

**City of Milton-Freewater
City Council Minutes**

The Council of the City of Milton-Freewater met Monday, April 26, 2010 at 7:00 p.m. in the Albee Room of the Library.

The following members were present: Mayor Lewis Key, Councilors Orrin Lyon, Ed Chesnut, Brad Humbert, Sam Hopkins-Hubbard, Jeff Anliker and Steve Irving.

Staff members present were: City Manager Linda Hall, City Recorder Leanne Steadman, Public Works Superintendent Dave Bradshaw and Finance Director Dave Richmond.

Citizens present were: Shirley Cline, James Cline, Jo Lowe, Kenny Jenkins, Monica Klinger, Jeff FaGalde, Steven Patten and Tara Patten.

Press member Melanie Hall of the Valley Herald was also present.

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of council minutes from the April 12, 2010 meeting and accounts payable from April 8, 2010 through April 20, 2010.

Councilor Chesnut motioned to approve the consent calendar items. Councilor Anliker seconded the motion which passed unanimously.

BUSINESS ITEMS:
REVIEW OF CITY'S INVESTMENT POLICY

Finance Director Dave Richmond reported that the city updated its investment policy and council approved it on May 9, 2005. In the policy it states that it must be reviewed annually. Mr. Richmond gave an overview of where the funds were invested and what the balance was for each account. Staff's recommendation was to leave the policy as is with no amendments.

Manager Hall said changing the investment policy in 2005 was extremely difficult and time consuming. She explained once the council signed off on the policy, it then went to the State Investment Board who kept rejecting the proposal. Their goal for the investment policy was to have 100% of the funds go into the Local Government Investment Pool (LGIP). City staff wanted the ability to be more flexible but yet remain conservative with the funds and gain the most and best interest rate available by diversifying the investment pool. The policy eventually was approved and she felt it was still a very good policy.

Councilor Anliker asked what the interest rate was for the LGIP.

Mr. Richmond said the LGIP was .055%, Fidelity interest rate was 2.58% and the CD interest rates ranged from 1 – 2%.

Councilor Humbert asked what the negative amounts were that were shown on the list of investments that were included in the council packet.

Mr. Richmond explained those amounts were restricted cash. Restricted cash was described as funds set aside to pay the bond obligations and utility payments from customers that can't be invested.

Manager Hall said the deposits that customers paid on utility accounts can't be invested either so that would also be considered restricted cash.

Councilor Humbert motioned to approve the City's investment policy as is with no amendments. Councilor Hopkins-Hubbard seconded the motion which passed unanimously.

RESOLUTION NO. 2166, DESIGNATING PARTIES RESPONSIBLE TO SERVE IN THE ROLES OF INVESTMENT MANAGER AND INVESTMENT CONTROLLER AS PER CITY'S INVESTMENT POLICY

Mr. Richmond explained the City's investment policy specifies designation of responsible parties to serve in the roles of investment manager and investment controller. Staff's recommendation was for the Finance Director to serve as the investment manager and the City Manager would serve as the investment controller.

Councilor Humbert motioned to adopt Resolution No. 2166, Resolution Designating parties Responsible to Serve in the roles of Investment Manager and Investment Controller as per the City's Investment Policy. Councilor Anliker seconded the motion which passed unanimously.

RESOLUTION NO. 2167 WRITING OFF UNCOLLECTIBLE DEBTS

Mr. Richmond reported that each year the city removes from its books accounts that have been determined to be uncollectible. All feasible attempts to collect these accounts have been pursued. The accounts have either been at the Collection Bureau for more than one year, with no commitment to pay, or the balances are under twenty dollars (\$20). The only other exceptions are the credit bureau's commission on accounts turned over to them before January 1, 2004, or the account returned to the City by the credit bureau for reasons of bankruptcy or death. Mr. Richmond said the total amount of requested write offs were \$21,864.36. That amount was the lowest that it had been in the past eight (8) years. This equated to .0023% or less than 1% of the city's \$8,970,013 receivables. Mr. Richmond accredited the low write off amount to the council that approved to increase utility deposits required for bad credit customers.

