

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 29, 2009

MEMBERS PRESENT:

Lon Kellstrom	Mayor
Bill Merrill	Councilor President
Sharlene Weed	Councilor
Pat Thompson	Councilor
Jerry Bogart	Councilor

STAFF PRESENT:

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

DESCHUTES COUNTY:

Alan Unger	Commissioner
Dennis Luke	Commissioner
Dave Kanner	County Administrator
Tom Anderson	Comm. Dev. Director

GUESTS:

Taylor Robertson	Sisters Fire Dist.Chief
Bill Anthony	Sisters District Ranger
Tom Bradler	La Pine City Resident
Joseph Duncan	La Pine City Resident
Karen Duncan	La Pine City Resident
Erin Borla	Exec. Director Sisters Chamber of Comm.

1. Quarterly Meeting with Deschutes County Commissioners

A. Welcome and Introductions

The joint meeting of the County Commissioners and Sisters City Council was called to order at 8:02 a.m. by Mayor Kellstrom and Commissioner Luke. Introductions were made and **Mayor Kellstrom** welcomed the County staff and visitors.

B. Sisters Emergency Operations Plan Update

Taylor Robertson, Sisters Camp Sherman Fire District Chief began speaking on the flooding issues surrounding Whychus Creek and the creation of an Emergency Operation Plan (EOP) for Sisters and the surrounding region. **Chief Robertson** stated the EOP for Sisters is a cooperative effort with many agencies participating in its creation including federal, state, county and local agencies. He stated the plan was facilitated by a grant received from the Federal Emergency Management Agency (FEMA).

Chief Robertson provided an overview of the issues that flooding hazards that Whychus Creek poses for Sisters area residents. He stated the various agencies recently conducted a table-top disaster planning exercise involving a simulated failure of the moraine dam that has created Carver Lake on the South Sister.

Chief Robertson questioned the accuracy of the flood map currently used by FEMA and stated there is a need to secure better data about where water would flow if there is a flooding event. He stated the events that increase the risk for major flooding in Sisters include a failure of the Carver Lake dam and so called 'rain on snow' events. He added that these events are becoming more frequent and there is a need to determine how and where the creek will fan out during a major

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flooding event. He stated that aiding the research is data that is available on the peak flow in the creek for the last 100 years.

Chief Robertson stated that Carver Lake is the outcome of a glacial moraine dam on the South Sister. He stated most studies completed so far regarding the risks a failure of the dam presents have been based on a worst case scenario utilizing older technology. He stated there is a need for better data on what will happen in case of a dam failure as there are approximately 33 million cubic feet of water in Carver Lake and it is 100 feet deep in areas. He stated the Fire District, with cooperation and assistance from the other agencies, wants to protect the community and have a better understanding of all the potential risks. He stated that obtaining better data will allow the agencies to anticipate and mitigate those issues.

Manager Stein stated the City has reached an opportune time to be looking at the threats that Carver Lake and other flooding events present. She stated in 1970 the population of Sisters was between 700 – 800 people and now in 2009 the population has grown to between 1,800 – 1,900 people with significantly more development along Whychus Creek. She stated there is a need to plan for not only a catastrophic event such as a Carver Lake dam failure but for the more regular rain on snow events which present the most potential for flooding each year.

Manager Stein stated a number of steps have already taken place or are underway that relate to the work being done to update the Emergency Operation Plan. She stated those efforts include; 1) the City updating its flood plain maps in 2007 which in turn allows residents to continue to receive flood insurance, 2) Deschutes County's work on updating its Comprehensive Plan which will allow the City an opportunity to include any policies or strategies that might need outside of the urban growth boundary, 3) Deschutes County's work on updating its Hazard Mitigation Plan to have the most current information about flooding risks, 4) the City's work to create a Whychus Creek Stream Restoration and Channel Migration Zone Plan in conjunction with the Upper Deschutes Watershed Council (UDWC), 5) engaging with other cities in the Endangered Species Act (ESA) risk assessment as the result of the reintroduction of steelhead into Whychus Creek, and 6) the Forest Service's efforts to update the Wild and Scenic Plan for Upper Whychus Creek. She stated that trying to understand the behavior of the creek, what mitigation projects need to be undertaken and finding funding sources for these projects is all work in process at this time.

