



BOARD OF COMMISSIONERS

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

FOR RECORDING STAMP ONLY

BOCC 2024 RETREAT MEETING MINUTES

9:00 AM

TUESDAY, JANUARY 30, 2024

Parole & Probation
and via Zoom

Present were Commissioners Patti Adair, Anthony DeBone and Phil Chang. Also present were County Administrator Nick Lelack; Deputy County Administrator Erik Kropp; Deputy County Administrator Whitney Hale; Executive Assistant Brenda Fritsvold; DCSO Captain Michael Shults; DCSO Business Manager Joe Brundage; Health Services Director Janice Garceau; IT Director Tania Mahood; Strategic Initiatives Manager Jen Patterson; and Property Manager Kristie Bollinger.

This meeting was audio and video recorded and can be accessed at the Deschutes County Meeting Portal website www.deschutes.org/meetings.

Commissioner Adair called the meeting to order at 9:01 am.

Retreat Overview

County Administrator Nick Lelack welcomed everyone and reviewed the agenda, which will begin with each Commissioner sharing their priorities for the next year.

Commissioner Priorities

Commissioner DeBone:

- The culture of the organization is very important— open communication and being able to trust each other

- Need to recognize that not everything can be a #1 priority
- Assure quality IT services, since just one hiccup can disrupt a system
- Opportunities for more campsites for recreation and so those who want to live off the grid can—allowing this can alleviate pressure on the housing supply
- Clerk’s Office expansion
- Gain meeting space for the District Attorney’s Office when the top floor is cleared out and HVAC addressed
- Juniper removal on east side of Redmond to reduce fuels and water consumption
- Managing the clean-up of solid waste which is deposited by homeless and others
- Development in the City of La Pine should reflect the culture of the community in terms of lot sizes (space to store boats, RVs, etc.)
- Newberry Regional Partnership Report – what do people care about, how are those things paid for?
- Groundwater protection in southern Deschutes County – how to protect groundwater while maintaining the rural nature of the community (i.e., would installing sewer create more density?)
- ADUs – how many have been applied for/constructed?
- New sports complex to promote healthy kids and families; possible tie-in to the Fair; significant opportunity for recreation and tourism
- Pay levels in the Assessor’s Office and Health Services; need to dial in overtime and make sure compensation levels are appropriate across the organization

Commissioner Adair:

- The solvency of the Health Benefit Fund and who is paying for increased costs--the County, or employees?
- Taking care to be conservative with the budget and spending; exercise cost containment as expenses rise and contingency levels decrease
- Keeping close tabs that the Courthouse expansion project doesn’t go over budget
- Emergency preparedness: update plans and pay special attention to how landlocked neighborhoods can/will be evacuated if necessary
- South County groundwater protection: 7,000 septic systems need to be upgraded
- Preserve larger lot sizes for homes for the benefit of having yards, etc.
- Fire hardening standards—should Deschutes County proceed with these ahead of the State’s implementation of SB762, which has been delayed?
- Change drug possession to a Class A misdemeanor (Measure 110)
- Address problems occurring at China Hat: deer poaching, trees being cut down, sanitation and trash issues; encourage the federal government to take action and issue citations for illegal activity
- Work more closely with the Governor and others on homelessness; change the fact that safe parking programs cannot list a case transition as a win if participants move in with family or enter substance treatment
- Publicize positive things the County is doing (e.g., Oasis Village) to improve awareness

Commissioner Chang:

- Public investments in housing to promote affordability: increase supply of workforce housing, use land more efficiently, possible grants for constructing ADUs
- Homelessness: finalize the land exchange in Redmond; address Code enforcement issues in Juniper Ridge; do more to create stepping stones/pathways out of homelessness such as managed camps
- Behavioral health facilities, including secure residential treatment facilities and a child psychiatric emergency facility; improve access to behavioral health services
- Diverting yard debris and organic material out of the landfill as defensible space requirements begin to be enforced; what good use can diverted waste be put to?
- Groundwater quantity in the face of significant groundwater level declines—need to raise awareness, promote conservation, and offer incentives and technical assistance for water-saving appliances, landscape features, etc.

Departmental Submissions & Budget Priorities

Summary of Department Challenges & Opportunities

Lelack reported that each department submitted a list of opportunities and challenges anticipated for Fiscal Year (FY) 2025 for the Board's information as it develops its goals and objectives for the upcoming year. Core themes of these lists include: staffing (recruitment and retention, compensation as compared to the area's high cost of living, pending retirements), space needs, capital projects, technology (cybersecurity, new software programs, DIAL updates), the stability of revenues/funding, and homelessness.

Commissioner Adair noted continued increases in property taxes and reported that some people cannot afford to retire but instead must continue working. Saying that State law allows establishing a program which enables property owners who perform community service to receive a break on their property taxes, Commissioner Chang supported exploring the feasibility of offering this in Deschutes County.

With respect to space needs, discussion ensued regarding whether some of the space leased to the State at 1300 NW Wall Street might be available to the County.

Regarding capital projects, the following were noted: the Courthouse expansion project, the public safety campus project, the new landfill, the Tumalo and Terrebonne sewer systems, and the possibility of developing new campgrounds on County-owned properties.

Break: A break was taken at 10:27 am. The meeting reconvened at 10:37 am.

BOCC Budget Priorities

Lelack introduced the topic of budget priorities for the upcoming year and sought input

and direction from the Board as the FY 2025 budget is drafted.

Commissioner Chang shared his budget priorities, as follows:

- Addressing the fact that the Courthouse expansion project has restricted spending levels across many categories for years to come, yet many departments have expressed concern about funding stability in the future
- Ways to mitigate the variability in revenues outside of the General Fund (partnerships, etc.)
- Estimating TRT revenues conservatively and aligning commitments with the reduced revenue projections (also, possibly increasing the TRT rate?)
- Funding for the Stabilization Center

Commissioner Adair shared her budget priorities, as follows:

- Cost containment
- Assuring a quality, attractive Courthouse expansion project despite the low contingency (less than 4%); need to ensure this project does not go over budget
- Adding Veteran's Services hours in Redmond and promoting the availability of this program at the new location
- Hewing to conservative budgeting similar to how the State legislature's Ways & Means Committee approaches this
- Show budgeted and actual amounts for overtime as a footnote on the monthly financial statements for each department

Commissioner DeBone shared his budget priorities, as follows:

- Focusing on conservative budgeting to weather future unknowns
- Consider moving to a biannual budget
- Keeping tabs on the Health Benefits Fund
- Determining choices about discretionary TRT revenues and the Visit Central Oregon allocation
- Clarify what would be desired from the legislature in 2025 and work towards that

The Board was in consensus to schedule a work session on the subject of TRT revenues in mid-March, to involve relevant parties such as representatives from Visit Central Oregon.

Committee Assignments for 2024:

The Commissioners reviewed their appointments and concurred in the following:

- Adair to continue serving on the Coordinated Homeless Response Office (CHRO) Board
- Adair is no longer on the Budget Committee for Sisters Park & Recreation District
- Chang is no longer on the Oregon Park & Recreation Advisory Board
- Fair Association Board – all three Commissioners are members
- Chang serves on the Wolf Depredation Compensation and Financial Assistance

- Committee
- DeBone serves on the CORE3 Executive Council

Break: A break was taken at 11:23 pm. The meeting reconvened at 11:29 pm.

Department Participation:

IT Director Tania Mahood presented the department's 2024-2028 Strategic Plan, beginning with an explanation of the services, skills and approaches that other departments and offices want from IT—these include help with modernizing technology, maximizing the value of current investments, and identifying and fixing inefficiencies.

Mahood reviewed how the operations of the IT department have changed since 2012 due to factors such as increased cybersecurity needs, the growth of remote work, and the arrival of cloud computing. She also reviewed how the department's staffing has changed over the same period, saying that although IT's current centralized staff level is 19 FTE, some departments have their own non-centralized (also termed distributed or shadow) IT staff. Mahood said the fact of distributed IT staff has posed some difficulties with meeting regulations and achieving security.

Continuing, Mahood said that substantial investments are needed in Office 365 licensing and also in hardware. She shared a list of needed positions, including technical analysts and business architecture analysts. County Administrator Lelack commented that adding centralized IT staff may lessen the need for distributed IT employees in various departments.

Discussion ensued regarding how advancing technology can result in fewer staff accomplishing more work, reducing labor needs and operational costs.

With respect to adding positions, Deputy County Administrator Whitney Hale said staff will prioritize the list of needed positions according to the work that departments are asking IT to provide. This information, along with the significant investments needed in both software and hardware, will be considered when evaluating the potential budgetary impacts to departments.

In response to Commissioner Adair, Mahood described the steps which will be taken to determine which Office 365 license assignments are needed for individual staff members according to their job duties, noting that the purpose of gathering this information is to avoid indiscriminate assignment of all available licenses to all staff, which is cost-prohibitive.

Hale expected that the majority of IT position requests which will come forward in the next year will be security-focused.

Lunch: A lunch break was taken at 12:10 pm. The meeting reconvened at 12:33 pm.

DCSO – Public Safety Campus Plan

Captain Shults and Joe Brundage, DCSO Business Manager, presented the DCSO’s Strategic Plan, which describes initiatives, staffing, and capital projects over the next one-, five-, and ten-year periods. Shults reviewed the three phases of the Public Safety Campus Plan, which aims to provide for the DCSO’s future needs for the next ten to 20 years. This project is currently at the point of finalizing schematic designs and drafting cost estimates.

Discussion ensued regarding how to pay for this project (partially by using DCSO reserve funds), and the impact of TRT revenues on the DCSO’s operations. Brundage shared actions which DCSO is taking to achieve savings and replenish its contingency fund—these include leaving certain positions unfilled, reducing overtime, consolidating training when possible, and extending the life of vehicles.

Responding to Commissioner Chang, Brundage said the option of seeking voter approval of a bond issue for the public safety campus is still under consideration. Much will depend on the amount of funds which DCSO is able to save in the short term, and the amount of the project’s initial cost estimate.

Health Services / Crisis Services & Stabilization Center

Janice Garceau, Health Services Director, presented information on the County’s Stabilization Center, including usage statistics from June 2020 through December 2023 and funding costs from FY23 to FY29. The current allocation from the General Fund is \$789,087; DCSO currently allocates \$620,000 annually. Garceau noted other revenue sources such as IMPACTS grant funding and a \$160,000 annual contribution from the City of Bend, saying it’s unknown whether the latter will continue.

Commissioner Adair requested follow-up data on how the number of clients has increased since the center began operating. Garceau agreed to provide this within a few weeks.

Commissioner Chang said the County should advocate for State funding for stabilization centers.

Discussion ensued regarding how the Central Oregon Health Council distributes funding and whether its allocations can be considered a sustainable funding source.

Break: A break was taken at 1:48 pm. The meeting reconvened at 1:53 pm.

Homelessness / Houselessness Funding

Erik Kropp, Deputy County Administrator, recapped previous discussions on the subject of homelessness and unsanctioned encampments, particularly in the areas of Juniper Ridge, China Hat and the County-owned land in Redmond which is anticipated to be swapped for property owned by the State (aka the “DSL exchange property”). Noting that County Legal Counsel has advised delaying the effective date of Code amendments regarding camping until one or more managed camps is established so displaced campers have the opportunity to relocate to a sanctioned area, he reviewed actions taken by various entities (the Central Oregon Intergovernmental Council, the Multi-Agency Council, the Coordinated Houseless Response Office, and the Public Partners Roundtable) to address homelessness.

Kropp noted the still-present gap in options to provide shelter for those in immediate need—as confirmed by the most recent Point-in-Time count—and described the proposal to issue an RFP to seek responses from qualified organizations to design, develop and operate temporary shelter sites. He reviewed the proposed timeline for this process and said clarity is needed on the resources which will be committed to funding projects which result from the RFP.

Kropp sought direction with respect to how much, if any, of the \$2 million in ARPA funds set aside by the Board to address homelessness may be committed to this particular effort. He outlined four options for the Board’s consideration, ranging from committing all or a portion of the entire \$2 million with no strings attached to stipulating that all or some of the funds committed must help alleviate the shelter needs of persons currently living on land involved in the DSL land exchange.

Health Services Director Janice Garceau spoke to the need for clarity regarding what funding is committed to this effort before an RFP is issued. Also needed are details on any restrictions or parameters placed on that funding.

The Board discussed favoring initiatives that would reduce the number of unauthorized encampments on the DSL exchange property and at Juniper Ridge. Commissioners expressed interest in reviewing the list of properties proposed for establishing a managed camp before the RFP is issued, in delegating authority to the CHRO on this effort, and in not restricting proposals to nonprofit organizations.

Commissioner Chang said while he appreciated wanting to ensure that these funds are well spent, he was willing to allocate the full \$2 million at the outset of this collaborative effort in the interest of having the best chance at one or more successful projects.

Commissioners Adair and DeBone supported reserving \$500,000 of the set-aside and allocating \$1.5 million at this time.

Following the discussion, no decision was made or action taken.

Campground Feasibility Project

Jen Patterson, Strategic Initiatives Manager, said she and Property Manager Kristie Bollinger met with representatives from the City of La Pine last week. The City expressed three concerns regarding the possible conversion of County-owned property on Drafter Road into a campground, namely: potential perceptions of how a campground might be used; the need for transportation infrastructure; and whether the property would be managed by the County or a private entity.

Commissioner DeBone envisioned that this campground would offer space and services at market rate. Commissioner Chang said while this development poses an opportunity for revenue generation, partnering with another entity would reduce the amount of revenue collected by the County.

Discussion ensued that the property could offer a location for short-term workforce housing, especially during the summer months.

Commissioner DeBone suggested scheduling a joint meeting with the City of La Pine to further discuss this proposal and address rumors.

Referring to a possible grant opportunity, Patterson said applications for Visit Central Oregon's Future Fund grants are due in 16 days. The Board concurred in directing staff to draft a grant application for review and possible submittal, pending further Board direction.

Road Department - Capital Projects and State Transportation Funding

Chris Doty, Road Director, advised the development of strategies for the upcoming 2025 legislative session to ensure the continued sharing of State transportation revenues (fuel tax, weight-mile tax, DMV fees) with local jurisdictions, particularly in light of ODOT's admitted deficit of maintenance and operations funds, among other significant budget concerns. Doty explained the County's reliance on revenues from the State Highway Fund, which are currently allocated according to a 50-30-20 split (with counties receiving 30%), and reported recent ODOT efforts to adjust revenue sharing allocations to the detriment of local governments. Doty noted that per State law, the County cannot use general fund dollars on transportation, nor can it collect franchise fees for private utility use of public rights-of-way.

Doty said another forthcoming challenge for the Road Department involves needed safety and capacity improvements in Sunriver and Three Rivers. He distributed a table listing major CIP projects for Fiscal Years 2024, 2025 and beyond.

Discussion: 2025 Goals and Objectives

The Board decided to reschedule the discussion of its 2025 Goals and Objectives to an upcoming meeting agenda in February.

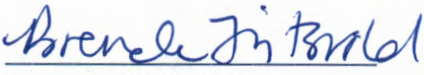
ADJOURN: Being no further discussion, the meeting was adjourned at 3:17 p.m.

DATED this 27th Day of March 2024 for the Deschutes County Board of Commissioners.


PATTI ADAIR, CHAIR


ANTHONY DEBONE, VICE CHAIR

ATTEST:


RECORDING SECRETARY


PHIL CHANG, COMMISSIONER