
CITY OF MILTON-FREEWATER GOVERNING BODY

Verl Pressnall At Large, Position 1
Steve Irving At Large, Position 2
Edwin E. Chesnut (CL President) At Large, Position 3

Lewis S. Key Mayor
John Lyon Ward 1
Bradley J. Humbert Ward 2
Jose Garcia Ward 3

**CITY OF MILTON-FREEWATER
CITY COUNCIL MINUTES****August 10, 2020**

The Council of the City of Milton-Freewater met Monday, August 10, 2020 at 7:00 p.m. via virtual platform “Zoom” due to COVID-19 and practicing social distancing to stay in compliance with the Executive Orders Issued by Governor Kate Brown.

The following City Council members participated: Mayor Lewis Key, Councilors Ed Chesnut, Jose Garcia, Steve Irving and John Lyon.

Councilors Brad Humbert and Verl Pressnall were absent.

Staff members participating were: City Manager Linda Hall, City Recorder Leanne Steadman, Public Works Superintendent Brian Steadman and City Planner Laurel Sweeney.

Guests and citizens participating were: Tina Kain, Nancy Shaw, Kathy Thomas and Paul Seaquist.

Representing the news media were: Sherrie Widmer of the Valley Herald and Sheila Hager of the Walla Walla Union Bulletin.

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of:

- Council Minutes from July 13, 2020
- Accounts payables from July 8, 2020 through July 21, 2020
- Accounts payables from July 22, 2020 through August 4, 2020

Councilor Chesnut motioned to adopt the consent calendar items. Councilor Garcia seconded the motion which passed unanimously.

BUSINESS ITEMS:**REQUEST FOR RATE REDUCTION FOR WATER CHARGES FOR LOCUST MOBILE VILLAGE TRAILER COURT**

The property owner of Locust Mobile Village Trailer Court Nancy Shaw and her park Manager Kathy Thomas both spoke about the water charges being assessed for the park which lies outside city limits.

Ms. Thomas stated she was the trailer court manager and speaks to the tenants on a daily basis. She stated the tenants didn't have a problem paying for the water but wondered why there was a forty-five dollar (\$45) service fee plus a usage charge. They were wondering why the forty-five dollars (\$45) charge was so high per trailer when there was so many trailers, when most places are paying fifteen (\$15) to (\$20) twenty dollars service fee plus a usage charge. Ms. Thomas stated that most the tenants in the court are seasonal workers and they have a hard time making ends

meet and asked if the service charge could be reduced down to twenty (\$20) to twenty-five (\$25) dollars a month per trailer plus usage.

City Manager Linda Hall stated the actual service charge per month is double the rate of inside city limit customers due to the subject property being outside city limits. The rate is forty-three dollars and fifty-six cents (\$43.56) per month that includes up to five thousand (5,000) gallons of water per month which is above the average household usage. There should only be additional usage charges if the usage goes over the base five thousand (5,000) gallons. Manager Hall acknowledged that times are difficult and people are struggling with bills but the cost of the infrastructure remains the same throughout the economy. The inside city limits and rate payers have subsidized the utility infrastructure by paying for bonds, loans and other measures throughout the years that outside city limits customer don't have to pay. There is a built in cost that inside city limits customers have been paying all along. She stated that was some history as to why the council's actions many years ago passed a resolution which doubled the outside city resident's rates. This rate is not just for Locust Mobile Village customers, it's for all customers who have requested the water infrastructure outside city limits.

Ms. Shaw stated her infrastructure was from a grant and it didn't cost the tax payer anything. The infrastructure extension included the Outwest Motel and all the businesses in between have benefitted from it. Not all the businesses have elected to hook up to the city water and she wasn't sure why they didn't. She said she believed even before Manager Hall's time as City Manager that there were some projections of extending the infrastructure out that way which was very high projections and she said the city has reaped that subsidy from the State in that regard. She said most tenants of the park were very poor most of the people living within seven hundred dollars (\$700) a month. She said she was sure it was hard for people to understand when they make over \$100,000 a year and when you are living pay day to pay day and taking food stamps and taking from the food bank. She stated she provides water to the Western Store, that she prorates, and he hasn't paid his bill in a year. She said she received a letter from his attorney stating the bill was too high. She said she wasn't charging the rates but the city was. She said she will just have to shut his water off. She said she was paying her bill and so was Outwest Motel and was asking for some kind of relief. Her first utility bill was nine-teen hundred dollars (\$1900) and she had to pay that because she had to give her tenants two months' notice and can only increase their rent six percent (6%) a year according to state law. She paid it out of her social security and retirement and stated she was just as bad off as her tenants. Ms. Shaw said the City got grant money to help businesses pay their water utility bills, when she asked about it for her she was told she didn't qualify because she was outside the city limits. Ms. Shaw stated some of her tenants have asked her to just hook back up to the old well because the water is colder and had more pressure. She said she has been attacked administratively for her well water because she didn't get her water tested on the fifth of every month which affected her water rating. Ms. Shaw stated she didn't understand why everyone is against providing the service without so much cost and was appalled at the cost of the service going from fifteen dollars (\$15) per tenant to forty-five dollars (\$45) per tenant plus usage.

Ms. Thomas stated the reason why she stated earlier that the cost was forty-five dollars (\$45) plus usage was because she took nine-teen hundred dollars (\$1,900) divided by twenty one (21) units and it didn't add up.

Councilor Chesnut asked if the charge was based on per occupied trailer.

Manager Hall stated the resolution calls for trailer parks to pay the minimum charge per unit because that individual unit is receiving the service like a residential household. In trying to help Ms. Shaw out the Finance Director agreed to only charge her the current number that Ms. Shaw said was occupied at the time. Staff believes there are thirty-one (31) units available but she was only charged for twenty-one (21) units according to Ms. Shaw that was the number of units currently occupied. Staff was trying to work with her to keep the costs as low as possible so she was only charged for the twenty-one (21). Manager Hall stated she was looking at one of the last water bills for Ms. Shaw and it was substantially lower than the \$1900 so she was unsure what Ms. Shaw was referring to unless it was part of her first initial bill that included her deposit and staff noted that there may have been a leak on Ms. Shaw's side of the meter.

Ms. Shaw stated she was notified by city staff that she had used up approximately five hundred thousand (500,000) gallons of water. There was a conference call with her and five staff members that answered every question that she had asked. She stated the current water is not as good as the water she use to have. She said the rates just keep going up and now COVID. She was asking for subsidy and didn't want to fight with the city, as she was getting too old for that.

Councilor Chesnut asked for clarity on the billing. He said twenty-one (21) unit's times forty-five dollars (\$45) added up to nine-hundred forty-five dollars (\$945). The water rates for outside city limits customers have been established since 2009.

Ms. Shaw stated the deposit was waived and her bills have been way over twelve hundred dollars (\$1,200) a month.

Councilor Chesnut asked if the higher bills were with the assumption of the thirty-two (32) units.

Manager Hall asked if she watered any livestock or provided water to the Western Store.

Ms. Shaw stated she did provide water to the Western Store but he only had one toilet. The animals are being watered from the well and she did find some people in a swimming pool. She said the well is still there and active and she only has two horses and two cows.

Manager Hall stated if you are filling a swimming pool that would take a lot of water.

Ms. Shaw stated it was only a little kiddie plastic pool. She asked if it could be mandated that the Western Store hook up to the city water.

Manager Hall stated she believed they had already hooked up to city water.

Ms. Shaw stated she was the one that encouraged the project to come to the city. She asked what the Outwest Motel was paying.

Manager Hall stated she couldn't respond to that question due to Red Flag rules.

Ms. Shaw stated she deserved some response with compassion of which there was very little of that these days.

Mayor Key said there were other outside city limit customers that pay the water rates, and there are contracts that you sign that says you will pay the rate.

Ms. Shaw stated she wanted the Western Store off her water line.

Councilor Lyon asked if it would be possible for Ms. Shaw to annex into the city limits to help get her water bill lower.

Manager Hall stated yes it was possible and that is an option. She said when that was first posed to Ms. Shaw when she was coming under the edict from the Oregon Health Authority with the possibility of being shut down for failing her water quality tests, Ms. Shaw indicated to her at that time she was not interested in annexing and being held to the City's codes.

Ms. Shaw stated she went to City Hall Planning Department and was told that it would cost her one-thousand dollars (\$1,000) and there was no guarantee that her request to annex would be accepted. If she could annex into the city that would help her a lot and then she could have city garbage too. She said the County has been harder on her for the codes than the City has been. She said she appreciated the concept. She said if she annexed into the City then all the others would have to go in as well. When this came up in the past a lot of the other places didn't want to go into the city. She stated that she knows that the city doesn't like the way these Mexicans live. She's had the electric department and others on her case about the situation at the trailer park. She said she has spent quite a bit of money paying for electricians to upgrade all of her electric systems and yet it doesn't look like that. She said if you open these people's gates their yards are beautiful but on the outside it really looks pretty shabby. She said she has gone to Mexico and it looks the same way. She said these people just don't understand a lot and they don't understand the white man rules because they just live and try to survive and don't have the money.

Manager Hall stated she was offended by Ms. Shaw's comment and that the only one bringing in racial impact was her.

Councilor Chesnut stated his objections were not with the tenants but only to the way the trailer park has been managed.

Ms. Shaw stated she doesn't know what the answer is and she appreciated being able to visit with the council. She said she didn't want to take any more time up and if the council wanted to take something further up then she would be open to entertain that in further discussion. She said she was asking for help and if she has offended anyone than she said she was sorry. She said she has been offended also.

Ms. Thomas asked if the Western Store could be put on his own water meter. That way he is responsible for his own meter.

Mayor Key said he thought they had a separate meter already.

Ms. Shaw stated he has a meter but it was on her property.

Councilor Chesnut stated if he has a meter then there is a measure of how much water he is using.

Ms. Shaw stated it hasn't been read and she has been going by the bulk rate. The deed says that he pays equal to the City of Walla Walla. She also provided water to the old A & W which had the best root beer in the country and it was out of her rotten well they paid five dollars (\$5) a month until they dug their own well. She thanked the council for visiting with her. She asked that the item be tabled and if annexing was the answer then maybe she could do that.

Mayor Key said he appreciated Ms. Shaw bringing her concern to the council.

Ms. Shaw hoped it could be resolved without too many problems, one way or another she'll take it. She told Manager Hall if she offended her on any racial things then she was sorry, she loved the people out there and she knows they are having a hard time of it. If you had to look them in the face every day you'd feel bad but she said she knew when you're in big business you don't have to look at people every day like she does. She said whatever comes out of this she'll just say she tried. She said thank you.

Manager Hall thanked Ms. Shaw and Ms. Thomas.

UPDATE ON WINE PRODUCTION FACILITY PHASE 1 – MARKET ASSESSMENT AND RESOLUTION NO. 2430, AUTHORIZING SIGNATURE TO AN AGREEMENT WITH STEVE MARTIN ASSOCIATES, INC. FOR PHASE 2 – DESIGN FEASIBILITY FOR A SHARED WINE PRODUCTION FACILITY AND TASTING ROOM

City Planner Laurel Sweeney stated on September 9, 2019 City Council authorized moving forward with the preparation of a contract for the Market Assessment and Design Feasibility for a shared wine production facility and tasting room which is being funded with Strategic Reserve Funds from Business Oregon. The first phase of the project, a Market Assessment was completed by Tincknell & Tincknell. A few of the key points made in the Market Assessment were that there was already an interested winery partner who has proposed a site in the Rocks District for a custom-crush facility and tasting room. In all discussions and interviews conducted, there was enthusiastic support for the concept of a custom-crush facility and tasting room located in or near Milton-Freewater. Business Oregon has approved the Market Assessment, Phase 1, and authorized moving forward with Phase 2 which is the Design Feasibility. With this Strategic Reserve Fund there is no match required only staff time to administer the funds. Her recommendation was to authorize signature to a contract with Steve Martin Associates, Inc. for Phase 2 – Design Feasibility.

Councilor Chesnut asked what the timeline was for phase 2.

Ms. Sweeney stated possibly four to five months, there has been a request for an extension as years 2019/2020 have been a little challenging but she stated certainly within a years' time.

Councilor Chesnut motion to adopt Resolution No. 2430, a Resolution Authorizing Signature for a Contract with Steve Martin Associates, Inc. for Phase 2 – Design Feasibility for a shared wine production facility and tasting room with a total contract amount of \$150,000. Councilor Irving seconded the motion which passed unanimously.

AWARD TO EMERGENCY RESPONDER SERVICES, INC. FOR THE LEASE OF ONE NEW 2020 DODGE DURANGO POLICE VEHICLE

Public Works Superintendent Brian Steadman stated staff researched local dealerships and consulted with other area police agencies and they were proposing the lease of a 2020 Dodge Durango to replace the out of service patrol vehicle to be the best option with a local dealer available for warranty work. This new Dodge Durango would replace the 2014 Ford Taurus that was taken out of service in May of this year due to engine failure. Emergency Responder Services (ERS) will do all the police patrol outfitting of the vehicle other than the police radio, computer mount and installation of the exterior graphics which will be done locally. If a Durango is still available on a lot in the area a \$750 relocation fee may allow for deliver less than the estimated

three months from date of the order being placed. The yearly cost would be \$13,752 for a proposed four year lease.

Councilor Irving asked if the police budget falls in line with how the department has paid for vehicles in the past.

Manager Hall stated yes it did.

Councilor Chesnut asked what the options were after the four year lease was up.

Mr. Steadman stated there will be several options such as selling it, keeping it, etc. He stated if the City chose to sell it, ERS would help market it.

Councilor Chesnut motioned to award 4 year lease contract to Emergency Responder Services, Inc. for the lease of one New 2020 Dodge Durango in the amount of \$13,752 per year for 4 years plus a \$750 relocation fee if available for total cost delivered of approximately \$55,758.

Councilor Irving seconded the motion which passed unanimously.

RESOLUTION NO. 2431, AUTHORIZING THE CITY MANAGER TO SIGN ENGAGEMENT LETTER TO RETAIN HAWKINS, DELAFIELD & WOOD LLP AS BOND COUNSEL

Manager Hall stated at the last council meeting staff was authorized to move forward with the Council's goal to "Explore Feasibility of Construction of a New Police Station". The next step in the process is to enter into a contract with bond counsel. Manager Hall is recommending that the contract be with Hawkins, Delafield, & Wood LLP. They come highly recommended by the school district that just used their services for the new Gib Olinger School. She said in her phone and email conversations with their staff she has been very impressed with them. Manager Hall stated she was also very impressed to learn that there would be no fee assessed if a Bond Measure was not passed. She also noted that the engagement letter was reviewed and approved by the City Attorney.

Councilor Irving stated he was excited about a new police station.

Councilor Irving motioned to adopt Resolution No. 2431, Resolution Authorizing the City Manager to sign engagement letter to retain Hawkins, Delafield, & Wood LLP as Bond Counsel. Councilor Chesnut seconded the motion which passed unanimously.

MANAGER'S REPORT

Manager Hall stated the League of Oregon Cities Annual Conference was going to be held virtually this year. They are asking for a voting delegate and alternate for the General Membership meeting which you do not have to be registered to attend the conference in order to participate in the meeting. The meeting is scheduled for October 15, 2020 at 2:15 p.m.

There was a consensus for Mayor Lewis Key to be the voting delegate and Councilor John Lyon being the alternate.

Manager Hall reported that the Public Works crew and the Umatilla County Road crew will start chip sealing various streets. Staff has gone door to door giving notice and a public service announcement was made to help get the word out about this work starting.

COUNCIL ANNOUNCEMENTS

Councilor Irving stated he was pleased to hear the flag pole was on its way and will be installed soon.

There being no further business the meeting was adjourned at 8:06 p.m.

Lewis S. Key, Mayor