

REVISED
LA PINE COUNCIL MEETING
Wednesday, July 11, 2012
Special Session – Joint Meeting
With the Planning Commission – 5:00 pm
Regular Session – 6:00 pm
16345 6th Street, Ste 102
La Pine, OR 97739

A. Special Session – Joint Meeting with Planning Commission – 5:00 pm

1. Call to Order
2. Establish Quorum
3. Pledge of Allegiance
4. Ordinance No. 2012-11
An Ordinance Adopting Goal 14 Exception to Justify the Proposed La Pine Urban Growth Boundary Pursuant to Department of Land Conservation and Development (DLCD) Compliance Schedule and Continuation Order 11-CONT-COMPLY-001804 For La Pine’s Remanded Acknowledgement Tasks; and, Declaring an Emergency.
 1. Open Public Hearing
 2. Staff Report
 3. Public Comments
 4. Close Public Hearing
 5. Council Deliberations
5. Adjourn Meeting

B. Regular Session – 6:00 pm

1. Call to Order
2. Establish Quorum
3. Added Agenda Items

Any matters added to the Agenda at this time will be discussed during the “Other Matters” portion of this Agenda or such other time selected by the City Council.

4. Consent Agenda
Information concerning the matters listed within the Consent Agenda has been distributed to each member of the City Council for reading and study, is considered to be routine, and will be enacted or approved by one motion of the City Council without separate discussion. If separate discussion is desired concerning a particular matter listed within the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda by request.

- a. Approval of Minutes

- i. June 13, 2012 Regular Council Mtg Minutes
 - ii. June 19, 2012 Water & Sewer Regular Mtg Minutes
 - iii. June 20, 2012 Special Session Minutes
 - iv. June 27, 2012 Special Meeting & Joint Mtg & Work Session
 - v. June 29, 2012 Special Water & Sewer Meeting Minutes

 - b. Bills and Invoices
 - i. Approval of Bills
 - ii. Financial Report
 - iii. Approval of Reimbursements
5. Public Comments
 6. Pacific Crest Affordable Housing Presentation on Little Deschutes Lodge II
 7. Approval of Intergovernmental Agreement (IGA) with ODOT to Provide for a Transportation System Plan (TSP)
 8. Determination of top legislative priorities
 9. Endorsement of newly constructed City application forms
 10. Discussion on Tourism Promotion Services Agreement
 11. Discussion on City Membership in EDCO
 12. Resolution No. 2012-08 Delinquent Tax Levies
 13. Other Matters
 14. Public Comments
 15. Committee Reports
 16. Staff Comments
 17. Council Comments
 18. Adjourn

Pursuant to ORS 192.640, this notice includes a list of the principal subjects anticipated to be considered or discussed at the above-referenced meetings. This notice does not limit the ability of the City Council to consider or discuss additional subjects. These meetings are subject to cancellation without notice. These meetings are open to the public and interested citizens are invited to attend. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Patti Morgan at 541-536-1432. For deaf, hearing impaired or speech disabled, dial 536-1432 ext 116 for TTY.

REVISED
LA PINE COUNCIL MEETING MINUTES
Wednesday, July 11, 2012
Special Session – Joint Meeting
With the Planning Commission – 5:00 pm
Regular Session – 6:00 pm
16345 6th Street, Ste 102
La Pine, OR 97739

A. Special Session – Joint Meeting with Planning Commission – 5:00 pm

1. Call to Order

Mayor Ken Mulenex called the meeting to order.

2. Establish Quorum

City Manager Steve Hasson
Interim Public Works Director Rick Allen – absent by prior arrangement
Mayor Ken Mulenex
Councilor Stu Martinez
Councilor Dan Varcoe
Councilor Don Greiner
Councilor Kathy Agan
City Recorder/Finance Officer Lori Martin
Admin Ass't Patricia Morgan

Quorum established.

Roll Call

Commissioner John Thomas
Chair Doug Ward
Commissioner Norman McClung
Commissioner Justin Vetanen

Quorum established.

Also present was Deborah McMahon, Planning Consultant for the City of La Pine.

3. Pledge of Allegiance

Mayor Mulenex led the Pledge of Allegiance.

4. Ordinance No. 2012-11

An Ordinance Adopting Goal 14 Exception to Justify the Proposed La Pine Urban Growth Boundary Pursuant to Department of Land Conservation and Development (DLCD) Compliance Schedule and Continuation Order 11-CONT-COMPLY-001804 For La Pine's Remanded Acknowledgement Tasks; and, Declaring an Emergency.

1. Open Public Hearing

Mayor Mulenex opened the Public Hearing.

