

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE.
JULY 24, 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
Brad Grimm Public Works Director
Eric Porter Comm. Dev. Director
Kathy Nelson City Recorder

ABSENT:

Lisa Young Finance Director

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The meeting was called to order by Mayor Boyd at 7:06 p.m.

II. VISITOR COMMUNICATIONS

III. CONSENT AGENDA

A. Minutes

1. June 26, 2008 –Workshop
2. July 3, 2008 – Workshop
3. July 10, 2008 - Workshop
2. July 10, 2008 –Regular Meeting

B. Bills to Approve

1. July Accounts Payable

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

Mayor Boyd stated that a paragraph in the minutes of the June 26, 2008 workshop when City Engineer Nored was describing effluent disposal gave contradictory facts. **Manager Stein** stated she thought the information being given by Engineer Nored was from two different perspectives; prior to the purchase of the Lazy Z property and after the purchase of the Lazy Z property when it will be used for spraying of effluent. She added she would check to make certain her assumption was correct.

Councilor Bell asked if Incode was a relatively new software program to the City. **Manager Stein** stated that the City switched over to Incode several years ago but had recently purchased a new module for the system.

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 Merrill stated that he had requested that the accident reports for the Barclay Avenue/ Highway 20 intersection from the Oregon Department of Transportation (ODOT) be obtained and asked if they had. **Director Grimm** stated he had requested the accident reports but had not received them from ODOT yet. He stated he would check to see if ODOT could provide a timeframe for when the reports would be provided.

Councilor Weed asked when the waves along the Cascade Avenue roadway would be evened out by ODOT. **Director Grimm** stated that although ODOT is aware of the ruts on the Cascade Avenue roadway and the repair of those ruts are on the ODOT “needs” list, the repair is not yet on any schedule for ODOT. **Councilor Weed** voiced concern for pedestrian and bicyclist safety and asked if there was a timeframe for when the repair might take place. **Manager Stein** agreed that the condition does present a safety issue but unfortunately it is still not a priority for ODOT. **Mayor Boyd** added that there is currently a shortage of funds for even scheduled repairs.

Councilor Bell asked for an appraisal of the water leak on Cascade Avenue. **Director Grimm** stated that the water leak had been fixed. He stated that a new service had been installed and connected to the main water line. He stated the concrete was patched and the remainder of the work necessary to finish the walkways would be coordinated with the surrounding Reed Brothers walkway repairs.

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

Director Porter asked for questions regarding his staff report.

Mayor Boyd asked if the Black Butte Crossing application was required to identify housing units as apartments, townhomes or condominiums for the application to be deemed complete. **Director Porter** stated it is not a matter of completeness of the application as much as a need to know in order to determine parking needs. He added he would have the Senior Planner follow up with the applicant to see if a determination had been made on the units.

Councilor Merrill asked if Director Porter had identified a representative from Pine Meadow Ranch to speak with regarding the placement of cluster mailboxes. **Director**

Porter stated he had not and was purposefully waiting a period of time because of the unexpected death of Mr. Sokol. **Councilor Weed** stated she knew of a contact person that Director Porter could speak with that she would email the contact information to him.

Councilor Weed directed Director Porter to his statement on the *non-emergency Code update* stating she thought the *Density Bonus* and *Modification* sections would be included with that update, not separated out. **Councilor Weed** stated she thought the Council had already decided it would prefer to include those sections with the update. **Director Porter** stated he would merge the density bonus and modification section into the update.

Councilor Bell asked when the new Ray's Food Place would open. **Director Porter** stated the target date to open is November. **Mayor Boyd** asked if any business has been identified as moving into the old Ray's Food Place when it becomes vacant. **Director Porter** stated he has met with an interested party but there is no information for publication yet.

V. COUNCIL BUSINESS

A. Discussion and Consideration of a Motion to Endorse a Liquor License Application for Sisters Oil LLC

Director Porter stated this was in follow-up to the July 12th meeting when the question of whether this liquor license application constituted the expansion of a non-conforming use and whether a conditional use permit was necessary. He stated that after additional research and conversation with a former Planning Director Neil Thompson and the applicant he determined it is not expanding a non-conforming use. He stated the size of the structure where the snacks and beverages are sold is small compared to the gross area of the site and he considers it appurtenant to the gas station use. He recommended endorsing the liquor license.

Councilor Kellstrom moved to endorse a liquor license application for Sisters Oil LLC. Councilor Merrill seconded the motion.

Councilor Bell asked what Space Age Gas Station is considered. **Director Porter** stated it is an existing non-conforming use similar to Sisters Oil LLC. **Councilor Bell** asked if the Council endorses the liquor license if it would be the same as the condition under which Space Age Gas Station conducts business. **Director Porter** stated it would be, just at a smaller scale.

Councilor Weed thanked Director Porter for the clear concise information presented in his summary.

The motion carried unanimously.

B. Public Hearing and Consideration of a Motion to Endorse Liquor License Renewals for Fiscal Year 2008-09

City Recorder Nelson explained that this was the first step of a yearly event that provides the Council an opportunity to provide or withdraw an endorsement to the businesses in the City of Sisters that hold liquor license with the Oregon Liquor Control Commission (OLCC). She stated that Deschutes County Sheriff's Department had run a criminal activity report on the businesses and found no activity that involves alcohol sales violations.

Councilor Merrill stated that two of the businesses listed, Lakeside Bistro and Three Creeks Lake Store, are not within city limits. He stated that Sister Cottage House and Hitchin Post General Store are out of business. He stated he had Recorder Nelson research how this should be handled and directed the Council to the email advice from OLCC Investigator Katy Boyce stating that informing the OLCC of the discrepancies is appreciated.

Councilor Merrill stated that he noticed that some local governments charge a license renewal application or processing fee and asked if the City has ever considered assessing a fee. **Manager Stein** stated that in her tenure the Council has never asked to impose a fee. She added that some cities do impose a \$20 to \$25 fee each year.

***Councilor Kellstrom** moved to endorse the annual liquor license renewal for City of Sisters businesses with the exception of Lakeside Bistro, Three Creeks Lake Store, Sisters Cottage House and Hitchin Post General Store. **Councilor Merrill** seconded the motion. The motion carried unanimously.*

The **Council** directed staff to advise the OLCC as to why certain businesses were not endorsed and **Manager Stein** stated they would.

C. Discussion and Consideration of Resolution 2008-18: A RESOLUTION AMENDING THE CITY OF SISTERS PERSONNEL POLICIES

Manager Stein explained that each year there are some small changes made to the personnel policies and these are the changes that have been identified this year. She stated a comprehensive review of the entire Personnel Handbook will take place later in this fiscal year to make certain the City is compliant with Oregon employment law.

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Councilor Weed moved to approve Resolution No. 2008-18 to amend the City of Sisters personnel policies. Councilor Merrill seconded the motion.

Councilor Bell asked what it means for an employee to be on probation period when first hired or reclassified to a new position and if the employee is still eligible for benefits. **Manager Stein** stated the employee is eligible for benefits and it merely indicates the employee is in the one year trial period for the position. **Councilor Weed** stated that one year seemed like a long probationary period and **Manager Stein** replied it is a common length of time for probation in local government because it often takes that long to accurately assess someone's performance. **City Attorney Bryant** stated that even though Oregon is an "at will" state with regard to terminating an employee the process for terminating federal and state employees still requires numerous steps. **Councilor Weed** asked what was in the personnel handbook previously regarding the matter. **Manager Stein** stated that this probationary period has always been practiced by the City but has not been clarified previously.

Councilor Weed stated she felt the last sentence in the *Merit Pay* explanation that states employees who receive an unsatisfactory annual review are not eligible for a merit increase is unnecessary. **Mayor Boyd** stated he felt it was necessary to make the point very clear.

Councilor Weed questioned the section on *Holiday Pay* and asked why it is necessary for an employee who works a holiday to take the next day off as the holiday. She stated she feels that if an employee works on a holiday they should be able to take the "holiday" they are owed whenever they want to. **Mayor Boyd** stated he felt the section was to insure that the employee is paid for a holiday and had nothing to do as to when it is taken. After further discussion the **Council** chose to withdraw the motion in order to obtain clarification on the matter.

Councilor Weed withdrew her motion to approve Resolution No. 2008-18 to amend the City of Sisters personnel policies. Councilor Merrill withdrew his second of the motion.

The item was pulled.

D. Discussion and Consideration of a Motion to Accept a Dedication of Street Right of Way (ROW)

Director Grimm stated the dedication of street right of way from Richard and Jelinda Carpenter was to allow the new post office the use of the right of way for circulation of pedestrian and vehicular traffic.

Councilor Merrill moved to accept a dedication of street right of way. Councilor Weed seconded the motion.

Attorney Bryant stated that there were two items in the title company report that cause him some concern about the dedication and that he has requested additional information from the title company. He suggested the Council make the acceptance of the right of way dedication subject to his review of the two items.

Councilor Merrill moved to accept a dedication of street right of way as amended. Councilor Weed seconded the motion. The motion carried unanimously.

VI. OTHER BUSINESS

A. Community Grant Allocations for FY 08-09

Councilor Bell and **Councilor Kellstrom** recused themselves from the discussion and voting on the issue due to a conflict of interest.

Councilor Merrill moved to approve the following Community Grants for FY 08-09 for a total of \$12,550:

FAN in the amount of \$3,000

SOAR in the amount \$5,000

Wolftree in the amount of \$300

SMART in the amount of \$1,250

Girl Scouts in amount of \$300

Sisters Little League in the amount of \$900

Public Art Team in the amount of \$1,000

Sisters Trail Committee in the amount of \$400

Councilor Weed seconded the motion. The motion carried unanimously.

Manager Stein asked if the Council would like her to provide additional information regarding the request for an additional \$1,900 for the scope of work for the Public Facilities Master Plan as noted in the workshop meeting minutes of July 12th. **Mayor Boyd** stated that he felt the information should be presented in a workshop. **Councilor Weed** stated she feels there is some confusion as Sisters Organization for Activities and Recreation (SOAR) had discussed including the Parks Master Plan in with the Public Facilities Master Plan. She added that she felt SOAR as well as other benefitting agencies should participate in the funding of the project. **Manager Stein** stated she would have additional information after the next Community Action Team of Sisters (CATS) Board meeting.

VII. MAYOR/COUNCILOR COMMENT

Councilor Merrill stated that at the Council workshop of July 3rd there was a discussion on expanding the Sisters Overnight Park to convert 20 RV sites into 25 RV sites with full hook-ups. He stated at that meeting he brought up that he felt that even though the Council approved the funds for the conversion during the budget session the matter should come before the Council at a regular meeting for a formal decision in order to allow citizens an opportunity to speak. He asked if staff had checked with the City Attorney on the matter. **Manager Stein** reported that staff had checked with the City Attorney and had been advised that the matter should come before the Council during a regular meeting. She stated the matter is on the scheduled for the regular meeting of August 14th. The **Council** discussed the matter and determined that the matter did not necessitate a public hearing and that notice of the item on the agenda was sufficient. **Councilor Merrill** requested that staff make outreach to the owner of the Circle 5 RV Park to let him know about the matter. **Manager Stein** stated that staff will make the outreach as requested.

Councilor Bell stated that she felt that SOAR, a recipient of last years Community Grants did not give specific information in their letter outlining how funds had been used. She stated that general information on the programs offered were detailed in the letter and that she would like to know specifically how many children benefitted from the grant given last year. **Councilor Weed** agreed and asked that staff request the specifics regarding how the funds were used from SOAR. **Recorder Nelson** stated she would request the information. **Councilor Weed** stated that it was also unclear if the Senior Council of Sisters had performed the feasibility study with the funds provided from the City. **Manager Stein** reported the feasibility study had been conducted and that she was attending a meeting next week where the final report would be presented. **Councilor Weed** stated she would like the Senior Council to come and update the Council on the findings.

Councilor Merrill stated that in studying a copy of the special event permit filed with the City for the Crawfish Blues Festival over the July 4th weekend it was apparent the applicant had not set up the event as shown in the drawing submitted with the permit application. He added the noise level would likely not have been so bothersome to neighbors if the promoter had followed his original plan. He read from the Municipal Code chapter regarding parks that states "*a public address system cannot be used unless approved by the City and it can not be used in a manner that disturbs others.*" He asked if the Council should review the ordinances to see if they are adequate. **Mayor Boyd** stated he felt the Council should review the ordinances and that the Council had already given staff direction to check with other cities for best practices regarding controlling noise level and look into purchasing a decibel meter. **Attorney Bryant** stated that most cities do not have decibel meters as it is cost

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prohibitive to acquire an effective device. He stated the readings from a decibel meter would likely be thrown out by any judge. He stated that the typical process most cities employ is a subjective standard that states the noise can not be offensive, overly loud or raucous. He stated that the Sheriff will give a few warnings and then cite the responsible party. He suggested that the City look at how to control the noise level through the special event permit.

Councilor Weed asked if staff had met with the promoter of the Blues Festival to discuss the concerns that had been raised by community members. **Manager Stein** stated a meeting had been requested with the promoter and staff was waiting to hear back from the promoter.

Councilor Bell stated she feels the City can work towards a reasonable compromise. *NOTE: the meeting is scheduled for August 14th.*

Councilor Weed referred to a letter received from Bill Mintiens regarding the need for an audio patch in the Council Chamber to allow all media to plug their equipment into the City of Sisters audio equipment for recording and live broadcast. She stated she felt the City should outfit the Council Chamber to allow it to be used by any media present as the cost is only \$1330. **Councilor Merrill** stated the cost listed on the proposal is only for the equipment and requires the City to provide other items such as the CAD drawing and electrician which could increase the cost dramatically. The **Council** discussed the matter and decided the purchase of the equipment was unnecessary at this time.

Councilor Weed asked what response Wanda Barkhurst had received to her letter voicing concern about the Quilt show. **Recorder Nelson** stated she had sent the public records Ms. Barkhurst had requested. **Councilor Weed** asked if there are any rules dictating if other parties could have transient merchant stands during the event. She stated that a food court had been set up on the lawn between the property that Habitat for Humanity leases from the City and the Chamber of Commerce without anyone checking with Habitat for Humanity. **Attorney Bryant** stated that there is no rule and that anyone that obtains a transient merchant permit can set up even if a different party has gotten the special event permit.

Manager Stein began a discussion regarding the set-up of the food court on the lawn between the Habitat for Humanity ReStore and the Chamber of Commerce and stated that in retrospect it should probably not been allowed as the property in question is leased to Habitat for Humanity. **Attorney Bryant** stated that it would depend on the terms of the lease as to whether it was appropriate to allow the food court on the lawn area.

Manager Stein asked the Council if they'd had the opportunity to read the memo on the League of Oregon City (LOC) policy recommendations she had placed in their mailboxes. She stated that if the Council was comfortable with the four priorities she had identified she was hoping the Council would approve by motion those choices so she could get that

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feedback back to the LOC. **Councilor Weed** stated she liked Manager Stein's choices but was not certain she fully understood the finance and taxation choice. She stated she would also like to see the LOC look at the affordable housing legislation. **Manager Stein** stated that she could take the request for the affordable housing legislation to Central Oregon Cities Organization (COCO) to see if it could be identified by that organization for the region.

Manager Stein stated that relative to the finance and taxation issue the Governor has convened a Comprehensive Revenue Restructuring task force to look at various issues with Oregon State revenue and identifying long and short term options that will maintain stability in the property tax system.

Mayor Boyd, Councilor Kellstrom and **Councilor Merrill** stated they also agreed with the four priorities Manager Stein had chosen.

***Councilor Merrill** moved to approve the four priorities identified by Manager Stein for the LOC policy recommendations. **Councilor Kellstrom** seconded the motion. The motion carried unanimously.*

Councilor Weed stated the Jeff Merkley, candidate for the United States Senate in Oregon was going to be in Sisters the next day and asked if there was any topic to bring to him regarding the Sisters area. **Manager Stein** stated that County timber payments and funding for fuels reduction are always important discussion issues in the region.

Manager Stein reported that the City had received a draft intergovernmental agreement (IGA) for the Endangered Species Act (ESA) risk analysis and that the City had previously committing to a \$20,000 contribution. She asked if the Council wanted to workshop the item in advance to it coming before the Council at a regular meeting for a vote. **Mayor Boyd** stated a workshop was unnecessary. **Manager Stein** reported that currently there is a \$5,000 shortfall between committed funds and total projected costs that will hopefully be picked up by Crook County and if not the City might be asked to contribute \$21,500 instead. **Mayor Boyd** stated that if Crook County was going to benefit from the assessment then he felt Crook County should participate in sharing the cost. **Councilor Merrill** stated that Crook County is already paying for a Habitat Conservation Plan (HCP) that will cost the County far more then \$20,000. He recommended the Council commit up to \$21,500 if necessary.

Manager Stein explained that Crook County has already participated in the risk assessment for a different species other than Steelhead and is willing to participate only to a limited degree. She stated that Prineville has committed to \$5,000 only as they are participating more with irrigation districts. **Manager Stein** stated that Sisters exposure is with regard to Whychus Creek as it comes through the center of the City. She stated she feels the City's funds are better spent supporting the ESA risk analysis then the HCP. She added that she

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feels that eventually the two plans will come together. She stated that each jurisdiction will do something slightly different to suit the concerns of the jurisdiction. She added that the committed funds were not included in the FY 08-09 budget as the City was uncertain of what the cost would be and the funds will need to be transferred into the appropriate line item from the contingency fund.

Councilor Kellstrom asked what will happen if the City refuses to participate in the risk analysis. **Manager Stein** stated that the City needs to understand its risks and that with one consultant providing that information to each municipality as it relates to them will save the City money in the long run. **Mayor Boyd** added that it is federal law and that the City has a liability for any taking of steelhead that happens as a result of the City not having the appropriate precautions in place. **Councilor Merrill** stated that another issue of concern is the withdrawal of ground water. He added that not participating is not a viable option. **Mayor Boyd** stated although the City needs to participate it is concerning that the City has no idea of what the cost will ultimately be. **Councilor Kellstrom** stated that he feels it will get far more expensive in the future. **Mayor Boyd** stated that hopefully some funding options will be introduced to help defray the additional costs.

Manager Stein reminded the Council that the LOC annual conference will take place in Salem from October 2nd through October 4th.

Manager Stein reported that the City received a draft of the franchise and lease agreements from the City Attorney. She stated the drafts were forwarded to High Country Disposal's (HCD) attorney. **Councilor Kellstrom** asked how long the process would take. **Attorney Bryant** stated he did not anticipate it would take long and that it would come before the Council as planned at the August 14th regular meeting.

VIII. ADJOURN – 8:45 p.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Brad Boyd, Mayor