

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
SEPTEMBER 15, 2011

MEMBERS PRESENT:

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

STAFF PRESENT:

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

GUESTS:

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|-----------------|-----------------------------------|
| Kristin Kovalik | Trust for Private Land |
| Josh Alpert | Trust for Public Land |
| Marc Thalacker | Three Sisters Irrigation District |

The meeting was called to order by Mayor Kellstrom at 8:04 a.m.

1. Trust for Public Land Presentation

Kristin Kovalik, Project Manager for the Trust for Public Land (TPL), stated in 2008, the Sisters City Council adopted a resolution supporting the creation of the Deschutes Greenprint and contributed \$1,000 towards the project. She distributed a handout that captured the key elements of the process. She explained it was a conservation plan for Deschutes County that identified the elements that contribute most to quality of life and economic prosperity in the region. She thanked staff from the Community Development Department for participating in the process. She discussed the eight goals that emerged from the input collected during the process for the County and pointed out, with the aid of maps, how the goals overlapped within the region. She reported that three high propriety projects within the plan had recently been completed; acquisition of Millers Landing with public and private funds, Whychus Creek Preserve by the Deschutes Land Trust and Bend Park and Receptions acquisition of land for its new facility along the Deschutes River. She explained TPL offers three services; 1) visioning, 2) assistance with acquiring land and 3) conservation financing. She introduced Josh Alpert to discuss conservation funding plans.

Mr. Alpert distributed the most recent version of the Land Vote publication. He stated TPL works best when it employs all three of its services on a project. He reported TPL had completed over 50 Greenprints throughout the nation. He informed the Council the conservation finance portion of the program, which began 12 years ago, had resulted in the collection of \$80 billion in funding and over 3 million acres of protected land.

Mr. Alpert stated ballot measures TPL gets involved with are typically successful and TPL constantly is polling to get benchmarks from a local community where a measure is anticipated. He reported funding for conservation now sits on the top tier of priorities for voters. He stated in Oregon there are two methods of obtaining public funds; bonds and property tax. He explained

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that prior to a measure being drafted; TPL will review the demographics of a municipality, current programs, funding resources available and debt capacity. He stated TPL has a survey created to poll community members and determine the voter's tax tolerance and priorities on how funds should be spent. He stated the first priority for most communities is almost always related to water, particularly clean drinking water. He stated TPL looks for a minimum of 60% support of a measure and then comes back to the city with a recommended funding amount to ask for and priority of how to use the funds. He stated TPL works with the City Attorney to draft clear and concise ballot language and after a measure is referred, TPL assists with organizing a campaign plan. He stated even in the current economic climate TPL is still seeing the passage of measures. **Manager Stein** asked how repayment of the debt service is determined. **Mr. Alpert** replied typically through 20 year bonds with the payment coming from the property tax revenue.

Ms. Kovalik stated TPL staff wanted to come back to the Council because of the recent adoption of the Parks Master Plan and let the City know how TPL could assist with implementation of the plan. **Councilor Weed** reported had been working with TPL on acquiring property for a permanent home for the community garden. She stated she and Councilor Holzman, along with the entire Council, had been working on the direct sale of the Forest Service property to the City. **Councilor Holzman** stated she had heard from a number of constituents that were excited the City has adopted the new Parks Master Plan and wanted to know how the City planned to move forward.

Mr. Alpert stated TPL recommends a jurisdiction begin a public education process prior to any measure coming to voters as it helps garner support for a measure. He informed the Council how TPL works with jurisdictions under a technical assistance agreement only, not a contract. **Councilor Weed** asked how TPL is paid and **Mr. Alpert** replied mostly by grants. He stated the only real cost to a city is typically for the survey which runs approximately \$18,000. He added TPL is often able to defray some of that cost also.

Mayor Kellstrom thanked Ms. Kovalik and Mr. Alpert for their presentation.

2. Uncle John Ditch Piping Project Agreement

Manager Stein distributed an email she received from the Upper Deschutes Watershed Council (UDWC) regarding the Uncle John Ditch piping project and began the discussion on the second draft of the project agreement. She stated the hope was the details on the various parts of the agreement could be decided and the agreement could come before the Council at the September 22nd meeting for approval. She stated the Council needed to decide if it was sufficiently motivated to participate in the piping project.

❖ *Replacement Water Feature*

Manager Stein reported the cost of adding the water feature to the National Environmental Policy Act (NEPA) analysis would be paid for by the Deschutes River Conservancy (DRC) as it had negotiated with the Forest Service to have the additional analysis included in the total cost. She

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stated Three Sisters Irrigation District (TSID) indicated it was unable to use any grant funds to pay for the installation of the water feature although it would be willing shape the turnout for the water feature with hopes it could stay in the natural ditch. **Marc Thalacker, TSID General Manager** stated he anticipated the cost of the water feature would be less than \$1,000 for a two inch valve. **Councilor Thompson** asked if a larger valve could be installed to provide more flexibility and fill the water feature faster and then cut back on the flow of the valve. **Mr. Thalacker** stated a four inch valve could be installed but there was a limit as to how long it could run at full flow since it could affect water pressure. The **Council** discussed how the feature would flow and where it would dissipate. **Manager Stein** reported the UDWC would review the design and oversee the project, which might become an Eagle Scout project. She stated they would not prepare the design and she had some concerns with the issues of ownership and design. **Mr. Thalacker** stated he saw no reason for concern since the right of way (ROW) belonged to the water users on the ditch it predated the creation of the Forest Service. **City Attorney Bryant** stated he would need to look at the easement language for the ditch to make certain that no one could come back and state the water was not being used for the intended irrigation use. **Mr. Thalacker** replied there would be no problem as the courts would recognize ownership of the ditch and associated ROW. **City Attorney Bryant** agreed there was a relatively low risk for any problem and the worst case scenario would be the City would lose the water feature, a minimal loss. **Mr. Thalacker** stated TSID would install a four inch valve but would not run a four inch flow on a continued basis. **Director Bertagna** asked who would be responsible for the yearly \$200 industrial permit fee and **Mr. Thalacker** stated that was an issue for the ditch users to decide.

❖ *Uncle John ditch Piping Project*

No local match would be required from the City of Sisters for the piping project.

❖ *Point of Diversion*

Manager Stein stated there were two processes involved with the point of diversion (POD) change. She stated the first, an application for the POD change, and the second for the Claim of Beneficial Use (COBU). She stated the DRC and UDWC would pay for the POD application and the UDWC would likely pay for the COBU application with a grant. If UDWC were unable to, she explained, the City would be responsible for that subsequent cost. **Mr. Thalacker** stated he was certain the UDWC would be able to find grant funds. **Councilor Thompson** asked why a COBU was even necessary since the City wasn't changing the use, only the point of diversion. **Mr. Thalacker** answered it was a necessary step for a 'final proof' and required the signature of a Certified Water Rights Examiner.

❖ *Allocation of Conserved Water*

Manager Stein stated there were no issues with this point as the DRC would prepare the conserved water application and the pay the associated fees.

❖ *2001 Inclusion Agreement*

Manager Stein stated David Hermans, the previous owner of the Lazy Z property, indicated to the City he had not intended for any of the water rights allocated to the west side of Highway 20 to not be unable to be excluded from the irrigation district and was unsure why there were 17 acres that must remain. **Mr. Thalacker** explained how this had occurred through a “*fluff transfer*” over a period of six to seven years. He stated Mr. Herman moved more water rights across to the west side of Highway 20 than necessary at some point and the inclusion agreement was executed prior to him moving the water rights back. He stated if the inclusion language ever changed TSID would be willing to work with the City to have the ability to exclude the 17 water rights. He added those 17 1880’s water rights would become more valuable over time since they would become pressurized. **Manager Stein** agreed the water rights were a valuable asset for the City.

❖ *Effluent Trunk Line*

Manager Stein reported there were no issues with this point as TSID would excavate and provide backfill for the irrigation transmission line. She stated the City would reimburse TSID for the pipe needed for the effluent line as it was not an eligible cost for the project. **Councilor Thompson** asked what size pipe would be used for the effluent line and **Mr. Thalacker** replied it was designed to be a 12 inch line. **Councilor Thompson** stated the City needed to think ahead to determine where it would be spraying effluent before deciding where to install any pipes. **Manager Stein** stated the City would need to define how far TSID was willing to excavate a ditch for the pipe and where the pipe would stop. The **Council, staff** and **Mr. Thalacker** discussed where the effluent pipe would be placed on the property. **Director Bertagna** stated it would benefit the City to get the pipe as far onto the property as possible. He reported the design was already engineered and included installing 18 inch pipe versus 12 inch pipe. He stated the City needed two pipes to provide the most flexibility for fresh and effluent irrigation. **Mr. Thalacker** stated TSID could purchase whatever size pipe the City wanted as long as it was reimbursed. He stated he would get an estimate for the cost of the pipe now that he was aware the City wanted to install 18 inch pipe and pass the information along to staff. **Manager Stein** stated purchasing the pipe would be a system development charge (SDC) eligible project.

The **Council** agreed to have staff move forward with the agreement. **Mayor Kellstrom** stated the agreement would include a provision that the City would reimburse TSID for the effluent pipe and spend \$1,000 for the water feature. **Manager Stein** stated City Attorney Bryant would develop the framework of the agreement for it to come back to the Council at the September 22nd meeting. **City Attorney Bryant** stated the agreement would include language that allowed the Council to weigh in on the cost of the effluent pipe prior to the installation moving forward. **Councilor Holzman** asked if TSID had agreement from the other ditch owners for the project and he stated it, especially since the other ditch owners did not want the liability of a fish screen.

Mayor Kellstrom thanked Mr. Thalacker for attending.

3. Preview September 22, 2011 Workshop and Regular Meeting

Manager Stein gave an overview of the September 22nd workshop and regular meeting. She stated another item would be added to *Council Business* to award a contract for the chip-sealing project on Adams, Jefferson and St. Helens streets. **Councilor Weed** stated, as part of the discussion of financial reports at the workshop, she would like to discuss increasing community grant amounts to Family Access Network (FAN) and Sisters Park and Recreation District (SPRD) for FY 2011/12.

3. City Manager Updates

Manager Stein reported the City had heard back from the Forest Service regarding a direct sale of the Forest Service property to the City. She distributed a letter from District Ranger Bill Anthony which stated it was unlikely the Forest Service could negotiate a direct sale as the federal government required the use of a competitive sales process to ensure it received fair market value for the property. He stated if the City remained interested in acquiring the property, the City and its community partners, could pursue that goal by submitting a bid when the property was auctioned.

Councilor Weed asked for an update on the roundabout situation for the Barclay intersection. **Director Hardie** reported staff met with ODOT on Monday for the kickoff meeting to start the discussion on the design for the intersection. She reported the City was expecting a report from Kittleson and Associates for the Cascade Avenue Improvement Project by month's end that could be used for the community meeting where input regarding a roundabout versus a signal could be collected. **Manager Stein** stated the project kickoff meeting was overlaid with the issue of what project was being kicked off. She stated ODOT reiterated it was currently under a moratorium that would only allow design of a signal but there was considerably discussion about where the City and ODOT stand with the situation. She stated ODOT was aware of the need for the City to meet with the freight industry, which will take a few months, and were keeping in mind right of way (ROW) acquisition for a roundabout or signal. She stated the possibility of a temporary signal to meet the needs of the freight industry was discussed. ODOT staff stated it was under the directive to begin the project at the same time as the Cascade Avenue project, although tasks were assigned. **Mayor Kellstrom** remarked ROW acquisition would take a minimum of a year. **Director Hardie** stated no tasks were assigned and **Director Bertagna** stated ODOT would begin surveying but the findings could be used for either a roundabout or signal project. He asked if the Council wanted to see the design concept prior to the community meeting and the **Council** indicated it would. **Manager Stein** commented that ODOT wasn't convinced there was strong support for a roundabout from the community so input received at the community meeting would be important. **Councilor Holzman** stated she felt the City needed to address the safety concerns of ODOT with a signal versus a roundabout and slowing traffic. **Councilor Thompson** asked if

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ODOT talked about the alternative route in conjunction with the signal and **Director Bertagna** stated ODOT's concern was looking at the turning movement only.

Mayor Kellstrom stated the kick-off meeting went well and Region 4 ODOT staff were allies of the City. He stated the City was not without resources and could always turn to legislators for support. He stated Central Oregon Cities Organization (COCO) was also supportive of a roundabout. He stated hopefully the City could convince ODOT to approve a pilot project but noted there is a tremendous amount of work to still be done before any portion of the project could begin. **Manager Stein** stated the City was trying to keep the Cascade Avenue improvements project and signal project separate since the City did not want to slow the Cascade Avenue project down.

City Recorder Nelson asked the Council to identify a voting delegate for the upcoming League of Oregon Cities (LOC) conference. The **Council** chose Mayor Kellstrom to act as the voting delegate and Manager Stein to act as the alternate.

The meeting was adjourned at 10:06 a.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor