

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 03, 2008

MEMBERS PRESENT:

Brad Boyd	Mayor
Bill Merrill	Councilor President
Lon Kellstrom	Councilor
Sharlene Weed	Councilor
Shawna Bell	Councilor

STAFF PRESENT:

Eileen Stein	City Manager
Eric Porter	Comm. Dev. Director
Lisa Young	Finance Director
Brad Grimm	Public Works Director
Carol Jenkins	Planning Technician
Pauline Hardie	Senior Planner

DESCHUTES COUNTY:

Tammy Baney	Commissioner
Mike Daly	Commissioner
Dennis Luke	Commissioner
Dave Kanner	County Administrator
Dave Inbody	Assistant to the County Administrator
Erik Kropp	Deputy County Administrator

ABSENT:

Kathy Nelson	City Recorder
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1. Quarterly Meeting with Deschutes County Commissioners

The joint meeting of the County Commissioners and Sisters City Council was called to order at 8:00 a.m. by Mayor Boyd and Commissioner Daly. Introductions were made and **Mayor Boyd** welcomed the County staff and visitors.

A. Recycle Center Status

Public Works Director Grimm informed the County Commissioners that the recycling center is 95% complete with the landscaping to take place in the spring. He stated the center is working well as a cooperative program and he has received many positive comments with regard to having the center staffed to assist with recycling questions and concerns. He stated that the center is drawing users from not only Sisters but also Black Butte Ranch, Tollgate, Crossroads and nearby county residents and overall there is a 30% increase in the amount of recycled materials being collected each month. He stated that the City continues to provide curbside recycling of glass and cardboard to businesses.

Councilor Bell stated the signage at the site provides good direction on what items can be recycled and **Councilor Weed** stated she felt the handout that had been included in the city utility bill was also helpful in that regard.

Commissioner Luke stated that the new recently opened recycling landfill site in Bend was now collecting hazardous waste twice a month as opposed to the previous once a year collection. He added that arrangements can also be made for special hazardous loads by calling the center.

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 03, 2008

City Manager Stein stated the City was continuing to work with County Counsel to perfect the Intergovernmental Agreement for the staffing of the recycling center.

B. Other Business

a. Lazy Z/Effluent Reuse Site

Commissioner Luke asked how the effluent spraying was going on the Lazy Z property and if the City owned the property up to the highway. **Director Grimm** stated that although the City owns the property up to the highway there will be a 75 foot buffer zone for effluent spray, which has not yet begun. **Commissioner Luke** asked what the capacity is at the sewer treatment plant and **Director Grimm** informed him that there is 20 year capacity at the current infill rate. He stated the City Engineer is currently designing a transmission line from the treatment plant to the Lazy Z for spraying effluent.

Manager Stein informed the Commissioners that Ryan Houston, Executive Director of the Upper Deschutes Watershed Council had presented a scope of work to the City on the preparation of a stream restoration plan and channel migration zone map for Whychus Creek which also relates to the reintroduction of steelhead into the creek. She stated this is a matter the City will be working on for a number of years.

b. Forest Service Property Update

County Administrator Kanner asked for an update on the Forest Service property. **Community Development Director Porter** stated that a recent survey of community members indicated that most wanted the property to be developed with community related structures such as an ice rink, pool or community center. He stated the Planning Department is currently translating that information into a recommendation for the parameters to develop the property. He stated that currently the property is zoned public facilities. He added the recommendation will go to the Council next week for its review. **Commissioner Luke** asked the status of the property and **Manager Stein** stated it will likely go to bid in the spring with an August closing. She stated the seven acre East Portal parcel will be bundled with the South Barclay parcel. It will not be sold directly to the City as hoped as the Forest Service can't deviate from the federal guidelines for the appraisal process. She added that instead of basing the appraisal for the seven acre parcel currently zoned landscape management; the Forest Service will base the appraisal as if the property were zoned commercial. **Manager Stein** stated the City will eventually end up with the property but it will take longer than initially thought. She stated that the East Portal parcel is a part of the City's Park Master Plan and the City will work with the new owner to have the property donated back to the City.

c. Historic Landmarks Planning Support

Director Porter updated the Commissioners on the loss of Historic Landmarks Planner Pat Kliewer as she was losing her job with the City of Bend due to the recent downturn in the market. He stated her services and a portion of her salary were also paid by not only Sisters but Redmond and the County. He stated that when Ms. Kliewer leaves in March the City will contract directly with her as needed.

Commissioner Luke asked how the down turned economy was affecting Sisters. **Manager Stein** stated that she was watching revenue numbers compared to yearly projections but was not worried at this time. She stated she had noticed that planning fees are down some but building and electrical fees are up. She stated that Sisters also provides general fund support to the planning department. She stated she is more concerned with utility rates that all need re-evaluation. She added she is hoping that any needed adjustments will be as revenue neutral as possible to citizens.

