CITY OF MILTON-FREEWATER GOVERNING BODYMike OdmanMayorDestiny JensenAt Large, Position 1John LyonWard 1Steve Irving - Council PresidentAt Large, Position 2Emily HoldenWard 2Wes KoklichAt Large, Position 3Jose GarciaWard 3

CITY OF MILTON-FREEWATER

July 14, 2025

CITY COUNCIL MINUTES

The Council of the City of Milton-Freewater met in regular session on Monday, July 14, 2025 in the Albee Room of the City Library, 8 SW 8th Avenue at 7:00 p.m.

The following members were present: Mayor Mike Odman, Councilors Wes Koklich, John Lyon, Emily Holden, Steve Irving, Jose Garcia and Destiny Jensen via conference phone.

Youth Representative Norma Rodriguez was present and Zachary Lamb was absent.

Staff members present were: City Manager Chad Morris, City Recorder Leanne Steadman, Police Chief Joe Shurtz, Finance Director Laurie Bubar, Fire Chief Shane Garner, Library Director Lili Schmidt, Court Clerk Tracy Martinez, Electric Engineering Technician Tina Kain, Public Works Engineering Technician Steven Patten, Public Works Supervisor Nathan Lyon and Parks Maintenance Worker Jorge Estrada.

Guests and citizens present were: Sheila Hagar, Dave Prock, Kay West, Rachel Chaney, Sally Babcock, Bill Daugherty, Saul Gonzalez, Megan Hoel, Dennis Radke, Cindy Timmons, and Pam Lyon.

Representing the news media was: Sherrie Widmer of the Valley Herald.

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of:

- Regular Session Minutes from June 9, 2025
- Executive Session Minutes from June 9, 2025
- Work Session Minutes from June 30, 2025
- Liquor License for Azul Freewater

Councilor Irving motioned to approve all items on the Consent Calendar. Councilor Lyon seconded the motion which passed unanimously. Youth Representative Norma Rodriguez was in favor.

BUSINESS ITEMS:

<u>RESOLUTION NO. 2574 AGREEMENT FOR PROFESSIONAL AUDIT SERVICES WITH ANDERSON, BOYLAN AND RAMOS, P.C.</u>

At the end of each fiscal year, a licensed Oregon municipal audit firm conducts a Financial and Compliance Audit of the City's operations. For the last two fiscal years, the city has contracted with Anderson, Boylan and Ramos, P.C. for audit services. The proposed agreement is for three, one-year periods beginning July 1, 2024 and ending June 30, 2027.

Mayor Odman asked if the contract needed to go out to bid.

Manager Morris stated auditing services were not required to go out to bid. To his knowledge there have been no issues with the auding firm.

Councilor Lyon motioned to adopt Resolution No. 2574, Resolution authorizing signature to agreement for auditing services between the City of Milton-Freewater and Anderson, Boylan and Ramos, P.C. in the amount of \$54,000 for the June 30, 2025 audit base amount with any additional services, requested by the city, billed at the firm's standard hourly rate. Councilor Irving seconded the motion which passed unanimously. Youth Representative Norma Rodriguez was in favor.

BID AWARD - PUBLIC TRANSPORTATION, SENIOR AND DISABLED TAXI SERVICE

The City offers a transportation service for senior and disabled citizens by way of taxi service. The State required the service be put out to bid. There were approximately six firms that showed interest, but only one bid was submitted which was the current contractor German Graves doing business as GG Taxi and Limo Service. The proposed contract is for two years beginning August 1, 2025 with a renewal option of two additional one-year terms. The monthly contract amount will remain the same at \$7,000 per month.

Councilor Koklich asked for a brief explanation of the taxi service.

City Recorder Leanne Steadman said the taxi tickets were \$1.00 for inside city residents and \$2.00 for outside city residents. The service area is a five-mile radius from city center. The hours of operation are 7:00 a.m. to 6:00 p.m. Monday through Saturday.

Manager Morris stated the tickets were for one-way, so a trip to the grocery store would take two tickets.

Councilor Holden asked how many people use the taxi.

Manager Morris stated he didn't have that number with him, but he could get that information since it's reported quarterly. He said if there were more medical facilities in town, the ridership would be more.

Mayor Odman asked if the service could be extended into Walla Walla.

Manager Morris stated he was unsure if the grant money would allow to cross state line. State funds are usually restricted to in-state use.

Councilor Irving announced that the new Milton-Freewater Family Health facility will be opening in August/September and their phone number was 541-567-6434.

Councilor Lyon motioned to award bid to German Graves doing business as GG Taxi and Limo Services and approval of contract in the amount of \$7,000 per month as proposed for transportation services proving Senior and Disabled Taxi Service and authorize the City Manager to sign the contract. Councilor Irving seconded the motion which passed unanimously. Youth Representative Norma Rodriguez was in favor.

ADOPTION OF CITY MISSION STATEMENT

Manager Morris stated he took what Councilors Holden and Jensen submitted and meshed them together.

Councilor Irving said he was willing to accept what was being proposed.

Councilor Holden motioned to adopt the proposed mission statement, which she read in it's entirety, "Our mission is to support an exceptional quality of life for all, providing an environment for families and businesses to grow, work, and thrive. We will foster a culturally inclusive community where diversity is celebrated and every resident feels valued. Through collaboration, innovation, and civic pride, we strive to make Milton-Freewater a welcoming and vibrant place to call home." Councilor Irving seconded the motion which passed unanimously. Youth Representative Norma Rodriguez was in favor.

<u>OPPORTUNITY FOR CITIZENS TO APPROACH THE COUNCIL WITH ISSUES NOT ON</u> THE AGENDA

Megan Hoel approached the council and stated in summary, she was not a resident of the city, but was a business owner within city limits and is directly impacted by the decisions made in the room. Over the past several weeks she has asked for answers about the financial impact of the electric department union contract and the justification of the 10% electric rate increase. She recently received responses from the City Manager, Finance Director, the Mayor, two councilmembers, and the City Recorder. She gave special thanks to Councilor Jensen who took the time to compile and share a detailed contract and rate analysis. She stated the City Manager admitted that no detailed cost analysis was done prior to signing any of the union contracts. She said the City Manager also confirmed that the rate increase was based on preliminary estimates made before any contract terms or benefits were finalized. Councilor Jensen's analysis was helpful in understanding the situation after the fact. The analysis was not part of the budget development, contract negotiation, or ratesetting process. She said with her experience as a previous city employee, this would have not happened under the previous city manager as there was a standard of diligence, accountability, and fiscal awareness. She stated making financial decisions that impact ratepayers in the city, rough estimates and fill in the real numbers later is not transparency, but backtracking, which is not responsible budgeting. She asked why electric lineman were getting paid for pesticide certification and shouldn't that fall under public works duties. She stated she was surprised to see that city mechanics are compensated at a higher rate than the police officers. She reminded council that they have a legal and ethical obligation to the public under Oregon Government Ethics Law to act in the best interest of the community they serve, and have a fiduciary duty to ensure public funds are spent responsibly. Oregon Public Meetings Law requires business to be conducted openly and transparently. Council has oversight of the City Manager and to verify the information provided. The City Charter and Council Rules empower the council to question, supervise and to lead. She stated under the City Charter, elected Council members and the Mayor are directly empowered to oversee and approve binding contracts, and are required to exercise that oversight in the public interest. The Charter also mandates transparency, ethical stewardship, and active supervision of the City Manager, which means reviewing contract cost analysis before approval, not after the fact. She said the lack of transparency she has encountered only raises more concerns about whether the city's financial decisions are being made in a responsible and lawful way. She specifically asked the council to take two actions; establish a formal policy requiring a full, detailed cost analysis to be completed and shared before any union contract is approved, and to direct the City Manager to present a public breakdown of how each recently approved union contract has impacted, or will

impact, the city budget. She stated that if council didn't act, then they were just looking the other way and accepting and enabling a broken process. She was asking for transparency and accountability now and she intended to continue asking these questions until they were answered.

Dennis Radke representing the Bread Basket expressed his appreciation of the recent donation from the city. He said they will be putting in a swamp cooler to help with the building's inside temperature.

Cindy Timmons, 54171 Miller Road – announced she is a Umatilla County Commissioner. She thanked the Fire Chief and the crews that help contain the fire on North Main. She said at the county level, they are working on a county ordinance that would allow ATV's (all-terrain vehicle) and UTV's (utility terrain vehicle) on county roads. One of the reasons to look at legalization is that drivers must be 16 years of age and go through a training course and there would be rules of the road that would have to be abided by. She suggested that cities within Umatilla County also look at a similar ordinance.

A brief discussion ensued.

Mayor Odman said he has noticed a lot of E-bikes on the road.

MANAGER'S REPORT

Manager Morris stated he has received good reports about the Aquatic Center. He asked if anyone has heard otherwise, to let him know. He reported earlier that he was hoping to start on the tennis court improvement project in June, but that he has been working on other things. He has a meeting with School Superintendent Aaron Duff on Tuesday morning to discuss what kind of support there is for the project. The project is still moving forward, just not as fast as he was hoping for. He shared he has supplied a letter of support for the Water Control District investigation study. He provided the council with a draft copy of an intergovernmental agreement between the City and the Milton-Freewater Cemetery District #3. The agreement will be up for adoption at the August 11th city council meeting. Anderson Perry and Associates will be present at the September 8th council meeting to get an understanding of what direction the council wants to go with a new Water System Master Plan. He announced the Golf Course Restaurant lease with Tina Riedel doing business as The Upper Nine expires July 31, 2025. He stated that Ms. Riedel would like a five-year lease. Manager Morris stated he was looking for direction by the council for at least a one-year agreement, she pays \$500 per month and that he has been told she's been a good tenant.

A brief discussion ensued regarding a building repair list and the overall appearance and feel of the building.

Councilor Irving said besides Ms. Riedel, the last successful tenant was twenty years ago. There were about three tenant's in-between that had problems keeping the business going. He was in favor of at least a one-year extension as she has been a constant operator.

Councilor Koklich suggested the agreement be a work session topic.

Manager Morris stated the next work session was scheduled for July 28th and the agreement expires July 31st.

Councilor Lyon suggested a three-year contract.

Councilor Holden asked if a one-year extension gives staff enough time to create a vision and plan of repairs needed.

A brief discussion ensued regarding the furniture in the building.

Councilor Koklich motioned to extend The Upper Nine restaurant lease for one-year. Councilor Irving seconded the motion which passed unanimously. Youth Representative Norma Rodriguez was in favor.

Manager Morris thanked the multi-agency responders that responded to the North Main fire. He said letters will be going out instructing the owners to begin clean up. The Fire Marshall has conducted their investigation and the insurance company was finishing up with theirs. He reported that next month he will be bringing to the council an emergency repair bill for the sewer digester. It has discovered while performing maintenance that the epoxy liner is decaying. Anderson Perry and Associates has been contacted to do an emergency bid packet for the repair. Initial estimate is in the \$135,000 range for the repair.

A discussion ensued regarding the workings of the digester, the cause and maintenance plan going forward.

Councilor Jensen asked if anyone has checked with a painting contractor.

Manager Morris stated it wasn't regular paint that can be used, it needs to be epoxy that adheres to steel.

Manager Morris reported a grant has been applied for with Business Oregon in the amount of \$1.4 million dollars. The grant would pay for the drilling of well #10. Staff is hopeful of getting the grant but has not gotten any confirmation.

Mayor Odman asked for an update on Freewater Park improvements.

Manager Morris reported the bathrooms were still being worked on, the play logs are ready to be placed, the rubber bark is ready to go down and the concrete has been poured. The basketball goals and fencing around the court still need to be placed. The markings on the basketball court won't get marked out until next year in order to allow for the asphalt to cure.

Mayor Odman commended the fire fighters for containing the fire on North Main. He asked if the root cause was known.

Chief Garner stated the point of origin was known, but not the cause.

Mayor Odman asked for a recycling update.

Manager Morris stated the city was currently under the new rules. The primary one is that it's no longer allowed to use glass as a road base at the landfill. The paperwork has been signed with CAA (Circular Action Alliance) so the negotiations can begin. The glass collected will be hauled to Pendleton and the city will get paid \$77/ton. The rest of the recycling has been taken to Walla Walla. DEQ (Department of Environmental Quality) is working with Walla Walla to get them

certified. Curb side recycling goes into effect at the end of the year, the state understands that until the city obtains a truck and bins that this can not be done. The city opted to allow the state to purchase the truck and bins rather than the city purchase them, then get reimbursed by the state. Currently working on coming up with something similar to a transfer station and the city would need to have a baler.

Councilor Lyon listed out what he believed to be the cost to haul to Pendleton, and asked why that was being entertained since the city would be losing money according to his calculation.

Manager Morris stated it was at the suggestion of CAA and he wanted to try it and see if it works out.

A brief discussion ensued regarding the tonnage and cost to haul.

Mayor Odman stated any opportunity to reduce costs should be looked at. He asked if any of the contracts would need to go through council.

Manager Morris stated yes, when there are dollars involved, they will go through council.

Councilor Irving stated he was looking at the manager's contract and suggested an evaluation be scheduled under an executive session at the next meeting in August.

Councilor Koklich said he was impressed with the 4th of July breakfast the Milton-Freewater City Fire Department put on. He said it looked to him like it was a real team effort. He announced that there was a meeting scheduled for July 15th at the Pendleton Convention Center regarding the Blue Mountain Forestry Plan from 5:00 p.m. to 8:00 p.m.

Councilor Holden asked if there was going to be a work session at the end of the month. She suggested coming up with a process for the manager's evaluation.

Councilor Irving shared that there is a form that the council receives the Wednesday before the meeting.

Councilor Holden asked that the evaluation form be provided in advance. She announced July 25th was the Basalt Bash which is supporting Milton-Freewater student mental behavioral health services starting at 4:00 p.m. which will run in collaboration with the Friday Night's on N. Main event that runs from 6:00 p.m. – 9:00 p.m. The Missoula Children's Theater auditions, grades K-12, will take place on Monday, July 21st at the Mac-Hi Auditorium.

Councilor Irving announced the Farmer's Market is on Wednesday and there might be Hermiston watermelons.

There being no further business the meeting was adjourned at 8:23 p.m.

Mike Odman, Mayor