2. Staff Report

Deborah McMahon, Planning Consultant , discussed the UGB (Urban Growth Boundary). She said that they needed to justify a necessity for the UGB to be the same size as the City limits. Ms. McMahon said they had to do additional work for this justification. She said there was confusion on the amount of residential land and also confusion over the lands across the railroad tracks. Ms. McMahon said that has been clarified in the documents brought before the Council, tonight.

3. Public Comments

Gloria Fleming, area resident, stated that she was involved in the original planning for urban boundaries and that the original planning was well thought out and it was looking toward the future.

4. Close Public Hearing

Mayor Mulenex closed the Public Hearing.

5. Council Deliberations

Councilor Varcoe asked if we were making any changes at this time with these documents. Ms. McMahon said it is just a re-statement to clarify some things, no other changes.

A motion was made by Councilor Martinez and seconded by Councilor Greiner to approve Ordinance 2012-11.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed unanimously.

A motion was made to recommend approval of Ordinance 2012-11 by Commissioner Thomas and seconded by Commissioner McClung. Motion passed unanimously.

6. Adjourn Meeting

A motion was made by Chair Ward and seconded by Commissioner McClung to adjourn the joint Planning Commission meeting. Motion passed unanimously.

A motion was made by Councilor Varcoe and seconded by Councilor Greiner to adjourn the joint meeting.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed unanimously.

B. Regular Session – 6:00 pm

1. Call to Order

Mayor Mulenex called the meeting to order.

2. Establish Quorum

City Manager Steve Hasson

Interim Public Works Director Rick Allen – absent by prior arrangement

Mayor Ken Mulenex

Councilor Stu Martinez

Councilor Dan Varcoe

Councilor Don Greiner

Councilor Kathy Agan

City Recorder/Finance Officer Lori Martin

Admin Ass't Patricia Morgan

Quorum established.

3. Added Agenda Items

Any matters added to the Agenda at this time will be discussed during the “Other Matters” portion of this Agenda or such other time selected by the City Council.

None

4. Consent Agenda

Information concerning the matters listed within the Consent Agenda has been distributed to each member of the City Council for reading and study, is considered to be routine, and will be enacted or approved by one motion of the City Council without separate discussion. If separate discussion is desired concerning a particular matter listed within the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda by request.

- a. Approval of Minutes
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- b. Bills and Invoices
 - i. Approval of Bills
 - ii. Financial Report
 - iii. Approval of Reimbursements

Councilor Martinez announced a possible conflict of interest due to the bill from Wilderness Garbage that is in the Consent Agenda.

A motion was made by Councilor Greiner and seconded by Councilor Varcoe to approve the Consent Agenda.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed unanimously.

5. Public Comments

None

6. Pacific Crest Affordable Housing Presentation on Little Deschutes Lodge II

Rob Roy, from Pacific Crest Affordable Housing, introduced himself. He said they have been working on the Little Deschutes Lodge project since 2007. Mr. Roy said that the La Pine project goes down in history as being the most difficult project in the State of Oregon. He said one of the reasons was because it is very difficult to obtain tax credits for rural developments. Mr. Roy said that these projects are incredibly sensitive to work with and very fragile. He said currently the rents for Little Deschutes Lodge Phase 1 are \$337.00 per month with all utilities included. Mr. Roy said that in order for this to work they need to hedge against raising utility rates. He said the tenants in the La Pine complex are very supportive of keeping utility costs in line with the budget. Mr. Roy also discussed the solar carports that will be built during construction of the Little Deschutes Lodge Phase II. He said they use a lot of best building processes for energy efficiency. Mr. Roy said they have a community based program for composting. He also said they would like to build a 1500 square foot community education eco center.

Councilor Agan said she applauded what they had done. Councilor Varcoe said it seemed for a time that Pacific Crest had given up on the construction of Little Deschutes Lodge Phase II and he was pleased that they had now received the necessary funding for the project. Mr. Roy said that he believes there is

funding available for the two hydroponic green houses and the eco center. He said that Little Deschutes Lodge I has been nationally recognized for energy efficiency. Mr. Roy also mentioned that they plan to keep the rents low for the next sixty years.

City Manager Hasson stated that this agenda item was advertised as a presentation only. He said in order for the Council to give some consensus regarding a land use matter, it would have to be noticed in advance. Mayor Mulenex suggested having City staff look into having dialogue on the whole issue of a trickle filter system and a constructed wetland with DEQ (Dept. of Environmental Quality). He said they could look at this alternate treatment system for Little Deschutes Lodge. Rob Roy stated that they are prepared to hook up to the sewer system and pay the required fees.