Commissioner Daly asked if there is a surplus of land and housing inventory in the City. **Manager Stein** stated there is a great deal of inventory but the slow down has allowed the Planning Department to work on long range projects.

d. SB 1036 Construction Excise Tax

Manager Stein informed the Commissioners that she and Director Porter have been working with the Sisters School District and County Attorney Mark Pilliod on pursuing the implementation of the 1036 Construction Excise Tax. She stated the agencies had met to begin crafting an intergovernmental agreement on the tax but the question of who will verify who is exempt from the tax still needs to be determined.

e. Sun River Interchange

Commissioner Luke informed the Council of two major ribbon cuttings that had taken place to celebrate the opening of the Sunriver interchange and Road 45. He stated the cost was 24 million dollars for the two projects with several agencies contributing to the construction. He stated the wide lanes, bike paths and access were of great benefit to the region.

f. Greater Sisters CWPP

Commissioner Luke asked for an update of the Wildfire Plan. **Manager Stein** stated the steering committee is working to update the plan while on the local level the City had done mowing, thinning and burning of slash piles. She stated the City will perform that same work in the spring and then be finished with the project. She added that the Fire District had been given access to some of the grant funds to perform structural assessments.

g. Measure 37

Councilor Bell asked if there was any change in the Measure 37 claim for Pine Meadow Ranch that backs up to the City's urban growth boundary, with the passage of Measure 49.

Commissioner Luke stated that it will be dependent on the vesting of the claim which will be determined in court. **Commissioner Daly** stated that the state holds all the paper work and all cases are pending at present.

h. County Staff

Administrator Kanner introduced two new county employees; Assistant to the County Administrator Dave Inbody and Deputy County Administrator Erik Kropp. He stated that Mr. Inbody will work on budget, grant management and community surveys and that Mr. Kropp will work on internal services departments. **Administrator Kanner** stated that the County expects its general fund to be adequate next year and is more concerned with the year after with regard to the slowdown in development related revenue. He stated that with two destination resorts that are ready to begin construction this spring revenue amounts should be adequate for the year. He stated the County is already seeing a slight downturn in solid waste revenue attributable to less construction demolition debris and less garbage. He stated the County has very strong reserves in almost all departments that should serve them for the coming year.

i. County Transportation Funding

Mayor Boyd asked about road improvements and stated he remembered that the County had a moratorium about bringing in any more road improvement districts which lead to the loss of federal funds. **Administrator Kanner** stated the Road Department is still hurting from the loss of \$2.8 million in federal funds. He stated that the State gas revenue tax appropriation amount has increased slightly with a gain of \$500,000 in revenue. He stated that still leaves a net loss of \$2.3 million. He stated the County has increased tipping fees at the recycling center by five dollars a vehicle and will realize approximately \$800,000 from that increase. He stated the County has a consultant and citizen committee working with the Road Department to create a transportation system development (TSP) charge to be brought to the Commissioners as an ordinance in April. He stated that those TSP funds will be used for capital projects. He stated that without other revenue sources being identified the County will be forced to reduce the number of preservation and overlay projects it does. He stated the decrease in those projects will not be particularly noticeable initially but the impacts will become more apparent with each year that passes.

Councilor Merrill asked about discussions with regard to a tri-county gas tax. **Commissioner Daly** stated the discussion had not moved forward at all and **Commissioner Luke** stated that the legislation had asked local governments to hold off until the legislation has an opportunity to create a transportation package during the 2009 session. **Commissioner Daly** stated that if a local gas tax is imposed it should be a tri-county matter but it will take a great deal of coordination by

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 03, 2008

all three counties. **Mayor Boyd** stated that the revenues received by the City are based on the number of registered vehicles in the City the gas tax has not increased in 14 years but the cost associated with road maintenance has risen significantly. He stated that many communities are skeptical that the tax increase will be decided upon by the legislation as it has been considered for the last six years and still not come to fruition. **Councilor Bell** added that there is concern that much of that increase will not be passed on to the cities.

j. 911 Levy

Administrator Kanner stated that the executive board voted to bring the same five year 911 tax levy to the primary election as the one from last May. He stated the levy passed by a two to one margin last May but failed to reach the required 50% turnout. He stated that 911 is drawing down its reserves to get by but it can only afford to do that for one year before it needs to scale back services. He stated the types of degradation to services that citizens could expect would be calls taking 30 to 60 seconds to be answered and not all personnel being trained to walk individuals through an emergency procedure such as CPR. He stated in those cases callers would need to hold for a supervisor to assist them. He stated that 911 needs to evaluate the possibility of user fees but Bend is very resistive to user fees which would be very costly to its city. **Mayor Boyd** stated that most people will vote to pay for services they value and hopefully the measure will pass.

Commissioner Baney informed the council of her forthcoming marriage and she received hearty congratulations. **Mayor Boyd** thanked the Commissioners and County staff for attending the meeting.

A brief recess was taken while the Commissioners and County staff exited the meeting.

2. Preview 01/10/08 Regular Meeting Agenda

Manager Stein stated that Director Porter would provide a status update on the Forest Service property during the workshop. She stated the regular meeting would include a master fee resolution that would not only compile all fees charged by the City into one document but also amend some fees and create some new fees. She added the new fees included from public works and planning have not been charged previously and are an attempt to try and recoup some of the costs incurred by the City associated with these services. **Councilor Weed** asked that the information for the resolution including the current fees, proposed changes and justification for the changes be provided to the Council and **Manager Stein** stated it would. **Councilor Merrill** stated he wanted to make certain adequate notice is given to those that will be impacted by the fee changes prior to the change. He stated he was trying to stop the pattern of citizens weighing in on a subject only after it is approved. **Manager Stein** stated that she agreed with the frustration voiced by Councilor Merrill but added that it seems to be human nature to respond to actions after a decision has been made. **Director Porter** provided examples of significant staff time that is not

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 03, 2008

compensated with the current fee structure to the Council. **Mayor Boyd** stated that when the information regarding the changes was received, the Council could have an informed discussion.

Manager Stein provided an overview of other items for the meeting including a resolution for establishing how individuals can access public documents, public improvements for two subdivisions and a change to the Personnel Handbook regarding the formula for accruing holiday and vacation hours. **Councilor Weed** asked why the change to the Personnel Handbook was necessary and **Finance Director Young** explained that the change will separate the two accruals and make it easier for employees to track the vacation hours they have available. She stated it is a more accurate means of tracking holiday and vacation hours.

Councilor Bell stated she thought the Council was waiting to review information with regard to the Timber Creek Bridge. **Manager Stein** provided a recap of the history and information with regard to the bridge and stated the City is still working to find a solution.

Councilor Weed asked if the proposal will come back to the Council for approval. **Mayor Boyd** stated that since the City Engineer, Public Works Department and Planning Department are involved he feels the Council does not to be involved. **Councilor Weed** stated it was more of a process issue to her as City funds will be used to complete the process. **Mayor Boyd** stated the project has gone on in excess of eight years and it is time to get the project done correctly. **Director Grimm** stated that Public Works staff can provide some of the necessary work for the City at a significant savings while insuring a better quality project.

3. City Manager Update

Manager Stein distributed an updated *Projects in Process* list and provided an update on items. She stated she would be coming to the Council for permission to conduct an election on the question of bringing the land by the sewer treatment plant that is in the urban growth boundary (UGB) into city limits this year in order to build the maintenance facility in the future. **Councilor Weed** asked if the property for the Fire District training facility will be voted upon at the same time. **Manager Stein** stated the training facility site requires the expansion of the UGB before it can be brought into city limits. **Mayor Boyd** asked that the training facility project be included on the projects list in insure it is finished before the August 2009 required completion date. **Manager Stein** stated she was also concerned that the matter be completed in the set timeframe and stated she is feeling more confident with the addition of Senior Planner Hardie to work on the project.

Mayor Boyd noted the report showed that Public Works staff was not certified in the National Incident Management System (NIMS). **Manager Stein** stated that Director Grimm was working to insure that all Public Works staff are trained. **Director Grimm** stated there are several certification levels and it will likely take a year for all the staff to complete the training classes.

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 03, 2008

Councilor Bell asked for an update on the cell tower and stated she is concerned about the loss of revenue for the cell tower. She asked if the contract has expired. **Manager Stein** stated that the contract has expired and the City is not being compensated at this time even though the tower is still being used. She and the City Attorney are working on a renewal of the contract in order to obtain current market rate for the tower and to recoup the lost revenue since the lease expired in October 2007.

Councilor Weed asked about the garbage lease and evaluating refuse operations comprehensively and if it would include evaluating the yard debris program. **Director Grimm** stated he had hired a consultant to evaluate the entire refuse operation because the City is slated to purchase a new garbage truck and he wants to make certain the City is buying what it really needs. He stated he has also been approached by High Country Disposal Company about taking over garbage service in Sisters and a decision needs to be determined as to which is more cost effective. **Director Grimm** added he is working on an analysis of the yard debris pick-up to streamline the process.

Councilor Weed asked about the parking district improvements. **Manager Stein** explained that is for making additional improvements in downtown parking but that a project has been formulated yet.

Councilor Merrill asked about the staff reviewing the annexation agreement for McKenzie Meadow Village. **Manager Stein** explained that the City Attorney and the Executive Director of Sisters Habitat for Humanity, have met to discuss what will be included in the agreement from an affordable housing standpoint.

Councilor Merrill asked about the 1880's western design theme for the new Post Office. He asked who determines what qualifies as an 1880's design theme as it appears it is not consistently enforced, citing the examples of the Sisters Movie House that does comply and Sisters Athletic Club that does not appear to. **Mayor Boyd** stated that it goes back to the developer not always building what they say they will. He added that since the new Post Office is a federal building it is not mandated to meet the City's 1880's theme requirement unless it chooses to. **Councilor Merrill** suggested determining a consistent way to insure the 1880's design.

Manager Stein informed the Council of the desire of the Planning Commission to have a joint meeting to discuss the Development Code update. She informed the Council that the Community Leadership Summit is tentatively set for February 9th and she hopes to hold the Council goal setting session after that meeting.

The meeting was adjourned at 10:10 a.m.

Kathy Nelson, City Recorder

Brad Boyd, Mayor