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**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

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**CITY OF MILTON-FREEWATER  
CITY COUNCIL MINUTES****September 14, 2020**

The Council of the City of Milton-Freewater met Monday, September 14, 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 Steve Irving, Jose Garcia, John Lyon, Ed Chesnut and Verl Pressnall.

Councilor Brad Humbert was absent.

Staff members participating were: City Manager Linda Hall, City Recorder Leanne Steadman, Public Works Superintendent Brian Steadman, Electric Superintendent Mike Watkins and Fire Chief Shane Garner.

Guests and citizens participating were: Wes Kocklich, Jacque Barthel-Fox, Nathan Lyon and Tina Kain.

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 August 10, 2020
- Accounts payables from August 5, 2020 through August 18, 2020
- Accounts payables from August 19, 2020 through September 8, 2020

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

**BUSINESS ITEMS:****ORAL UPDATE ON THE AQUATIC CENTER AND NEXT STEPS**

Public Works Superintendent Brian Steadman reported that he and City Manager Hall had a Zoom meeting with staff from the YMCA and Anderson Poolworks. Anderson Poolworks recently updated the sand filter system at the pool and staff was very satisfied with their work. Staff has an estimate to remove all the old plaster, replace the expansion joint material, replace all loose and broken tiles and install the new quartz plaster to the pool surface. The estimated cost for this portion of the project is one hundred eighty thousand dollars (\$180,000) which includes a thirty percent (30%) contingency due to so many unknowns with the project. If approved the project can be scheduled in February, March and April and planned to open back up in June of 2021. Along with the resurfacing of the pool, new heat pumps would need to be installed along with the purchase of a thermal cover so the pool can be kept full all winter to protect the new finish, this

portion of the project is estimated at approximately eighty thousand dollars (\$80,000). All together for the repairs it could cost around two hundred sixty thousand dollars (\$260,000).

Councilor Chesnut said it was mentioned that there was a thirty percent (30%) contingency included in the estimate of one hundred eighty thousand dollars (\$180,000) so the cost for the resurfacing portion of the project could be less.

Mr. Steadman stated that was correct and staff is hoping that is the maximum cost.

Manager Hall stated that the large contingency and unknowns is this will more than likely be a prevailing wage job which means the project will draw the highest wages which will run the project cost up. Anderson Poolworks believes the pool is in fairly good condition with the exception of the surface but they will not know until they start working on it. They consider our pool to be "middle aged". She said that she would rather go in with the worse-case scenario and have enough funding going into the project than to get half way through and find out there isn't enough money. She said this was a lot of money to put on one recreational project that was used two and a half months out of a year. She stated this project could take all of the local option tax for the five year term and then some. She stated that if that is what the council and citizens, who gave the top priority to the aquatic center during the public meetings, want then staff will move forward with exploring finance options and will bring that back to the October council meeting. The Recreation Committee has offered their input and are in support with making the aquatic center the highest priority and have recommended moving forward with the project. She again stated that if this project moved forward it could likely take all of the five year local option tax funds and then some to complete the project.

Mayor Key asked if staff was confident that all the leaks have been repaired.

Mr. Steadman stated that staff monitored the pool water usage the last two summers and didn't see any indication of any more leaks.

Councilor Irving asked if he was correct in remembering that the aquatic center was the citizens' top priority.

Manager Hall stated that was correct.

Councilor Chesnut said he has been approach by a local citizen who was of the understanding of trying to find balance with getting the pool operational and stay within budget and now it's to a point where it needs to get fixed and need to find the money.

Mayor Key said staff gave it a good try with all the fixes.

Councilor Chesnut said this citizen was of the understanding why those attempts were made and understanding of the background of the consultants advising staff and not disgruntlement about that just a request going forward to pull out all the stops to get the pool operational.

Councilor Irving stated he was in favor of moving forward with the project.

Councilor Chesnut stated he also was in favor of moving forward.

Mayor Key stated the pool got off to a bad start when it was drained right after it was built.

Manager Hall confirmed that there was consensus to move forward with exploring financial packages to take to the council for consideration.

### **APPOINTMENT TO THE PLANNING COMMISSION**

Carlotta Richardson served on the Planning Commission for fifteen (15) years when she regretfully submitted a resignation letter stating she was moving out of the area and had to resign her commission seat effective August 1, 2020. A press release regarding the position vacancy was sent out to several newspapers and media outlets as well as being posted on the city website and Facebook page. There were three applications received prior to the application deadline of August 21, 2020. Mayor Key stated he had reviewed the applications and was recommending the appointment of Breanna Wheeler Moore to fill the remaining term which will terminate February 1, 2021. Councilor Chesnut stated he concurred with Mayor Key. Councilor Irving stated he also concurred with the Mayor's recommendation.

Councilor Chesnut motioned to approve the Mayor's recommendation of appointing Breanna Wheeler Moore to fill the remainder of the Planning Commission term through February 1, 2021. Councilor Irving seconded the motion which passed unanimously.

### **RESOLUTION NO. 2432 – INTERGOVERNMENTAL AGREEMENT WITH DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT FOR THE UMATILLA COUNTY NATURAL HAZARDS MITIGATION PLAN UPDATE**

Fire Chief Shane Garner reported the Federal Emergency Management Agency (FEMA) approves Natural Hazards Mitigation Plans (NHMPs) meeting federal requirements. Approval lasts five years and having a current, FEMA-approved NHMP is a key factor in establishing eligibility for certain FEMA grants that fund natural hazards mitigation planning and projects. Umatilla County's NHMP was valid through May 21, 2019. Department of Land Conservation and Development (DLCD) has received a Hazard Mitigation Grant Program award to assist Umatilla County, Cities, and special districts with updating the Umatilla County plan. Staff recommended entering into an Intergovernmental Agreement (IGA) with the State of Oregon acting by and through its DLCD to formalize a working relationship between DLCD and the City that is to result in an updated Umatilla County NHMP adopted and approved by FEMA.

Councilor Chesnut referred to the IGA language where it mentioned a twenty five percent (25%) cost share from cities.

Chief Garner stated the City's share will be in-kind.

Councilor Chesnut motioned to adopt Resolution No. 2432, Resolution Authorizing Signature to an Intergovernmental Agreement with the State of Oregon acting by and through its Department of Land Conservation and Development for the Umatilla County Natural Hazards Mitigation Plan Update. Councilor Garcia seconded the motion which passed unanimously.

### **RESOLUTION NO. 2433, AMENDING THE ELECTRIC RATES AND CHARGES**

Electric Superintendent Mike Watkins reported that the City's major power supplier, Bonneville Power Administration (BPA), has instituted a nine percent (9%) rate increase starting a year ago October 1, 2019, which has been absorbed and paid by the existing City rate structure. The increase in the cost of purchased power, transmission six point three percent (6.3%), and power three point sixteen percent (3.16%), as well as the expiration of the Residential Exchange Program in September 2019 which resulted in a loss of one hundred thirty two thousand dollars (\$132,000) in revenue annually for the last ten (10) years have caused the need for the fifteen percent (15%)

rate increase, which would take effect October 1, 2020. He stated the rate increase is estimated to cost the average residential customer, using 1600 Kwh, fourteen dollars and eight-eight cents (\$14.88) per month. Mr. Watkins stated the City was unaware of any potential BPA rate increases when the fiscal year 2020 electric budget was submitted and approved. Staff was going to propose an electric rate increase in the spring of 2020, as there would have been less of an impact to customers' bills in the lower usage months. However, in the spring of 2020, the coronavirus (COVID-19) pandemic hit. Staff decided to not move forward with the increase at that time due to the impact it would have on City residents and businesses during a time when unemployment rates were high and businesses were required to close during the pandemic. Mr. Watkins stated an Electric System Analysis has just been completed and he will be presenting the findings at a future council meeting.

Manager Hall stated the electric department financial report reflects the lowest cash reserves that she has seen in her twenty-seven (27) years she has been with the City.

Councilor Lyon asked if the Residential Exchange Program were to be reinstated would the citizens be credited.

Manager Hall stated if that were to happen then it could be re-evaluated.

Mr. Watkins stated the price of materials has increased, he said in one day conduit went up thirty percent (30%). A 150 kVA pad mount transformer has gone up one hundred seventeen percent (117%), a 50 kVA pole mount transformer has gone up one hundred thirty-nine (139%) and power poles are up fifty-eight percent (58%). These costs are driven by supply and demand. The cost will more than likely go up even more with all the fires in Washington, Oregon and California.

Councilor Irving stated he would assume the cost of a bucket truck has increased as well.

Wes Koklich, 2088 S. Walnut – stated this was not a good time to have an increase.

Manager Hall stated staff agenzized with the decision to recommend an increase.

Councilor Chesnut motioned to adopt Resolution No. 2433, Resolution Amending Electric Rates and Charges. Councilor Irving seconded the motion which passed unanimously.

**RESOLUTION 2434, AUTHORIZING THE CITY MANAGER TO SIGN ENGAGEMENT LETTER TO RETAIN D.A. DAVIDSON AS THE CITY'S BOND UNDERWRITER/PLACEMENT AGENT**

City Manager Hall stated the Council's five year action goals, set in 2017, included a goal to "Explore Feasibility of Construction of a New Police Station for police department personnel. Staff is proposing to go with a General Obligation (GO) Bond which is a specific tax which must be approved by a majority of the citizens in an election. If approved, the bonds are sold to people who buy them as an investment, municipal bonds. The last GO Bond was for the Aquatic Center in 1996. Manager Hall recommended the city work with the firm D. A. Davidson, a firm based in Portland Oregon and they specialize in municipal bond financial matters. They have eighty-five (85) years of experience and have over fifty-one billion dollars (\$51,000,000,000) in investments that they manage. She stated not only are they willing to help with the financial process of a GO bond for a new police station but they are advising staff on refinancing the sewer treatment plant loan which they learned about from downloading the Comprehensive Annual Financial Report (CAFR) from the city website. There are many options to pursue to reduce the length of debt.

There is a benefit to try and have the GO Bond ready to go on the May ballot as that would save eighteen (18) months' worth of interest. The Bond Counsel agency charges a fee only if the bond measure passes, otherwise there is no fee.

Councilor Irving stated he has mentioned the project to his constituents and has heard nothing but positive remarks.

Councilor Irving motioned to adopt Resolution No. 2434, Resolution Authorizing the City Manager to sign engagement letter to retain D. A. Davidson as the City's Bond Underwriter/Placement Agent. Councilor Garcia seconded the motion which passed unanimously.

### **UPDATE/PROGRESS REPORT ON CITY COUNCIL GOALS ADOPTED JANUARY 9, 2017**

Manager Hall gave an update on some of the council goals. The goal of "Increase the percentage of use of e-bills", she reported that there has been a forty three percent (43%) increase in customers signing up for E-Statements some partly due to COVID restrictions. The goal of "Implement point of sale software for Golf Course", she reported the Golf Course has been using the "Square" point of sale system and it seems to be working well. The goal of "plan for funding of bicycle and walking path lanes within the city", she reported the State has revised their initial estimates due to COVID and we truly won't now more until the final numbers come in next spring of what the impact has been due to COVID and the restrictions. The goal of "Explore feasibility of construction of new police station on city property", she report the council authorized her to sign an engagement letter with D. A. Davidson as the City's Bond Underwriter earlier in the meeting and they have also authorized her, in a prior meeting, to sign an engagement letter to retain Hawkins, Delafield & Wood LLP as Bond Counsel. She stated her and the Police Chief have interviewed Architecture firms and have decided to go with FFA Architecture + Interiors to draft preliminary design and plats to show the City Council and citizens on what is being proposed. FFA Architecture specializes in law enforcement facilities and have done one for Lincoln City, Prineville, Beaverton and was working on one for Portland but that project was put on hold due to all the protesting activity in that area. The goal of "Continue to partner/cooperate/collaborate with Milton-Freewater Downtown Alliance (MFDA) and Milton-Freewater Area Chamber of Commerce" she reported the electric crew just finished installing banners on the street light poles of the local campaign of shop, eat, drink, play etc. that MFDA just finished working on. Some of the photos were taken by a local photographer, Jaime Brown.

Mayor Key stated the School Board cancelled the Sheriff's contract for their School Resource Officer.

Manager Hall said she understood that it was just put on hold until kids returned back to the classrooms.

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

Mr. Kocklich said the new flag at the triangle looked great. He said he was looking around town and felt so lucky to live here compared to what other cities were going through with the rioting. He thanked all those who were involved with the project.

Manager Hall thanked Mr. Kocklich for his comment and she said she was grateful every day to live here too.

## **COUNCIL ANNOUNCEMENTS**

Mayor Key said there were other people that think our town is great too as he just had an offer on a house from a lady from California that drove twelve hours to come see it.

Councilor Irving commented on the tree at Orchard Park and said he wondered if the owner should be approached about donating that piece of property to the city.

There being no further business the meeting was adjourned at 8:02 p.m.

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Lewis S. Key, Mayor