

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE.
JUNE 26, 2008

MEMBER PRESENT:

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

STAFF PRESENT:

Eileen Stein City Manager
Steve Bryant City Attorney
Lisa Young Finance Director
Eric Porter Comm. Dev. Director
Brad Grimm Public Works Director
Kathy Nelson City Recorder

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The meeting was called to order by Mayor Boyd at 7:04 p.m.

II. VISITOR COMMUNICATIONS

III. CONSENT AGENDA

- A. Minutes
1. June 5, 2008 –Workshop
 2. June 12, 2008 –Regular Meeting
- B. Bills to Approve
1. June Accounts Payable

Councilor Kellstrom moved to approve the consent agenda. Councilor Merrill seconded the motion.

Mayor Boyd made a correction to the minutes of June 5, 2008 and **Councilor Weed** made a correction to the spelling of her name in the minutes of June 12, 2008. **City Recorder Nelson** noted both corrections.

Councilor Weed asked for clarification for an invoice payable to Deschutes County for a hearings officer deposit in the amount of \$2,500. **Community Development Director Porter** stated it represented a deposit for the hearings officer for the City's application for an urban growth boundary amendment related to the Fire District training facility at the wastewater treatment plant site. He stated the City will be billed on the actual amount of time spent reviewing the application and the City would likely be charged more before the review is completed.

Councilor Weed asked for clarification for the invoice payable to Deschutes River Conservancy for temporary mitigation credits in the amount of \$3,292.90. **City Manager Stein** explained it was payment for ground water rights mitigation needed for Well No. 3.

Councilor Weed asked for clarification on an invoice payable to Hooker Creek for survey equipment in the amount of \$4,800. **Public Works Director Grimm** stated it was for the purchase of a rotary laser and a pipe laser. He added that the purchase of the equipment will save the City more than the purchase price in less than one year.

Councilor Kellstrom moved to approve the consent agenda as corrected. Councilor Merrill seconded the motion. The motion carried unanimously.

IV. STAFF REPORTS

A. Brad Grimm, Public Works Director– (Report Attached)

Director Grimm asked for questions regarding his staff report.

Councilor Weed asked why the striping on Highway 242 and Hood Street crosswalk was not completed yet. **Director Grimm** stated that the Oregon Department of Transportation (ODOT) will stripe the crosswalk when the pedestrian path on Highway 242 is striped which is being paid for with a Quick Fix grant. He stated that will take place in the next two to three months. He stated that in order for ODOT to stripe the crosswalk now the funds would need to come from its Region 4 budget and there are no funds identified for that project in that budget. He added that the other option is for the City to pay for the striping at a cost of approximately \$2,500.

Councilor Weed asked when the bumps on Cascade Avenue will be evened out. **Director Grimm** stated that smoothing out the street is on ODOT's project list but has not been funded yet. **Director Grimm** stated he would check with ODOT to see if an estimated date has been established for the work to be done.

Mayor Boyd asked Director Grimm to check and see why ODOT striped narrower bike lanes on Highway 242 and **Director Grimm** stated he would check.

Director Grimm reported that the bids for the East Cascade re-alignment project had been opened earlier in the day. He stated that the apparent low bidder was Knife River with a bid of \$233,000.

B. Eric Porter, Community Development Director– (Report Attached)

Director Porter asked for questions regarding his staff report.

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE.
JUNE 26, 2008

Councilor Weed asked when the Forest Service Comprehensive Plan amendment would be ready. **Director Porter** stated that the City had been waiting for a representative from the Forest Service in Portland to sign off on the language and that had just been received back. He explained that the language was very general and stated that consideration for uses that are above and beyond the current zoning would need to be addressed with the City.

Councilor Weed stated she would like to see copies of the sign handout and new business information handout as well as the code enforcement policies and procedures that Director Porter mentioned in his staff report. **Director Porter** stated he would provide a copy of the requested documents to Councilor Weed.