District Ranger Bill Anthony stated that whatever actions are taken will be more effective as all the agencies work collaboratively. He stated there is still a great deal of uncertainty with regard to the actual risk that Carver Lake presents. He stated a profile of the lake is needed to determine the depth, the density of the moraine to establish the stability of dam and LIDAR (light detecting and ranging) data of the large landscape to model where the water will flow in case of a dam failure. He stated that agencies working together will provide the best outcome and allow for the best resources, skills and funding to be found.

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Commissioner Luke asked if somewhere along the creek there is an alarm system in place and how long it would take for water to reach Sisters if there was a dam failure. **Ranger Anthony** stated there is not an alarm system and it is estimated it would take two to two and a half hours for the discharged water to reach Sisters. He stated an alarm system could be addressed in the future but a better assessment of the risks involved needs to be the first line of defense.

Councilor Weed asked what the timeline for the research projects will be. **Ranger Anthony** stated it is dependent on the funding available and what a profile of the lake shows. He stated the United States Geological Survey (USGS) is looking for letters of support to move forward with profiling Carver Lake with a timeline as early as this summer. He stated that depending what the research shows, it will help determine the next steps. He stated that if the dam failed and the lake vacated completely it would be a flood of record but that might not happen depending on how much of the water would drain. **Commissioner Luke** suggested requesting a letter of support for the profiling of the lake from the Oregon Department of Transportation (ODOT) since Highway 20 could be impacted if such an event occurred.

Councilor Thompson asked whether the Forest Service collaborates with the UDWC stating there is concern that the work being performed by UDWC on Whychus Creek could be destroyed if there was a flooding event. **Ranger Anthony** stated the Forest Service works in collaboration with UDWC on many projects and both agencies are aware that Whychus Creek is a very flashy river. **Manager Stein** stated that in the Whychus Creek plan the City is looking for projects that have the effect of slowing down the flow of the water and that some of these improvements could actually help to protect some of those investments. **Chief Robertson** stated that the risks Carver Lake presents has been a start and stop project for years but this time the project will not stop until a quality emergency plan is in place.

Ranger Anthony informed the Council he will be on temporary assignment in Wenatchee, Washington as a Deputy Forest Supervisor for a four month period of time. He introduced Maret Pajutee, Wild and Scenic River Planner for the Forest Service and Rod Bonacker, Forest Service Special Projects Coordinator and stated they have a great deal of historical knowledge and can assist the City in his absence with any aspect of the emergency plan or related projects.

C. "Local Rule" Repeal

County Community Development Director Tom Anderson distributed handouts on Local Rule for South Deschutes County and provided some background. He stated that the Local Rule was adopted by the Commissioners last summer and it pertains to the southern portion of the County from Sun River to the County border to the south. He stated the area is a trench located between two mountain ranges and the water table is high because of the topography. He stated the area includes 11,000 lots of which 60% are developed with most utilizing wells and onsite septic systems. He stated that scientific research indicates that nitrate from these septic systems will eventually migrate to the rivers, polluting them and eventually the drinking water source.

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CDD Director Anderson stated the County is looking for ways to decrease nitrate density. He stated that several years ago the County received money from the federal government to use new technology to research ways to reduce nitrates. He stated the first version of Local Rule that the County considered in 2007 required residents to use the new technology. He stated the cost to install these nitrate reducing sewer systems ran from \$7,000 to \$16,000. He stated after a lot of public discussion the 2007 was not adopted but instead refined and the 2008 version of the plan was adopted. **CDD Director Anderson** stated the 2008 version includes several alternative solutions such as connecting with the existing sewer system, installing composting toilets or additional wastewater treatment. He stated this version allows for a 14 year compliance period that ends in 2022 although all new construction must meet the requirements when built. He stated that commercial properties are not included in the plan as they are under the jurisdiction of the Department of Environmental Quality (DEQ).

Commissioner Luke stated this is a pro-active mission by the County Commissioners to insure that the shallow aqua filter does not become contaminated. He stated the Local Rule will appear on the March 10th ballot for a countywide vote as it is a County ordinance. **Councilor Weed** stated the issue has been quite controversial and asked what the concerns surrounding the Local Rule are. He stated there is a cost involved but that anyplace with sandy soil and a shallow aquifer is at risk. He stated that some people do not accept the scientific evidence as it is presented. He added it is a proactive measure as the wells are not yet contaminated.

Councilor Merrill stated he is sympathetic for the residents because of the cost involved and asked what the County is going to do for those that can't afford to make the required upgrades. He asked if the County is applying for stimulus package funds to assist with these costs. **County Administrator Kanner** stated the County has not applied for funds for that purpose. **Councilor Merrill** suggested the County apply to help offset the cost. **Commissioner Luke** discussed other options available for funding for residents and other options that are under consideration. **Councilor Merrill** stated the County should attempt to get funds wherever it can for this project and that the stimulus package funds are an opportunity to look into. **CDD Director Anderson** stated that the County has convened a financial advisory committee and group of local citizens from the area to best decide how to spend the money the County has for the project at this time, future funds that might become available and alternatives for financing the project for individuals.

Councilor Kellstrom asked if the County was looking for a resolution of support from the City. **Commissioner Luke** stated he was only presenting the information and the City could adopt a resolution if it is comfortable doing so. He stated that the City of Redmond will likely adopt a resolution of support.

Councilor Kellstrom asked if the members of the audience who had traveled from La Pine would like to speak on the matter.

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Tom Bradler, 16032 Dyke Road, La Pine, OR

Mr. Bradler stated that he hoped the City would not make a decision to support the measure without hearing from the local people involved. **Mayor Kellstrom** stated that the workshop agenda calendar is already scheduled with topics up to and beyond the election on March 10th but written material could be submitted for councilors to read or a representative could speak on the matter during visitor communication at any regular meeting.

Joseph Duncan, 52113 Pine forest Drive, La Pine, OR

Mr. Duncan stated DEQ presented the situation as a possible health hazard only to help residents applying for assistance. He stated he feels the water is fine and the need for the upgrades are not a proven project that needs to be performed. He stated he doesn't understand why a system that only addresses nitrates should be installed when there are other risks to the drinking water sources such as pharmaceuticals. He added that it doesn't seem right to have people in the county voting on a matter that does not involve them. **Commissioner Luke** stated that it is state law for the entire County to vote on the matter, not county law.

Karen Duncan, 52113 Pine Forest Drive, La Pine, OR

Ms. Duncan stated that she is just an average citizen from south Deschutes County. She stated she wonders what the County is trying to put past the citizens in the area as information that they have requested has been denied, such as the data used to create the model. She stated the County states that DEQ approved the model but DEQ states it approved the model but not necessarily the data that went into it. She stated they have asked the County to wait on the adoption of this ordinance. She stated if residents do not comply because they can not afford to pay for the upgrades, they risk the County taking their property upon their death.

Commissioner Luke stated that DEQ stands behind the decision and the County has a letter from DEQ stating that doing nothing about the situation is not an option.

Mayor Kellstrom stated the Council will discuss the matter, evaluate the information and determine if a resolution of support will be adopted.

D. Other Business

a. Enterprise Zone application

Mayor Kellstrom stated the City of Sisters, in cooperation with the City of Redmond, is in the process of applying for an enterprise zone. He stated that in working with officials from Redmond it appears that Redmond is supportive of including Sisters when it reapplies for the enterprise zone. **Manager Stein** stated that Redmond is looking to amend its land area identified in its

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current enterprise zone and has indicated it will provide up to 300 acres to Sisters to use for its own enterprise zone area. **Manager Stein** pointed out on a map of the City the area that will likely be included in the Sisters zone. **Commissioner Luke** stated the County will assist in any way possible. **Administrator Kanner** stated that the County will be a sponsor for the application which is just a matter of adopting a resolution.

Mayor Kellstrom thanked the Commissioners for attending. **Manager Stein** reminded the City Council and the Commissioners that the USFS would appreciate a letter of support on its request to have the USGS perform additional flow modeling to help further evaluate the flooding risk resulting from a Carver Lake failure.

Commissioner Luke and County staff left the meeting at 9:25 p.m. Commissioner Unger remained.

Councilor Thompson stated he thought it is possible to have portions of an enterprise zone be in different areas of the City. **Manager Stein** stated she will look into whether that is allowed or if the area needs to be contiguous. She stated that determining boundary lines has been a balancing act as the City wants to work cooperatively with Redmond. She stated that the City has also looked at the possibility of a commercial or hotel/motel overlay be included in the zone.

Councilor Weed asked if there is an overlap with the urban renewal district. **Manager Stein** stated there is a small area of overlap and there are varying views as to whether this impacts the urban renewal district in a positive or negative way.

Councilor Weed asked what the application process entails. **Manager Stein** stated there are three major steps that need to occur; 1) a meeting with affected taxing districts which the City has scheduled for February 26th, 2) a resolution of support from the Council for an enterprise zone and 3) mailing the application to Oregon Economic and Community Development Department (OECDD) by the April deadline. She stated if approved the zone would take affect on July 1st. She stated she will be attending an enterprise zone workshop later in February and looks forward to obtaining additional information. **Manager Stein** stated that an enterprise zone actually has less impact on property tax then urban renewal zones.

Manager Stein stated that Redmond has an additional incentive package it offers in its enterprise zone and the City can consider additional incentives also. She stated the differences between Sisters and Redmond may cause some businesses to locate in one city versus the other. **Councilor Bogart** stated he feels it would be a good idea for the City to consider options such as phasing SDC's when considering the enterprise zone.

b. City Manager Update

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Manager Stein referenced the letter received from Todd Dow regarding his concerns with how the Chamber of Commerce is using room tax dollars it receives from the City and requesting the City to withhold those funds until a short term and long term strategic marketing plan has been created by the Chamber of Commerce. She asked what the Council would like to do as follow-up.

Councilor Thompson stated he feels it would be a good idea to meet with the Chamber of Commerce Board as Mr. Dodd's letter brought up some very good points. **Erin Borla, Sisters Area Chamber of Commerce Executive Director** stated that marketing plans are underway with a six month and two year strategic plan to be completed by the middle of February. She stated she has spoken with Mr. Dodd to discuss his concerns. **Mayor Kellstrom** stated he feels the Council should wait three months before meeting with the Chamber Board as a room tax payment is not due till the end of April and it will give Ms. Borla an opportunity to become familiar with her new position as Executive Director.

Councilor Weed stated that she is pleased that Ms. Borla is serving as the new Chamber Executive Director but feels the turnover of staff in the last ten years is unacceptable. She stated the Chamber Board of Directors needs training as their lack of knowledge is affecting the effectiveness of the Chamber. She stated the constant turnover points to the Board's lack of understanding on how to run an organization. She stated there needs to be clearly defined roles for staff and the Board of Directors. **Ms. Borla** stated that she is working on a schedule for development training. She invited the Council to attend an open house on February 19th at 5:30 to voice concerns, ask questions and receive a copy of the strategic plan.

Manager Stein stated that since the Chamber Board of Directors is just turning over she suggested that she and Mayor Kellstrom meet with Ms. Borla and the new Chamber Board president prior to a joint workshop and the **Council** concurred.

Manager Stein reminded the Council of the Chamber of Commerce's Black and White Gala that will take place on February 6th.

Manager Stein stated that an alternate Councilor needs to be identified for the Central Oregon Intergovernmental Council (COIC). The **Council** discussed the matter and it was decided that Councilor Thompson will act as the primary representative with Councilor Weed as the alternate.

Manager Stein stated that the workshop on February 5th will include a Housing Plan presentation and a preview of a Transportation Growth Management grant that the City can apply for if the Council is supportive. She stated a workshop with the Governor's Economic Revitalization Team (GERT) will also take place either immediately following the workshop or later in the afternoon. The **Council** discussed the matter and stated they would prefer to meet at the end of the workshop. **Manager Stein** explained that the GERT wants to meet the new Council and see what assistance its members can provide to the City. She stated since the group represents a direct link to the Governor's office it is a powerful resource.

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Manager Stein discussed a date for the goal-setting session. The **Council** stated they would prefer to meet for an evening meeting as opposed to a Saturday. She stated she will call the facilitators to explore a date that will work for everyone involved.

