

The current updates concern a proposed definition for the "Wildland Urban Interface (WUI)" which has been put forward by a rulemaking advisory committee established by the Oregon Board of Forestry. The final WUI definition will be utilized during the state wildfire risk map process required under SB 762.

BUDGET IMPACTS:

None

ATTENDANCE:

*Kyle Collins, Associate Planner
Ed Keith, County Forester*



STAFF REPORT

TO: Board of County Commissioners

FROM: Peter Gutowsky, AICP, Planning Manager
 Kyle Collins, Associate Planner
 Ed Keith, Deschutes County Forester

DATE: August 18, 2021

RE: Progress Update for Senate Bill 762 – Wildfire Hazard Mitigation

During the 2021 state legislative session, a number of bills were introduced related to wildfire mitigation. On June 26, 2021, the Oregon Legislature passed Senate Bill (SB) 762, which has significant impacts on wildfire mitigation efforts across all jurisdictions in Oregon including Deschutes County. SB 762 contains numerous provisions that must occur at the state level before local governments can undertake additional actions.

Staff is updating the Board of County Commissioners (Board) regarding progress on state-level actions regarding SB 762 and opportunities for local involvement. Staff last updated the Board concerning SB 762 during a work session on July 14, 2021.

I. State Actions

As relayed to the Board during the July 14 work session, state agencies including the Oregon Department of Forestry (ODF), are required to complete two major objectives over the coming months:

1. Develop administrative rules pertaining to a statewide map displaying wildfire risk
2. Establish a definition of “Wildland-Urban Interface (WUI)” and determine the criteria to identify and classify WUI areas in Oregon

The Oregon Board of Forestry (BOF) has appointed two advisory committees (RACs) that will help guide the rule making and mapping processes. Those committees are composed of members from the following jurisdictions and organizations:

Organization	RAC Member / (Alternate)
1000 Friends of Oregon	Mary Kyle McCurdy
Associated Oregon Loggers	Amanda Astor / (Rex Storm)
Association of Oregon Counties	Lauren Smith
Association of Oregon County Planning Directors	Holly Kerns
Cow Creek Band of Umpqua Tribe of Indians	Jason Robison
Department of Land Use & Conservation	Jon Jinings / (Sadie Carney)
Hood River County Planning Commission	Leti Moretti
Jackson County Fire	Robert Horton
League of Oregon Cities	Jim McCauley
Office of the State Fire Marshal	Travis Medema / (Chad Hawkins)
Oregon Farm Bureau	Mary Anne Cooper
Oregon Fire Chiefs Association	Nicole Hazelbaker
Oregon Fire Marshall's Association	Shawn Olson
Oregon Forest Industries Council	Kyle Williams
Oregon Home Builders	Mark Long
Oregon Property Owner's Association	Dave Hunnicut / (Samantha Bayer)
Oregon Small Woodlands Association	Roger Beyer
Oregon State University - Extension	Chris Dunn
Sisters Fire	Roger Johnson
Special Districts Association	Michele Bradley / (Jason Jantzi)
Sustainable Northwest	Dylan Kruse
The Nature Conservancy	Amelia Porterfield
Tualatin Valley Fire	Les Hallman
Western Environmental Law Center	Pam Hardy

The two RACs contain the same committee members, with the risk mapping committee containing one additional member from Oregon State University Extension Service, Megan Crutzbarg.

Wildland Urban Interface Definition

The BOF must define “Wildland Urban Interface” in 100 days of SB 762 being signed by the Governor. The final definition will ultimately be utilized in conjunction with wildfire hazard information during the statewide risk mapping process to establish at-risk WUIs that will require mitigation actions. The Governor signed SB 762 on July 30, 2021, giving the BOF until November 7, 2021 to establish a final WUI definition. The WUI RAC first convened on July 27 and met weekly on Tuesdays. The committee members established a final WUI proposal on August 17, 2021 along with an accompanying report. The proposed definition will be recommended to the Board of Forestry by Department of Forestry staff at a special meeting on August 24, 2021. The proposed definition chosen by the RAC directly mirrors the International Code Council’s (ICC) established WUI definition. The WUI definition listed by the ICC states:

“That geographical area where structures and other human development meets or intermingles with wildland or vegetative fuels.”

Staff notes that the definition above was not established through broad consensus by RAC members, but rather through majority and minority opinions. Sixteen (16) RAC members were supportive of the proposed definition, two (2) members were supportive, but wanted to see some modifications, and five (5) members were not supportive. The RAC members will reconvene on September 7, 2021 to discuss a variety of forthcoming topics, including defining key terms in the draft WUI definition. All RAC members acknowledged that during future rule making sessions several clarifying definitions would be addressed, including, but not limited to the following:

- “Structures”
- “Human development”
- “Intermingles”

Pursuant to Oregon Revised Statutes (ORS) Chapter 183 and Oregon Administrative Rules (OAR) 137-001-0018, ODF asked the RAC to consider the fiscal impact of its proposed definition including whether the definition will have a significant adverse fiscal impact. If any proposed administrative rules will have a fiscal impact, ODF asked what the extent of that impact will be, and, whether the rules will have a significant adverse fiscal impact on small businesses likely to be affected by the rules, and if so, how ODF can mitigate the cost of compliance. During the August 17 meeting, the RAC members agreed that the current definitional proposal will not create any adverse impact in and of itself. The members agreed that a secondary fiscal impact analysis will be required during future discussions as it becomes apparent how the WUI definition and risk mapping process will affect specific properties across the state.

Moving forward, ODF will host a series of public hearings regarding the proposed WUI definition on the following dates:

- 1. September 22, 2021 – 2:00 PM**
- 2. September 23, 2021 – 7:00 PM**
- 3. September 24, 2021 – 9:00 AM**

All three public hearings will be conducted virtually via Zoom. The public hearings are intended to allow feedback from any interested citizens or groups who wish to discuss the proposed WUI definition established by the RAC. If the Board wishes to provide comments on the proposed WUI definition, the most opportune time to provide those comments is during one of these public hearing dates. Comments can also be provided at any time to ODF through a specific email set up to capture input during the rule making process: sb762.rulemaking@oregon.gov

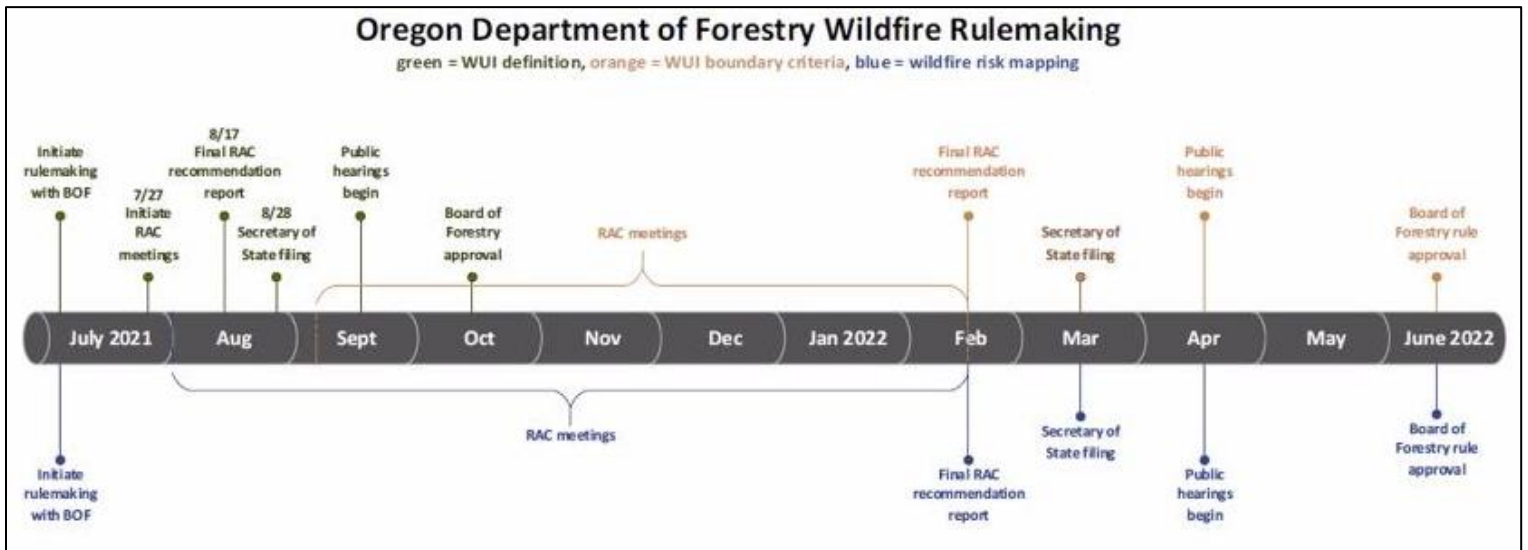
Statewide Wildfire Risk Mapping

A second RAC developing rules for the statewide risk map began meeting on August 5, 2021 and will meet every other week. Draft risk map rules will be presented to the BOF in March 2022 and then go through a public hearings process before final adoption in June 2022. The draft rules concerning the statewide risk map will be finalized in February 2022 and the subsequent public

hearings process will be conducted in April 2022. The Board should be aware that findings and reports from the WUI definition process will ultimately be included during the mapping process as specific geographic WUI areas will need to be identified in the statewide risk maps.

Oregon Department of Forestry Rulemaking Timeline

The following is a timeline of major dates associated with the administrative rulemaking process for the WUI definition and state wildfire risk maps:



II. County Actions and Next Steps

As referenced above, the County has the opportunity to provide comments or suggestions to any administrative rules from these rulemaking committees. Staff can coordinate with the Board in the coming weeks to provide specific comments if desired.

As directed previously, staff will continue to provide updates on SB 762 as additional information becomes available and future public hearing dates are formally established.

Attachments:

Document	Item No.
Board of Forestry Staff Report	1
Notice of Proposed Rulemaking Filing	2
ODF SB 762 Rulemaking Advisory Committee Charter	3

STAFF REPORT

Agenda Item No.:	1
Work Plan:	Fire Protection
Topic:	Evolving Topic: Governor’s Council on Wildfire Response
Presentation Title:	SB 762: Wildland – Urban Interface Definition
Date of Presentation:	August 24, 2021
Contact Information:	Tim Holschbach, Deputy Chief – Policy & Planning 503-945-7434, Tim.J.Holschbach@Oregon.gov or Doug Grafe, Chief – Fire Protection 503-945-7351, Doug.Grafe@Oregon.gov

SUMMARY

The purpose of this agenda item is to seek approval from the Board of Forestry (Board) to hold public hearings in regards to establishment of a definition of “Wildland-Urban Interface” in Oregon Administrative Rule 629-044.

BACKGROUND

Following the 2013-2015 fire seasons, two parallel review processes were initiated, the Secretary of State Audit and the Fire Program Review. Both of these efforts are aligned to help continue a highly functioning wildfire protection system for Oregon into the future. The Department has fully embraced the findings and recommendations from both final reports. The 2017-2108 fire seasons experience reinforced the need for the agency to continue efforts on these recommendations. Additionally, the Governor issued Executive Order 19-01 creating the Governor’s Council on Wildfire Response.

The Secretary of State Performance Audit offered a third-party review of the Department’s ability to sustain its multiple missions, as increased demand to support the fire protection effort has been required from the entire agency;

The Fire Protection Response Committee was coordinated with all agency partners through a transparent process including legislators, governor’s office, forest landowners, and cooperators to reach for continuous improvement in Oregon’s complete and coordinated fire protection system;

The Governor’s Council on Wildfire Response offered 37 recommendations to improve Oregon’s wildfire protection system. Many of the recommendations required legislative action to be carried out.

Senate Bill 762 captured many of the recommendations of the Governor’s Council on Wildfire Response, providing legislative direction to the Board of Forestry regarding the wildland-urban interface; statewide fire risk mapping; prescribed fire; directed the Department to review and clarify the enforcement of rules pertaining to forestland; and baseline standards for unprotected and under-protected lands in Oregon.

CONTEXT

For the purpose of this rulemaking, the Department developed a rules advisory committee comprised of 26 representatives from a broad range of interests including industrial,

nonindustrial, federal, county, environmental, tribal, and public (Attachment 1). This advisory committee met four times virtually. A short summary of each meeting is below:

July 27, 2021 – Introduction of Rules Advisory Committee. Provided background of SB762, reviewed proposed charter and scope.

August 3, 2021 – Confirmed charter, provided overview of Wildland-Urban Interface definition exercise to gain group perspective.

August 10, 2021 – Presentation of Oregon Department of Forestry staff recommendation of Wildland-Urban Interface definition. Polled Rules Advisory Committee on several definition options. Introduced components of economic impact statement.

August 17, 2021 – Oregon Department of Forestry staff presented draft staff report and fiscal and economic impact statement to committee. ODF presented initial work plan components, solicited feedback of additional components, possible data sources that should be considered, and next steps toward definitions of terms needed for development of full work plan.

The Department gained extensive feedback through the committee process. The rule advisory committee’s work will continue further, to define the terms within the definition and develop the criteria to identify and classify the Wildland-Urban Interface.

ANALYSIS

Department staff reviewed and presented seven definitions of “wildland-urban interface” that were consistent with national standards (Attachment 2). In addition, the Rules Advisory Committee completed an exercise that used the key words and phrases of the presented definition to allow for an analysis of which words were supported by the committee

Polling was conducted on three potential definitions, with associated poll results on August 10th:

1. “Wildland-Urban Interface means a geographical area where structures and other human development meets or intermingles with wildland vegetative fuels.”
 - a. International Wildland-Urban Interface Code definition – Department recommendation
 - i. 13 Rules Advisory Committee members - Full support
 - ii. 2 Rules Advisory Committee members - Agrees with proposal but would prefer it modified.
 - iii. 8 Rules Advisory Committee members - Refusal to support.
2. “A geographic area of forestland inside a forest protection district where there exists a concentration of structures in an urban or suburban setting.”
 - a. Rules Advisory Committee member recommendation based on discussion.
 - i. 1 Rules Advisory Committee members - Full support
 - ii. 12 Rules Advisory Committee members - Agrees with proposal but would prefer it modified.
 - iii. 8 Rules Advisory Committee members - Refusal to support.