Councilor Weed asked when the non-emergency Development Code update would begin. **Director Porter** stated that workshops will begin this summer on some of the items such as density bonus.

Councilor Weed noted that the joint meeting with the Committee for Citizen Involvement (CCI) and Planning Commission did not mention reviewing the Comprehensive Plan as previously reported and of which she had been concerned. **Director Porter** provided clarification stating that it had never been the intent for the CCI to review the Comprehensive Plan but rather have a round table discussion with the Planning Commission to discuss roles and responsibilities.

Councilor Merrill voiced some concern regarding a particular electrical inspection and stated he wanted to make sure that staff was being responsive to requests for all inspections. **Director Porter** stated he would follow up with staff regarding the incident.

Councilor Bell asked about the land use modification for Five Pine. **Director Porter** explained that the developer recently received approval from the City for nine cabins but was unable to secure financing for the project. He stated this change modified the plan to only eight buildings with a total of 16 units.

Councilor Weed asked for an update on the proposed hotel and asked how long the applicant has to respond. **Director Porter** stated the application submitted was deemed incomplete and the applicant has 180 days from the date the application was received by the City in April to submit the requested information.

Mayor Boyd referred to Director Porter's "2008 to date" list for new construction of single family residential and stated he thought the number should be larger than four for the year. **Director Porter** stated that two applications had been withdrawn and one application had just come in but he would double check the figures.

V. COUNCIL BUSINESS

A. Discussion and Consideration of Ordinance No. 380: AN ORDINANCE OF THE CITY OF SISTERS AMENDING SISTERS MUNICIPAL CODE SECTION 2.28 PERTAINING TO THE SISTERS URBAN AREA PLANNING COMMISSION

Director Porter explained that the ordinance would limit the term of the chair and vice-chair of the Planning Commission to two years but with no limit to the number of times they could be re-elected to the position. He stated it would also limit the chair and vice-chair position to only Planning Commission members that reside within city limits.

Councilor Weed moved for the first and second reading by title only of Ordinance No. 380. Councilor Merrill seconded the motion. The motion carried unanimously.

City Attorney Bryant read Ordinance No. 380 by title only, twice.

Councilor Weed moved to adopt Ordinance No. 380 amending the City of Sisters Municipal Code Section 2.28 pertaining to the Sisters Urban Area Planning Commission. Councilor Kellstrom seconded the motion.

Mayor Boyd stated he thought the Council had agreed that the terms should be limited to two years but not that the Planning Commission Chair and Vice-Chair were required to reside within city limits. **Councilor Weed** stated she would prefer the Chair resided within city limits and **Councilor Bell** agreed that since the Chair oversees city planning decisions it made sense for an inside resident to preside over the meetings.

Councilor Merrill stated that planning decisions are based on standards and criteria and where a person lives has no bearing on the decisions made. He suggested not making the requirement to live within city limits, stating that other than workshop topics the Development Code drives what the Planning Commission does. **Councilor Kellstrom** stated he felt that term limits were appropriate but that the Planning Commission could find a very capable person to chair the commission that resides outside city limits. He added that with the current direction that Planning Commission is receiving from City staff he is very comfortable with allowing an outside city limits resident to act as chair.

Mayor Boyd suggested striking the sentence that reads “*the chair must reside within the Sisters city limits*” from the ordinance.

Councilor Weed moved to accept the suggested strikeout of “the chair must reside within Sisters city limits” from Ordinance No. 380. Councilor Kellstrom seconded the motion. The motion carried unanimously.

**B. Public Hearing and Consideration of Resolution No. 2008-13: A
RESOLUTION OF THE CITY OF SISTERS ADOPTING A
SUPPLEMENTAL BUDGET AND ESTABLISHING APPROPRIATIONS**

Mayor Boyd opened the public hearing for anyone wishing to speak on the supplemental budget. As there was no one wishing to speak the public hearing was closed.

Councilor Kellstrom moved to approve Resolution No. 2008-13 adopting a supplemental budget and establishing appropriations. Councilor Merrill seconded the motion.

