

LA PINE CITY COUNCIL WORK SESSION AGENDA

Wednesday, July 28, 2010 6:00 p.m.
51340 Highway 97, La Pine, Oregon 97739
South County Building Meeting Room

- A. Work Session – 6:00 p.m.
 - 1. Call to Order
 - 2. Roll Call
 - 3. Report on Planning Staff
 - 4. Charter Committee Update
 - 5. Employee Handbook-Draft
 - 6. Midstate Electric Franchise Agreement/Update
 - 7. City Manager Report
 - 8. Public Comments
 - 9. Adjourn Work Session

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 Luana K. Damerval at (541) 536-1432.

LA PINE CITY COUNCIL WORK SESSION MINUTES

Wednesday, July 28, 2010 6:00 p.m.
51340 Highway 97, La Pine, Oregon 97739
South County Building Meeting Room

B. Work Session – 6:00 p.m.

1. Call to Order

Mayor Shields called the meeting to order at 6:02 pm.

2. Roll Call

Present Were:

City Manager Rick Allen
Mayor Kitty Shields
Councilor Doug Ward
Councilor Barbara Hedges
Councilor Adele McAfee
Councilor Don Greiner
Admin Ass't Patricia Morgan
City Recorder Luana Damerval – absent by prior arrangement
City Attorney Green – not required at meeting

Quorum established.

3. Report on Planning Staff

City Manager Rick Allen discussed that Deborah McMahon, from DMC Consulting, could handle the planning staff needs for the City for a flat fee of about \$400 a month for the next year. He said they could make a contract effective August 1st. Mayor Shields stated that Ms. McMahon had been doing work outside the scope of her zoning work and had not been compensated. City Manager Allen said that the City would probably not need to hire a full time Planner in the near future.

The Council had consensus for City Manager Allen to bring back a contract to hire Deborah McMahon for the City's planning staff needs at the August 11th City Council Meeting.

00:11:58

4. Charter Committee Update

City Manager Allen reported that so far, six residents and six non residents have applied for the nine member Charter Committee. The Council had consensus to interview the applicants at a future meeting. It was decided that a Special Work Session would be held on Monday, August 9th, starting at 6 pm to interview applicants. For applicants not able to attend that interview date, they could be interviewed at the Wednesday, August 11th City Council Meeting starting at 6 pm. It was also decided to schedule the interviews about 15 minutes apart.

00:21:53

5. Employee Handbook-Draft

City Manager Allen discussed the "Draft" Employee Handbook that had been passed out to the Council at the meeting. He said a copy of the Handbook would be on the City's website starting Thursday. City Manager Allen also said that City Attorney Green had already reviewed and edited the Handbook. He stated that he will also be getting staff input on the Handbook. City Manager Allen said City Attorney Green will be at the next City Council Meeting to answer any questions the Council may have regarding the Handbook. He said that the Employee Handbook should be finalized by the Council, sometime in September or October.

00:26:55

6. Midstate Electric Franchise Agreement/Update

City Manager Allen stated that he had forwarded Midstate Electric a draft franchise agreement. He said they used a franchise agreement that other cities had used that had electric cooperatives. City Manager Allen stated that it is a 7% franchise agreement, the same amount of the other franchise agreements with the City. He said after the legal review it would probably return to the Council for approval sometime in October.

City Manager Allen discussed the important funding assistance that franchise agreements provide for cities. He said the tax for the franchise fee will be on the electric bill that City residents receive. City Manager Allen also discussed the large amount of electricity that Biogreen will be using and the franchise fees the City will receive.

00:43:01

7. City Manager Report

City Manager Allen discussed the next review audit and selection of an auditing firm. He said he had spoken with Harrigan, Price Fronk & Co., who had done the City's first audit review. City Manager Allen said that due to the franchise fees, the City will need to have a full audit after this year. He also recommended for a full audit that the City enter into a three year contract with an accounting firm for efficiency purposes.

Council had consensus to use Harrigan, Price Fronk & Co., to do the next review audit based on their good experience with the City in the past. City Manager Allen will bring back the engagement letter at the August meeting.

City Banking

City Manager Allen discussed the dangers of losing City monies from a bank failure. He recommended that, due to Home Federal's current financial status, the City move \$250,000 into another local bank and receive the FDIC guarantee on the monies. Council had consensus for a new bank account to be opened at South Valley Bank and for \$250,000 to be deposited into the account.

City Hall Facility

City Manager Allen said that the current City Hall building does not work now, and will not work for the future and asked to receive input from the Council about their desires on the matter. The Council stated that for the City's image and to run more efficiently a new City Hall building is needed. City

8/6/10

Manager Allen said the main source for funding could come through USDA Rural Development. He said they will loan at about 4% for forty years. City Manager Allen said there are zero grants at Rural Development for City Halls. He said for a \$450,000 loan there would be a monthly payment of about \$2,500 a month that would be spread over forty years.

BLM Land Transfer

Regarding the BLM land in the City that is in the process of being transferred to Deschutes County. City Manager Allen stated that the City would either need to be given that land after the transfer or require that the County do nothing with the land without the City's agreement.

