

REGULAR MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
DECEMBER 10, 2015

**MEMBERS PRESENT:**

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

**ABSENT:**

Amy Burgstahler    Councilor

**STAFF PRESENT:**

Andrew Gorayeb    City Manager  
Steve Bryant        City Attorney  
Paul Bertagna      PW Director  
Patrick Davenport   CD Director  
Kathy Nelson        City Recorder

**ABSENT:**

Lynne Fujita-Conrads Finance Officer

**I. CALL TO ORDER/PLEDGE OF ALLEGIANCE**

The meeting was called to order by Mayor Frye at 7:05 p.m.

**II. VISITOR COMMUNICATION**

Letters from Lynn Baker and Jennifer McCrystal were entered into the record.

**III. CONSENT AGENDA**

A. Minutes

1. November 12, 2015 – Regular Meeting
2. November 19, 2015 – Workshop - *Pulled*
3. November 12, 2015 – Special Meeting
4. December 03, 2015- Special Meeting

B. Bills to Approve

1. December 10, 2015 Accounts Payable
2. Pre-Approve Second December Accounts Payable

*Councilor Asson moved to approve the consent agenda, including an additional page of accounts payable. Councilor Blum seconded the motion.*

**Councilor Connolly** asked how long the porta-potties would be at Clemens Park. **Director Bertagna** replied he was waiting for direction from the Council as to whether they should be kept or removed for the winter. The **Council** directed staff to leave the porta-potties at the park through the winter.

**Councilor Connolly** asked about the new bike lockers at Village Green Park. **Director Bertagna** replied the lockers were a rectangular box divided at a diagonal so it could hold two bikes. He explained each section had a separate locked door. **Manager Gorayeb** stated the City hoped to hold a grand opening of the new restrooms prior to Christmas if, weather permitting, Public Works staff was able to pour the concrete.

**Councilor Blum** questioned why the City was paying for the Library's outdoor lighting. **Manager Gorayeb** explained it was a part of an agreement between the City, Library and Sisters School District for maintenance of the civic campus.

*The motion carried unanimously.*

#### IV. STAFF REPORTS

A. Deschutes County Sheriff's Office – no questions

B. December Staff/Council Work Plan

**Councilor Connolly** asked for additional details regarding Text Amendment 15-03. **Director Davenport** explained there were various components to the text amendment. He stated one change was to address a concern from developers about the City being too restrictive with regard to setbacks for alley loaded garages. He reported other sections of the text amendment included options to encourage affordable housing and some general housekeeping issues of the Development Code. **Councilor Connolly** questioned how the City could be more pro-active in addressing issues and **Director Davenport** replied that if Council members heard of any concerns from constituents, it was helpful to have them bring it to staff's attention. He added the Planning Commission was encouraged to do the same. He stated sometimes staff became aware of cumbersome issues when working with developers and contractors. He stated in those cases, staff would request direction from the Council prior to moving forward on any proposed changes.

**Councilor Connolly** asked for an update on the Urban Renewal Grants. **Director Davenport** replied at present there were 19 signed agreements. **Manager Gorayeb** added there were two agreements that expired on December 31<sup>st</sup> and after staff had discussed the matter with the applicants, it appeared one would be signed and one would not.

**Mayor Frye** asked when the City Parks Master Plan update would be completed. **Director Davenport** replied the City Parks Advisory Board (CPAB) was still reviewing the plan. He stated if adopted, the Creekside Overnight Park would be included as an appendix to the plan. He explained the updated plan should be completed by February and would include park system development charges (SDC's).

C. New Business License Report for November 2015 – list included

#### V. COUNCIL BUSINESS

A. **Discussion and Consideration of Ordinance No. 466: AN ORDINANCE AUTHORIZING FULL FAITH AND CREDIT BONDS FOR MULTIPLE PURPOSES**

**Manager Gorayeb** explained Ordinance 466 authorized staff to move forward with the process of the issuance of revenue bonds, as procedurally, 30 days was required prior to the offering of the bonds. He stated if rates were not at 3.453% or lower, the City would not move forward.

**Mayor Frye** questioned why the three loans with an interest rate of 2.22% were being refinanced. **Manager Gorayeb** explained the loans had five years and seven months left until term and then a balloon payment would be due. He stated the City did not know what the interest rate would be at that time, but given the current market, assumed the rates would be higher. He stated given the exposure risk, refinancing those loans at a fixed rate for 25 years would provide some savings and stability for the City.

**Councilor Connolly** asked if this type of procedure was normal for cities and **Manager Gorayeb** replied it was. **Councilor Connolly** asked what percentage of success could be expected. **Manager Gorayeb** stated there was a high certainty it would take place unless there was some cataclysmic financial market event that occurred. He noted Piper Jaffrey was the most active bond underwriter in the state.

***Councilor Connolly** moved for the first and second reading, by title only, of Ordinance 466 authorizing full faith and credit bonds for multiple purposes. **Councilor Blum** seconded the motion. The motion carried unanimously.*

City Attorney Bryant read Ordinance 466, by title only, twice.

***Councilor Connolly** moved to adopt Ordinance 466 authorizing full faith and credit bonds for multiple purposes. **Councilor Blum** seconded the motion. The motion carried unanimously.*

**B. Discussion and Consideration of Resolution No. 2015-26: A RESOLUTION OF THE CITY OF SISTERS AMENDING THE PAY PLAN CLASSIFICATION**

**Manager Gorayeb** stated the positions of Finance Officer and Building Official were being added to the pay plan classification. He explained the person replacing the Finance Director position would begin as a Finance Officer with the opportunity to advance to the Finance Director. He stated the City was currently soliciting applications for a Building Official to cover most of the services currently provided by Deschutes County. He stated the City would still contract for some services with Deschutes County on a limited basis. **Councilor Blum** asked if the salary ranges included overhead and **Manager Gorayeb** replied they did not and overhead ranged from 26% to 35%. **Councilor Asson** asked if the candidates would begin at the first step of the salary range and **Manager Gorayeb** replied salary would be based on qualifications and experience.

*Councilor Connolly moved to approve Resolution No. 2015-26 amending the City of Sisters pay plan classification. Councilor Blum seconded the motion. The motion carried unanimously.*

**C. Public Hearing and Consideration of Resolution No. 2015-27: A  
RESOLUTION OF THE CITY OF SISTERS ADOPTING A SUPPLEMENTAL  
BUDGET AND ESTABLISHING APPROPRIATIONS WITHIN THE 2015/16  
BUDGET**

**Mayor Frye** opened the public hearing for anyone that wished to speak. As there was no that wished to speak, **Mayor Frye** closed the public hearing.

**Manager Gorayeb** stated the \$66,000 was related to the upcoming Hood Avenue Improvement Project and the cost for software maintenance was related to a network security assessment for the City's office systems and processes, water and sewer systems.

*Councilor Connolly moved to approve Resolution No. 2015-27 adopting a supplemental budget and establishing appropriations within the 2015/16 budget. Councilor Blum seconded the motion. The motion carried unanimously.*

**D. Public Hearing and Consideration of a Remand by the Land Use Board of Appeals (LUBA) No. 2015-86 in Reference to a Temporary Use Permit Application (TU 14-02) for a Series of Temporary Special Events on Private Property Previously Approved by City Council and Remanded Back to City Council by LUBA for Additional Findings of Fact**

**Mayor Frye** called the public hearing to order on the Land Use Board of Appeals Remand for File No. 14-02, Bend/Sisters Garden RV Resort LLC/Celia Hung. He read the conduct of the hearing and stated the decision could be made by the City Council at the close of the hearing or continued to a date certain in the future. He described the process for providing testimony and asked the Council members to disclose any ex parte contact, bias or conflicts of interests.

**Councilor Connolly** stated she had received and listened to a CD of the May 15, 2014 City Council workshop where temporary use permits were discussed and asked City Attorney Bryant if this would be considered a conflict of interest. **City Attorney Bryant** replied it was his understanding the discussion at the May 14<sup>th</sup> meeting was on possible code amendments and was not relevant to this evening's discussion.

**Mayor Frye** asked if there was any member of the audience that wished to challenge the ability of any Council member to hear the matter and there were none. He requested Director Davenport present his staff report.

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**Director Davenport** provided a case history. **Councilor Blum** asked what part Mr. Kennan, who submitted a second appeal on the file, played in the matter and **Director Davenport** explained Mr. Keenan had not been a party to either side.

**Director Davenport** stated there were three essential questions LUBA had requested the Council produce additional findings for. He noted there were some Municipal Code sections that were in place at the time of the appeal that had been amended since that time.

**Mayor Frye** asked City Attorney Bryant if the staff findings met LUBA's demand and **City Attorney Bryant** replied they did. **Mayor Frye** asked what the next step would be. **City Attorney Bryant** stated the Council needed to address the findings and agree or disagree with staff findings. He explained it would be the last action the City took and LUBA was no longer involved and would not be doing anything else unless the findings were appealed.

**Councilor Asson** stated he did not understand the process and had concentrated on LUBA's final opinion and order. **City Attorney Bryant** explained LUBA was not looking for any answers from the City Council and had closed their file. He explained LUBA had found there was not ample findings for them to make a decision on some items and therefore had remanded those items back to the Council. He stated Council merely needed to agree or not agree with staff's findings.

**Councilor Connolly** noted that she and Councilor Blum had not been on the Council when the appeal was originally heard and asked how they should make their decision. **City Attorney Bryant** replied it did not matter that they had not been on the Council at the time of the initial decision and they should review the findings at hand and determine if they agreed with them or not.

**Director Davenport** read the questions as asserted by the petitioner:

*1. Is a Temporary Use Permit issued by the City the equivalent of a Special Event Permit?*

**Director Davenport** replied staff did not agree and read findings "a." through "i" explaining why they were not. At the core of staff's decision was that a Temporary Use Permit was a land use process under the Sister Development Code while the term of Special Event Permit was only used in relation to transient merchant permits. The **Council** agreed with staff's findings.

*2. Does the City exempt city business holders from paying individual transient merchant license fees for their individual vendors and does the City not require the business license holder from ever paying the transient merchant fee?*

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**Director Davenport** replied staff did not agree and read findings “a.” through “j” explaining why they did not agree. At the core of staff’s decision was that when an existing business allowed multiple transient merchants to use their property, each of those transient merchants was required to obtain a transient merchant license and pay the required fee. **Director Davenport** added that if a business owner had a valid business license, they were able to operate as a transient merchant for the purpose of selling the same items sold at their permanent location by obtaining a transient merchant license. The **Council** agreed with staff’s findings.

*3. Does issuing a city business license to conduct business as an “event coordinator” constitute issuing a special event permit within the meaning of code section 5.24.120(5)?*

**Director Davenport** replied staff did not agree and read findings “a.” through “h” explaining why they were not. At the core of staff’s decision was that the City business license only allowed the business individual or entity who obtained the business license to conduct business within the City and did not grant any other permits or approvals. The **Council** agreed with staff’s findings.

**Mayor Frye** asked if there was anyone that wished to testify in favor, against, or provide neutral testimony on the matter and there was no one that wished to testify. Staff had nothing else to add and the Council had no further questions. **Mayor Frye** asked if the Council wished to leave the record open for seven days to provide time to submit written testimony and the **Council** did not. **Mayor Frye** closed the public testimony.

**Councilor Asson** stated he did not feel qualified to vote on the matter as he was uncomfortable with the process. He stated he did not feel the City did had done a good job and it should make some amends to the party involved. **Mayor Frye** replied all issue related to the matter had been voted on previously and the only matter before the Council this evening were the three questions, therefore it was a moot point. He stated if Councilor Asson felt strongly about making amends, he could bring it up at a future meeting. **Councilor Connolly** stated initially she had also been overwhelmed until she came to the understanding that LUBA only wanted Council to answer the three questions. She supported Councilor Asson’s idea of discussing the previous process with the Council in the future. **City Attorney Bryant** explained to the Council that LUBA would not be expecting the answers to the questions to be forwarded onto them unless the remand was appealed.

*Councilor Connolly moved to adopt the findings of fact as presented by staff on the remand of land use application TU 14-02. Councilor Blum seconded the motion. The motion carried unanimously.*

**E. Discussion and Consideration of a Motion to Approve Creekside Park and Campground Master Plan**

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**Director Davenport** noted the Council had held five workshops on the topic of the master plan for Creekside Park and Campground and the City Parks Advisory Board (CPAB) had worked extensively on the project for several months including 11 meetings with a great deal of public outreach. He stated, if approved, the final draft would be submitted to the Oregon Parks and Recreation District (OPRD) for approval. Once approved, the master plan would become an appendix to the City Parks Master Plan. He stated one of the recent concerns had been concerned with the entrance and exit to the park, whereby the CPAB had initially recommended all RV's enter the park off of Buckaroo Trail and exit the park via Locust Avenue. He stated that initial recommendation had come to the Council who had supported the recommendation but upon further consideration and discussion, the CPAB had reversed its recommendation and instead recommended RV's be allowed to enter and exit from either location, which was reflected in the final draft before the Council.

**Councilor Connolly** stated she had concerns that spots 56 through 61 were being converted to RV spots and questioned how that had evolved as she remembered the directive from Council had been to not add any additional RV spots. **Mayor Frye** replied that had been the original direction but it had evolved since other spots were being removed and shortened. He stated the response from the public had shifted some also. **Councilor Blum** stated she felt moving bigger RV's to the center of the park was a good idea. She stated by providing hook-ups there was less need for generators to be running which she saw as a benefit. **Councilor Asson** stated he liked the plan, adding he had spoken with several neighboring homeowners who were much more content then they had been a year ago. **Manager Gorayeb** stating he felt the year long process had resulted in a good plan and the City had become a better neighbor to the nearby residents.

**Manager Gorayeb** reminded the Council that approval by the Council did not authorize the City to begin any projects at the overnight park and that would need to wait until approval by OPRD was obtained. He stated the City also wanted to have its updated City Parks Master Plan adopted that would include the plans, funding sources and Park system development charge (SDC) methodology in place.

The **Council** voiced appreciation for a quality product and good work from the CPAB and staff.

***Councilor Connolly** moved to approve the Creekside Park and Campground Master Plan. Councilor Asson seconded the motion. The motion carried unanimously.*

**F. Discussion and Consideration of a Motion to Amend a Services Agreement with Central Oregon Intergovernmental Council (COIC)**

**Manager Gorayeb** explained the motion was related to a compliance requirement for the funding the City receives from the Federal Transit Administration (FTA) through a grant with the Oregon Department of Transportation (ODOT) for the Cascades East Transit (CET) service.

***Councilor Connolly** moved to amend a services agreement with COIC. **Councilor Blum** seconded the motion. The motion carried unanimously.*

**G. Discussion and Consideration of a Motion** to Accept Public Improvements for S. Cedar Street and Washington Avenue

**Director Bertagna** explained accepting the public improvements was a final step prior to the City accepting operation and maintenance of the public improvements. He stated the project was located on the east side of the intersection of Cedar Street and Washington Avenue. He reported the developer had bonded for the swale to be completed as they waited for Central Electric Cooperative (CEC) to move its power pole so they could complete their work.

***Councilor Connolly** moved to accept public improvements for S. Cedar Street and Washington Avenue. **Councilor Blum** seconded the motion. The motion carried unanimously.*

**VI. CONTRACT REVIEW BOARD**

**Mayor Frye** opened the Contract Review Board.

**A. Discussion and Consideration of a Motion** to Award a Contract to Robinson and Owen Heavy Construction LLC in the Amount of \$309,845.90 for the Hood Avenue Improvement Project

**Director Bertagna** stated staff was requesting Council award the contract for the full amount and noted staff had worked with the contractor to value engineer the project and a change order would be signed to bring the end cost down.

***Councilor Connolly** moved to award a contract to Robinson and Owen Heavy Construction LLC in the Amount of \$309,845.90 for the Hood Avenue Improvement Project. **Councilor Blum** seconded the motion. The motion carried unanimously.*

**Mayor Frye** closed the Contract Review Board.

**VII. OTHER BUSINESS - None**

**VIII. MAYOR/COUNCILOR BUSINESS**

The **Council** discussed the agenda calendar schedule.

**IX. ADJOURN** – 8:23 p.m.

  
Kathy Nelson, City Recorder

  
Chris Frye Mayor