The Council favored letting staff do the research before giving any kind of consensus of this matter at a future meeting. City Manager Hasson stated that he would need to meet with Rob Roy and also DEQ to do his research. He said he would also need to research the impact the system would have on the City's policies and procedures. Mayor Mulenex said the Council would like a list of issues about this project brought back at another meeting with the impact on policies and procedures especially in regard to modifying a land use provision. It was decided to bring this issue back at the August 22nd Work Session.

7. Approval of Intergovernmental Agreement (IGA) with ODOT to Provide for a Transportation System Plan (TSP)

City Manager Hasson stated this is an agreement with ODOT (Oregon Dept of Transportation) to have Kittleson and Associates do a transportation system plan for La Pine. He said it looks at all the policies and practices and helps with what the future transportation system would look like. City Manager Hasson said it will not cost the City any monies. He said the City Attorney has reviewed the intergovernmental agreement. City Manager Hasson stated the study will not be Highway 97 but the other roads within the City of La Pine. Mayor Mulenex said a Transportation System Plan is required by the Comprehensive Plan.

A motion was made by Councilor Varcoe and seconded by Councilor Agan to approve the Intergovernmental Agreement between the City of La Pine to Provide for a Transportation System Plan by ODOT.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed unanimously.

(The meeting was recessed for five minutes.)

8. Determination of top legislative priorities

City Manager Hasson stated that the League of Oregon Cities would like to know the opinion of La Pine's City Council on what top four priorities they see for the next legislature to address. Mayor Mulenex said under General Government he liked about amending the public contractor code and remove

costly requirements. He also said under Human Resources, he liked to clarify that binding arbitration decisions may be overturned when those decisions violate public policy interest as defined by a local government.

Mayor Mulenex said under Water and Wastewater he liked to support State authority of Oregon Water Resources Dept to act as a contracting agency with Federal entities to facilitate water procurement. Councilor Martinez stated that under General Government he liked to pass legislation that will allow cities greater authority to regulate liquor serving establishments.

9. Endorsement of newly constructed City application forms

City Manager Hasson stated that the City will have a number of forms as time goes by. He said he wanted the Council to review the forms that have been created. City Manager Hasson said the Event Plan form was modeled after the one from Deschutes County. He said there will also be land use applications that will need to be created when the City takes over planning responsibilities. Councilor Martinez said he would like to see something about signage in the Event Plan. Mayor Mulenex said there was a need to advertise the forms and give the public an opportunity to review them. He said to give a 30 day notice before the forms were implemented. City Manager Hasson said they would do so.

10. Discussion on Tourism Promotion Services Agreement

City Manager Hasson stated that they have agendized an agreement to provide tourism services. He said there was a previous agreement with the Chamber. City Manager Hasson said that the Chamber was in favor of a new agreement. He said he modified the agreement to reflect input from some of the Council. City Manager Hasson stated that Executive Director of the Chamber, Ann Gawith, had asked to have a meeting to review the agreement with the Council before bringing it before the Council for approval. He said that it is really important that they have adequate oversight for public funds. Councilor Varcoe stated that there are a lot of changes and they need to have a discussion with the Chamber's Board. City Manager Hasson said that the Chamber has only talked about two changes they would like to see in the agreement.

Ann Gawith stated that they agree that there needs to be an agreement. She said there were a couple of pretty substantial changes to the previous agreement that they wanted to discuss with the City Council. Ms. Gawith said one of them was the section where it states that no more than 20% of the TRT (Transient Room Tax) monies shall be used for Chamber employee's salary. She said that is a substantial reduction in the amount that is in the budget for staffing the visitor's side. Ms. Gawith said that this was never in any other agreement. City Manager Hasson stated that the reason the salaries were such a low percentage was that he felt the monies for marketing the products would incur the greatest expense. Ms. Gawith said she would prefer not to see a percentage amount for salaries be in the agreement at all. She also said that the Chamber supplements the Visitor's Center since the TRT monies do not cover all expenses. Ms. Gawith said the amount currently in the budget is 70-75% for salaries from the TRT monies. Councilor Varcoe stated that it is inappropriate to direct a contracted business on their operations. City Manager Hasson said they are public monies that need to be used in a certain way.

Ms. Gawith stated that the other part she had issue with is where it states to include the appointment of an in-house committee to provide oversight of these TRT proceeds. She said they have a budget committee that meets and also a Board that meets monthly and they already oversee the budget. City Manager Hasson said that it was put in because there was no longer a TRT Committee providing oversight. Ms. Gawith mentioned that she would be providing a status report before the 30 day deadline presented in the letter from City Manager Hasson. Robin Mirrasoul, area resident, stated that having another committee to

do the same thing does not seem very efficient. She said the Board members review the expenditures and are responsible for the financial standing and how the money is used. Ms. Mirrasoul said that every line item is distributed and is good financial accountability. Mayor Mulenex stated that it was not unusual to have an oversight committee regarding TRT funds. Councilor Varcoe stated that the employees are a big part of the tourism function as they meet and disseminate information to visitors. There was also a discussion about how many tourism packets are sent out on a daily basis as well as the number of visitors that come into the center from a variety of States and also Countries. Ms. Gawith said that a quarterly report was perfectly appropriate.

The Council decided to strike the wording regarding the percentage of TRT monies used for employee salaries and also delete the oversight committee and substitute the Chamber Board of Directors oversight. City Recorder Martin stated that having language in there about percentages of what goes to certain categories is going to have an effect on employment or an independent contractor. She said, however, what it does do is give guidelines of what the City is asking for regarding compliance. City Manager Hasson stated he will bring back the agreement and incorporate the changes.

11. Discussion on City Membership in EDCO

City Manager Hasson stated that Commissioner Tony Debone had said that it was important for the City to belong to EDCO (Economic Development for Central Oregon). Commissioner Debone had said that it was important for La Pine to be a player at the table in regional economic development pursuits. Councilor Martinez stated that La Pine needs to be at the table and participate in economic development. He also said he would be willing to sit at that table if nominated. Mayor Mulenex stated that the voting level costs \$7,500.00. Councilor Greiner stated he thought the City should start at the \$240 to \$700 level. Mayor Mulenex said he believed the City should be at the highest level that the City can afford. He said the City should be able to afford \$2,500.00.

A motion was made by Councilor Martinez and seconded by Councilor Agan to have the City join EDCO at the \$2,500 membership.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>		<i>X</i>
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed 3 to 1.

12. Resolution No. 2012-08 Delinquent Tax Levies

City Manager Hasson stated that there are some people who have not paid their sewer and water fees for the year but this can be remedied by the filing of liens with the County. He said the Resolution is needed to certify the unpaid charges to the County for collection.

A motion was made by Councilor Greiner and seconded by Councilor Varcoe to approve Resolution No. 2012-08 Delinquent Tax Levies.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed unanimously.

13. Other Matters

None

14. Public Comments

John Thomas, Planning Commissioner, stated that he would like to see a part time Planning Director just as soon as possible. He said that position would need to also handle code enforcement. Mr. Thomas said that they should utilize the Planning Commission to help with planning matters.

15. Committee Reports

None

16. Staff Comments

City Manager Hasson discussed the cross walk request near Bi Mart. He said that he received a calender from the County of when they will be doing this work. City Manager Hasson said that they plan to start the work right away and have it completed before the school term begins. He said there is also a speed study underway that is separate from the cross walk project. City Manager Hasson there is also the pooling effect (flooding) in front of the Post Office, but that is also a separate project. Additionally he discussed the plans for sidewalks or pathways along Huntington Road.

17. Council Comments

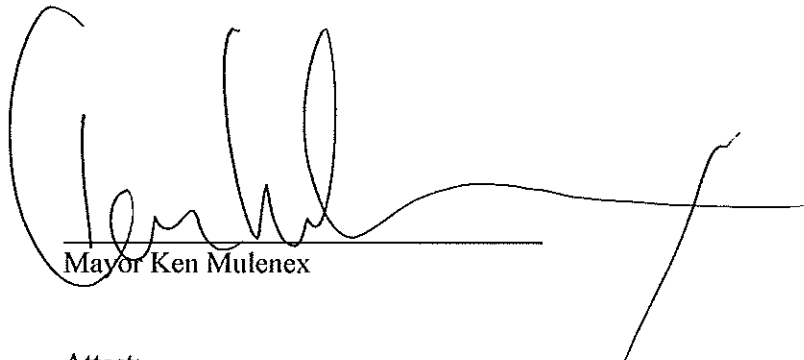
Mayor Mulenex stated that he will be attending the Mayor's Conference in two weeks. He requested to have the July 25th Work Session start at noon rather than 6:00 pm as the conference will start that evening. Council had consensus to move the starting time for the July 25th meeting to 12:00 noon.

18. Adjourn

A motion was made by Councilor Martinez and seconded by Councilor Agan to adjourn the meeting.

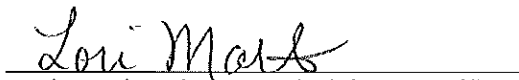
<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Councilor Dan Varcoe</i>	<i>X</i>	
<i>Councilor Don Greiner</i>	<i>X</i>	
<i>Councilor Stu Martinez</i>	<i>X</i>	
<i>Councilor Kathy Agan</i>	<i>X</i>	

Motion passed unanimously.



Mayor Ken Mulenex

Attest:



Lori Martin, City Recorder/Finance Officer