

WORKSHOP MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
MAY 15, 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	Planning Director
Lisa Young	Finance Director
Brad Grimm	Public Works Director
Kathy Nelson	City Recorder

**GUESTS:**

Merle Irvine	General Manager, High Country Disposal
Bruce Bailey	Owner, High Country Disposal
Adam Sussman	GSI Water Solution, Inc.

1. Report Back on High Country Disposal Franchise Proposal

**Manager Stein** stated she wanted to report back on continuing conversations with High Country Disposal (HCD) and its proposal to take over refuse collection in the City. She distributed a handout that described the current rate charged by the City for refuse service, and the types of service residents currently receive compared to the types of service that HCD will provide. She provided an overview of the two HCD proposals with one providing curbside recycling for residents and one that does not. She reported that High Country Disposal's proposal matches the amount the City is proposing to charge that does not include curbside recycling. Both the City and HCD charges reflect a 12.5% increase over the rates currently charged. Also included in the HCD is a 90 gallon yard debris container for residents in order to provide pickup of yard debris in a safer and more efficient method than is currently used by the City.

**Merle Irvine**, General Manager of High Country Disposal stated the HCD proposal also includes increased recycling options for commercial accounts by providing a 95 gallon roll cart for comingled recycling.

**Councilor Merrill** stated that most commercial businesses in Sisters use dumpsters and asked what an equivalent size yard container would be. **Mr. Irvine** stated that a majority of Sisters' businesses use the equivalent of a one or one and a half yard dumpster. He stated that one of the benefits of using a front load system for refuse pickup is the trucks can pick up larger dumpsters that in turn require fewer visits to businesses each week. **Public Works Director Grimm** stated that the City does not provide dumpsters any larger than three yards at present due to constraints with the equipment the City uses. He stated that HDC also provides service to commercial accounts five days a week, something the City is unable to do.

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**Manager Stein** stated she was providing the information to the Council in order for them to review it in context for the Budget Committee meeting tonight where there could be further discussion. **Mayor Boyd** stated he would like to see the effects to the City's income with regard to the budget. He stated that in order to do a comprehensive evaluation he would like to see all the information together with a comparison of where the City is now and what the changes will be it will be if the Council approves the franchise.

**Manager Stein** stated that HCD is proposing a 4% franchise fee for a total of \$18,800 in gross revenues per year and will handle all the billing for refuse accounts. She stated HCD will also lease an acre of land at the wastewater plant as a collection site for yard debris and purchase existing City refuse equipment.

**Councilor Bell** asked if neighboring County subscribers of HCD are charged a comparable rate to what HCD is proposing to the City. She stated that if an individual living inside City limits and another outside City limits that live within close proximity but pay different rates, the City should be aware of that fact. **Mr. Irvine** stated the rates are comparable. **Councilor Bell** asked how frequently HCD does a rate analysis and how long the City could expect the proposed rate to be viable before a rate increase is needed. **Mr. Irvine** explained that once a year HCD is required to present a financial report to each jurisdiction that provides the revenue, expenses and profit margins of the company. He stated that if the report supports a rate increase, if it is warranted then HCD will make that request to the City. He stated the increase must be approved by the Council. He stated the City maintains complete control on the rates and level of service provided to its citizens. **Councilor Bell** stated that if conditions remain stable then she assumed there would not be any rate increase in the foreseeable future. **Bruce Bailey**, owner of High Country Disposal, stated that HCD has been in business for 40 years and plans to continue for many years. He stated that rates will not be arbitrarily raised. He stated the reason that the company can provide more reasonable rates is because HCD is already providing service to the areas outside of Sisters. He stated that providing services within the City also allows HCD to justify providing increased services such as curbside recycling to the areas outside city limits.

**Councilor Weed** asked if City Attorney Bryant has reviewed the letter from HCD's attorney stating that the City was not obligated to go out to bid. **Manager Stein** stated he had reviewed the letter and a discussion had ensued that the City would be expanding the current franchise it holds with HCD. **Councilor Weed** asked if the low-income support program that HCD provides in Redmond could be available to the low-income residents of Sisters and **Mr. Bailey** stated it could. **Mr. Irvine** stated that there is an application process involved. **Finance Director Young** stated that two years of tax returns showing an income below the poverty level must be submitted in order to receive approval for a decreased service rate. **Councilor Bell** asked if the reduced rate is subsidized by the City and **Mr. Irvine** stated it is not and that HCD merely accepts the lower rate from the identified customers.

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**Councilor Weed** stated that she needed to declare that HCD will be making a donation to Habitat to Humanity. **Mr. Irvine** stated that HCD also supports the Habitat for Humanity projects in Redmond and Bend.

**Councilor Merrill** stated that currently citizens receive a bill from the City that includes charges for sewer, water and garbage and asked if HCD takes over the franchise how that will be handled. **Manager Stein** stated that citizens would continue to receive a bill from the City for sewer and water services but would receive a separate bill for garbage from HCD. **Mayor Boyd** stated that originally there was a seven percent franchise fee if the City continued to bill for the service. **Mr. Irvine** stated that was correct as there is a three and one half percent fee paid to the City for the service and a three and one half fee paid to the City for the billing. **Mr. Bailey** stated that HCD also handles its own collections. **Councilor Merrill** stated that if the City is already sending a bill for the other services there seemed little benefit to not continuing to handle the billing in-house. **Mr. Irvine** stated that there would be a significant reduction in customer service calls and HCD would also handle vacation credits. **Mr. Bailey** stated that as an added convenience to the Sisters citizens he would encourage that a drop off site for bill paying be established, perhaps at City Hall.

**Councilor Kellstrom** questioned if residential customers could opt out of curbside recycling and **Mr. Irvine** stated it would be an across the board service for everyone or no one. **Councilor Bell** asked if garbage service is mandatory at this time. **Manager Stein** stated that currently service is mandatory but it is the Council's prerogative to change that requirement if they want to.

**Councilor Kellstrom** stated that the Sisters Recycling Center gets heavy use and questioned if HCD might consider taking over the center or buying it outright. **Manager Stein** stated that a buyout would be somewhat complicated by the fact that the Fire District owns the land and the City leases the property for the recycling center. She stated the City is still working to trade the land where the recycling center is situated for some land the Fire District wants to secure at the wastewater treatment plant property. **Mr. Bailey** stated that HCD would be interested in pursuing a discussion of that nature as the center is used by many non-city residents. He stated it is located in a good location and has a lot of value. **Mr. Irvine** stated their company has found that recycling centers continue to get heavy use for glass and cardboard drop-off in areas where they currently have franchises.

**Mayor Boyd** thanked Mr. Irvine and Mr. Bailey for attending the meeting and providing information for the Council.

## 2. Water Rights Master Plan Status Report

**Manager Stein** introduced Adam Sussman of GSI Water Solutions, Inc. **Mr. Sussman** provided an overview of his background stating he had worked for the Oregon Department of Water Resources for 14 years, at CH2M Hill for a short time and then joined GSI Water Solutions.

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**Mr. Sussman** gave a power point presentation on water rights (copy attached); stating the development of water rights was to provide a system to allocate water throughout the state. He stated the ultimate goal is to protect and maximize water rights with attention paid to *first in time, first in right*, permits and priority dates.

**Mr. Sussman** stated he is currently working on a Water Rights Master Plan for the City and provided the current status of the plan for the City's two ground water rights, six surface water rights and multiple irrigation rights at the Lazy Z. He stated activities currently being pursued are; 1) acquiring a limited license for Well #3 as a short term fix 2) development of Well #2 water right to move 50% to Well #3 and 3) a new ground water application for Well #3 to complete water rights for the well.

**Councilor Weed** asked whether it is imperative to run Well #3 this summer. **Director Grimm** stated that during peak season the City runs both Well #1 and Well #2 but both are in need of maintenance. He stated that if one of the wells failed the City would be unable to keep up with demand. He stated another advantage to running Well #3 is that if the City runs just Well #3 and leaves Well #1 and Well #2 off there are savings to the City for electrical costs.

**Councilor Bell** stated the presentation was timely with regard to recent conversations on annexation. **Manager Stein** stated the Comprehensive Plan was sized to include the 30 acres from McKenzie Meadows. **Councilor Bell** stated that because of other approved changes to zoned areas there is more in-fill and the potential for a larger population than previously anticipated.