- 3. “Wildland-Urban Interface means the geographical area where human development meets wildland fuels.”
 - a. Definition exercise compilation of preferred terms.
 - i. 1 Rules Advisory Committee members - Full support
 - ii. 8 Rules Advisory Committee members - Agrees with proposal but would prefer it modified.
 - iii. 11 Rules Advisory Committee members - Refusal to support.

The International WUI definition is, “That geographical area where structures and other human development meets or intermingles with wildland or vegetative fuels.” The second “or” was missing in previous RAC documents and polling.

On August 17th an additional RAC Poll was conducted to address the missing word “or”, as a clerical error. The Poll asked, “Do you recommend the correctly stated International WUI definition?”

- 1. “Wildland-Urban Interface means a geographical area where structures and other human development meets or intermingles with wildland or vegetative fuels.”
 - a. International Wildland-Urban Interface Code definition – Department recommendation
 - i. XX Rules Advisory Committee members - Full support
 - ii. XX Rules Advisory Committee members - Agrees with proposal but would prefer it modified.
 - iii. XX Rules Advisory Committee members - Refusal to support.

[Staff will update above with the results.] Under the RAC 1 Charter, a “Consensus” is defined as the members voting “1” (Full Support,) or a “2” (Agrees with proposal but would prefer it to be modified) with no “3” votes (Resfusal to support.). As a result, a Consensus was not achieved. The Department’s recommendation is the definition that received the largest majority support. The attached meeting summaries, Attachment 6, are a record of Rules Advisory Committee member statements.

The Rules Advisory Committee also submitted written comment as recieved, Attachment 7.

RECOMMENDATION

The Board directs the Department to proceed with the public hearing process and return in October 2021 with draft rule language adopting the following as the definition of wildland-urban interface:

“Wildland-Urban Interface means a geographical area where structures and other human development meets or intermingles with wildland or vegetative fuels.”

NEXT STEPS

- Pending the Board of Forestry’s acceptance of these revised rules, the Department will schedule and hold public hearings.
- Following public input, the Department will return to the Board requesting promulgation of the rules.

RULE REVIEW TIMELINE

July 20, 2021 – Oregon Department of Forestry conducted an informational session virtually in regards to Senate Bill 762.

July 21, 2021 – Oregon Department of Forestry presented an overview of Senate Bill 762 and requested permission from the Board to initiate rule making process.

August 23-27, 2021 – Proposed rule presented to the Board of Forestry with request to conduct public hearings.

August 25, 2021 – Notice of Proposed Rulemaking and Fiscal Impact Statement sent to Secretary of State. Notify legislators and interested parties.

September 15 – 30, 2021 – Conduct public hearings.

October 18-22, 2021 – ODF submits final proposed rule with public comments to Board of Forestry for final consideration and approval.

October 22, 2021 – Submit rule to Secretary of State and Legislative Counsel for filing. Effective date October 27, 2021.

ATTACHMENTS

1. Rules Advisory Committee members
2. Department's proposed rule changes to OAR 629-044, strikethrough.
3. Department's proposed rule changes
4. Draft rule filing
5. Wildland-Urban Interface Rules Advisory Committee Charter
6. Rules Advisory Committee Meeting Summaries
7. Rules Advisory Committee Comments

**OREGON DEPARTMENT OF FORESTRY (ODF)
SB 762 RULEMAKING ADVISORY COMMITTEE (RAC)
Charter and Collaboration Principles
Adopted 8-3-2021**

For any collaborative process, the participants should establish procedures to govern the committee and its members. Such agreement increases success and decreases meeting time by assuring a good faith process that explores competing needs and leads to balanced recommendations to the sponsor.

I. Background

The Oregon Forestland-Urban Interface Fire Protection Act of 1997 was the first defensible space in Oregon. At that time, the “forestland-urban interface” (WUI) was defined as properties within an ODF forest protection district that lie within a county where a specific concentration of homes exists (10 acres or less, or 4 homes per legal 40 acres).

Senate Bill 762, passed in the 2021 legislative session and is anticipated to be signed by Gov. Kate Brown, revises Oregon Revised Statutes 477.015 to 477.064. The major changes follow.

Requirement	SB 360	SB 762
Mapping	Limited to within ODF protection districts	Statewide
Display	Paper maps	Oregon Explorer Wildfire Risk Portal
Wildfire risk classes	3 to 5 classes	5 classes
Defensible Space Administration	Oregon Department of Forestry	Oregon Office of the State Fire Marshal

The bill directs the Board of Forestry to establish a definition of Wildland-Urban Interface. These rules must also establish criteria to identify and classify the WUI. The Board of Forestry approved the convening of this RAC at its July 21, 2021 meeting. The WUI definition must be established by rule within 100 days of Governor’s signature of SB 762 on July 19, 2021.

II. Scope & Charge

This Rule Advisory Committee (RAC) is not a decision-making body. It is a recommendation-making group pursuant to ORS Chapter 183 and DOJ Model Rule 137-001-0007 (Public Input Prior to Rulemaking.) The RAC is charged with providing perspective, input, and assistance to ODF so ODF can develop administrative rules surrounding SB 762 sections 31 through 33 for its presentation to the Board of Forestry.

RAC 1: Recommend the OAR WUI definition as described in SB 762 sections 31 through 33, WILDLAND-URBAN INTERFACE FIRE PROTECTION.

<https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/SB762/Enrolled>

Considering national best practices, the two major deliverables for RAC 1 are:

- General WUI definition, and
- Criteria to identify and classify WUI.

Additionally, the RAC is charged with providing input for the ODF Statement of Need and Fiscal Impact.

ODF asks the RAC to consider the fiscal impact of its proposed rules (see generally, ORS Chapter 183 and OAR 137-001-0018) including:

- Whether the rules will have a significant adverse fiscal impact, and if so, what the extent of that impact will be; and
- Whether the rules will have a significant adverse fiscal impact on small businesses likely to be affected by the rules, and if so, how ODF can mitigate the cost of compliance.

RAC 1 is not charged with making recommendations on Fire Risk Mapping the Wildfire Risk Map as described in SB 762 section 7, STATEWIDE MAP OF WILDFIRE RISK.

<https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/SB762/Enrolled>. Those recommendations, among others, will be discussed in RAC 2.

ODF will consider the recommendations of both RAC 1 when drafting its rules. ODF will then follow the rulemaking procedures identified in ORS Chapter 183 and DOJ Model Rule 137-001-0011 through 137-001-0100. Ultimately, the Board of Forestry will decide on the rules, and subsequently, ODF will issue contract specifications consistent with those rules.

III. Guiding Principles

The RAC should consider the following guiding principles and/or policies, among others, in the development of administrative rules regarding SB 762.

- The use of objective, scientific, quantifiable data is the cornerstone of the recommendation and decision-making.
- Administrative rule development discussions will pertain exclusively to the requirements of Sections 31-33 of Senate Bill 762.
- Recognizing the Oregon Explorer as a viable tool and how it will be impacted by this WUI work is important.
- ORS 477.005 Policy provisions, which follow, are paramount:
 - The preservation of the forests and the conservation of the forest resources through the prevention and suppression of forest fires hereby are declared to be the public policy of the State of Oregon.
 - In order to accomplish the purposes of the policy stated in this section:
 - The need for a complete and coordinated forest protection system is acknowledged and the primary mission of the State Forestry Department in such a system is protecting forest resources, second only to saving lives. Structural protection, though indirect, shall not inhibit protection of forest resources; and
 - This chapter shall include all persons and activities designated in this chapter, irrespective as to whether or not such person or activity is concerned with the harvesting, cutting, removal or marketing of trees, timber or other forest products.
- WUI definition must consider national standards.
- Relevant policy considerations

IV. Membership

The following members will provide their diverse perspectives on policy proposals, including environmental justice, public health, and fiscal impacts of the program as Voting members.

Organization	RAC Member / (Alternate)	Voting
1000 Friends	Mary Kyle McCurdy	X
Associated Oregon Loggers	Amanda Astor / (Rex Storm)	X
Association of Oregon Counties	Lauren Smith	X
Association of Oregon County Planning Directors	Holly Kerns	X
Cow Creek Band of Umpqua Tribe of Indians	Jason Robison	X
Department of Land Use & Conservation	Jon Jinings / (Sadie Carney)	X
Hood River County Planning Commission	Leti Moretti	X
Jackson County Fire	Robert Horton	X
League of Oregon Cities	Jim McCauley	X
Office of the State Fire Marshal	Travis Medema / (Chad Hawkins)	X

Organization	RAC Member / (Alternate)	Voting
Oregon Farm Bureau	Mary Anne Cooper	X
Oregon Fire Chiefs Association	Nicole Hazelbaker	X
Oregon Fire Marshall's Association	Shawn Olson	X
Oregon Forest Industries Council	Kyle Williams	X
Oregon Home Builders	Mark Long	X
Oregon Property Owner's Association	Dave Hunnicut / (Samantha Bayer)	X
Oregon Small Woodlands Association	Roger Beyer	X
Oregon State University - Extension	Chris Dunn	X
Sisters Fire	Roger Johnson	X
Special Districts Association	Michele Bradley / (Jason Jantzi)	X
Sustainable Northwest	Dylan Kruse	X
The Nature Conservancy	Amelia Porterfield	X
Tualatin Valley Fire	Les Hallman	X
Western Environmental Law Center	Pam Hardy	X

Each member is allowed to assign an alternate by providing written notice to Tim Holschbach in advance of the meeting the primary member will miss. sb762.rulemaking@oregon.gov.

While not part of the RAC, Board of Forestry Members Kelly, Deuming, and Justice, may be present to listen. Additionally, ODF staff TIM Holschbach, Jenna Trentadue, and others will be present during the meetings as resources, but they are not part of the RAC. This includes Ian Rickert from the United States Forest Service and Richard Parrish from the Bureau of Land Management.

Government to government tribal consultants are ongoing.

V. Non-Committee Member Attendees

The public is welcome to attend all meetings. The facilitator will manage the meetings to accommodate both members and non-members who wish to provide input, but priority will be given to committee members. There will be time on the agenda dedicated to receiving input from the public with time limits for each person.

After RAC 1 concludes, a formal public comment period will open on the proposed rules.

VI. Subcommittees

ODF, with RAC input, will evaluate the need for subcommittees, factoring in resource considerations, but none are planned at this time.

VII. RAC Material and Support

All committee materials will be provided electronically as a sustainability measure.

Meeting notices, agendas, materials, summary, and recordings (<https://www.youtube.com/c/OregonDepartmentofForestry/featured>) will be posted on the following webpage: <https://www.oregon.gov/odf/board/Pages/rac.aspx>. The meeting recordings will be used as the formal meeting minutes, and they control, in the event of a conflict.

Technical input from agencies, organizations, or individuals with specialized expertise will be available to the RAC as issues arise.

VIII. Facilitator

ODF has contracted with an independent and neutral third-party facilitator, Oregon Consensus (<https://oregonconsensus.org/>) who has contracted with Triangle Associates (<https://www.triangleassociates.com/>) and ICMresolutions (<https://www.icmresolutions.com>), together, "Facilitator," whose role is to facilitate meetings, help the RAC develop recommendations, and produce RAC reports. The Facilitator's "client" is the RAC process, but neither RAC membership/sponsorship, nor process participation is a substitute for independent legal or other professional advice. That is the responsibility of the process participants. The Facilitator will also be available as a resource for conflict resolution and RAC process improvement suggestions.

The Facilitator's written contract with ODF is available for review. The Facilitator will not be influenced by payment source. To ensure impartiality, ODF will solicit RAC input on the Facilitator's performance before changing their status, but the ultimate decision is ODF's alone.

The Facilitator will not function as an advocate on any issue, interest group, or RAC member. However, to help move the process forward, the Facilitator may suggest concepts for RAC consideration, but will not make any decisions.

Specific Facilitator responsibilities include:

- a) Design and support meeting process to achieve the outcomes of the process using formal agenda and meeting recordings to track progress;
- b) Ensure culturally competent practices are used to foster inclusion and the equal voice of all participants;
- c) Ensure a welcoming meeting environment where all members can participate;
- d) Ensure a safe environment for alternative opinions to be expressed;
- e) Conduct meetings in a manner to foster collaborative decision-making and consensus building; and
- f) Prevent dialogue from becoming confrontational and apply mediation practices to resolve conflict.

The Facilitator may have non-confidential, informal communications and perform facilitation activities between and during meetings. The Facilitator will address situations where it appears a participant is not acting according to this document.

IX. Work Plan/Schedule

The committee will meet according to its draft work plan outlined below, which is subject to change.

a) Meetings and Draft Workplan for First Four Meetings

There will be weekly two-hour Zoom meetings of RAC ! for four weeks as noted above, and then RAC 1 will meet every other week through February to establish criteria for WUI.

Meeting 1: July 27, 2021
<ul style="list-style-type: none"> ● Introductions ● Background and Public Contracting at ODF ● Review of Charter and Process Overview ● Member Comments ● Next Steps and Homework ● Meeting Evaluation

Meeting 2: August 3, 2021
<ul style="list-style-type: none"> ● Introduce ODF proposed language and begin RAC discussion ● Next Steps and Homework ● Meeting Evaluation

Meeting 3: August 10, 2021
<ul style="list-style-type: none"> ● Create 75% draft of ODF OAR WUI Language Recommendations and Draft Report ● Next Steps and Homework ● Meeting Evaluation

Meeting 4: August 17, 2021
<ul style="list-style-type: none"> ● Finalize ODF OAR WUI Language Recommendations and Report ● Next Steps ● Meeting Evaluation

- b) Additional RAC 1 meetings will be scheduled after the WUI definition work is completed.
- c) **Final RAC Recommendations Report:** WUI general definition - 8/17/21, WUI criteria 2/15/2022
- d) **Secretary of State filing:** WUI definition draft filing August 28, 2021, WUI criteria draft March 20, 2022
- e) **Earliest Public Hearing date:** WUI definition: September 15, 2021, Criteria: April 15, 2022
- f) **Board of Forestry Meeting:** WUI definition: special meetings as needed, Criteria: June 2022 Board approval

X. Collaboration Protocols for RAC Recommendations

The RAC will follow these protocols.

- a) **Quorum:** 51% of RAC Organizations listed above.
- b) **Meetings:** Meetings of the RAC and its subcommittees, if any, are open to the public and will include an opportunity for public comment. Notice of RAC meetings will be posted in advance of meetings on the ODF project website.
- c) **Meeting Agendas and Meeting Materials:** The Facilitator will develop Working Agendas for each meeting. Meeting agendas and meeting materials will be sent electronically to RAC members in advance of the meetings and will be posted on the project website.
- d) **RAC Commitments:** The RAC members, staff, and participants will participate in good faith, which means:
 - 1) Prepare for and set aside time for the meetings and the entire process,
 - 2) Participate fully, honestly, and fairly, commenting constructively and specifically,
 - 3) Speak respectfully, briefly, and non-repetitively; not speaking again on a subject until all other members desiring to speak have had the opportunity to speak,
 - 4) Allow people to say what is true for them without fear of reprisal,
 - 5) Avoid side conversations during meetings,
 - 6) Provide information as much in advance as possible of the meeting in which such information is to be used and share all relevant information to the maximum extent possible,
 - 7) Generate and explore all options on the merits with an open mind, listening to different points of view with a goal of understanding the underlying interests of other RAC members,
 - 8) Consult regularly with their appointing/nominating bodies and provide their input in a clear and concise manner,
 - 9) Each member agrees to work toward fair, practical, and durable recommendations that reflect the diverse interests of the entire RAC and the public,
 - 10) When communicating with others, accurately summarize the RAC process, discussion, and meetings, presenting a full, fair, and balanced view of the issues and arguments out of respect for the process and other members,
 - 11) Not attempt to affect a different outcome outside of the RAC process once the RAC has reached a “consensus” recommendation,
 - 12) Strive vigorously for consensus and closure on issues, and
 - 13) Self-regulate and help other members abide by these commitments.

XI. Public Comment

There will be public comment opportunities during the RAC 1 process. Comments from the public will be limited in time to allow sufficient opportunity to conduct the other portions of the meeting. Typically, comments will be limited to a maximum of three minutes per person. Participants are encouraged to submit written comments via email addressed to sb762.rulemaking@oregon.gov or ODF, Tim Holschbach, 2600 State Street, Building D, Salem, OR 97310 in advance of the meeting so they can be circulated to the entire RAC for their consideration.

XII. Process for RAC Recommendations

The Facilitator will assist the RAC and its members in identifying objectives, addressing the diversity of perspectives, and developing substantive, practical recommendations. Each voting RAC member will have one vote. A vote represents that the member will strongly recommend to their government, organization, or group that they should support or oppose the voted-upon proposal consistent with the member's vote.

The RAC will strive for and use a "consensus" recommendation-making approach to determine their level of agreement on proposals. This allows RAC members to distinguish underlying values, interests, and concerns with a goal of developing widely accepted solutions. Consensus does not mean 100% agreement on each part of every issue, but rather support for a decision, "*taken as a whole.*" This means that a member may vote to support a consensus proposal even though they would prefer to have it modified in some manner to give it their full support. Consensus is a process of "*give and take,*" of finding common ground and developing creative solutions in a way that everyone can support. Consensus is reached if all voting members support an idea or can say, "*I can live with that.*"

When developing recommendations, the RAC will address each rule component individually, and in various combinations. The RAC will decide on whether it wants to make a package recommendation for the entire rule at the end of the process.

1) "1-2-3" Consensus Polling: The Facilitator will assist the RAC in articulating points of agreement, as well as articulating concerns that require further exploration. The RAC will use a "Consensus Polling" procedure for assessing the group's opinion and adjusting proposals. In "Consensus Polling," the Facilitator will articulate the proposal. Each RAC voting member will then offer "one," "two," or "three," reflecting the following:

- "One" indicates full support for the proposal as stated.
- "Two" indicates that the participant agrees with the proposal as stated but would prefer to have it modified in some manner to give it full support. Nevertheless, the member will support the consensus even if his/her suggested modifications are not supported by the rest of the group because the proposal is worthy of general support, as written.
- "Three" indicates refusal to support the proposal as stated.

The Facilitator will repeat the consensus voting process as reasonably practical and as time allows to assist the group in achieving consensus regarding a particular recommendation, so that all members are voting “one” or “two.” Either way, the result will be noted in the ODF Staff Report and/or the RAC Report.

- 2) **No Consensus – Majority and Minority Recommendations:** If a consensus on an issue is not likely, as determined by the Facilitator, the votes of those present at the meeting will be taken and recorded as a Majority – Minority recommendation in the meeting summary, which will include the specific majority recommendation, the specific minority recommendation, along with the names supporting each recommendation. Majority is defined as at least 51% of the RAC Organizations (members or alternates) noted above.
- 3) **Summary of RAC Recommendations:** The meeting summaries will serve as the record of RAC recommendations as supplemented by the addition of RAC member statements who elect to submit additional information by the deadline to be established at the last RAC meeting. ODF will package all this information in its staff report to the Board.

XIII. Additional Provisions

The following provisions apply to the RAC process.

- a) **Regular Communication with Affiliated Group:** There is an expectation of regular, two-way communication between RAC members and their appointing jurisdictions / organizations. This is intended to ensure meaningful representation of those interests. Time will be set aside on the RAC agenda for reports from this outreach.
- b) **Transparency and Media:** Members agree that transparency is essential to all deliberations. In that regard:
 - 1) RAC members agree to notify Tim Holschbach at sb762.rulemaking@oregon.gov of: of written communications with the media.
 - 2) Members agree to direct public testimony about RAC work to Tim Holschbach at sb762.rulemaking@oregon.gov. These communications will be included in the public record and copied to all RAC members.
 - 3) Individual members should not speak on behalf of the entire RAC.
 - 4) Whenever reasonable, RAC members and staff will refer press, citizen, and other inquiries to Tim Holschbach at sb762.rulemaking@oregon.gov.

c) Disclosure of Public Official Conflicts of Interest:

- 1) Some RAC members may be “public officials.” A public official is required to make an announcement of the nature of a conflict of interest each time the issue giving rise to the conflict of interest is discussed or acted upon.
- 2) The announcement needs to be made on each occasion when the public official is met with the conflict of interest, and the public official must disclose the nature of the conflict of interest.
- 3) For example, the public official would have to make the public announcement one time when met with the conflict of interest, but only one time in each meeting of the RAC. If the matter giving rise to the conflict of interest is raised at another meeting, the disclosure must be made again at that meeting.
- 4) For guidance, please see <https://www.oregon.gov/ogec/Documents/2021%20PO%20Guide%20Final%20Adopted.pdf>

d) Open Meetings and Records: Meetings of the RAC and subcommittee meetings are open to the public. Notice to the public regarding the dates, times, and locations of all meetings will be provided in advance of a meeting.

RAC members can participate through telephonic conference calls. All records of the Body, including formal documents, discussion drafts, meeting recordings, and exhibits, etc. are public records.

"Communications" refers to all statements and votes made during meetings, memoranda, work products, records, documents, text messages, pictures, or materials developed to fulfill the charge, including electronic mail correspondence. The personal notes of individual members taken at public meetings might be public record to the extent they relate to the conduct of the public's business.

- e) Amendment and Interpretation:** The Facilitator shall lead a RAC discussion designed to reach a consensus on any proposed Scope & Charge, Guiding Principles, Collaborative Protocols, and Process for RAC Recommendations amendment(s) to this document. Any remaining amendments can be made informally. The terms of this document, except those required by law, are process guidelines – not binding mandates. Ultimately, ODF will make the final decision on the proposed amendments and interpretation issues.
- f) RAC Member Agreement:** Participation in this process is agreement to abide by the terms of this document.

**NOTICE OF PROPOSED RULEMAKING FILING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT**

For internal agency use only.

Department of Forestry, Wildfire Hazard Zones; Wildland-Urban Interface **629**

Agency and Division Name Administrative Rules Chapter Number

Hilary Olivos-Rood

Rules Coordinator Email Telephone

Tim Holschbach 2600 State Street, Building D, Salem OR 973601 tim.j.holschbach@oregon.gov 503-945-7434

Filing Contact Address Email Telephone

FILING CAPTION

Establishing definition of "Wildland-Urban Interface"

Last Date and Time for Public Comment: []

9/22/2021 2:00pm Virtually - Zoom Tim Holschbach

Hearing Date Time Address Hearings Officer

9/23/2021 7:00pm Virtually - Zoom Tim Holschbach

Hearing Date Time Address Hearings Officer

9/24/2021 9:00am Virtually - Zoom Tim Holschbach

Hearing Date Time Address Hearings Officer

RULEMAKING ACTION

List each rule number separately (000-000-0000) below. Attach proposed, tracked changed text for each rule at the end of the filing.

ADOPT:

AMEND:

629-044-1000, 629-044-1005

REPEAL:

629-044-0200, 629-044-0210, 629-044-0220, 629-044-0220, 629-044-0230, 629-044-0240, 629-044-0250, 629-044-0260, 629-044-1010, 629-044-1015, 629-044-1020, 629-044-1025, 629-044-1030, 629-044-1035, 629-044-1040, 629-044-1045, 629-044-1050, 629-044-1055, 629-044-1060, 629-044-1065, 629-044-1070, 629-044-1075, 629-044-1080, 629-044-1085, 629-044-1090, 629-044-1095, 629-044-1100, 629-044-1105, 629-044-1110

RULE SUMMARY:

Include a summary for each rule included in this filing.

629-044-1000 amended to remove unsupported purpose statements.
629-044-1005 amended to remove unsupported definitions, and add definition for "wildland-urban interface".

STATEMENT OF NEED AND FISCAL IMPACT.

Need for Rule(s):

This rule is necessary to meet the statutory obligations of ORS 477.015, amended during the 2021 legislative session, directing the State Board of Forestry to define "wildland-urban interface" within 100 days of passage.

Fiscal and Economic Impact:

This definition is a new administrative rule. The term is not connected to any current statute or rule. In its present state, the impact is indeterminate. Additional fiscal and economic impact analysis will be necessary as the definition is utilized in future rulemaking. Future rulemaking will identify the applicable area that this definition applies to.

Statement of Cost of Compliance:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

This definition is a new administrative rule. The term is not connected to any current statute or rule. In its present state, the impact is indeterminate. Additional analysis regarding the cost of compliance will be necessary as the definition is utilized in future rulemaking. Future rulemaking will identify the applicable area that this definition applies to.

Describe how small businesses were involved in the development of these rule(s)?

Organizations representing small businesses are members of the rules advisory committee.

Documents Relied Upon, and where they are available:

Rules Advisory Committee documents:
<https://www.oregon.gov/odf/board/Pages/rac.aspx>

Board of Forestry documents:
<https://www.oregon.gov/odf/board/Pages/bofmeetings.aspx>

Was an Administrative Rule Advisory Committee consulted? Yes or No?
If not, why not?

Yes.



BOARD OF COMMISSIONERS

AGENDA REQUEST AND STAFF REPORT

MEETING DATE: August 25, 2021

SUBJECT: Terrebonne Wastewater Feasibility Study Update

RECOMMENDED MOTION:

Presentation only. No motion.

BACKGROUND AND POLICY IMPLICATIONS:

Deschutes County has contracted with Parametrix Inc. to update the Terrebonne Wastewater Feasibility Study, which was published in 1999. The Feasibility Study includes the following scope elements with the goal of providing the community a roadmap for establishment of a wastewater utility in Terrebonne:

- 1. Develop system collection and treatment options for the community.*
- 2. Estimate capital costs and develop a rate model.*
- 3. Evaluate governance options (Sanitary District, etc).*
- 4. Establish a Wastewater Advisory Committee and a communications strategy.*
- 5. Produce a Preliminary Engineering Report (as required by funding agencies).*

During the course of the project, the potential for near-term traditional and non-traditional funding has emerged both in the form of COVID relief funds (ARPA) and other potential state and federal funding sources. As such, the Project has accelerated some assumptions and worked with commercial property stakeholders to develop a phasing option that would initially address septic system failures in the commercial core area – an area with the highest need and motivated property owners necessary to establish a Sanitary District.

This presentation to the Board will provide a recap of options, discussion of anticipated rates and connection fees, and phasing within the community as outlined in the attached feasibility memorandum. The presentation will also discuss next steps to complete the feasibility study and proceed with formation of a Sanitary District.

BUDGET IMPACTS:

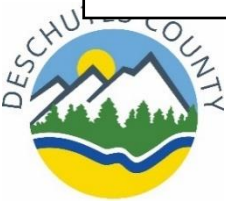
None as-of-yet. It is anticipated that the BOCC will consider an ARPA fund contribution for this project.

ATTENDANCE:

Chris Doty, Road Department

Ryan Rudnick, Parametrix Inc.

Guy Vernon, Rustic Ranch LLC



Terrebonne Wastewater Feasibility Study

Exploring Sewer Solutions for the Community

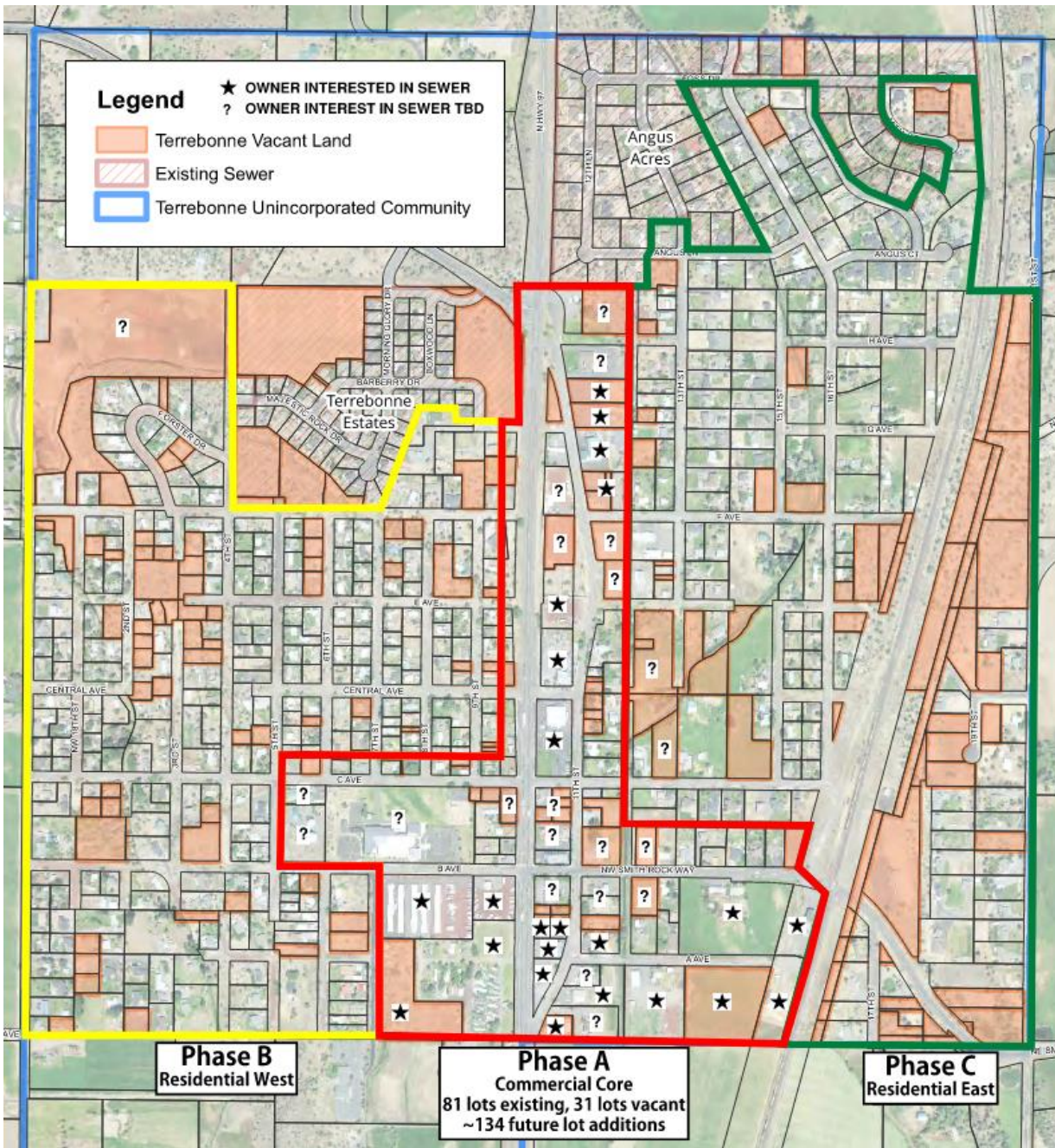
Memorandum: Project Update 8/18/2021

Introduction

This memorandum is meant to serve as a project update continuing to build upon the previous work as outlined in the previous project memorandum dated 6/30/2021. This memorandum evaluates the feasibility of a modified Phase A service area pumping septic tank effluent to the City of Redmond Wastewater Treatment Plant.

Service Area Definition

The map below shows vacant lands and existing private sewer systems in Terrebonne as of June 2019. System phasing is outlined below in color along with symbols indicating property owner interest in connecting to sewer.



Proposed Wastewater System Phasing

The Terrebonne service area has been divided into three separate phases of roughly equal size:

Phase A: Commercial Core

- This area has the highest concentration of septic system issues, businesses, and small residential lots
- The terrain in this region gently slopes toward Hwy 97 and 11th Street and north toward Lower Bridge Way
- 110 EDUs existing (EDU = equivalent dwelling unit)
- 359 EDUs at full buildout

Phase B: Residential West

- This area is mostly residential with larger lot sizes and generally fewer septic system issues
- Terrain in this region is relatively flat on the plateau and slopes down to the west from the plateau edge
- 169 EDUs existing
- 331 EDUs at full buildout

Phase C: Residential East

- This area is mostly residential with larger lot sizes and generally fewer septic system issues
- Terrain in this region is relatively flat, rural, and divided several COID irrigation laterals
- 143 EDUs existing
- 364 EDUs at full buildout

The constructed sewer system would initially serve just the Commercial Core in Phase A, with the ability to expand and serve Phase B and Phase C in the future if/when desired by the community.

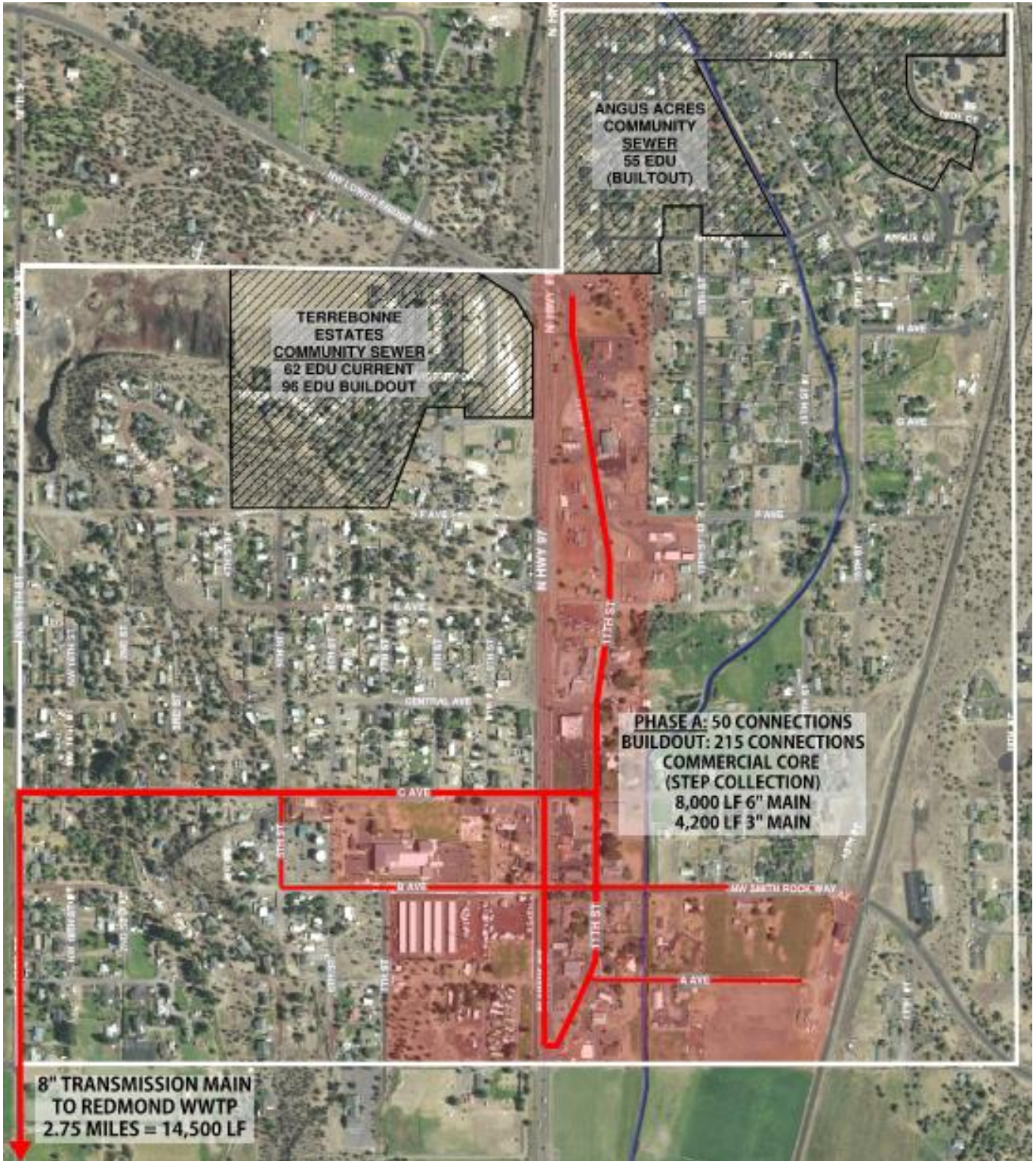
Proposed Wastewater System – Pump to Redmond Wastewater Treatment Plant.

- Collection system includes Septic Tank Effluent Pumps (STEP) that collectively pump effluent to the Redmond WWTP in a 2.75-mile transmission main (See graphic below showing Prelos STEP system).
- This option is predicated on connection to the new Redmond wastewater treatment plant location (west of Northwest Way), currently in the design phase with the City of Redmond.
- This option does not require land acquisition or a WPCF permit from Oregon DEQ.
- The City of Redmond would charge connection fees and monthly rates to receive Terrebonne wastewater.



Proposed Phase A System Overview

- The proposed Phase A service Area is approximately 110 acres total, focused on serving the commercial core along Highway 97
- Onsite septic tank effluent pumps collectively pump to Redmond WWTP for disposal and treatment.
- A Terrebonne Sewer Advisory Group has been formed, consisting of approximately 10 Terrebonne Stakeholders in support of public sewer.
- This group represents approximately 25% of the larger properties in the Phase A service area.
- Another 25% of the property owners in the service area have expressed interest in connecting to sewer.



Equivalent Dwelling Unit (EDU) Estimates

- **50 Initial Connections = 110 EDU**
 - 19 commercial connections = 50 EDU
 - 31 residential connections + 29 Addl. Mobile Homes in Rustic Ranch = 60 EDU
 - Estimate based on metered water use for residential and commercial accounts.
- **215 Buildout Connections = 387 EDU**
 - 86 commercial connections = 258 EDU
 - 129 residential connections = 129 EDU
 - Estimate based on existing lots, vacant lots, development potential, and assumed breakout 40% commercial + 60% residential).

Capital Construction Cost Estimate

The estimated construction cost for the initial Phase A sewer system is approximately \$4,952,214. This cost estimate shown below is based on approximate quantities of construction items and associated unit costs. Unit costs for STEP Collection System and 8" Force main include pavement removal and restoration. Included in this cost estimate are the connection fees (\$2,062/EDU) for the initial 110 EDUs to connect to the Redmond Wastewater Treatment Plant.

Phase	Construction Item	Quantity	Unit	Unit Price	Estimated Cost
A	STEP Collection System	12400	LF	\$80	\$992,000
	Prelos Septic Tank Replacements	50	EA	\$8,000	\$400,000
	8" Sewer Force Main to Redmond	14500	LF	\$125	\$1,812,500
	Redmond SDC Connection Fees	110	EDU	\$2,062	\$226,820
	Construction Subtotal:				
Design, Legal, Admin, Permitting, Contingency (45%):					\$1,544,094
Estimated Phase A Total:					\$4,975,414

Monthly Operating Budget Estimate

The table below shows a preliminary operating budget for the Phase A system with an initial 110 EDUs. The initial 110 EDUs can only financially support \$2,750 in monthly debt payments with the assumed rates (\$65/month), connection fees (\$10,000/EDU), and estimated operating expenses. With this debt capacity, a maximum loan balance of approximately \$686,000 could cover 14% of the capital construction costs and be repaid by the Sanitary District over a 30-year term. The remaining 86% of the capital costs would need to be funded by grants totaling approximately \$4,289,389. For a project of this nature, 86% is a very high percentage of grant funding.

Phase A - Monthly Operating Budget	
Initial EDUs	110
Total Capital Costs (Phase A)	\$ 4,975,414
Assumed Connection Fees (per EDU)	\$ 10,000
Assumed Monthly Sewer Rate (per EDU)	\$ 65
Operating Reserve	\$ 1,100,000
Monthly Revenues	\$ 7,150
Monthly Operations & Maintenance Costs (\$20/EDU) ¹	\$ 2,200
Monthly Service Fees to Redmond (\$20/EDU) ²	\$ 2,200
Monthly Debt Service Capacity (w/ initial 81 EDUs)	\$ 2,750
Maximum Loan Balance Computation (30-year term, 2.61% interest)	\$ 686,025
Required Grant to fund balance of project cost with assumed sewer rate	\$ 4,289,389
Required Grant as percentage of total project cost	86%

1. Assumed cost of \$20/EDU to maintain effluent pumps and force mains, under review by utility companies to confirm.
 2. Full COR monthly sewer rate is \$32.58. The assumed sewer rate for Terrebonne users is \$20/month. project team is coordinating with COR on a reduced rate that omits the portion allocated for Redmond collection system O&M.

Conclusion

Based on our preliminary design, analysis, coordination, and cost estimates, it may be feasible to construct and finance a sewer system that will initially serve the commercial core (Phase A) in Terrebonne with a significant contribution of grant funding from outside sources. Without the need for a new wastewater treatment plant and DEQ WPCF permit, it is estimated that this initial system could be constructed and operational in approximately five years. Once the STEP collection system and 8" forcemain are installed, the system can easily expand to serve nearby customers in the future by extending small diameter pressure mains in the public right-of-way, replacing septic tanks with Prelos systems, and connecting to the system with a small sewer service line (typically 1" diameter). As more properties connect to this initial STEP network and more EDUs pay into the system, debt service holds constant and a portion of the additional revenues can be allocated for capital expansion and replacement.

The estimated capital costs for the initial Phase A sewer system are approximately \$5.0M. Approximately \$4.3M in grant funding will be required for the Sanitary District to cover capital costs and operating costs with the initial 110 EDUs contributing financially at the assumed rates (\$65/month) and connection fees (\$10,000/EDU). This project is eligible for grant funding through state infrastructure funding programs. In addition, Deschutes County is aware of additional grant funds that may be available for this project. At the same time, it is uncommon for infrastructure projects of this nature to be 86% grant-funded.

Next Steps

- Deschutes County and project team to negotiate with City of Redmond Wastewater Division to confirm rates and fees for Terrebonne customers, as well as methods of wastewater measurement and payment.
- Terrebonne Sanitary District (TSD) formation per ORS Chapter 450 and guidance from the Deschutes County Legal Counsel.
- TSD to negotiate with City of Redmond Wastewater Division to confirm rates and fees for Terrebonne customers, as well as methods of wastewater measurement and payment.
- Parametrix completes the Preliminary Engineering Report (PER).
- TSD submits PER with grant and loan applications to fund system design, permitting, and construction.
- TSD obtains \$4.4M in grants and \$0.5M in loans to cover \$4.9M estimated capital costs.
- TSD hires project team(s) to design and build sewer system and connect initial 50 customers (110 EDUs).
- TSD collects connection fees and monthly sewer rates to cover debt repayment and operating expenses.

TERREBONNE WASTEWATER SYSTEM

ALTERNATIVE 3 - STEP PUMP TO REDMOND WWTP

08/25/2021 Item #24.



ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