01:15:43

City Manager Hours

It was announced that the company doing the Transportation Study has asked City Manager Allen to be on the committee which will increase his work hours. He said this plan will drive all the funding to get traffic signals, etc. City Manager Allen stated that the study should be completed in November or December. He said that since he has been picking up a lot of the work the City Attorney was previously doing, legal fees have dropped significantly. Council had consensus for City Manager Allen to bring back a one page amendment to his employment contract at the August 11th meeting. He said he will also send an e-mail to the Council before that date with the economic impact of the increase in personnel hours on the budget.

IGA for Water & Sewer Districts

It was announced that an Executive Session will be held on August 11th to discuss the Intergovernmental Agreement with the Water and Sewer Districts. City Manager Allen said that any decision made during that meeting would be announced during the Regular Session immediately following the Executive Session. He also said he would provide the IGA document minus some information to the Councilors prior to the meeting.

City Manager Allen stated that he had decided that the Utilities Committee will continue to function and not be integrated into the Public Works Committee for the time being. He said he is still working on the Resolution for the Public Works Committee and will send it to the City Attorney for review when completed.

01:37:25

Transportation Enhancement Grant

Councilor McAfee discussed a grant opportunity that Karen Demaris had produced a Letter of Intent for to ODOT (Oregon Department of Transportation). She said the grant was for sidewalks and streets lights along a section of Huntington Road. Karen Demaris discussed her background with the grant opportunity and also her experience with the lighting project done through the Ford Foundation. She said she was willing to spend her time to make the project happen and had already done a lot of work on it.

City Manager Allen stated that he had spoken to ODOT and they told him they had concerns over the estimates being too low in the Letter of Intent. He said the project is definitely needed but now is not a good time for moving forward on something with the magnitude of scope that this project encompasses. City Manager Allen said because of this he would not sign the letter that would initiate the application process. He also said that the timeframe required for the grant application process could probably not be meant, anyway.

01:54:55

Mayor Shields stated that there are some big pieces missing from this proposed project and one of them is the City's TSP (Transportation Systems Plan). She said that she could not endorse moving forward on it at this point in time and felt the project was premature. City Manager Allen also said that the average size of downtown city sidewalks is eight feet but this project calls for five foot sidewalks. He said when the time is right the City can make the effort to do a very professional grant application with all of its necessary components.

Councilor McAfee congratulated Ms. Demaris on the hard work she had done in preparation for the project. Mayor Shields also thanked Karen Demaris for the work she had done. City Manager Allen said that to move forward on this grant application would be poor public policy and it can probably be done much better in the future.

Council had consensus not to support the grant application at this point in time. City Manager Allen stated that he will let both Karen Demaris and also the Council know where ODOT was coming from with the Letter of Intent and what their concerns were with it.

02:17:45

Legislative Priorities

Councilor McAfee discussed the legislative priorities that COCA (Central Oregon Cities Association) had requested from the City. She said her list of priorities were:

- continuing support of the Enterprise Zone;
- maintain local control regarding land use decisions and issues;
- support funding for the general food bank program;
- support funding options for maintenance of state roads and highways;
- protect existing future water rights from conditions that would prevent municipalities from meeting current or future demands;
- protect state shared revenue sources;
- reauthorization of the business energy tax credit;
- And allow local governments a more flexible use of the transient lodging tax to meet the increased demands placed on both essential services and infrastructure created by tourism activities.

City Manager Allen stated that at the top of the list should be preserve state shared revenues the City receives. He also said that the City needs to maintain ODOT funding for many of the future projects of the City. Council had consensus to make shared revenues, ODOT funding, social services to meet housing and food for people in need and local control of land use as their top four priorities.

Council McAfee also said that COCO had requested an economic development idea from the City. City Manager Allen stated that existing regulations that keep businesses from coming into an area need to be changed.

Public Comment

Ted Scholer, Chair of the Utilities Committee, stated that streamlining the permitting process would also encourage economic development. He also said that so much of Deschutes County is tied up in government owned lands (US Forest Service) something needs to be done to increase revenue for the area with the downturn in the lumber industry.

The Council had consensus to discuss economic development ideas further, at a future meeting.

Councilor Greiner stated that he had picked up the jeep from the City of Sisters and it was now available for Councilors and City staff to utilize for City business trips. Staff was directed to have a thank you letter ready for Councilors to sign at the next meeting.

02:32:00

8. Public Comments

Ted Scholer discussed a transportation design of Highway 97 through La Pine that a group of citizens had done back in the early 2000's. He said that ODOT took that study and put it on the shelf. City Manager Allen said he will talk to ODOT about getting a copy of the study.

Jim Fleming, area resident, recommended building a City Hall for now with a design for expansion later on.

Mayor Shields stated that she is hearing good things from the community about new City Manager Rick Allen.

9. Adjourn Work Session

Mayor Shields adjourned the Work Session at 8:42 pm.



Mayor Kitty Shields

Attest:



City Recorder Luana Damerval