**Mayor Boyd** thanked Mr. Sussman for his presentation.

### 3. Preview of 05/22/08 Regular Meeting Agenda

**Manager Stein** provided a tentative outline of the May 22<sup>nd</sup> budget meeting stating it would be dependent on what is accomplished by the Budget Committee at the meeting that will take place later that evening. She stated the Urban Renewal Agency Budget Committee will also convene on May 22<sup>nd</sup>. She also provided an overview of the regular meeting.

### 4. City Manager Update

**Manager Stein** reported she had met with representatives from Ponderosa Land and Cattle Company who are attempting to develop a large destination resort in Jefferson County off of Greenridge Road. She stated the company had initiated the meeting as a courtesy to the City. **Mayor Boyd**, who also attended the meeting, stated the company has 45 square miles of property but that no details have been finalized and that any development of the property is at least two years away.

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**Manager Stein** stated she had met with City Engineer Dick Nored with regard to sewer capacity on the west end of the city. She stated he will be providing a report to the Council regarding his concerns at a workshop in June.

**Manager Stein** stated that with the warmer weather the City had received an update from the Deschutes County Emergency Management Coordinator. She stated that since the night time temperatures will continue to be cold there are no anticipated flooding events.

**Mayor Boyd** stated that the neighborhood meeting for Clemens Park had taken place on Tuesday evening with a good turnout. He stated the Community Garden gave a good presentation but it was apparent that the neighbors were not in favor of re-locating the Community Garden to the park and he removed that option. He stated that the neighbors want to see an entryway, restrooms, play structure and additional landscaping. He stated there was no support for fencing around the entire park and that staff will work with a neighborhood representative and Kiwanis representative on a final plan.

**Councilor Weed** stated she heard from a community member who was upset that the Mayor had made a decision for the entire Council. **Mayor Boyd** stated that the leadership of the Community Garden had stated they did not want to be located where the garden was not wanted and he felt the garden was not welcome by the neighboring residents. **Councilor Kellstrom** stated that he had also heard from a community member that there was not that much opposition to the Community Garden and that there were only a few very vocal people from the neighborhood that were presenting a majority of the negative comments. **Mayor Boyd** stated he felt the comments were primarily against the garden re-locating to the park. **Councilor Weed** asked what the City can do for the Community Garden. **Mayor Boyd** stated he had suggested the land between the Habitat Re-Store and the Chamber of Commerce as a possibility and asked staff to work with representatives from the Community Garden to find a suitable location. **Councilor Merrill** stated he could understand why the neighbors were not in favor of the garden as it is unattractive during the winter months. He stated he also feels the City needs to look at moving the restrooms to a different location on the property. **Mayor Boyd** stated he had brought the matter up at the meeting and informed the neighbors he felt the restrooms should be placed elsewhere. **Manager Stein** stated there was also the idea to create a picnic shelter and restroom in close proximity.

**Councilor Bell** stated that there was a party by the tennis courts on Pine Street and that cars were blocking the street to the point that emergency vehicles would not have been in able to get through. She asked if the City was still planning to place “*No Parking*” signs on the street. **Councilor Kellstrom** suggested an effective way to deal with the problem would be to call the non-emergency Sheriff’s phone number and report the cars that are blocking the road.

**Councilor Bell** asked for an update on placing “*No Parking for Vehicles over 6.5 Feet*” in front of Space Age Gas Station. She stated that semi-trucks continue to park there and block the view of cars attempting to enter Cascade Avenue from Pine Street by the gas station. **Director Grimm**

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stated that there is asphalt up to the business grounds and the only ground where a sign could be easily placed is by the Space Age business sign and he doesn't want to block the sign. He stated that the City can't place the no parking sign on the sidewalk because of American with Disabilities Act (ADA) issues. He stated he is still working to find a suitable location for the signs.

**Councilor Bell** reported that there are three trees cabled together at Washington and S. Pine. **Director Grimm** stated he would follow-up on the trees to determine what was being done.

**Councilor Bell** asked for an update on the flagpole for Village Green Park. **Director Grimm** reported that the hole had been dug and the concrete would be poured later in the day. He stated the pole would be set on Monday in plenty of time for the Memorial Day event hosted by the Veterans of Foreign Wars (VFW).

The meeting was adjourned at 10:06 a.m.

Respectfully submitted,

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Kathy Nelson, City Recorder

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Brad Boyd, Mayor