Councilor Weed asked what portion of the additional \$24,000 in the Refuse Fund *material and services* line item was contracted services. **Finance Director Young** stated that is was approximately \$8,000.

Councilor Weed asked what was included in the City Hall Remodel fund and why it was still necessary. **Director Young** explained that the City received an amortization schedule for debt service that was not entirely accurate. She stated this year the City incurred an additional \$173 in debt service not included in the original budget and the \$200 transfer to debt service will cover that amount. She stated that going over budget in any debt service category is unacceptable in the audit process and this represented a minor fix.

Manager Stein stated that the fund is changing from a capital project fund to a debt service fund and will be renamed City Hall Debt Service Fund.

The motion carried unanimously.

**C. Discussion and Consideration of Resolution 2008-14: A RESOLUTION OF
THE CITY OF SISTERS AUTHORIZING AN INTERFUND LOAN OF
\$500,000 FROM THE GENERAL FUND TO THE SISTERS URBAN
RENEWAL AGENCY**

Director Young explained that the resolution approves the \$500,000 General Fund loan to the Urban Renewal Agency.

Councilor Kellstrom moved to approve Resolution No. 2008-14 to authorize an interfund loan of \$500,000 from the General Fund to the Sisters Urban Renewal Agency. Councilor Merrill seconded the motion. The motion carried unanimously.

D. Discussion and Consideration of a Motion to Authorize the City Manager to Amend the Water Rights Master Plan Contract.

Manager Stein stated that the increased cost of the amendment to the contract with GSI Water Solutions for a Water Rights Master Plan would have the effect of exceeding her spending authority.

Councilor Merrill moved to authorize the City Manager to amend the Water Rights Master Plan contract for an additional \$12,000. Councilor Weed seconded the motion.

Councilor Weed stated that even though she was in favor of the Water Rights Master Plan she was uncomfortable with the fact that Manager Stein had started a process that was under her spending authority originally but that now was blossoming into something larger. She requested that in the future when Manager Stein is embarking on a project of this nature that she bring it to the Council at the beginning of the project. **Manager Stein** stated that when she started the process she was unsure of what condition the City's water rights were in and that Adam Sussman of GSI Water Solutions Inc. quickly discovered some implementation pieces on which the City needed to move quickly with the anticipation of Well #3 coming on-line. She stated that now the master plan process will be completed. She stated she would bring projects to the Council in the future if it appeared they could grow to a bigger project than anticipated.

E. Discussion and Consideration of a Motion to Approve a Memorandum of Understanding (MOU) for the Whychus Creek Restoration and Management Plan

Director Porter stated that this MOU was a follow-up to the start of the Whychus Creek Restoration Plan. He stated it authorizes the City Manager to enter into a contractual agreement with the Upper Deschutes Watershed Council, commits the City to provide a \$30,000 contribution and identifies him as the City contact staff person to assist with the plan

Councilor Merrill moved to approve a MOU for the Whychus Creek Restoration and Management Plan. Councilor Weed seconded the motion. The motion carried unanimously.

F. Discussion and Consideration of a Motion to Extend the Habitat for Humanity Lease for the Old City Hall for Three Years

Councilor Weed recused herself from the discussion citing a conflict of interest and stepped down from the Council dais to be seated in the audience.

Councilor Merrill moved to extend the Habitat for Humanity Lease for the old City Hall for three years. Councilor Kellstrom seconded the motion.

Mayor Boyd stated that there are three areas to be decided upon within the request; 1) term of the lease, 2) monthly rental amount and 3) the request to construct an outside storage area. He suggested addressing each item individually.

Councilor Kellstrom asked if there was a clause that allows the City to have the property vacated in 60 days if necessary. **Councilor Merrill** stated Manager Stein's agenda item summary stated the City could terminate the lease with a 30 day notice. **Manager Stein** stated she felt that termination policy Councilor Merrill was referring to could only come into play after the end of the three year lease extension when Habitat would then be a month to month tenant. **Attorney Bryant** concurred and stated that if the Council wants to have that flexibility a clause to that affect would need to be added to the lease addendum.

Councilor Kellstrom stated he was comfortable with a three year extension but only with a clause that allows the City to terminate the lease with notice. **Councilor Merrill** agreed.

Councilor Bell asked if the three year time frame aligns with the Transportation System Plan (TSP) update and the timing of when the City might need the property to construct additional parking. **Mayor Boyd** stated that realistically it did.

Robin Tawney, 525 Washington Street, Sisters, OR 97759

Ms. Tawney, Manager of the Habitat for Humanity ReStore requested that the Council consider allowing a 90 day termination clause as there is so much merchandise in the store that 60 days would make it very difficult to get everything moved out of the building. She stated that she and other staff members would greatly appreciate the consideration of the additional time.

The **Council** agreed on the 90 day termination clause.

Mayor Boyd asked for input from the Council regarding the rent amount to be charged. The **Council** agreed on the monthly rent amount of \$500 for the duration of the lease.

Mayor Boyd asked for input from the Council regarding the construction of an outside storage unit. **Councilor Merrill** asked if the Council should be addressing the issue or if it should go to the Planning Commission. **Attorney Bryant** stated that if the applicant goes to the Planning Commission the request will only be subject to the code provisions and as the landlord of the property the City can request anything specific it wants prior to that

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE.
JUNE 26, 2008

application. **Councilor Merrill** stated that there should be language included to insure whatever is built meets the requirement of the Development Code. **Mayor Boyd** stated that the application for the building will be sent to the Planning Commission to make certain it meets the Development Code but he was trying to ascertain if an outside storage area was something the Council even wanted to consider for the property.

Director Porter stated that in the commercial zone outdoor storage is not allowed and although it is not stated in the light industrial area as not allowed there is a silent agreement that the two zones should be consistent.

Ms. Tawney stated that the design of the outside storage area is not drawn up yet but that Habitat for Humanity was envisioning a fenced area with an overhang for storing lumber. She added that Habitat for Humanity is willing to work within whatever perimeters the City requires for the building. **Mayor Boyd** stated that the City needs to set a good example and asked Director Porter if a covered porch would be allowed versus an outdoor storage area. **Director Porter** stated that the difference is “displaying” versus “storing” and that storage of material is currently not allowed by the Development Code. He added that the line between the two is a judgment call. **Mayor Boyd** stated that as a business owner in the downtown core he is allowed to display merchandise outside of his store as long as he does not impede movement on the sidewalk and he brings the merchandise in each night, but a permanent outside storage area would be different.

Councilor Kellstrom stated that if it is not allowed in the code he doesn't see how to get around it. **Director Porter** stated that a code amendment would be a quick fix for the issue. **Councilor Kellstrom** stated that if the City makes the change for itself it is setting precedent and he was unsure the City would want to do that. **Councilor Merrill** stated that stored lumber could be unsightly. **Attorney Bryant** stated that since Habitat for Humanity does not have any drawing of the proposed storage unit he would propose the Council add a provision of no outside storage without express permission and approval of the Council. He stated that will allow time for a change within the Development Code update with the appropriate language detailing what is and what is not allowed.

Councilor Bell asked if extending the lease could impede T-Mobile from building a larger cell tower and if it would impede the City's ability to negotiate with the company. **Attorney Bryant** stated that T-Mobile cannot exceed the size of its prior lease and Habitat for Humanity is leasing the entire space and building subject to the City's lease with T-Mobile. **Manager Stein** stated that the City is in negotiations with T-Mobile to increase its lease payment to a more realistic price of \$1,200 to \$1,500 a month instead of the current \$500 amount it is still paying from its previous lease agreement. She stated there had been discussions between the City and T-Mobile of a new tower design that included public restrooms but no decisions were ever reached. She stated the City is still negotiating with

T-Mobile. **Mayor Boyd** stated he felt that no significant changes will occur with T-Mobile and its current cell tower in the next three years.

Attorney Bryant suggested the Council wait for an updated addendum that includes all the suggested changes stating it will also allow the City Manager additional time to communicate with T-Mobile.

***Councilor Merrill** rescinded his motion and **Councilor Kellstrom** rescinded his second of the motion.*

Council Weed rejoined the meeting.

VI. OTHER BUSINESS

Manager Stein reported she had attending the annual fire season preview. She stated that fire officials are expecting a normal season with more winds than normal. She informed the Council of a website she would be forwarding to them that provides a seven day forecast for fire potential. She added that currently there are more then adequate resources available in the region.

Manager Stein provided an update on a previous conversation regarding a transient merchant license relative to Christmas Mountain Magic and its request to waive the \$100 a day transient merchant fee since the store already has a current business license. She stated the business wants to sell its candy at special events around town. **Mayor Boyd** asked if business license is address specific and **Attorney Bryant** stated it is and he would need to look at the Municipal Code to determine if a transient vendor license applies to Christmas Mountain Magic's situation. **Manager Stein** state that another complication to the situation is that if the Chamber of Commerce is hosting an event it applies for a transient vendor license for the entire event and vendors pay the Chamber of Commerce a fee for a space to sell their wares. She stated allowing Christmas Mountain Magic to sell under those conditions would undermine the Chamber of Commerce. The **Council** discussed the issue and determined that a transient vendor license would be necessary for each special event when product is sold outside the business address or the store would need to pay for a vendor space from the Chamber of Commerce for its events.

Manager Stein informed the Council that there was an updated staff report in their mail boxes regarding Aspen Lakes. **Councilor Weed** asked if the Council needed to schedule a workshop to discuss the issue and **Mayor Boyd** stated he felt the staff report would answer any questions.

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE.
JUNE 26, 2008

Manager Stein reported that the joint meeting with the County Commissioners was cancelled due to unavailability of the County Commissioners and County staff.

Manager Stein directed the Council to the invitations to the “New Year’s” luncheon City staff were hosting for the end of the fiscal year and invited them to attend.

Manager Stein reported that she would not be attendance at the July 10th regular meeting as she will be attending the Oregon City/County Management Association yearly conference.

VII. MAYOR/COUNCILOR COMMENT

Councilor Bell reported that Central Oregon Intergovernmental Council (COIC) has begun its commuter options transportation system which includes increased trips for Sisters residents. She stated that daily trips from Sisters go to both Bend and Redmond on alternative days. She added that COIC is looking for feedback from the community to determine if additional changes are needed to the number of trips needed and time of day they occur. She reported that COIC will have a public relations roll-out in Sisters so residents become aware of the options provided.

Councilor Weed stated she read in the Nugget Newspaper that there were opening in the Planning Commission and stated she thought all the spots were currently filled. **Mayor Boyd** stated that three commissioners terms expire on June 30 and members need to reapply for the position is they are interested. He added that currently four applications have been received for three upcoming term expirations.

Councilor Weed requested an update on the Public Facilities Master Plan. **Manager Stein** stated that a sub-committee of the CATS Board and Scott Aycock from COIC met to discuss how to get the project started and that money left from a Ford Family Foundation grant will be used to write the request for proposal (RFP) for the larger scope of work. **Councilor Weed** asked if the parks issue will be included in that scope of work and **Manager Stein** stated it would.

Mayor Boyd asked Recorder Nelson to report on the response of the Community Garden to the two sites the City has identified for possible relocation of the garden. **Recorder Nelson** reported that she had shown the two sites to Larry Nelson, co-president of the Community Garden Board and that the other Community Garden Board members would be visiting the sites to discuss their viability. She stated the Mr. Nelson stated the two sites had some potential.

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE.
JUNE 26, 2008

VIII. ADJOURN – 8:32 p.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Brad Boyd, Mayor