Councilor Merrill brought up the topic of Local Rule again. He stated he spoke with Robert Ray from La Pine and stated he feels the Council should hear south county citizens concerns as a courtesy. He stated no one questions the scientific findings of the matter and the real problem is the cost. He stated the County needs to give the residents more options as the citizens feel that no one is looking out for their best interests. **Commissioner Unger** stated that there is a lot of anger from the residents who do not feel they have been heard. He stated he feels the Bureau of Land Management (BLM) land the County purchased to help offset the cost of the upgrades will be very beneficial.

Councilor Weed stated the State will be receiving \$19 million for affordable housing and with 220 properties in Sisters that are bank owned she is hoping the City can receive some of those funds. She stated she will keep the Council informed as she hears more and stated she told Commissioner Unger that the City might look to the County for any support it can give. **Commissioner Unger** stated the County will be supportive in any way it can.

Commissioner Unger left the meeting at 10:00 a.m.

The discussion on the goal-setting session continued. **Mayor Kellstrom** asked that staff develop attainable goals and then the Council can amend, change and prioritize them. **Councilor Merrill** encouraged staff to look to the Comprehensive Plan and its goals when developing the goals for the City.

Councilor Thompson asked what is known with regard to a stimulus package. **Manager Stein** stated the City had just received direction from ODOT to identify economic stimulus qualifying road projects and that Public Works Director Grimm is assembling a list for the project prospectus form. **Director Grimm** stated that for cities with a population under 5,000 the projects will be selection based. He stated he will be submitting project to overlay collector streets in the City. **Councilor Weed** asked if installing a traffic signal could be a qualifying project. **Director Grimm** stated that there are some transportation enhancement (TE) projects that will qualify but they would include pedestrian and bike projects not signals. He stated he will submit a project for pedestrian improvements along Washington Street. The **Council** discussed concerns regarding any changes to Washington Street and decided that additional research and conversation will need to take place prior to any project occurring, especially with regard to parking concerns. **Manager Stein** stated with the concerns the Council has raised that staff will not submit that particular project for consideration.

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Director Grimm stated the other project entails adding onto the existing project of a paved bike and pedestrian path from Hood Street to the middle school. He stated it would continue a path around the corner onto McKinney Butte Road and fill in other unpaved areas.

Councilor Weed stated that with the potential for additional stimulus funds coming to Sisters, the City needs to be looking ahead for other projects. **Councilor Thompson** stated that he agrees that the City needs to be doing a better job of planning ahead for projects on the west side of town such as the Hayden Homes development, the Forest Service property and a sewer assessment for that area. **Councilor Merrill** stated that what Councilor Thompson is suggesting is a different subject from existing facilities that need improvements citing the road maintenance tax or gas tax as examples. He stated those projects relate to existing infrastructure but new construction projects need to demonstrate how the projects will not impact existing services.

Manager Stein stated that the stimulus package will impact everything and the City will need to re-evaluate. She stated that Councilor Thompson's concern are more of a budget issue as the City addresses the implementation costs for the Housing Plan, Transportation System Plan (TSP) update and Whychus Creek Restoration and Channel Migration Plan. She stated the City can do anything the Council asks but it needs to be balanced with how that work can be done with existing staff, previous goals and budget. **Councilor Thompson** stated he agrees but wants the City ready to take advantage of any federal funds it can. He stated if the City can come up with a sewer plan for the Forest Service property that could be submitted and it would allow the property to move quickly when it is ready to be developed.

Manager Stein stated that there is also work to receive funding through existing channels such as the possibility of an increase in the appropriation to the Oregon Special Public Works Fund. She stated in order to receive those funds the City needs to have potential projects ready to submit.

Director Grimm stated that staff is looking for all opportunities for funds to come to Sisters for a variety of projects. **Councilor Merrill** asked if the waves on Cascade Avenue could be considered a project. **Director Grimm** stated that project is on ODOT's "to do" list but has not moved to the forefront so far. He stated he will send a letter to ODOT regarding safety concerns the condition creates.

The meeting was adjourned at 10:34 a.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor