

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
DECEMBER 03, 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
Eric Porter Community Devel Director
Liz Majury Admin Finance Assistant
Julie Pieper Receptionist
Kathy Nelson City Recorder

GUESTS:

Brad Bailey President, High Country Disposal

The meeting was called to order by Mayor Kellstrom at 8:02 a.m.

1. Utility and Garbage Rates

A. Low Income Utility Assistance Program

Finance Director Young presented a policy to create a Low Income Utility Assistance Program and stated the policy was crafted to assist citizens who may be struggling to pay their city utility bills. She stated staff was recommending a 25% discount for households that qualify meaning they earn 50% or less of the median income in Deschutes County. **Manager Stein** noted what a household will save in monthly city services charges will pay the low income garbage rate offered by High Country Disposal. She stated the City hopes the discount will encourage people to pay all of their utility accounts (water, sewer and garbage) so the City does not need to open many City-managed accounts.

Councilor Thompson suggested revisiting the program at the end of six months to see if it is accomplishing what the City hopes it will. He stated the City needs to see if there are any problems, complaints or compliance issues that arise. **Director Young** stated the policy is scheduled to be revisited in May and then yearly thereafter. She stated the policy will be carefully monitored.

Councilor Merrill stated the City needs to recognize the lost revenue that will occur with the discount and suggested looking to grant funding to help span the revenue gap that will be created. **Director Young** noted the second half of the utility rate study, with incentives for water conservation, will take the reduced revenue into consideration also.

The **Council** agreed to the recommendation from staff to offer a 25% discount on monthly charges to households earning 50% or less of area median income.

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Director Young stated City Receptionist Julie Pieper will manage the low income accounts. She stated the City is fortunate as Ms Pieper has had similar experience as she managed this type of account when she was employed at Housing Works.

B. High Country Disposal Service Rate Increase

Brad Bailey, President of High Country Disposal (HCD), stated Deschutes County notified HCD that tipping rates would increase 11.1% as of January 1, 2010. He stated this equates to a rate increase of 3.4% to customers and that HCD was seeking approval to pass this disposal increase cost through to customers. He stated this would be the only rate increase the City should see before May 2011 unless the County raises its tipping rates again.

Mayor Kellstrom asked how tipping rates in Deschutes County compare to other areas of the state. **Mr. Bailey** stated that tipping rates in Central Oregon are comparatively low at \$50 a ton and that in the Willamette Valley rates can be in the range of \$70 to \$80 per ton.

Councilor Thompson commented the increase couldn't come at a worse time. **Councilor Weed** remarked that she was grateful it was a relatively small increase. She asked if the County plans on raising rates again. **Mr. Bailey** stated he expects the County will since revenue is down. **Manager Stein** suggested the Council discuss the matter with the Commissioners at their joint workshop on January 7, 2010.

Councilor Merrill stated the County increased the rates previously to pay for road maintenance but that increase was not passed along to Sisters. He stated all in all, the City has received some breaks over the years and although no one likes to increase rates, it is fair and appropriate.

Councilor Thompson stated it upsets him as the cost of everything keeps going up.

The **Council** agreed to consider the 3.4% increase to HCD rates. **Director Young** stated the resolution for the rate increase will come before the Council at its December 10th meeting.

On a side note, **Mr. Bailey** reported HCD has ordered plastic containers for some commercial accounts to decrease the early morning pick-up noise.

C. Creation of City-Managed Accounts

Director Young provided a history of the events leading to the City's decision to create City-managed garbage accounts for those customers who remain out of compliance with the City's mandated universal garbage service requirement. She stated a City-managed account would be set up to charge the minimum HCD service amount along with a \$25 monthly administration fee to

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the City. She discussed meetings with HCD and Family Access Network (FAN) staff to discuss possible solutions as well as discussing any legal issues relative to the plan with the City Attorney.

Councilor Weed stated that although she does not like charging a \$25 administrative fee, FAN did not have any other solutions to offer. She asked how many accounts are involved. **Administrative Finance Assistant Liz Majury** reported there is ebb and flow to the number of accounts involved but at present there are 24 accounts out of compliance with the mandatory garbage service ordinance. **Councilor Merrill** asked how many of those accounts are also late on their City utility accounts and **Ms. Majury** reported that all of the 24 are on the delinquent or disconnect list on a continuing basis. She added the City delivers approximately 45 door hangers each month giving customers 24 hours to pay their bill or have service disconnected. She added that staff keeps in close contact with these customers to motivate them to pay their bills. **Manager Stein** complimented Ms. Majury and Ms. Pieper for their work with delinquent accounts.

2. Preview 12/10/09 Workshop and Regular Meeting

Manager Stein stated the workshop would focus on economic development. She reported Community Development Director Porter was working on a grant request for WyEast to fund a second microenterprise facilitator to work with small businesses in Deschutes, Jefferson and Crook counties.

Councilor Bogart asked the grant request amount. **Director Porter** stated it is for \$100,000 which will provide approximately \$2,500 worth of training for 45-50 low to moderate income small businesses.

Manager Stein stated the second discussion for the workshop will focus on the updated Economic Development Strategic Action Plan and those items the City has been tasked to do. She stated she wanted to make certain the Council is comfortable with those items. **Councilor Weed** suggested adopting the plan at some point to show the Council is in agreement and supportive of the plan.

Manager Stein provided an overview of the regular meeting and the ordinances, resolutions and motions that will come before the Council. There was discussion on those business items requiring public testimony and those business items that will likely be continued after testimony has been received. **Manager Stein** reported that a resolution to amend the Master Fee Schedule for the HCD rate increase would also be added to the agenda.

Councilor Merrill left the meeting at 8:52 a.m.

3. City Manager Update

Manager Stein referenced the memo she left in the Council's mailboxes that came from the Chamber of Commerce outlining its economic development priority list. She stated it provides a breakdown on how the Chamber would use the \$8,000 it will receive from the City to fund these priorities. She stated she was looking to see if the Council had any comments or questions with the Chamber's proposal. **Director Young** stated the City is still working with the Chamber to determine the best method to keep track of the Chamber's required matching funds.

Manager Stein stated she had met with Dave Marlowe from Sisters Kiwanis. Kiwanis wants to move forward with installing playground equipment at Clements Park and are looking to the City for \$20,000 in support. She stated the funds could be in the form of the City receiving a grant from the State and not necessarily out of the City's budget. She stated a written proposal from the Kiwanis is forthcoming and will include all the information on their proposal.

Councilor Weed asked if the \$20,000 represented the full cost of the play equipment and **Manager Stein** answered that she did not know. **Councilor Weed** asked if input has been received from the neighborhood on the equipment to make certain it meets with neighborhood approval. **Director Porter** stated he did not know but the park went through a land use process last year and the installation of equipment will need to be consistent with what was approved at that time.

Manager Stein reminded the Council of an email she forwarded from Carolyn Tilton regarding a series of upcoming webinars that might be of value to the Council. She encouraged the Council to register.

Manager Stein stated she was attempting to set a final date for the yearly goal setting session with the City Council for a Saturday in January. She requested the Council look over the dates identified and determine which ones would work with their schedules.

Manager Stein reminded the Council that comments on her evaluations were due to Mayor Kellstrom or Councilor Merrill the next day. **Councilor Bogart** and **Councilor Thompson** requested additional time to complete the evaluations and **Mayor Kellstrom** stated it was acceptable to take a few more days as long as the Council stuck to the schedule for the evaluation to occur on December 17th.

Manager Stein reported on some planned power outages by Central Electric Cooperative (CEC) the following week. She stated the outages will affect the treatment plant and alternative arrangements have been made to insure the plant remains functional.

Councilor Weed noted that Director Grimm name was on the ballot for the Chamber of Commerce's Board of Directors. She asked about staff serving on boards and if there is some

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policy regarding the matter. **Manager Stein** replied that the City is a member of the Chamber and she feels it is a good idea considering the City often provides assistance to the Chamber for special events. She stated if **Director Grimm** is elected, he could provide immediate feedback to the Chamber when they are planning special events. She stated Director Young is a member of Kiwanis and Director Porter has attended the Ford Family Foundation Leadership Series. She stated she encourages staff to become involved in the community.

The meeting was adjourned at 9:25 a.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor