

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
MAY 12, 2016

MEMBERS PRESENT:

Chris Frye Mayor
Nancy Connolly Council President
David Asson Council
Andrea Blum Councilor

ABSENT:

Amy Burgstahler Councilor

STAFF PRESENT:

Steve Bryant City Attorney
Patrick Davenport CDD Director
Joe O'Neill Finance Officer
Erik Huffman City Engineer
Kathy Nelson City Recorder

ABSENT:

Paul Bertagna PW Director

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The meeting was called to order by Mayor Frye at 7:10 p.m.

II. PROCLAMATION – Purple Heart City

Councilor Connolly moved to approve the Purple Heart City proclamation. Councilor Blum seconded the motion. The motion carried unanimously.

Mayor Frye read a proclamation proclaiming the City of Sisters as a Purple Heart City and encouraged all citizens to show their appreciation for the sacrifices Purple Heart recipients have made in defending our freedoms.

III. VISITOR COMMUNICATION

Pat Bowe, Sisters, OR

Mr. Bowe stated that as a Purple Heart recipient he was in attendance to thank the Council for reading the Purple Heart proclamation and allowing the City to become a Purple Heart City. He reported the signs, which will be located at both the east and west entrances into the City as well as on Highway 126 coming in from Redmond, would be finished the next day and installed as soon as possible with a goal of having them installed prior to Memorial Day. He stated the signs would pay tribute to not only still living recipients of the Purple Heart medal, but especially to those who paid the ultimate price and died in American's wars.

Chris Wilder, Sisters Log Furniture, Sisters, OR

Mr. Wilder stated he was in attendance to request the record into the City Manager Andrew Gorayeb investigation be released. He stated the public deserves to see and understand how the Council came to its decision to provide such a large severance package. He stated the public funds used were badly needed for other things and were thrown away. He felt the Council's actions had been cavalier and questioned if they had been good stewards of public funds. He asked what would change to ensure something like this did not happen again.

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Mark Maboll, Sisters, OR

Mr. Maboll reported the constitution stated it was a government of the people, by the people and for the people but he had not had the opportunity to vote for any Council member. He stated the process by which Mr. Gorayeb was selected initially had not been good and when the Council offered him the opportunity to resign, all they had done was kick the can down the road since his next employer would never know about the circumstances surrounding his departure.

Mayor Frye informed Mr. Maboll he lived outside City limits, didn't pay city taxes and therefore would never be able to vote for Council members. He reported four of the five current Council members had not even been members of the Council when Mr. Gorayeb was chosen and this Council would have a through vetting process for the next permanent City Manager.

Mike Morgan, Sisters, OR

Mr. Morgan stated it was important to release the records from the investigation into Mr. Gorayeb. He stated the public has been told the complaints were not financial, physical or sexual in nature but that left the door open as to what the complaints were, including possibly criminal activity. He stated a letter from City Attorney Bryant stated the charges had not been substantiated and wondered, if that was the case, why the Council had gone through the process in the first place.

Mr. Morgan questioned the Forgivable Loan program and asked how much had been allocated to the program. He stated he had seen a document indicating ENERGYneering Solutions Inc., was requesting a \$150,000 loan. He stated he found nothing measurable that would be required of the company. He stated the document also discussed how the loan was to aid in retaining jobs and questioned if Mr. Benson had threatened to move his company elsewhere. He stated if that was the case, people deserved to know since that put the entire airport at risk.

Mr. Morgan stated he knew the details of how Mr. Gorayeb was chosen as City Manager. He described how three former Council members had conspired to make the appointment and it had not been a well-kept secret.

Mayor Frye replied that if Mr. Morgan had questions surrounding the airport, he should speak directly to Mr. Benson. He stated the City had initially budgeted \$100,000 to the forgivable loan program and would be discussing additional funding at the upcoming budget meetings for FY 2016/17.

IV. CONSENT AGENDA
A. Minutes - None

B. Bills to Approve
1. May Accounts Payable

Councilor Asson moved to approve the consent agenda. Councilor Blum seconded the motion. The motion carried unanimously.

V. **STAFF REPORTS**

A. May Staff/Council Work Plan

Councilor Connolly asked for an update on the Urban Renewal grants. **Director Davenport** reported the City was still waiting on three applicants and they had until June 30th to submit their paper work.

Councilor Connolly asked for clarification on the easement procurement for the Barclay Square Waterline Upgrade project. **City Engineer Erik Huffman** explained it was related to a portion of an alley that used to run between Elm and Oak Streets that had been vacated. He stated a new water line was needed and staff was working to make the easement as small as possible to make it more palatable to the current property owner.

Councilor Connolly asked if the focus group for the roundabout project had met. **Councilor Blum** replied they had, she had attended and she would report on the meeting under Council Business.

B. New Business License Report for April 2016 – list included

VI. **COUNCIL BUSINESS**

A. **Discussion and Consideration of Ordinance No. 470: AN ORDINANCE OF THE CITY OF SISTERS AMENDING THE SISTERS MUNICIPAL CODE SECTIONS 5.06 CONCERNING PUBLIC EVENTS AND 5.24 CONCERNING TRANSIENT MERCHANTS**

Finance Officer O'Neill explained the ordinance covered two sections of the Municipal Code pertaining to transient merchants and public events. The first was to clarify that a transient merchant participating in a public event was required to obtain a transient merchant license with a cost specified by Council. He stated the second was to remove the restriction that a transient merchant was limited to three consecutive day periods, six times per calendar year on the same property. He explained it would allow the transient merchant to participate in public events without those limitations.

Councilor Connolly moved for the first and second reading of Ordinance No. 470 amending the Sisters Municipal Code sections 5.06 concerning public events and 5.24 concerning transient merchants. Councilor Blum seconded the motion. The motion carried unanimously.

City Attorney Bryant read Ordinance No. 470, by title only, twice.

Councilor Connolly moved to adopt Ordinance No. 470 amending the Sisters Municipal Code Sections 5.06 concerning public events and 5.24 concerning transient merchants. Councilor Blum seconded the motion. The motion carried unanimously.

**B. Public Hearing and Consideration of Resolution No. 2016-12: A
RESOLUTION OF THE CITY OF SISTERS ADOPTING A MAY 2016
UPDATE TO THE CITY PARKS MASTER PLAN**

Director Davenport stated staff was requesting the Council approve an update to the City Parks Master Plan. He explained that since the previous update in 2011 a significant amount of development had occurred and many projects had been completed. He explained the update included two separate resolutions. One to adopt the update to the master plan and the other to approve the updated Park system development charges (SDC's). He gave a PowerPoint presentation outlining the many meetings and work the City Parks Advisory Board had performed noting each meeting had provided an opportunity for public input. He discussed the existing park system which included existing developed parkland, undeveloped parkland, trails, open space and homeowner owned parks and open space and pointed each out on a map. **Director Davenport** discussed the proposed recommendations to the park system, how they were prioritized, associated costs, implementation of the improvements by fund category and the resulting proposed capital improvement plan (CIP) for 2015-2035.

Director Davenport provided the forecasted revenue if the proposed revised SDC fees included charging SDC's to lodging units and if the City did not. He estimated 150 units of lodging would be added over the next 20 years and stated staff had used the Portland State University populations forecast to estimate population changes. He also compared what the total resources for Park SDC's would be if current rates of \$613 per dwelling unit was kept versus the recommended SDC's rate of \$1,193 per dwelling unit including lodging. He reported both the CPAB and staff recommended charging lodging SDC's fees.

Councilor Blum asked if the only changes from the previous Parks Plan the Council had seen was the elimination of some acquisitions and **Director Davenport** confirmed that was correct. **Councilor Connolly** asked if priorities and projects were able to shift and change as needed and **Director Davenport** replied they could. **Councilor Connolly** noted the CPAB, of which she was the Council liaison, was hoping to update the plan in another four years.

Mayor Frye noted there was only one acquisition planned. **Director Davenport** responded the City was expecting several donations of land and had not included any future Sisters Park and Recreation District (SPRD) development. **Mayor Frye** stated he felt the plan was unambitious but was happy to see that development plans for parks had been included as opposed to leaving the land bare.

Councilor Connolly asked when an annexation would occur and whether any parks would be included in an annexation. **Director Davenport** replied the first step would be for the City to expand its urban growth boundary but noted any future land annexed would have park land requirements associated with the request. **Councilor Connolly** stated it was unfortunate that nowhere in the plan was any mention of all the national forest land that surrounds Sisters and how much that contributes to recreation.

Mayor Frye opened the public hearing for anyone that wished to speak.

Steve McGhehey, Sisters, OR

Mr. McGhehey stated he was in favor of the updated parks master plan. He stated he had been involved in the donation of the land for Clemens Park and noted it was now widely used. He stated he did not feel a developer should try and make the City contribute to the initial cost of a park.

Mike Morgan, Sisters, OR

Mr. Morgan stated he was concerned that doubling the SDC's would have an adverse effect on the school district and affordable housing. He stated enrollments in Sisters schools were continuing to drop and it was not sustainable. He stated he also felt the City should measure the utilization of its current parks. He remarked they were not being used to capacity with the exception of when a special event was going on. He felt expansion of the park system would be a huge mistake.

Councilor Connolly moved to approve Resolution No. 2016-12 adopting a May 2016 update to the City Parks Master Plan. **Councilor Blum** seconded the motion. The motion carried unanimously.

**C. Public Hearing and Consideration of Resolution No. 2016-13: A
RESOLUTION OF THE CITY OF SISTERS REVISING THE
METHODOLOGY AND FEES FOR SYSTEM DEVELOPMENT CHARGES
FOR ITS PARK SYSTEM.**

Director Davenport reported the current Park SDC fees were insufficient to keep up with the population growth and Park Capital Improvement Plan (CIP). He reviewed the fees charged by other cities noting Sisters would still be the lowest fees in the region, with the exception of LaPine which does not charge Park SDC's. He stated a revision to the methodology for the Park SDC fees was calculated to a new proposed fee of \$1,193 per dwelling unit, including lodging units.

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Councilor Blum stated as per the City Charter, the City was required to charge the full amount needed to maintain the Parks system and the only question was whether it should include lodging units or not. **Mayor Frye** stated he could see both sides to the issue of including lodging or not including the units. He stated in some ways he felt lodging providers were being hit twice since they were already required to pay transient room tax.

Director Davenport reported notice had been sent to all parties that would be effected, including lodging owners and staff had received no complaints.

Mayor Frye opened the public hearing for anyone that wished to speak about Resolution No. 2016-13.

Mike Morgan, Sisters, OR

Mr. Morgan requested the Council postpone their decision until they had reached out to the school district.

Mayor Frye closed the public hearing. He stated the additional \$600 SDC fee spread over a 30 year mortgage was nominal and he did not feel it would cause a buyer to not purchase a home.

City Attorney Bryant noted there was a typographical error in the body of the resolution that stated the SDC fee was \$1163 as opposed to the actual amount of \$1193 and advised the Council to note the amendment.

Councilor Connolly moved to approve Resolution No. 2016-13 revising the methodology and fees for SDC's for its park system as amended. Councilor Blum seconded the motion. The motion carried unanimously.

VII. CONTRACT REVIEW BOARD

Mayor Frye opened the Contract Review Board meeting.

- A. Discussion and Consideration of a Contract Change Order** in the Amount of \$67,220.82 to Robinson and Owen Heavy Construction for the Hood Avenue Lighting and Irrigation Improvement Project and Authorize the City Manager to Execute the Change Order

City Engineer Huffman explained the change order was for additional pavement, overlay and aggregate base as well as sealcoat over the entire Hood Avenue project to extend the life of the street.

Councilor Connolly moved to approve a contract change order in the amount of \$67,220.82 to Robinson and Owen Heavy Construction for the Hood Avenue lighting and

*irrigation improvement project and authorize the City Manager to execute the change order. **Councilor Blum** seconded the motion. The motion carried unanimously.*

Mayor Frye closed the Contract Review Board meeting.

VIII. OTHER BUSINESS

A. Budget Committee Appointment - pulled

IX. MAYOR/COUNCILOR BUSINESS

Roundabout

Councilor Blum reported on the initial roundabout meeting where near-by business owners and interested parties met to discuss the project. She stated there was a lot of good feedback and Oregon Department of Transportation representatives answered questions. She stated the next meeting was scheduled for May 24th.

City Manager Investigative Report

The **Council** discussed next steps with regard to the City Manager investigative report since the District Attorney had ordered the City to release the report. **City Attorney Bryant** reminded the Council that when they had discussed the matter in Executive Session, it had been contemplated the Council would appeal the matter to the Circuit Court if the District Attorney ordered the release of the document. He stated the Council had indicated to the City Manager and staff it would use its best efforts to keep the document confidential. He stated if the District Court sided with the District Attorney, the Council would have the option of appealing to the Court of Appeals and ultimately the Oregon Supreme Court. He stated it was a Council decision and he recommended the Council discuss the matter in an Executive Session.

Councilor Asson stated he did not want to wait on the conversation as he felt the City had already spent too much time and money on the issue. He stated he was in favor of releasing the report and moving on. **Councilor Blum** asked what the timing of a Circuit Court process would be and **City Attorney Bryant** replied the hearing would likely be set for the middle to latter part of June. He stated he would expect the Judge to make a decision fairly quickly. He stated the attorney that had interviewed staff members had also indicated she would like an opportunity to weigh in.

Councilor Connolly stated she felt the District Attorney had done a thorough and convincing job of explaining why the report should be released. She stated it looked like the City was trying to hide something and the only way to remove that suspicion was to release the document. **Mayor Frye** stated that while it would have be reckless to release the report initially, since the District Attorney had ordered it released, he was also leaning towards releasing it. He stated the Council needed to hear from City Attorney Bryant as to the possible consequences and risks of releasing the report. The **Council** discussed the

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matter and decided to hold an executive session on Monday morning at 8:00 a.m. prior to making a final decision.

X. ADJOURN –8:47 p.m.

Kathy Nelson, City Recorder

Chris Frye Mayor