CITY OF MILTON-FREEWATER GOVERNING BODY

Mike Odman Mayor Ward 1 Destiny Jensen At Large, Position 1 John Lyon Steve Irving - Council President At Large, Position 2 Emily Holden Ward 2 Wes Koklich At Large, Position 3 Jose Garcia Ward 3

CITY OF MILTON-FREEWATER **CITY COUNCIL MINUTES**

October 13, 2025

(beginning at 6:30 p.m.)

Active shooter and panic button training were led by Chief Shurtz.

(regular City Council meeting began at 7:00 p.m.)

The Council of the City of Milton-Freewater met in regular session on Monday, October 13, 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 John Lyon, Wes Koklich, Destiny Jensen, Jose Garcia, Steve Irving and Emily Holden.

Staff members present were: City Manager Chad Morris, City Recorder Leanne Steadman, Police Chief Joe Shurtz, Finance Director Laurie Bubar, Fire Chief Shane Garner, Electric Superintendent Richard Jolly, Library Director Lili Schmidt, Electric Engineering Technician Tina Kain, Planning Assistant/Interim City Planner Kassidy Ruiz, Public Works Engineering Technician Steven Patten, Public Works Assistant/Project Aid Krista Gannon and Conservation Specialist Ryan Westman.

Guests and citizens present were: Sally Babcock, Megan Hoel, Donna Sheridan, Kate York, Randy Reese and John Wells.

Representing the news media were: Sherrie Widmer of the Valley Herald and Sheila Hagar of the East Oregonian.

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of:

- Regular Session Minutes from September 8, 2025
- Liquor License Application for Super Milton Market LLC

Councilor Irving motioned to approve all items on the Consent Calendar. Councilor Lyon seconded the motion which passed unanimously.

PRESENTATION ITEMS:

WATER SYSTEM MASTER PLAN

John Wells of Anderson Perry & Associates explained the purpose of a Water System Master Plan is to develop a water system design criteria for the planning periods; evaluate the adequacy of the existing water supply; storage, and distribution systems; evaluate alternatives for improving the City's water system; and develop a financial plan for implementing the recommended improvements. In a power point presentation, he showed a map that outlined city limits and the Urban Growth Boundary, next was a map showing the locations of the City's seven wells, then a graph of the current population and population growth projections out to year 2045. He spoke about design criteria and that the plan evaluates the entire water system, including infrastructure like pipes, pumps, and storage facilities. The plan also reviews the ability to meet current and future water needs. Mr. Wells asked for goals and ideas from the council that should be considered while reviewing the plan.

Councilor Lyon asked about the well at Roger's Cannery that the city owns.

Mr. Wells stated it was still there, but not in use.

Councilor Koklich asked for an update on the water storage.

Mr. Wells shared the plans were being reviewed.

A brief discussion ensued regarding the proposed two-million-gallon reservoir.

Mr. Wells shared the booster pump will not be included in the current project for the new well, but there will be space left for it for future needs.

OLD BUSINESS ITEMS:

<u>AUTHORIZATION TO LEASE TWO NEW POLICE VEHICLES FROM BANCORP</u>

Manager Morris stated last month he and the Police Chief were seeking authorization to lease two new police vehicles from Bancorp which would be less than the \$85,000 currently budgeted for this year for one new vehicle. This would also allow to lock in the price for 60 months. The vehicles would be fully outfitted for patrol except for the radios, which Manager Morris stated could be removed from a vehicle and installed into a new car.

Councilor Lyon stated he works for Walla Walla County as a heavy equipment mechanic and the County has gone away from the EcoBoost option because there was too much maintenance on them. He stated vehicles with the EcoBoost option were un-reliable and he would hate for the City of Milton-Freewater to make the same mistake.

A brief discussion ensued regarding EcoBoost.

Councilor Lyon said his recommendation was to purchase only one vehicle and it not be an EcoBoost. He also asked what police vehicle was being surplus.

Manager Morris stated he believed V-188 was being surplus. He stated the council asked him to add an additional officer, which he did, and now he felt there was a need for an additional vehicle.

A brief discussion ensued regarding the vehicle payment, insurance and warranty.

Councilor Holden asked if there was a five-year plan for replacing vehicles.

Manager Morris stated he did not have a plan.

Councilor Lyon asked who makes the decisions on what vehicles needed replaced.

Manager Morris stated the mechanics can give input on replacement and if vehicles are starting to cost more to maintain.

Councilor Lyon stated Walla Walla County was on a six-year replacement rotation.

Councilor Koklich then shared some benefits to the Ford version of police cruisers.

Councilor Holden motioned to award Bancorp \$29,785.90 per year for 60-month lease for two 2026 Ford Explorers AWD patrol vehicles. Councilor Irving seconded the motion which passed, with Councilors Lyon and Garcia being the dissenting votes.

NEW BUSINESS ITEMS:

RESOLUTION NO. 2582 AUTHORIZING SIGNATURE TO BONNEVILLE POWER ADMINISTRATION POWER SALES AGREEMENT CONTRACT NO. 26PS-25058

This agreement is the main power sales contract between Bonneville Power Administration (BPA) and the City. It is a nineteen-year agreement which takes effect immediately upon signature and expires on September 30, 2044. The existing power sales contract runs through September 30, 2028. This new contract takes effect immediately in the sense that BPA will be able to go out and begin to secure the power necessary to satisfy the requirements of this agreement. The contract has been reviewed by outside experts in the field and have reported their recommendation of moving forward with signing the contract. Some of the exhibits to the contract are still being finalized and the proposed date of completion for those are July 2026. The deadline to sign the contract is December 5, 2025, but it has been recommended to sign as soon as possible due to changes with the Federal Government and possible reallocation of power resources. BPA has said they will process contracts upon receiving them instead of waiting for all contracts to be submitted.

Councilor Koklich stated he wanted more time to read and research the contract and didn't want to blindly vote on it. He asked what the impact to citizens was going to be and what was the hidden costs.

Electric Superintendent Richard Jolly stated the city contracts with several organizations that lobby for utilities and they have recommended signature to the contract. He said his concern was data centers taking up resources on the grid.

Councilor Koklich shared that he attended an Economic Summit conference in July.

Manager Morris stated it was his understanding that there was political pressure for data centers. If that were to happen, there would be less resources, not enough power to go around, and the city would have to purchase the power needs at the Tier 2 rate rather than the Tier 1 rate which is at a much higher cost.

Councilor Irving stated he has read through the contract and is taking the experts recommendation to sign it.

Councilor Lyon motioned to adopt Resolution No. 2582, Resolution Authorizing Signature to the Bonneville Power Administration Power Sales Agreement. Councilor Irving seconded the motion which passed with Councilor Koklich being the dissenting vote.

<u>AUTHORIZATION TO CHANGE ORDER NO. 1 FOR SEWER TREATMENT PLANT PRIMARY DIGESTER CONTRACT NO. 319</u>

It was explained when staff performed cleaning of the interior of the primary digester, it was discovered the epoxy coating was peeling and some areas had voids of coating. This was discovered in the air gap area between the top of the digester liquid contents and lid. Anderson Perry & Associates was contracted with to compile a bid packet for the project. A Special Session City Council meeting was held August 25, 2025 where the bid was awarded to Columbia Industrial Coatings, LLC. During the preparation process, the contractor and inspector discovered that part of the concrete has been affected and has partially decayed, this would be additional repair work needed. The proposed change order has been reviewed by Anderson Perry & Associates, and they have recommended approval of the additional work. The additional work is \$41,013 which brings the total contract up to \$195,068. This will have a substantial impact on the budget.

Councilor Lyon asked where would this repair bill be paid out of.

Manager Morris stated the sewer plant improvement contingency has a budget of \$102,000 and the sewer collection contingency has a budget of \$349,956. The sewer plant improvement budget also has \$75,000 allocated for a new storage building that could be used for the emergency repair.

Mayor Odman stated there would also be fees owed to Anderson Perry & Associates for their engineering and consulting on the project.

Manager Morris stated those fees would be paid out of professional services.

Councilor Koklich asked with the additional work, how much time would that delay finishing the project.

Manager Morris stated a week or two.

Councilor Holden stated the change order agreement listed the project would be extended four days.

Councilor Holden motioned to approve Change Order No. 1 to Primary Sewer Digester Recoating, Contract No. 319. Councilor Irving seconded the motion which passed unanimously.

