

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
NOVEMBER 19, 2009

MEMBERS PRESENT:

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

STAFF PRESENT:

Eileen Stein City Manager
Lisa Young Finance Director
Brad Grimm PW Director
Lynne Fujitas-Conrad – Finance Analyst
Liz Majury Admin Finance Assistant
Paul Bertagna PW Project Coordinator
Kathy Nelson City Recorder

GUESTS:

Rob Tremper Dickey and Tremper, LLP
Chris Tosello Budget Committee

ABSENT:

Eric Porter Community Devel Director

The meeting was called to order by Mayor Kellstrom at 8:01 a.m.

Mayor Kellstrom gave congratulations to the City, in particular Finance Director Young, for receiving the City's first *Government Finance Association Distinguished Budget Presentation Award*. He stated it was an honor for the City to be recognized.

Mayor Kellstrom informed the Council that a commemorative plaque was installed on the *Rearing Stallion* sculpture by Lorenzo Ghiglieri. He stated it looked very nice and encouraged the Council to take a look if they had not already done so.

Mayor Kellstrom reported that Mac Hay and he would be guests on KOHD's *Direct Connect* program this evening beginning at 6:45 p.m. to discuss the Sisters Business Attraction and Retention Team (SBART).

1. FY 08/09 Audit Presentation

Rob Tremper, Dickey and Tremper, LLP, complimented the City of Sisters, stating the City's audit was the smoothest of any he performed this season. He added since it was the first audit he performed it was a great start to the audit season.

Mr. Tremper directed the Council to the audit letter dated November 16th discussing significant audit findings. He provided an overview of the findings which noting they did not include any items of significance. He stated there had been some adjusting journal entries for both the City of Sisters and the Sisters Urban Renewal Agency which was typical.

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Mr. Tremper noted the budget award already discussed by Mayor Kellstrom and stated that Director Young had also included extra sections in the *Comprehensive Annual Financial Report*, and expects it to also receive an award.

Mr. Tremper stated the City received a clean audit opinion, representing the highest level of achievement available. He briefly discussed each fund noting the General Fund is healthy with good reserves, the Street Fund has a negative fund balance and that although the Water and Sewer Funds have positive balances this is the second year where there has been a negative change in net assets and therefore needs to be monitored. He stated any remaining assets in the Refuse Fund will be transferred to the General Fund before the end of the 09/10 fiscal year.

Mr. Tremper discussed the management letter from his firm that outlines any areas of concern but gave kudos for improvements with policies and procedures within the City noting they provide good internal controls.

In closing, **Mr. Tremper** noted there was nothing of substance to discuss with regard to the Urban Renewal Agency as the agency had a clean audit and a management letter was not even necessary.

2. Parking District Improvement Project

Public Works Director Grimm made a PowerPoint presentation on back-in diagonal parking as it relates to upcoming Parking District improvement projects. He discussed the safety advantages on back-in parking, signage that will be used to help educate the public, other cities that are successfully using this type of parking and letters of support from the Oregon Department of Transportation (ODOT) Bike and Pedestrian Program and the Deschutes County Bike and Pedestrian Advisory Committee (BPAC).

Councilor Weed stated that although she thinks back-in diagonal parking is a great idea and Director Grimm's presentation showed the clear advantages to this type of parking, she was concerned about educating community members and visitors on how to use this type of parking. She stated community education will be an important component and suggested a flyer in utility bills or utilizing the Committee for Citizen Involvement (CCI) to get the word out.

Councilor Thompson stated he doesn't agree with the statement that this type of parking will help with the flow of traffic regardless of what was presented at Transportation System Plan (TSP) update meetings. **Councilor Merrill** stated it provides a more pedestrian friendly environment, especially with three feet of pavers that alleviate the problem of overhang from large trucks and vehicles. **Director Grimm** stated the three feet of pavers also provides drainage as the pavers are permeable. **Councilor Merrill** brought up the issue of placement for American with Disabilities Act (ADA) parking and **Director Grimm** reported there will be 14 additional ADA parking spots and 99 regular parking spots created with the parking improvements on Hood Avenue and Main Street.

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Councilor Bogart stated he is concerned with the patchwork of parking the City will have with back-in diagonal parking, straight-in parking and parallel parking throughout the City and stated he thinks it could be confusing to drivers.

Manager Stein reminded the Council the special meeting after the workshop was to award a bid for parking district improvements that will utilize back-in diagonal parking and she wanted to make the certain the Council is comfortable with moving forward with that decision. **Councilor Merrill** stated it is the way to go for all the reasons given in Director Grimm's presentation. **Manager Stein** agreed but stated people will likely complain during the learning process.