Mayor Key said he wasn't sure of the procedure of accounts that have an estate. He noticed one of the accounts being written off as having an estate. That estate contributed almost \$100,000 to the Milton-Freewater Foundation.

Mr. Richmond said all attempts have been made to collect.

Councilor Anliker motioned to adopt Resolution No. 2167, Resolution Authorizing the Finance Director to Write off Uncollectible Accounts. Councilor Humbert seconded the motion which passed unanimously.

RESOLUTION NO. 2168 ACCEPT FUNDS DUE TO UNFORESEEN REVENUES

Mr. Richmond reported that during the course of the budget year unforeseen circumstances occur that were not know at the time of preparing the budget. He said there have been some additional revenues that needed to be accounted for in the budget. Mr. Richmond explained the revenues were from grants that had been received. The grant funds were from the State of Oregon Department of Energy, American Recovery and Reinvestment Act (ARRA) for replacing windows, lighting and HVAC in public buildings, ARRA funds through Oregon Department of Transportation for bus shelters and a new 11 passenger van and ARRA funds through US Department of Energy to participate in the Pacific Northwest Smart Grid Demonstration Project which includes the installation of Advanced Metering Infrastructure, installation of two-way communication demand response units, a conservation voltage regulation and a rebate program for Grid Friendly Appliances. Mr. Richmond explained these grants

had been approved by council in previous meetings and now the revenues needed to be accounted for.

Councilor Humbert motioned to adopt Resolution No. 2168, Resolution to Accept Funds Due to Unforeseen Revenues. Councilor Hopkins-Hubbard seconded the motion which passed unanimously.

RESOLUTION NO. 2169, AUTHORIZING SIGNATURE TO OREGON JOBS AND TRANSPORTATION ACT OF 2009 AGREEMENT FOR FUND DISTRIBUTION FOR CITY STREET AND PEDESTRIAN IMPROVEMENTS FOR UP TO \$3,000,000

Public Works Superintendent Dave Bradshaw reported the city had applied for and received notice that there was \$3,000,000 allocated to the city for street and pedestrian improvements. Receipt of these funds is contingent upon a referendum that may go back to the voters for approval. No improvements will begin until the city has received notification of funding. A list of projects was submitted to council in their packet.

A brief discussion ensued regarding the referendum and when that might be on the ballot for voters to vote on.

Councilor Lyon asked when the city would know about the funding and if the entire amount would be available.

Mr. Bradshaw said the State will notify the city of the funding. He explained this may take a little time since they would have to sell bonds. If the funds become available, then the city would do a project at a time and get reimbursed for it through the state. All the projects must be completed by December 31, 2014.

Councilor Chesnut motioned to adopt Resolution No. 2169, Resolution Authorizing Signature to Oregon Jobs and Transportation Act of 2009 Agreement No. 26455 for Fund Distribution for City Streets and Pedestrian Improvements for up to \$3,000,000. Councilor Humbert seconded the motion which passed unanimously.

APPROVAL OF TEMPORARY PROMOTIONAL RATES FOR THE MILTON-FREEWATER GOLF COURSE

Manager Hall explained the Golf Course operated as an “enterprise fund” which means it must operate solely on its own revenues. She has been concerned with this fund for quite some time. The Golf Pro George Gillette and the Golf Club President, Hall Phillips met with the Public Works Superintendent and Manager Hall. They came up with promotional special rates in an attempt to draw more golfers to the course. The specials rates are for play times and days that records indicate play is traditionally slow. This would be for the 2010 golfing season. The Golf Course Restaurant, “Shelly’s Last Shot” was also willing to offer a discount on food purchases during this time. Manager Hall referenced the Walla Walla Union Bulletin’s article on the promotional rates that had some wrong information that was advertised. She encouraged citizens to look at the city’s website, check out the library council packet or call the City Recorder for the correct information. She then reviewed the proposed rates. The Golf Pro was also willing to offer discounted rates for the golf carts. The promotional rates, if approved, would begin May 1, 2010.

Councilor Humbert asked what the discounted golf cart rate was since it was not listed on the promotion list.

Manager Hall said she thought they would have the same discount as the greens fees which were 15% off the regular rate.

Councilor Anliker felt it was best to sell the fees as a package. If citizens buy a package then they would feel they would need to utilize what they had pre-purchased.

Councilor Humbert suggested keeping the Twi-light rate at \$14.50 and offer a punch card of 5 rounds of golf for \$50.00.

Councilor Hopkins-Hubbard asked if the punch card offer would also be made available to the Saturday special.

A discussion ensued on whether or not to offer punch cards at a reduced rate.

Councilor Humbert suggested to approve the proposal that was submitted as is and bring back to council the idea of punch cards at a future council meeting.

Manager Hall explained what she felt was the intent of the promotional rates. The rates were to encourage citizens who have never golfed before to try the sport and hopefully they would return to play.

Councilor Hopkins-Hubbard motioned to approve the temporary promotional rates for the specific dates and times listed on the schedule for the Golf Course. Councilor Humbert seconded the motion which passed unanimously.

OPPORTUNITY FOR CITIZENS TO APPROACH THE COUNCIL WITH ITEMS NOT ON THE AGENDA

James Cline, 510 N. Main – requested there be more comprehensive police patrol in the alley just west of the Community Bank and behind the businesses in that area. He felt there were some illegal activities taking place in the alley. He also requested the street light behind the bank be repaired. The light goes on and off causing the alley to be dark.

Manager Hall said the lights would be reported to the electric department and encouraged him to call any time to report lights not working properly. She also said the city was willing to comply with more comprehensive police patrol in that area. She explained it would be very helpful to immediately report to the police department if he saw suspicious activity. The non-emergency phone number for the police department is 541-938-5511 or if he felt there was an emergency to call 911. She reported as of last Monday the police department was fully staffed and would be stepping up patrols.

Mr. Cline said they were notified that people involved in illegal activity were getting up on top of the buildings so they could watch where the police on patrol were.

Councilor Anliker informed Mr. Cline that the Chief of Police was in the process of enhancing and building up the Volunteers in Police Services (VIPS) program. Individuals interested in joining VIPS can submit an application to the police department. The program is designed to put more “eyes” in the community.

Mr. Cline remembered a program similar to VIPS was done in the past and felt it was certainly a good idea.

Councilor Hopkins-Hubbard reminded those in attendance if you call 911 from your home land line you will get the Milton-Freewater Police Department. If you call 911 from your cell phone you will either get Pendleton or Walla Walla Police Department depending on your cell phone service provider.

Kenny Jenkins, 17 NE 6th – reported a lot of vandalism and has had his windows broken out of his business. He has just boarded up the windows due to the possibility of it happening again. He stated he does call the police department and it takes 10 – 15 minutes for them to respond to the location. He

felt if they speed up their response time they would have a better chance of catching the person in the act. He said Mr. FaGalde has also had vandalism to his property. Mr. Jenkins said he can't afford to keep repairing the damage. He has recently replaced car windows and business windows.

Councilor Anliker asked if the address of the vandalism was residential or businesses.

Mr. Jenkins said they were business/commercial addresses on NE 6th and NE 5th. He said there is a lot of graffiti and he now works at night due to the vandalism. He felt a business district should have a patrol car go through the district at least once an hour. When the bar is open, he felt there were drunk drivers leaving and hitting cars and no police officer is there to watch them leave. He has had cars hit in that area. He also felt people were being over served. He recommended stepping up the DUII patrol.

Jo Lowe, 508 N. Main (owner of Sun Catcher Studio) – she seconded what both Mr. Cline and Mr. Jenkins presented to council. She said she was very concerned with the discouragement of the traffic to the N. Main district. She said the businesses were struggling and felt if people read about the crime in that area that would discourage them from doing business there. She asked for consideration for the police department to be supported in other ways that were not being done currently which included additional funding.

Councilor Hopkins-Hubbard said broken windows was mention as part of the damage and asked Ms. Lowe if she had any specific situation to report on.

Ms. Lowe said she can't prove anything. She felt it would do no good to call on some of the instances they suspect.

Councilor Hopkins-Hubbard disagreed and encouraged her to call when suspicious activity was happening.

Ms. Lowe said in the past the Community Building was a problem due to festivities going on in the building and children went unsupervised in the neighborhood. Windows were being broken out at that time as well. She called the police department some time ago, approximately three (3) years ago, and was told there were no officers available and was asked if she wanted to go out and get a description of the children. She was not satisfied with how her call was handled. She would rather have heard that an officer could not respond at the moment and an officer will be there as soon as possible. She felt there could have been a little more "PR". She has heard in her business that the businesses in that district are not being responded to which she shared with the Police Chief. The Police Chief spoke to her a few days ago and she appreciated his time and felt better after they spoke. She felt he is trying very hard to initiate some changes. She said the business owners feel there are drug deals going on in the neighborhood and asked if they should call just on the basis of someone frequenting a place for a short time.

Manager Hall encouraged them to call and felt that could show a pattern. She explained the city dedicates an officer on the Blue Mountain Narcotics Task Force (BENT). They are an undercover task force with members of agencies from Pendleton, Hermiston, Umatilla County, State of Oregon and Milton-Freewater. The tips received from citizens are those that the BENT team act upon and are taken very seriously.

Ms. Lowe asked if the little bit of information they have was too vague to report to the police department.

Manager Hall said no. It's all the information received from citizens that can be put altogether for the police department. She knows that the police do what's called a "stop and knock" on tips they receive.

Councilor Anliker said showing a pattern was critical and if different people or businesses call that could show there is a problem.

Ms. Lowe said there were some trouble spots in her neighborhood which included the bar. She said they have just as much right to be in business as she does but things don't look right and she said there was another business in that district that doesn't look right either. She asked for a closer look.

Councilor Hopkins-Hubbard encouraged Ms. Lowe to work with the police department and to also understand when reports go to the police department it takes them some time to put things together and to please be patient.

MANAGER'S REPORT

Manager Hall announced Paul and Tammy Seaquist have offered to donate the reader board that is on NE 5th to the city. The reader board would be used to inform the community about city events. The city would be required to pay to have the board relocated. Manager Hall asked what the council consensus was.

The council unanimously agreed to accept the very generous gift of the reader board.

Councilor Irving suggested installing a couple more outlets when the reader board is relocated to city hall for future needs of electricity.

Manager Hall reported the city had a surplus y screen that's used to screen water that's pumped out of ditches that has been on the surplus equipment list for a about five (5) years. There was an interested orchardist that was asking to purchase the equipment. Manager Hall was just making council aware of the transaction. She summarized the letter that was received from Congress. The letter was in reference to the levee and the preferred insurance rate. Congress, on behalf of the citizens, has asked FEMA for an extension on the preferred insurance rate for up to five (5) years. They have also asked to delay the city's mandated adoption of the floodplain ordinance to five (5) years. She reported two (2) new businesses coming to town. One of the businesses is a bakery that specializes in gourmet cupcakes that will be located between PGG and Sam's Corner Market on Broadway Ave. The other business, The Grill, will be located on NW 5th and will serve BBQ cuisine.

Councilor Irving announced "The Grill" owner has maintained his membership with the Chamber of Commerce ever since he applied for his business license even though his business is not open yet.

COUNCIL ANNOUNCEMENTS

Councilor Hopkins-Hubbard reported the work is continuing on the levee. The Water Control Board has been cutting, slashing and burning brush and blackberry bushes.

Mayor Key suggested painting new lines for parking in front of the post office.

There being no further business the meeting was adjourned at 8:03 p.m.

Lewis S. Key, Mayor