CITY ATTORNEY TERMINATING CONTRACT

David Blanc of The Blanc Firm has been the city attorney since January 9, 2017. The City Manager received a letter from Mr. Blanc giving notice that he was terminating the contract as of October 31, 2025 as serving at the City Attorney. Mr. Blanc listed the reason for the termination was that he needed to reduce the number of clients he was serving. Staff recommended Pat Gregg with Corey Byler and Rew as the next City Attorney.

Mayor Odman stated he has asked Mr. Blanc for his recommendations on the matter.

Councilor Koklich stated he wanted time to "shop around" for a city attorney.

A brief discussion ensued.

There was a council consensus to go out for a "RFP" request for proposals, for a city attorney and have Pat Gregg serve as the interim city attorney.

Councilor Lyon motioned to appoint Pat Gregg of Corey Byler and Rew Interim City Attorney until an RFP can be done. Councilor Jensen seconded the motion which passed unanimously.

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

Kate York, 718 College Street – in summary, spoke about a situation with her driveway in regards to water runoff. She spoke about the plan details and that her interaction with the city has been disappointing. She said she had sent an email to the city manager and city council the week prior and had received no response.

A brief discussion ensued regarding the proposed resolution to the water problem.

Manager Morris stated he believed there was miscommunication between the contractor and staff. He stated he would look into it and he would be in contact with Ms. York the following day.

MANAGER'S REPORT

Manager Morris reported he attended the League of Oregon Cities (LOC) annual conference October $1^{st}-4^{th}$ held in Portland, Oregon. Councilor Jensen also attended the conference. He announced that the LOC Small Cities meeting was being held October 15^{th} in Pendleton, Oregon.

Councilor Jensen stated she was interested in attending the Small Cities meeting. Councilor Koklich and Councilor Irving were also planning to attend.

Manager Morris stated he had additions to the employee handbook. All but one change was due to statutory changes. He said it was brought to his attention that all changes were to be approved by the city council. He stated updating the entire handbook was currently being worked on and that he would be putting language in the book that statutory changes didn't have to be taken back to council for approval.

Councilor Lyon asked if all changes were statutory.

Manager Morris stated the highlight sections were what changed and those changes were due to Senate Bill 69 (SB 69). The other change was in regards to breast feeding mothers rights that someone asked about, and it just wasn't included in the policy handbook.

Councilor Jensen asked if all employees signed a piece of paper saying that they received the changes.

Manager Morris stated an email was sent out and posted.

Councilor Jensen asked about the employees that didn't have a city email address.

Manager Morris stated there was instructions on the email that went out for copies to be made for those that don't have email.

Councilor Irving motioned to approve the recommended changes made by the city manager to the employee handbook. Councilor Holden seconded the motion which passed unanimously.

Mayor Odman asked for an update on the Freewater Park improvements.

Manager Morris stated if the asphalt was cured, paint lines would be put down on the court. Jorge Estrada was working on the restroom upgrades, and the irrigation was done. He reported the grant period ended December 31, 2025, but wanted to be done early so the paperwork could be completed. He reported on the aquatic center finances as \$64,278 being received in revenues and \$225,898.56 being the expenses. The aquatic center is not an enterprise fund so it's not expected to pay for itself.

Councilor Lyon stated there was an open ditch on the east side of Freewater Park, he said he would have thought it would have been flagged or sectioned off. He also asked if the stormwater drain off 8th Street had been cleaned out yet.

Manager Morris stated he had not been up there to check.

COUNCIL ANNOUNCEMENTS

Councilor Jensen stated the LOC conference was very educational and that she would like to share some information at a future work session.

EXECUTIVE SESSION PURSUANT TO 192.660 (2)(i)

The council adjourned to an executive session at 8:40 p.m. pursuant to 192.660 (2) (i) to review and evaluate the employment-related performance of the chief executive officer and any public body, a public officer, employee or staff member who does not request an open hearing.

The council returned to open session at 9:08 p.m.

Councilor Jensen motioned to terminate the City Manager Chad Morris's contract effective October 14, 2025. Councilor Lyon seconded the motion which passed with Councilor Irving voting yes with reservation and Councilor Koklich being the dissenting vote.

Councilor Holden motioned to direct Mayor Odman to find an Interim City Manager as soon as possible. Councilor Lyon seconded the motion which passed unanimously.

There being no further business the meeting was adjourned at 9:10 p.m.

Mike Odman, Mayor