

REGULAR MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
OCTOBER 13, 2011

**MEMBERS PRESENT:**

Lon Kellstrom            Mayor  
David Asson            Council President  
Sharlene Weed        Councilor

**ABSENT:**

Wendy Holzman        Councilor  
Pat Thompson         Councilor

**STAFF PRESENT:**

Eileen Stein            City Manager  
Steve Bryant           City Attorney  
Paul Bertagna         PW Director  
Pauline Hardie        CDD Director  
Lisa Young             Finance Director  
Kathy Nelson          City Recorder

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

The meeting was called to order by Mayor Kellstrom at 7:06 p.m.

**II. VISITOR COMMUNICATION**

**III. CONSENT AGENDA**

A. Minutes

1. September 22, 2011 – Workshop
2. September 22, 2011 – Regular Meeting
3. October 03, 2011 – Quarterly Workshop with County Commission

B. Bills to Approve

1. October Accounts Payable

*Councilor Asson moved to approve the consent agenda including the additional sheet of accounts payable the Councilors received at their place at the dais. Councilor Weed seconded the motion. The motion carried unanimously*

**IV. ACCOUNTS PAYABLE NOT ON THE CONSENT AGENDA**

A. October Accounts Payable

*Councilor Weed moved to approve the accounts payable not on the consent agenda. Councilor Asson seconded the motion. The motion carried unanimously.*

**V. STAFF REPORTS**

**A. Eileen Stein, City Manager**

**Manager Stein** informed the Council the Water System Capital Improvement Plan (CIP) technical advisory committee (TAC) would be holding its final meeting on Monday with its final report coming to the Council at the October 20<sup>th</sup> workshop. She stated the Council

REGULAR MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
OCTOBER 13, 2011

would need to make a decision on water rates prior to the sunset of the current water rate on November 30<sup>th</sup>.

**Manager Stein** reported the City had received certification for the transfer of 800 gallons per minute (GPM) from Well #2 to Well #3. She distributed a handout providing a status update on the permanent mitigation “low-hanging fruit” items including the estimated timeframe to complete the tasks for Well #3.

**Manager Stein** reported the City would be closing out the Community Renewable Energy Feasibility Fund (CREFF) grant. She displayed a report entitled *Sisters Area Woody Biomass Heating Feasibility Study and Processed Woody Biomass Fuel Facility*, and reported it was the first half of the grant work product. She explained the second part was not completed in the timeframe allowed and that the City would need to determine the value of what was completed and remit the remainder of the funds to the Department of Energy. She reported a request for an extension of time to complete the study was refused by the Department of Energy.

**Manager Stein** reported her term as president of the Oregon City County Manager Association (OCCMA) would be ending in December and she had presided over her last meeting at the recent League of Oregon Cities Annual Conference. She thanked the Council for allowing her to serve in that capacity the last year.

**Councilor Weed** asked for a status report on Governor Kitzhaber’s upcoming visit to Sisters High School. **Manager Stein** replied the Governor’s tour of the biomass boiler at the high school would begin at 2:00 p.m. on October 17<sup>th</sup>.

**B. Lisa Young, Finance Director**

**Director Young** pointed out to the Council the revamped presentation of information on her monthly staff report. She stated she would be adding additional statistics on utility accounts to her future reports. She stated she had begun work on the development of the contracted services policy. She stated she was expecting tax assessment information from the county within the next week that would allow her to complete the FY 10/11 audit. She stated she would be scheduling an audit presentation to the Council.

**Councilor Weed** noted there were quite a few less utility statements mailed in September 2011 than in September 2010. **Director Young** explained that group statements had been implemented recently as a cost savings measure for the City and was available for those individuals and businesses who had multiple utility accounts.

**C. Lt Kevin Dizney, Deschutes County Sheriff's Department**

**Lt. Kevin Dizney** stated he was filling in for Captain Utter. He reported on the number of patrol hours provided, incidents, citations, warnings and business checks for September. He noted there were over one hundred more hours spent patrolling Sisters in September than in the month of August.

**Lt. Dzne**y provided follow-up on the Council's concern from the September meeting of high school student's texting and talking on cell phones while driving. He read an email reply from School Resource Officer Don Pray in which Officer Pray discussed the steps he takes to alert students to the dangers of texting and calling while driving. He reported it was an on-going educational effort by Deputy Pray that was especially stressed when the new school year began.

**VI. COUNCIL BUSINESS**

**A. Discussion and Consideration of a Motion** to Approve an Agreement with Three Sisters Irrigation District to Pipe the Uncle John Ditch and Authorize the City Manager to Execute the Agreement

*Councilor Asson* moved to approve an agreement with Three Sisters Irrigation District (TSID) to pipe the Uncle John Ditch and authorize the City Manager to execute the agreement and the associated applications to the Oregon Water Resources Department. *Councilor Weed* seconded the motion.

**Manager Stein** began discussion of the staff report on the piping agreement where she had left off at the Council workshop. She stated previously when the water feature had been discussed with TSID General Manager Marc Thalacker, he had indicated the water flow would be set at approximately 50 gallons per minute (gpm) after the initial filling of the seepage pond. She stated Mr. Thalacker had recalculated the amount of water that would use and lowered his estimate of the amount of water that would flow to the water feature. He indicated it could be as low as 10 gpm. Manager Stein described a 10 gpm flow as that of a water hose, noting that would be significantly less than the naturally occurring flow at the stream at present. **Director Bertagna** stated lining the turnout with bentonite would help the water flow faster. He estimated the cost of the bentonite at \$200 and the cost to create the turnout at \$1,000 and stated the funds would come from the General Fund.

**Manager Stein** discussed the consideration of installing the effluent trunk line onto the Lazy Z property. She stated the City would pay for any upsizing of pipes for effluent disposal and that the estimated cost is \$50,000. She reported TSID had agreed to excavate, install and backfill the effluent trunk line if the City decided to proceed with the project. She directed

REGULAR MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
OCTOBER 13, 2011

the Council to the five year projections for the Sewer System Development Charge (SDC) Fund, noting this fund had a declining fund balance. **Mayor Kellstrom** stated the discussion on whether to proceed with that portion of the project should be decided by the entire Council and recommended discussing the matter at a later workshop. **Manager Stein** stated the agreement did not obligate the City to perform the upgrade and the decision could be made at a later time even if it approved the agreement.

**Manager Stein** pointed out the City's avoided cost of \$25,000 in that it would not be necessary to install a fish screen since the Uncle John Ditch project would move the point of diversion. **Manager Stein** referenced one of the exhibits in the agreement, a map showing the location of the piping project, turnout for the 'replacement water feature' and new point of diversion. Another map illustrated what pipe sizes would be used in the various areas of the project.

*The motion carried unanimously.*

**B. Discussion and Consideration of a Motion** to Authorize Additional Community Grant Funds to Family Access Network (FAN) and Sisters Park and Recreation District (SPRD) for the Next Supplemental Budget

**Councilor Asson** moved to authorize additional community grant funds to Fan and SPRD for the next supplemental budget. **Councilor Weed** seconded the motion.

**Councilor Asson** asked if the community grant funds the City contributed to SPRD were jeopardizing private businesses such as daycares and pre-schools. **Councilor Weed** stated she felt the community grant funds given to SPRD were primarily used as scholarships for enrichment programs.

**City Attorney Bryant** stated if the Council wanted to designate the grant funds could only be used for enrichment programs, it would need to add that language to the motion. **Director Young** explained how FAN uses funds to only pay for utility bills and **City Recorder Nelson** stated there were stipulations within the community grant fund policy the Council had adopted that stated funds could not be used for travel, budget deficits or routine operating expenses. **Manager Stein** noted it appeared from the report received from SPRD there were instances when community grant funds had been used for scholarships for preschool and after school care.

*The motion carried unanimously.*

**VII. OTHER BUSINESS**

**Councilor Weed** asked for a status report on Richard Esterman's request to hold his arts and crafts festival on the same week-end as the Quilt Show. **Manager Stein** replied she had forwarded Mr. Esterman's request to the Quilt Show Executive Director, as requested by the Council and was awaiting a response. She stated Mr. Esterman had indicated he would be in attendance at the October 27<sup>th</sup> meeting to speak with the Council on the matter during visitor communication.

**VIII. MAYOR/COUNCILOR BUSINESS**

**Mayor Kellstrom** reported Senator Merkley would be taking a quick tour of Sisters on Saturday, October 15<sup>th</sup>. He stated it was a visit that had come about quite suddenly and provided an overview of some of the spots Senator Merkley would visit. **Councilor Weed** suggested his tour include Habitat for Humanity homes built using federal Neighborhood Stabilization Program (NSP) funds.

**IX. ADJOURN** – The meeting was adjourned at 7:51 p.m.

Respectfully submitted,

---

Kathy Nelson, City Recorder

---

Lon Kellstrom, Mayor