

GOAL SETTING MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JANUARY 29, 2015

MEMBERS PRESENT:

Chris Frye Mayor
David Asson Councilor
Wendy Holzman Councilor
Nancy Connolly Councilor

STAFF PRESENT:

Andrew Gorayeb City Manager
Lynne Fujita-Conrads Finance Officer
Pauline Hardie CDD Director
Paul Bertagna PW Director
Kathy Nelson City Recorder

ABSENT:

McKibben Womack Council President

The meeting was called to order by Mayor Frye at 8:10 a.m.

1. Overview/Expectations of Goal Setting

Manager Gorayeb stated the agenda was only a suggested process and completely open to revision by the Council. He stated the meeting packet included financial highlights and the state of the City, current projects, potential projects for next fiscal year, other projects that didn't fall within any particular category and quantifying the goals identified by each Councils in terms of financial impacts.

Mayor Frye stated he felt the Council should schedule an executive session with City Attorney Bryant to also discuss the current status of pending litigation. **Councilor Asson** noted he had requested the same type of meeting in his Council goals document. **Manager Gorayeb** replied staff would schedule the meeting. **Councilor Connolly** asked if the litigation had caused an increase in insurance rates for the City. **Manager Gorayeb** explained any increase in rates was related to Workers Compensation and injuries through the City's insurance carrier, Citycounty Insurance Services (CIS). He explained CIS was a non-profit insurance cooperative for cities and counties. He stated the pending litigation cases all fell under the City's liability coverage. He added the City had refined its personnel handbook as suggested by CIS to further protect the City from unlawful termination suits, which CSI has seen a sharp increase in recently. He noted the updated handbook would be coming before the Council for approval soon.

Mayor Frye suggested the Council look at the previous years' overarching goals and determine if and how the list might need to be revised. He stated there was a need for measurable short and long term goals.

2. Review of Current Financial Projections

Mayor Frye requested an update on the Sewer Fund. **Manager Gorayeb** noting the City reset rates as an interim while it is in the process of equitizing the rates so users will be paying for their actual impacts to the system and a proportionate share to fund growth related projects. He stated the City expected to increase its reserves this year. **Director Bertagna** reminded the Council the rates for sewer had not changed since 2001 and the system was now aging. He described how the City of Redmond based its sewer rates on volume use by means of the water meters.

Manager Gorayeb explained the City had set up the reserves for each fund based on the useful lifespan of the various systems and equipment. He stated the City did not reserve for all projects such as the sewer pipe and water distribution systems. He stated catastrophic failure of those systems would cost tens of millions of dollars to replace and would require emergency assistance.

Manager Gorayeb discussed the Water Fund and explained users have never been charged for their actual usage, but instead a pre-determined amount of usage which many users never reach. He stated this had resulted in a program whereby homeowners had been subsidizing businesses. He stated there was a need to make the water rates more equitable. He added that by the end of March, staff would have a complete review of infrastructure needs completed.

Councilor Connolly asked if the City had a pro-active program for assisting with grey-water removal and treatment for agencies fighting fires in the vicinity. **Director Bertagna** explained the City had participated in a grey-water program for many years and whenever a fire camp set up in or near Sisters, the agency heads came to discuss their needs with the City. He reported the City had always provided a volume discount.

Manager Gorayeb provided highlights of the revenue and expenses from other funds and where the funds stood in relation to their budget.

3. Review of Individual Councilor Goals

Council members provided an overview of their goals.

Councilor Connolly:

- Increase funding of Economic Development of Central Oregon (EDCO) Manager position to full time.
- Reinstate the Committee for Citizen Involvement (CCI) to be a better partner to the citizens of Sisters and to head off issues. Realize the importance of getting input prior to making decisions.
- Incentivize affordable housing.
- Clean up and revise the Development Code for items such as temporary use permits (TUP), formula foods, food carts, signage and back in parking.
- Look into cause and effect of turnover of committee volunteers, including the possibility of interviewing potential candidates.
- Clarify goals for both the City Council and City Manager.

Councilor/Staff Comments:

- Support of the idea of interviewing potential candidates for some volunteer positions.
- Realize that it is sometimes a luxury to have more than one candidate for open positions.
- Recognize that most changes in committees/boards are due to the end of terms and changes in the personal circumstances and lives of members.

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- If CCI is reinstated, make certain it has a very clear direction on its purpose as a lack of purpose was the cause of its demise previously.
- Set clear guidelines for all advisory committees/boards.
- Conduct surveys for some issues since special interest voices that are the loudest are not always a true reflection of the majority of citizens.
- Consider an annual business survey since many business owners are fundamentally disenfranchised as they live outside city limits and have no voice.
- Recognize it is imperative to ask the right questions and the need to likely use a consultant for surveys.

Councilor Asson:

- Establish water and sewer rates that assure rate payer equity and build cash reserves for future capital improvement needs.
- Establish written guidelines on how the Council will process future capital projects requiring public outreach or advisory board input.
- Schedule an executive session to receive an evaluation of the current status of pending litigation and potential financial liability of the City.
- Increase city funding to the economic development program to increase the economic development manager position to full time and increase marketing outreach.
- Create an affordable housing policy. This will require outside help and outside investors. Look into ways to create incentives to attract developers. Build a ten to twenty unit apartment/residence/condo development as a first year experiment.

Councilor/Staff Comments:

- Discussion on how System Development Charges (SDC's) can only be waived for units that will be affordable for a minimum of 50 years as per the City Charter.
- Any change to the City Charter requires a vote of the people.
- The City can offer grants to offset SDC's.
- Check with other cities to see how they incentivize affordable housing.
- Any annexed property is required to provide a percentage of affordable housing.
- There is quite a bit of potential for affordable or mid-range housing units to be built in the upcoming year.
- The City needs to increase its building inventory to a 20 year supply as it will become a requirement once the city's population reaches 2,500.

Councilor Holzman:

- Keep the five over-arching goals currently in place: 1) strengthen city finances, 2) increase community and private sector asset base, 3) economic development, 4) improve connectivity and 5) improve public outreach.
- Continue to work with the Community Assets Committee (CAC) to identify a community supported asset.

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- Continue the work of the City Parks Advisory Board (CPAB) to work with citizens on improvements for Creekside Park, make needed improvements at other parks and identify new park assets for the community.
- Provide funding for the Economic Development Manager to be a full time position.
- Work closely with the Chamber of Commerce on efforts to increase tourism.
- Continue to work on the process to get the roundabout constructed at Highway 20 and Barclay Drive.
- Work on other connectivity projects such as a path to the Petersen Ridge trailhead from Village Green Park and bike/pedestrian path to the Sisters Airport.
- Continue efforts for building affordable housing.

Councilor/Staff Comments:

- Educate citizens on the history of the roundabout and lengthy process it has already undergone including a roundabout feasibility study, updated transportation system plan, joint work with the freight industry and a lot of public outreach. Make certain that newer citizens to Sisters become aware the project has already been several years in the making.
- Hold a town hall meeting(s) in partnership with the Oregon Department of Transportation (ODOT) about the roundabout.
- See if ODOT would be willing to provide a point person for the roundabout project like it did with the Cascade Improvement project.
- Prioritize connectivity projects throughout town.
- Create a Bicycle Pedestrian Advisory Board (BPAC) for Sisters.
- Use an interview process for potential candidates to the Planning Commission, CPAB and CCI.
- Dissolve the Fiscal Advisory Committee (FAC) as the Budget Committee suffices.

Chris Frye:

- Invest in the City's youth by providing additional opportunities.
- Enhance Cliff Clemens Park with restrooms, water fountain, volleyball court and possible BBQ basketball court and sandbox.
- In Village Green Park expand/improve the play equipment and set up a 'movies in the park' program for warmer months.
- Provide additional family-oriented activities during the tourist season.
- Increase the amount the City budgets for Community Grants to \$20,000.
- Require a one to one ratio for tree removal/planting.
- Continue with sidewalk improvement projects in the downtown core.
- Make improvements to Creekside Overnight Park and be better neighbors by increasing screening, installing better signage, making a wider entrance, etc.
- Provide funding for the Economic Development Manager to be a full time position.
- Increase the transient room tax (TRT) percentage.
- Increase funding to the Chamber of Commerce to 55% of TRT.
- Set up a forgivable loan project to encourage business development/expansion.
- Inventory housing availability.

- Assist Hayden Homes in obtaining a rezoning of its remaining phases to be developed.
- Annex additional land to insure a 20 year supply.
- Remove back-in diagonal parking from Main Avenue.

Councilor/Staff Comment:

- Determine if the TSP needs to be amended in order to remove back-in parking.
- Reach out to Sheila Lyons at ODOT with regard to removing back-in parking to ensure it won't damage the relationship the City enjoys with ODOT and grants it provides.
- Concerns about removing the back-in parking as it does create a safer environment for bicyclists.

4. Review Current Public Works Projects, Timing, Sources and Uses of Funds

Manager Gorayeb reviewed Public Works projects and whether they were funded, partially funded or in need of being funded. He noted there was still approximately \$150,000 in Urban Renewal funds available from the loan the City obtained from Bank of the Cascades. He reminded the Council the period to draw down the funds expired on February 26th and staff recommended projects that could be funded with the loan proceeds. The **Council** directed staff to use the remaining urban renewal loan proceeds to fund the Village Green parking and sidewalks improvements and Americans with Disability (ADA) work and landscape upgrades at the Chamber of Commerce building.

Manager Gorayeb discussed his concerns with creating a plan to minimize the danger of a raw sewage spill from the Locust Street bridge pressure line. He explained the line was installed on the upstream side of the bridge and when there had been high water event last month he and Director Bertagna discovered the potentially damaging problem. He reported staff was working to come up with a feasible solution to protect the city since the line was the life line to the sewage plant for the entire city. The project is unfunded.

Manager Gorayeb also informed the Council about an unfunded project recommended for FY 2015-16 at a cost of \$60,000 to replace a section of pipe under Whychus Creek. He explained the Forest Service would be working in the area on their own project and it made sense to perform the work when there is already construction work going on in the area.

Manager Gorayeb reported wooden sign posts were slowly being replaced with metal sign posts since they are safer and more durable. He stated fire hydrants had also been painted and stop signs throughout town had been replaced as needed. There was discussion on whether wooden street signs should be replaced with metal signs that were easier to read.

5. Review Community Grants

- The **Council** requested the budget for Community Grant for FY 2015-16 be raised to \$20,000.

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6. Review SDCs

- Once a long term infrastructure analysis is completed, System Development Charges (SDC's) may need to be adjusted.
- The City Parks Advisory Board has recommended increasing Park SDC's from \$646 to \$2000 per SDC to fund several park projects. The Council will need to make a determination on whether to approve the increase or not.
- The **Council** directed staff to see if there was sufficient time to provide outreach and solicit input from the community with regard to several park projects that could qualify for grant funding prior to the grant application deadline.

7. Review Current and Projected Cash Positions

- **Manager Gorayeb** reported the City's cash position was very strong. The "rainy day fund" or unrestricted cash the City has at its disposal is currently \$1.7 million.

8. Discuss and Prioritize Goals

- The **Council** agreed the overarching goals from FY 2014-15 were still applicable for the upcoming fiscal year: 1) strengthen city finances, 2) increase community and private sector asset base, 3) economic development, 4) improve connectivity and 5) improve public outreach.
- Mayor Frye and Councilor Asson will work together to create a list of bullet points for the goals based on the conversation from the goal setting.
- The Council will review the bullet points, edit as needed, determine what would be needed to accomplish the tasks and prioritize the projects.

The meeting was adjourned at 11:53 a.m.

Respectfully submitted,


Kathy Nelson, City Recorder


Chris Frye, Mayor