

REGULAR MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
AUGUST 25, 2011

**MEMBERS PRESENT:**

Lon Kellstrom Mayor  
David Asson Council President  
Sharlene Weed Councilor  
Pat Thompson Councilor  
Wendy Holzman Councilor

**STAFF PRESENT:**

Eileen Stein City Manager  
Steve Bryant City Attorney  
Lisa Young Finance Director  
Paul Bertagna Public Works Director  
Pauline Hardie Comm. Devel. Director  
Kathy Nelson City Recorder

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

The meeting was called to order by Mayor Kellstrom at 7:11 p.m.

**II. VISITOR COMMUNICATION**

There was no visitor communication.

**III. CONSENT AGENDA**

A. Minutes

1. August 11, 2011 – Workshop
2. August 11, 2011 – Regular Meeting
3. August 18, 2011 - Workshop

B. Bills to Approve

1. August Accounts Payable

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

**Councilor Weed** asked if the invoice for fiber chips for the new playground area at Clemens Park had been included in the original budget or if this was an unanticipated cost. **Director Bertagna** stated the cost of the chips had been included in the original budget.

**Councilor Thompson** asked what work had been performed with the invoice from GSI Water Solution for \$4,100. **Manager Stein** replied it was related to pursuing permanent mitigation credits for Well No. 3 and assistance with the issue of the temporary mitigation credits and the Uncle John Ditch project. She added the Council would see the results of the work at the September 8<sup>th</sup> workshop.

**Councilor Holzman** asked for a correction to the workshop minutes of August 11<sup>th</sup>. **City Recorder Nelson** stated she would make the correction.

*The motion carried unanimously.*

**IV. ITEMS NOT ON THE CONSENT AGENDA**

**A. August Accounts Payable**

*Councilor Holzman moved to approve the accounts payable not on the consent agenda.*

*Councilor Asson 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. Paul Bertagna, Public Works Director**

**Director Bertagna** reported he had been working on the agreements for the Uncle John Ditch. He reported he was also working on an operating agreement for the new owners of the Black Butte Ranch Stables to manage the Lazy property for the City. He explained that David Herman, the owner of the property prior to the City purchasing it, would no longer be managing the property. **Councilor Thompson** questioned if the City had any obligation to Mr. Herman and **City Attorney Bryant** replied the City did not as there had never been any formalized written agreement. **Councilor Weed** asked if the fence Mr. Herman was supposed to have moved had ever been moved. **Director Bertagna** stated since there was a new owner of the 64 acre parcel next to the City's land, the City would now be working with that owner to get the fence moved to the correct property line.

**Mayor Kellstrom** asked when the T-Mobile cell tower would be moved. **Director Bertagna** replied he was meeting with the site plan relocation team from T-Mobile next week to discuss the move so T-Mobile could begin drilling the footings to move the tower.

**Councilor Holzman** thanked Director Bertagna and City Engineer Dick Nored for their help with providing all the information related to water flow modeling for the Water Capital Improvement Plan (CIP) technical advisory committee (TAC), noting it had been very helpful to the TAC members.

**B. Pauline Hardie, Community Development Director**

**Director Hardie** reported she was looking for volunteers to work in two hour increments to assist with the tree inventory project on August 31<sup>st</sup> and September 1<sup>st</sup>. She stated she would

email the information to the Council for them to pass along to individuals that might be interested in helping with the project.

**Director Hardie** reported the City would be hosting a meeting on the transportation system plan (TSP) for Deschutes County on Monday, August 29<sup>th</sup> in the Council Chamber. She stated the topic of discussion would be Oregon Department of Transportation's (ODOT) plan to create four lanes for traffic on Highway 20 from Black Butte Ranch to Sisters. She stated both County and ODOT personnel would be attending to answer questions.

**Director Hardie** stated she would be bringing an application for a Transportation Investment Generating Economic Recovery (TIGER) III grant to the Council for approval. She reported the grant would not require a match from the City.

**Director Hardie** stated the deadline to accept Cascade Avenue surveys had been extended to September 6<sup>th</sup>. **Councilor Holzman** volunteered to hand out surveys at the farmers market on September 2<sup>nd</sup>.

**Director Hardie** reported she and other staff members had participated in "Disabled for a Day", an accessibility experience where participants wear vision altering goggles and maneuver in wheelchairs to point out accessibility improvements needed in the city. She stated it gave participants an opportunity to see the challenges faced by those with limited mobility and sight.

### C. Mac Hay, Economic Development Manager

**Mayor Kellstrom** reported Mr. Hay was in Ellensburg, Washington attending the Northwest Economic Development Conference. **Manager Stein** added Mr. Hay continued to work on the plans for Governor Kitzhaber's visit in October to see the biomass boiler project at the high school.

## VI. COUNCIL BUSINESS

### A. Discussion and Consideration of Ordinance No. 405: AN ORDINANCE OF THE CITY OF SISTERS AMENDING THE SISTERS MUNICIPAL CODE SECTION 2.32 RELATING TO PUBLIC CONTRACTING

*Councilor Asson moved for the first and second reading, by title only, of Ordinance No. 405. Councilor Thompson seconded the motion.*

**Councilor Weed** stated she was not ready to vote on the matter as she felt there were a number of unanswered questions such as how the ordinance would be implemented and setting a cap on the percentage community involvement would count in the weighted criteria for bids. She

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stated she was afraid it would cost tax payers more in the long run and the ordinance was not detailed enough. **City Attorney Bryant** replied she would not see specifics in the ordinance as each project would be unique and the criteria would be specific to that project. **Councilor Weed** stated she felt the ordinance should at least set a percentage cap for the community involvements portion of the bid. **City Attorney Bryant** replied he would not recommend putting that type of detail in the ordinance as the Contract Review Board would make those decision to determine what the percentage should be for each contract. **Councilor Holzman** asked if the Contract Review Board would be looking at all competitive bids. **City Attorney Bryant** replied the ordinance would require the board to do so for any contract over \$50,000. **Councilor Holzman** stated she had heard from constituents who were concerned the ordinance would drive up the costs of contracts even though they agreed with the concept of wanting to see local contractors get jobs. She stated the Council still needed to be fiscally responsible with taxpayer dollars. **City Attorney Bryant** noted there would be an increase in cost with the additional process involved but reminded the Council that the Contract Review Board could always reject all the bids. **Councilor Holzman** stated there was a cost associated with that also and **City Attorney Bryant** agreed.

**Councilor Thompson** stated the whole idea behind the ordinance was to keep taxpayer money in the community by using local contractors, which includes all those in the tri-cities area that contribute to the community. He stated although every contract would be different three criteria would remain constant: 1) how would the contractor do the job and does the contractor had the ability to perform the job; 2) community involvement; and 3) cost.

**Councilor Thompson** stated contractors will start getting the word that if they want to work in Sisters they will need to be supportive of the community. He stated he thought it would actually bring prices down. **Councilor Weed** stated she felt the entire Council could agree that they want taxpayer money to stay local but asked how much more the City should be willing to pay to get the job done. **Councilor Thompson** stated it shouldn't cost any more if checks and balances were written into the contracts. He reminded the Council there were always a lot of circumstances to consider and provided the example of the City of Redmond choosing the highest bidder for its 6<sup>th</sup> Street project because of the consideration and willingness of that contractor to work with existing businesses in the construction zone. The Redmond City Council had determined it would be well worth the additional cost.

**Councilor Weed** asked if there was a way to include language in the ordinance to cap the percentage amount of what the community support would be worth in the criteria. **Councilor Thompson** stated that type of language shouldn't be included in the ordinance but the criteria could be written that way. **City Attorney Bryant** stated there was not a specific criterion in the ordinance so it was difficult to add a percentage cap. He stated the Contract Review Board would have control since it would have to approve the criteria and percentage weighting for each contract. **Councilor Holzman** stated she would like to have careful monitoring to see if

the method was fiscally responsible and review the findings in a year. **Mayor Kellstrom** stated he understood the concerns but stated he felt adoption of the ordinance would help deal with the current economic conditions. **Councilor Weed** asked if language could be included that staff would provide the Council with a report on how costs had been affected and if there had been an increase in costs. If there had been an increase in cost, she wanted to know if the benefit to the city was worth it in the long run.

*The motion carried unanimously.*

City Attorney Bryant read Ordinance No. 405 by title only, twice.

**Councilor Weed** moved to adopt Ordinance No. 405 amending the Sisters Municipal Code Section 2.32 relating to public contracting with the stipulation that after one year a staff report would be presented to the Council on the hard and soft costs associated with implementing the ordinance. **Councilor Holzman** seconded the motion.

**Mayor Kellstrom** asked if the request was clear enough for the staff to create the report and if it was plausible. **Manager Stein** replied it was, if soft costs could be presented as the additional cost of staff time in writing criteria; and the hard costs being the difference between the winning bid and the bid of what would otherwise have been the lowest responsible bidder. The **Council** concurred.

*The motion carried unanimously.*

**B. Public Hearing and Consideration of Ordinance No. 406: AN ORDINANCE OF THE CITY OF SISTERS ADOPTING THE 2011 CITY OF SISTERS PARKS MASTER PLAN AND COMPREHENSIVE PLAN AMENDMENTS TO GOALS 1, 2, 5, 8, 11, 12 AND 14.**

**Mayor Kellstrom** opened the public hearing on Ordinance No. 406 regarding adoption of the Parks Master Plan. He reviewed the order of the public hearing and declared it open.

**Councilor Weed** and **Councilor Holzman** reported they'd had ex-parte contact since they had sat on the Parks Master Plan project advisory committee (PAC). Both stated they planned to participate in the hearing and could do so without bias.

**Director Hardie** entered into the record a letter from Sisters District Ranger Bill Anthony and a copy of Planning Commission Resolution 2011-07.

**Mayor Kellstrom** stated the City Council could, at its discretion, allow the record to stay open an additional seven days after the close of oral testimony to any party wishing to submit final

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written testimony that relates to the application or they could waive the seven day period. The **Council** agreed to waive the additional seven days.

**Mayor Kellstrom** asked if there was any discussion from the Council. **Councilor Weed** stated she was very excited to finally have the plan come to fruition.

**Mayor Kellstrom** closed the public hearing.

***Councilor Asson** moved for the first and second reading, by title only, of Ordinance No. 406. **Councilor Weed** seconded the motion. The motion carried unanimously.*

**City Attorney Bryant** read Ordinance No. 406 by title only, twice.

***Councilor Holzman** moved to approve Ordinance No. 406 adopting the 2011 City of Sisters Parks Master Plan and comprehensive plan amendments to goals 1, 2, 5, 8, 11, 12 and 14. **Councilor Weed** seconded the motion. The motion carried unanimously.*

***Councilor Thompson** moved that no project in compliance (connection) with Ordinance No. 406 be initiated without express consent of the City Council. **Councilor Weed** seconded the motion. The motion carried unanimously.*

**C. Discussion and Consideration of a Motion** to Approve an Addendum to the Commercial Lease Agreement for 291 E. Main Avenue with the Sisters Area Chamber of Commerce

***Councilor Weed** moved to approve an addendum to the commercial lease agreement for 291 E. Main Avenue with the Sisters Area Chamber of Commerce. **Councilor Holzman** seconded the motion.*

**Councilor Weed** stated she thought the lease agreement had been approved at a previous meeting that she had not attended. **Manager Stein** explained the Council had wanted the cost estimates on the improvements requested by the Chamber of Commerce prior to approving the lease. **Director Bertagna** stated he had received quotes for the enhanced lighting that would cost \$1,285 to \$4,275, depending on the type of lighting installed. He suggested he research to find a reasonable lighting option that would cost somewhere in the range of \$2,700 to \$3,000.

**Councilor Thompson** asked if there were any incentives from Central Electric Cooperative (CEC) the City could take advantage of and **Director Bertagna** replied he would research that option. **Councilor Thompson** stated with the amount the City is paying for improvements and maintenance he wondered if the City should be charging higher rent. **Councilor Asson** asked if the City was required to make the improvements. **Director Bertagna** replied the City, as the

building owner, should expect to spend money every year to maintain and upgrade the building. **City Attorney Bryant** stated that unless the addendum specifically included language that the City would perform the work, the City was not obligated to perform any improvements. **Manager Stein** stated the main lease does include some language that commits the City to maintain the building in reasonable condition as any landlord would be expected to and that any renter would likely want and expect some upgrades.

**Councilor Weed** asked if there was a problem with the lighting, stating she did not like the tone of the Chamber letter, considering the very reasonable below market rate lease amount it receives from the City. **Councilor Asson** stated he volunteers for the Historical Society and has spent time in the building and not found the lighting to be poor. **Manager Stein** replied the Chamber has stated the lighting is dim. **Mayor Kellstrom** suggested the Council approve the addendum and figure out the details on the improvements to be done at a later time. **Councilor Holzman** noted it was good to have someone in the building as opposed to having it sit empty. **Councilor Weed** asked about the other requested improvements. **Director Bertagna** replied he was not pursuing the purchase of any costly security measures unless a problem arises. **Manager Stein** explained that with the way the offices are laid out, without a volunteer, it is hard to monitor the lobby. **Director Bertagna** stated adding a mirror in the corner of the room or a bell that sounds when someone walks in the door could be easy fixes. He added Public Works staff would remove the display case from the foyer

*The motion carried unanimously.*

## VII. OTHER BUSINESS

**Manager Stein** stated she had distributed a second draft of features for inclusion in the Uncle John Ditch piping project agreement and requested comments from the Council. She stated she wanted to point out the change in design for the water feature which hopefully the Upper Deschutes Water Council (UDWC) would help in designing. She stated the pipe would go in the adjacent roadbed if possible. Under these conditions Deschutes River Conservancy (DRC) would likely pay for the additional NEPA process that would be necessary. She stated the water for the feature would come from the conserved water as it would be a small amount. She stated she would send out the draft to Three Sisters Irrigation District (TSID), DRC and UDWC for their review and was hope the agreement could come to the Council at the September 8<sup>th</sup> regular meeting.

**Councilor Thompson** asked for an update on Sisters Recycling Center. **Manager Stein** replied the editorial she had written in response to the previous week's editorial regarding the center had run the previous day in the Nugget Newspaper. She stated staff was working with High Country Disposal (HCD) to create a survey for customers to determine whether they would be willing to pay a higher fee to keep the center open. **Councilor Weed** requested the

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survey include costs for various scenarios and levels of service as she had suggested in an earlier e-mail. **Manager Stein** replied it would.

**VIII. MAYOR/COUNCILOR BUSINESS**

There was no Mayor/Councilor business to report.

**IX. ADJOURN** – The meeting was adjourned at 8:20 p.m.

Respectfully submitted,

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Kathy Nelson, City Recorder

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Lon Kellstrom, Mayor