Mayor Kellstrom stated he continues to be a huge skeptic of this type of parking but is inclined to try it out on this small project. He stated he can see how it could be a good design but questioned why only two cities in Oregon are using this sort of parking.

3. City Manager Update

Manager Stein reported that Cascade Avenue improvements and Barclay Drive signal are listed on the Central Oregon Area Commission on Transportation (COACT) 2010 -2013 Statewide Transportation Improvement Program (STIP) list.

Councilor Merrill suggested that the alternate route signs include information that alerts drivers to the fact that the route also leads to Salem and Eugene. **Councilor Weed** agreed that would be helpful to drivers. **Director Grimm** explained that since Highway 20 is a designated freight route ODOT will not place any signs directing traffic onto city streets.

Manager Stein stated that as a part of the federal highway bill, the Oregon Department of Transportation (ODOT) has requested the City of Sisters to ask for a \$2 million earmark to add to the \$1 million already on deposit for the complete remake of Cascade Avenue. She stated a part of the Downtown Plan staff would like to create will include public input on way-finding signs and other streetscape amenities such as street trees, benches and banners.

Mayor Kellstrom stated he has visited with Manager Stein and Director Grimm relative to the ruts on Cascade Avenue and the need to have those fixed by Memorial Day when the tourist season officially starts. He stated the City keeps reminding ODOT of the need to have the problem fixed. **Manager Stein** stated that ODOT is scoping the Cascade Avenue project and is looking at lesser cost alternatives such as an overlay to use as a short term fix. **Director Grimm** stated he met with ODOT personnel and they agreed that an overlay is not the best fix and a better choice would be to skim coat over the ruts through the intersections. He stated it would only be a two year fix but would provide a fix until that time when the entire Cascade Avenue project could be completed. He stated ODOT representatives voiced assurance that funding for the Cascade Avenue project will be secured. **Mayor Kellstrom** asked that Director Grimm get the cost

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estimate for both a skim overlay of just the intersections as well as all of Cascade Avenue for the City to compare.

Manager Stein reported a meeting, hosted by the Upper Deschutes Watershed Council (UDWC), was held the previous night with Timber Creek and Creekside property owners with homes along Whychus Creek. She stated the meeting focused on 'Action 31' of the Whychus Creek Restoration and Management Plan. She reminded the Council they had approved contributing \$25,000 towards the design and engineering of a fix for that section of the stream bank. She stated it has been estimated the fix itself will cost upwards of \$1 million. She stated UDWC's recommend funding mix for the fix is 50% from grant sources, 25% from the City and the remaining 25% from the affected property owners. She stated the meeting went well and she was encouraged by the resident's responses. She stated additional meetings are likely and the City will wait for the neighborhoods to take the lead in moving forward. She stated staff will investigate the possibility of an assessment district or local improvement district to help ease the financial burden for the homeowners so they do not need to come up with their fair share of the project all at one time.

Councilor Thompson stated he is still not satisfied with the process that UDWC employs in bidding its contracts. **Councilor Weed** stated she does not understand why the City has any financial responsibility since the property owners chose to build their homes on Whychus Creek. **Councilor Merrill** pointed out the City allowed the homes to be built. **Manager Stein** added that the property owners in the Timber Creek and Creekside neighborhoods with the creek banks in their yards have shown the most concern.

Councilor Merrill stated it is important to also remember the funding potential for the City relative to the Endangered Species Act (ESA) and Whychus Creek. **Manager Stein** stated the most important factor with regard to receiving grant funds is a demonstration of support from the local community.

Councilor Bogart asked what funding source the City will use for the stream bank improvements. **Manager Stein** stated funding will need to come from the General Fund, pointing out the need to alleviate the Street Fund's dependence on the General Fund.

Manager Stein stated the Deschutes River Conservancy (DRC) board is willing to add municipal representation to its board and Councilor Merrill has been asked to consider filling one of those positions. **Council members** encouraged Councilor Merrill to consider the post.

Councilor Weed stated that with regard to the second phase of the water rate increase she feels there has not been any Council discussion and that additional conversation is needed. **Manager Stein** stated she fully expects the Council to be involved with the second water rate adjustment and workshop time will be scheduled before any action is taken. She stated the reason consideration of the adjustment has moved to the forefront is that the City has a ground water right

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application for Well #3 before the Oregon Water Resources Department (OWRD) and there has been criticism that Sisters does not take water conservation seriously. She stated in order to have its application considered, the City will need to look to its water rate structure and encourage water conservation by tying the rate to consumption. She stated the City will have a difficult time getting water rights without implementing water conservation measures. **Councilor Weed** stated it is frustrating as the City's use of water compared to irrigation districts is so small and **Manager Stein** agreed.

The meeting was adjourned at 9:55 a.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor