



## BOARD OF COMMISSIONERS

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

FOR RECORDING STAMP ONLY

# BOCC MEETING MINUTES

1:00 PM

**MONDAY April 1, 2024**

Allen Room  
Live Streamed Video

Present were Commissioners Patti Adair, Tony DeBone and Phil Chang. Also present were County Administrator Nick Lelack; Assistant Legal Counsel Kim Riley; and BOCC Executive Assistant Brenda Fritsvold.

This meeting was audio and video recorded and can be accessed at the Deschutes County Meeting Portal webpage [www.deschutes.org/meetings](http://www.deschutes.org/meetings).

**CALL TO ORDER:** Chair Adair called the meeting to order at 1:00 p.m.

**CITIZEN INPUT:** None

### **AGENDA ITEMS:**

#### **1. Pacific Power Future Transmission Line Project**

John Aniello, Pacific Power and Light Project Manager, shared that Pacific Power is in the early planning stage of a 500kV transmission line project which may affect properties in Deschutes County. The proposal is for approximately 180 miles of new high-voltage transmission line connecting existing and proposed substations in a five-county area (Deschutes, Crook, Klamath, Lake, and Harney). The proposed transmission line would most likely cross federal lands, state land, and privately owned lands. Pacific Power has embarked on a routing study to identify a preferred route for the transmission line as well as alternative routes. As part of this study, community outreach will be conducted to share information

and invite input from affected property owners and the general public. The routing study is expected to be completed in early 2025, followed by the permitting process which will include an Environmental Impact Statement.

Aniello provided an overview of the need for a new transmission line, detailing current peak load demands and estimated future demands. He described the structures that will be built as well as various factors which will be considered when deciding on the transmission route—these include topography and availability of land for right-of-way. Efforts will be made to site the route in areas of compatible land use (e.g., industrial and commercial), areas previously disturbed, and in federally designated corridors.

Cindy Smith, Senior Project Manager with POWER Engineers, shared the planned public outreach and engagement, saying that multiple community working groups made up of 10 to 20 people will be formed this summer to help determine the preferred routing of the line.

In response to a question, Aniello spoke to the high costs and significant environmental impacts of undergrounding transmission lines. Smith explained that undergrounding lines requires extensive excavation because the lines must be contained within vaults located at a certain depth and of a size that allows workers to stand at full height.

## 2. **Work Session in preparation for Public Hearing: Draft 2020-2040 Deschutes County Comprehensive Plan**

Nicole Mardell, Senior Long Range Planner, said the public hearing before the Board on the draft 2020-2040 Comprehensive Plan is scheduled for April 10th. Mardell described the extensive community outreach undertaken in developing this update as well as the Planning Commission's in-depth review, which included three public hearings.

In response to Commissioner Adair, Mardell said the acronym SHPO refers to the State Historic Preservation Office.

Responding to Commissioner DeBone, Mardell said "rural reserves" are defined in Oregon's Administrative Rules. County Administrator Nick Lelack summarized that "urban reserves" indicate areas where future growth will occur; "rural reserves" identify where future growth will not occur. Commissioner DeBone suggested including this information in a footnote to the Plan.

Commissioner Chang noted inaccuracies in some of the descriptions contained in the draft Plan and said accurate background information is necessary to achieve

good policy. For example, the Plan says that the majority of irrigation water comes from reservoirs, when in fact the majority of irrigation water rights come from live flow rather than from stored water. Another example is the statement that piping irrigation canals contributes to groundwater level declines—while true, the declines experienced as a result of this activity represent a small amount of the total groundwater declines: 5/8 of the reason for groundwater decline is climatic, 2/8 is due to withdrawal by various entities, and just 1/8 is attributable to canal piping.

With Mardell's guidance, the Board was in consensus to offer two additional public hearings on the draft update at alternate locations, as follows: in Sunriver on Tuesday, April 23<sup>rd</sup>, and in Sisters on Tuesday, April 30<sup>th</sup>.

3. **Preparation for a Public Hearing on a proposed Commercial Activity in Conjunction with Farm Use (Winery) in the Multiple Use Agricultural Zone**

Nathaniel Miller, Associate Planner, reviewed that on April 10<sup>th</sup>, the Board will hold a public hearing regarding the appeal of a conditional use permit which was approved by the Hearings Officer for commercial activity in conjunction with farm use (winery) at 20520 Bowery Lane.

Miller confirmed the Board's approval of the following time limits during the public hearing: 30 minutes for the applicant, 30 minutes for the appellant, 3 minutes for others, and 10 minutes for applicant rebuttal.

Commissioner DeBone noted one of the questions raised by the appellant is whether wineries can be located outside of the Exclusive Farm Use (EFU) Zone. He further wanted to understand the area's conditions with respect to irrigation, water use and water rights.

Commissioner Chang asked whether the proposed winery would be directly accessible from Hunnell Road.

Miller distributed the site plan associated with the decision of the Hearings Officer for clarity when reviewing the record.

4. **Work Session – Improvement Agreement for Phase C-2 and Remaining Improvements in Phase C-1 of the Caldera Springs Destination Resort**

Haleigh King, Associate Planner, said that Phase C of the Caldera Springs expansion includes two subdivisions: the first is a 16-lot subdivision for overnight lodging units (OLUs), and the second is a 72-lot residential subdivision. Saying that the developer elected to plat Phase C in sub-phases, she said Phase C-1

included 37 single-family residential lots and 16 OLU on eight lots, and the developer is now moving forward with Phase C-2, which includes 35 single-family residential lots and 14 OLU on seven lots.

The developer requests an improvement agreement related to the infrastructure costs associated with the roads and utilities for the OLU division of Phase C-2. The developer further proposes incorporating required improvements associated with the Phase C-1 OLU subdivision into the new improvement agreement for Phase C-2.

King said this request will be presented to the Board for action at its meeting this Wednesday.

5. **Community Development Department FY 2025 Budget Direction and Options for Fee Increases**

Peter Gutowsky, Community Development Director, introduced three options for CDD's FY 2025 Budget proposal for the Board's consideration and sought direction as to the Board's preferred option. Gutowsky said while CDD's budget is not immediately vulnerable, the department's reserve funds may not cover revenue deficiencies over the next five years. He advised discussing the possibility that reserve funds could significantly diminish and potentially require fee increases and/or contributions from the general fund in order to maintain current service levels.

Gutowsky explained that CDD is experiencing permitting volume decreases of 1% to 30%, with the result that revenue for the current fiscal year is projected to be \$2.3 million less than anticipated. The department has laid off staff and reduced its front counter hours and now proposes the removal of eight unfilled positions from its budget. Referring to a projected FY 2025 funding gap of \$1.4 million, he said this amount represents another seven or eight positions, the loss of which could impact long range planning (three FTEs to one), current planning (seven FTEs to four), Code enforcement (four FTEs to two), and possibly front counter operations (five permit techs to four).

Gutowsky allowed that if implemented, these staff reductions would impact service levels and delay the processing of certain applications. He reminded that the department has eliminated 14 FTE since January 2023; following the removal of the eight unfilled positions, 50 FTE will remain.

Responding to Commissioner DeBone, Gutowsky confirmed that he has made the Central Oregon Builders Association aware of this situation.

In response to Commissioner Adair, Sherri Pinner, Senior Management Analyst, said CDD had 72 FTE in January of 2023; its staffing level was as low as 28 in 2008/2009. Gutowsky added that in addition to those 28 FTE, the department also contracted with former employees to handle some duties at that time.

Pinner provided a FY 2024 financial summary and reviewed the fee increases which were implemented for various permits and applications. She shared a graph which compared permit volumes from FY 2015 to FY 2024 and described possible strategies to balance the department's budget in FY 2025 utilizing additional fee increases and reserve transfers to avoid further staff reductions.

Gutowsky said the goal is to maintain 12 to 18 months of reserves. He emphasized that CDD is currently seeing development applications at a 2016 level, and projections have not been met over the last two years.

The Board was in consensus to support Option 2 as a starting point for the department's FY 2025 budget, with the change of raising the electrical and land use application fee increases from 16% each to 18%.

#### **OTHER ITEMS:**

- Deputy County Administrator Erik Kropp noted that the Board's meeting tomorrow evening with the Redmond City Council will begin at 5:30 pm, not 6:00.
- Kropp asked that the item on the Board's agenda this coming Wednesday regarding the Greater Redmond Enterprise Zone be taken up immediately following the proclamation.
- Commissioner DeBone announced that he will speak at the SLED luncheon this Wednesday.
- Commissioner DeBone requested a follow-up on the Board's declaration of an emergency regarding the distribution and consumption of fentanyl—specifically with respect to what is being done to address these activities in terms of resources, public notifications and other efforts.

Commissioner Adair suggested this include a discussion of HB 4002 as well as information on the dangers of marijuana use in teenagers and young adults.

- Commissioner DeBone reported on a FEMA region 10 emergency communications working group meeting next week involving the State interoperability executive council (the latter of which he serves on as a representative of AOC). Saying he will attend this meeting, he asked that the County reimburse him for the necessary travel expenses.

- Commissioner Chang shared that on Thursday, he was in Salem for the wildfire hazard map rulemaking advisory committee meeting.
- Commissioner Adair attended last Friday's re-dedication of the remodeled Vietnam War Memorial at Deschutes Memorial Gardens.

**EXECUTIVE SESSION:**

At 3:03 pm, the Board recessed into Executive Session under ORS 192.660 (2) (i) Employee Evaluation.

At 3:40 pm, the Board exited Executive Session, invited the audience back into the room, reactivated the livestream, and stated that staff is to proceed as discussed.

**ADJOURN:**

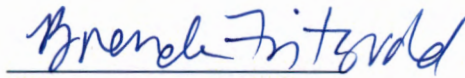
Being no further items to come before the Board, the meeting was adjourned at 3:40 pm.

DATED this 17<sup>th</sup> day of April 2024 for the Deschutes County Board of Commissioners.




**PATTI ADAIR, CHAIR**

**ATTEST:**



**RECORDING SECRETARY**



**ANTHONY DEBONE, VICE CHAIR**



**PHIL CHANG, COMMISSIONER**