

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
SEPTEMBER 30, 2010

MEMBERS PRESENT:

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

STAFF PRESENT:

Eileen Stein City Manager
Steve Bryant City Attorney
Brad Grimm PW Director
Pauline Hardie Comm. Devel. Director
Lisa Young Finance Director
Kathy Nelson City Recorder

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

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

II. VISITOR COMMUNICATION

David Asson, 1001 E Timber Pine Drive, Sisters, OR 97759

Mr. Asson stated he was concerned about the economic development independent contractor issue. He complimented the Council on its good effort of getting the job started and stressed the importance of getting it done right to insure adequate funding for ensuing years. He stated he did not feel an independent contractor was the correct approach and it was causing contention in the community since the community will not have a voice in how the contractor will work. He stressed the importance of having the community behind the idea. He requested the Council delay its decision on the matter or spend additional time ironing out the details of the contract with the nominee to address crucial questions.

III. CONSENT AGENDA

A. Minutes

1. September 09, 2010 - Workshop
2. September 09, 2010 – Regular Meeting
3. September 16, 2010 – Workshop

B. Bills to Approve

1. September Accounts Payable

C. Liquor License Additional Privilege – Jen’s Garden

Councilor Merrill moved to approve the consent agenda. ***Councilor Weed*** seconded the motion.

Councilor Weed, Councilor Bogart and Mayor Kellstrom declared a conflict of interest as they were being reimbursed for mileage to and from the League of Oregon Cities Conference. **City Attorney Bryant** advised the Council members it was still appropriate to vote in order for there to be a quorum.

The motion carried unanimously.

IV. ACCOUNTS PAYABLE NOT ON THE CONSENT AGENDA

A. September Accounts Payable

Councilor Merrill moved to approve the accounts payable not on the consent agenda. **Councilor Weed** seconded the motion.

Councilor Thompson stated he would refrain from voting due to a direct conflict of interest.

The motion carried unanimously.

V. STAFF REPORTS

A. Brad Grimm, Public Works Director

Public Works Director Grimm asked for questions on his staff report.

Councilor Weed asked when the new Public Works building would be ready for a tour. **Director Grimm** replied the building is due to be completed by the middle of November and that he would provide a tour to anyone interested in seeing the progress so far. **Manager Stein** suggested a tour be added to the agenda at the next workshop.

B. Pauline Hardie, Community Development Director

Community Development Director Hardie asked for questions on her staff report.

Councilor Weed asked how community members would be informed of upcoming classes related to the microenterprise grant. **Director Hardie** explained the City is still waiting to get the approved grant back from Central Oregon Community College (COCC). She stated when that occurs citizens will be informed of available classes at COCC. **Councilor Merrill** suggested that if there was enough local interest in a class perhaps the instructor could come to Sisters as opposed to several people commuting to Bend. **Director Hardie** stated she would research that option. **Manager Stein** explained that since the classes would be offered to people across the region, Bend might be the centralized location.

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Councilor Weed asked what the next step for the Forest Service property would be after the joint Council/Planning Commission in November. **Director Hardie** stated the November day was now only tentative as the Oregon Department of Transportation (ODOT) and DKS, the traffic engineering firm working on the project, were still discussing the number of trips generated. She stated two or three site plans will be proposed after which a final site plan will be completed. She added that a rezone will not occur at this time.

Director Hardie invited the Council to the upcoming Parks Master Plan community meeting that will take place on October 14th from 4 to 6 p.m. She stated there is also an on-line survey for community members to fill out on the City website regarding what they would like to see in the city's parks.

Councilor Bogart asked when the City could expect to hear about the bike/pedestrian grant it applied for. **Director Hardie** replied there is long review process that includes site visits and it would be at least two months before the City hears about any award it might receive.

Councilor Weed asked why census data had been included in the staff report. **Director Hardie** answered it was for informational purposes to let the Council know the key delivery dates for the different types of data the United States census provides.

VI. COUNCIL BUSINESS

- A. Discussion and Consideration of a Motion** to Approve an Operating Agreement between the City of Sisters, High Country Enterprises, LLC and Deschutes County for the Sisters Recycle Center and Authorize the City Manager to Execute the Agreement

Councilor Merrill moved to approve an operating agreement between the City of Sisters, High Country Enterprises, LLC and Deschutes County for the Sisters Recycle Center and authorize the City Manager to execute the agreement. Councilor Weed seconded the motion.

Councilor Thompson asked what will happen on July 1, 2011 as there was no indication in the agreement about the next fiscal year. He felt there should be a plan for the future of the center. **Councilor Weed** replied that at least the recycle center is open for this year and it provides time to determine what the demand for the center will be and possible alternatives for next fiscal year. **Manager Stein** stated the County had indicated this was the final year it would contribute to the operation of the recycle center and that the upcoming joint workshop with the County Commissioner's would provide an opportunity to discuss the matter.

The motion carried unanimously.

B. Discussion and Consideration of a Motion to Approve an Independent Contractor Agreement for Economic Development Services and Authorize the City Manager to Execute the Agreement

Councilor Merrill moved to approve an independent contractor agreement for economic development services and authorize the City Manager to execute the agreement as modified. Councilor Bogart seconded the motion.

Mayor Kellstrom announced that MacGregor Hay was the candidate recommended by EDCO to fill the economic development position.

Councilor Weed asked if the offer to the candidate would be a separate item. **City Attorney Bryant** explained that the contract becomes the offer once it is approved.

Councilor Weed stated she had a number of process questions she wanted to ask for the benefit of community members on how the position was established. She asked who is requesting the position. **Mayor Kellstrom** stated the suggestion to create the position was his and that Chamber of Commerce President Patty Vandiver presented the idea to the Budget Committee.

Councilor Weed asked why Economic Development of Central Oregon (EDCO) began the recruitment process prior to Council discussion. **Mayor Kellstrom** explained that the Sisters Business and Retention Team (SBART) operates under the umbrella of the Chamber. Once the funding had been included in the budget and adopted by the Council, he felt something specific should come before the Council. Instead EDCO became involved and offered to proceed with the development and recruitment of the position. He stated since economic development is what EDCO does he felt putting the process in their hands was the best choice for moving forward. **Councilor Weed** asked why the position was now through the City and not through EDCO. **Mayor Kellstrom** stated that was what a majority of the Council voted to do three weeks ago when the matter was discussed in a Council workshop. **City Attorney Bryant** added that EDCO had requested a provision in the agreement that would have the City assume liability for the position if an employment claim was made and it was not in the best interest of the City to do so. He stated since EDCO would not supervise the position without that provision the administration of the position moved back to the City to provide some control.

Councilor Weed asked why the position was hired as an independent contractor versus a City employee. **Councilor Merrill** read from the minutes of the September 9th workshop where a number of issues surrounding the position were discussed and where a majority of

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the Council voted to hire the person as an independent contractor as opposed to hiring another employee.

Councilor Weed asked Mr. Hay who was on the selection committee. **Mr. Hay** replied that he did not feel it was his place to decide if the names of the members of the selection committee would be made public. **City Attorney Bryant** explained that the recruiting process information was EDCO's and it was EDCO's decision as to whether that information will be divulged. He suggested the City Manager request the information from Roger Lee, Executive Director of EDCO, and see whether he was willing to share the information with the public. **Manager Stein** stated she would send an email request.

Councilor Weed stated she felt the process used to determine who the independent contractor would be was not transparent. She stated the City does not know who the other candidates were or who was on the selection committee which seems very secretive. **Mayor Kellstrom** stated he did not agree and felt that EDCO was the best agency to handle the recruitment process as it was important to have an objective party conduct the process. **City Attorney Bryant** stated it was important to remember that originally this was going to be an EDCO position and at the point when the Council decided it would not be an EDCO position the Council also stated it would accept whatever individual EDCO had determined would be the best person for the job.

Councilor Weed stated she was going to vote no on the motion as she stated felt the process was horrible and she was not satisfied with the scope of work as it was presented. She stated the deliverables she had requested be included in the services contract were not and she felt they were not so directive that they could have been. She stated it looked like a waste of \$30,000 to her.

Councilor Thompson countered that he attended the same meetings and always understood the direction the City was headed, how it would be handled and what was envisioned. He stated the position is totally new and was a step in the direction the City needs to go to keep businesses thriving. He stated if anything the City is late in getting started on the process.

The motion carried with a vote of four to one. Councilor Weed voted against the motion.

C. Discussion and Consideration of a Motion to Accept a Donation of Funds from the Community Action Team of Sisters (CATS) with Conditions

Councilor Merrill moved to accept a donation of funds from the Community Action Team of Sisters with conditions. **Councilor Weed** seconded the motion.

Councilor Weed voiced her disappointment on the dissolution of CATS without any community conversation. She stated she thinks in the future citizens will want a community action team and it will take time and money to restore the group. **Councilor Thompson** agreed with Councilor Weed that it was unfortunate that CATS was being dissolved as the group had done a lot of good over the years. He stated it reinforces that volunteerism comes at a high price. He encouraged more people to become involved in the community.

Manager Stein stated she was also saddened by the dissolution of CATS. As a member of the CATS Board of Directors, she explained that the process of maintaining the non-profit status, past its affiliation with the Central Oregon Partnership, was draining on community leaders. She stated the funds were being eaten up with accounting fees, liability insurance for the board and tax filings; ultimately the Board felt it could partner with one of the many non-profits registered in the Sisters community if a project arose. She explained the community leaders will continue to meet without the non-profit status and she is confident the community will be well served by the continued collaboration.

Councilor Merrill stated there will always be challenges but it is important to implement the Comprehensive Plan into policies.

The motion carried

VII. OTHER BUSINESS

Councilor Thompson requested a status update on the needs and issues list that will be submitted to the Central Oregon Intergovernmental Council (COIC). **Manager Stein** reported she had attended an orientation meeting sponsored by COIC. She reported staff was meeting with other community leaders to brainstorm ideas and the Council would be discussing the list of projects at its October 14th workshop.

VIII. MAYOR/COUNCILOR BUSINESS

A. Committee Reports

Councilor Bogart reported on his attendance at the League of Oregon Cities (LOC) conference and stated land use was a significant issue at the state level. **Councilor Weed** stated she attended several workshops on economic development, especially with regard to sustainability and she received examples of codes and incentives used in other cities. **Mayor Kellstrom** stated discussion regarding the state budget dominated conversation and was very discouraging.

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Manager Stein reported she was elected to serve as the Oregon City/County Management Association (OCCMA) President for a term that begins in January.

Councilor Bogart stated that per requirements of the City Charter and Council Rules he was announcing he is a member of a Political Action Committee (PAC).

IX. ADJOURN –7:57 p.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor