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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 At Large, Position 3

Lewis S. Key Mayor  
Orrin Lyon (CL President) Ward 1  
Bradley J. Humbert Ward 2  
Vacant Ward 3

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**CITY OF MILTON-FREEWATER  
CITY COUNCIL MINUTES****June 11, 2018**

The Council of the City of Milton-Freewater met Monday, June 11, 2018 at 7:00 p.m. in the Albee Room of the Library, 8 SW 8<sup>th</sup> Avenue, Milton-Freewater, Oregon.

The following City Council members were present: Mayor Lewis Key, Councilors Ed Chesnut, Orrin Lyon, Brad Humbert, Steve Irving and Verl Pressnall.

Staff members present were: City Manager Linda Hall, City Recorder Leanne Steadman, Finance Director Dave Richmond, Public Works Superintendent Brian Steadman, Electric Superintendent Rick Rambo, Community Development Supervisor Mike Watkins and City Planner Laurel Sweeney.

Citizens and Guests present were: Jose Garcia, Lindsay Winsor, Kandy Pressnall, Charles Danforth and Suni Danforth.

Representing the news media was Sherrie Widmer of the Valley Herald and Antonio Sierra of the East Oregonian.

**CONSENT CALENDAR ITEMS:**

The consent calendar items consisted of:

- Council Minutes from May 14, 2018
- Accounts payables from May 8, 2018 through May 21, 2018
- Accounts payables from May 22, 2018 through June 5, 2018

Councilor Pressnall asked for clarification on the May 22 – June 5, 2018 accounts payable register. The question was regarding Ferguson Waterworks, one inch (1”) schedule forty (40) steel pipe and that it appeared there were different prices for the same total number of units. He asked if the total feet could be added to the description.

City Manager Linda Hall and Public Works Superintendent Brian Steadman stated the pipe was going to be used as the new hand railing for the golf course deck that is being constructed.

City Manager Linda Hall stated she would check with the accounts payable clerk to see if there was room on the report for more of a description.

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

**BUSINESS ITEMS:****INTRODUCTION – OF CITY COUNCIL APPLICANT FOR WARD 3 VACANCY – JOSE GARCIA**

Manager Hall introduced Jose Garcia and stated she was very happy that he has applied to fill the vacant council seat and that she looks forward to working with him. She listed the community

activities he has been involved in those being Cinco de Mayo, Jaycees, Bread Basket, Youth Programs and Thanks Giving Basket and he has served on the Parks and Recreation Committee.

Jose Garcia stated he appreciated the opportunity and that he has been involved with soccer all his life. One of his main interests is to provide activities for the youth in the community. His education is on Early Childhood through Walla Walla Community College and has soccer certifications through United States Soccer Federation (USSF) and National Soccer Coaches Association of America (NSCAA). He stated he was looking forward to working with the rest of the council and staff in this capacity.

Councilor Irving stated he was delighted to see someone of his culture to apply for a city council position and that he looked forward to having a better connection with the Hispanic community.

Mr. Garcia stated he has lived in Milton-Freewater for forty years and this was his town and he was very proud of it.

Councilor Chesnut thanked Mr. Garcia and stated he was excited to work with him on the council.

Mayor Key thanked him as well and appreciated him stepping up.

Councilor Humbert thanked him for applying.

Councilor Chesnut motioned to appoint Jose Garcia to the City Council Ward three (3) position for the remaining term of that position. Councilor Humbert seconded the motion which passed unanimously.

### **RESOLUTION NO. 2366, TRANSFER FUNDS DUE TO UNFORESEEN REVENUES AND EXPENDITURES**

Finance Director Dave Richmond explained that during the current budget year there were events that occurred that were not foreseen at the time of preparing and adopting the budget. He then reviewed the adjustments for those departments that needed to be made in order to stay in compliance with the local budget law. He noted two of the largest adjustments were in the electric department and public works department. The electric department had several new large services installed and several current customer requested service upgrades. For the public works it was due to the landfill scrapers engine going bad and needing a new engine and the addition of a new city utility - recycling. This was unexpected and the scraper is needed to operate the city owned landfill.

A discussion ensued.

Councilor Chesnut motioned to adopt Resolution No. 2366, Resolution to make appropriations due to unforeseen expenditures and revenues. Councilor Humbert seconded the motion which passed unanimously.

### **RESOLUTION NO. 2367, AMEND GOLF COURSE RATES**

Public Works Superintendent Brian Steadman stated the golf course has been struggling financially for over a decade. The continued reduced trend in golf play as well as the debt service for the irrigation system has staff continuously seeking out each and every cost savings possible in order to balance the golf course budget each year. Back in 2007 council adopted a resolution as an effort to keep the enterprise fund in the black, which allows for the automatic adjustment of golf course rates annually to a percentage up to three percent (3%). Staff also sought out feedback from the Milton-Freewater Golf Club Board and Golf Course Manager/Golf Pro which their

recommendations were presented to the council. Staff recommended amending the Municipal Golf Course Rates to reflect a three percent (3%) increase effective July 1, 2018.

Councilor Chesnut asked what the three percent (3%) increase would result in.

Mr. Steadman stated roughly forty-four hundred dollars (\$4,400) using last year's user numbers and using the Golf Club Boards recommendation that number would be slightly less.

Manager Hall stated that neither of the recommendations was going to bring the fund into the black. With answering the question from Councilor Chesnut the last monthly financials that were sent out shows the fund twenty-thousand (\$20,000) in the red as of now. There has been a recommendation to move the fund to the general fund which may be even worse. By being in the general fund all the revenues would be lumped together with the other departments like the police department, public safety and parks and recreations programs. Then the golf course would be competing for funds with police and public safety.

Councilor Humbert stated he gets frustrated with a three percent (3%) increase to the golf course rates. He stated the golf course is an asset to the community and there has been forty to fifty thousand (\$40,000 - \$50,000) raised in fundraiser tournaments for charity in the past year. He stated he felt the fee limits were being pushed with it only being an Executive (shorter) Golf Course. He then referred to the rate comparison survey with surrounding golf courses and stated that there is not a family pass offered like some other golf courses do.

Councilor Chesnut stated he appreciated the fact that staff reached out to the Golf Pro and Golf Club for their input. He said he was leaning towards honoring the Golf Club's recommendation.

Councilor Humbert motioned to adopt Resolution No. 2367, A Resolution Amending the Municipal Golf Course Rates to reflect a three percent (3%) increase to rates, except student daily greens fees, student punch cards, golf cart barn rentals and season passes as recommended by the Milton-Freewater Golf Club Board, effective July 1, 2018. Councilor Irving seconded the motion which passed with Councilor Humbert being the dissenting vote.

### **RESOLUTION NO. 2368, AMENDING THE ELECTRIC RATES AND CHARGES**

Electric Superintendent Rick Rambo stated he presented the fact sheet and asked the council if they had any questions.

Councilor Pressnall stated he was concerned with the big jump in the service charges for the commercial and industrial customers. He would like it to be broken down and implemented over the next couple of years rather than all at once.

Manager Hall stated that the electric department budget was balanced with a proposed general rate increase of three percent (3%). The other proposed increases to service availability charges for commercial and industrial were to bring those rates up to the level to support the cost to maintain the infrastructure for those specific services.

A discussion ensued regarding the High Density Load (HDL) and that those customers would be paying one rate for all energy used and it would not be a tiered rate structure.

Councilor Pressnall suggested setting the service charge rate for commercial customers to twenty dollars (\$20.00) per month and industrial customers to thirty dollars (\$30.00) per month. He stated this could be revisited next year during the budget.

Councilor Chesnut asked how many accounts would the increase in service charge affect.

Mr. Rambo stated there were fifty-one (51) industrial accounts.

Councilor Chesnut stated he was comfortable with Councilor Pressnall's suggestion.

Councilor Pressnall motioned to adopt Resolution No. 2368, Resolution Amending Electric Rates and Charges Amending the Industrial Rate Service Charge from \$15.00 to \$30.00 per month and the Commercial Rate Service Charge from \$15.00 to \$20.00 per month. Councilor Chesnut seconded the motion which passed unanimously.

**PUBLIC HEARING AND RESOLUTION NO. 2369, RECEIPT OF STATE REVENUE SHARING FUNDS**

Mayor Key opened and summarized the rules for a public hearing held for the purpose of gaining citizen input towards the receipt and use of State Revenue Sharing funds in the amount of fifty-seven thousand three hundred dollars (\$57,300).

No member of the Council declared ex parte contact and no audience member challenged any Councilor's right to participate in the hearing.

The City Recorder reported the hearing had been published according to law and there were no written comments on file.

Mayor Key opened the floor to citizen comments. There being no citizen comments, the Mayor declared the hearing to be closed. He then opened the floor to the entire Council. There were no Council comments.

Councilor Humbert motioned to adopt Resolution No. 2369, Resolution Electing to Receive State Revenue Sharing Funds for Public Safety Purposes. Councilor Irving seconded the motion which passed unanimously.

**PUBLIC HEARING AND RESOLUTION NO. 2370, ADOPT FISCAL YEAR 2019 BUDGET (July 1, 2018 – June 30, 2019)**

Mayor Key announced the public hearing rules read earlier would remain in effect. He said the public hearing was being held for the purpose of gaining citizen input towards the proposed city budget for fiscal year 2019.

No member of the Council declared ex parte contact and no audience member challenged any Councilor's right to participate in the hearing.

The City Recorder reported the hearing had been published according to law and there were no written comments on file.

Mayor Key opened the floor to citizen comments. There being no citizen comments, the Mayor declared the hearing to be closed. He then opened the floor to the entire Council. There were no Council comments.

Councilor Chesnut motioned to adopt Resolution No. 2370, Resolution Adopting the budget for the 2018-2019 fiscal year in the sum of \$33,975,917 levy taxes at the rate of \$3.7499 per \$1,000 of assessed value for operations, \$60,000 Local Option Tax for senior transportation, \$100,000 Local Option Tax for Parks and Recreation and make appropriations as listed on the Resolution. Councilor Pressnall seconded the motion which passed unanimously.

**AUTHORIZATION TO ESTABLISH A PLANNING/DEVELOPMENT USER FEE FOR AN URBAN GROWTH BOUNDARY EXPANSION/SWAP**

City Planner Laurel Sweeney stated currently there is no Planning/Development User fee associated with an Urban Growth Boundary (UGB) expansion/swap application. A UGB change requires significant staff time and multiple public notices and meetings. A survey of neighboring communities showed their fees ranging from seven hundred fifty dollars (\$750) to nearly eleven thousand five hundred dollars (\$11,500). Staff proposed a fee of one thousand dollars (\$1,000) which is at the lower end of the range.

Councilor Chesnut motioned to establish an Urban Growth Boundary expansion/swap fee of \$1,000 to be added to the Planning/Development User Fee Schedule. Councilor Humbert seconded the motion which passed unanimously.

**RESOLUTION NO. 2371, AMENDING THE USER FEE SCHEDULE, ADDING THE URBAN GROWTH BOUNDARY FEE AND THE ELECTRIC FEES THAT WERE REMOVED FROM THE ELECTRIC RATES AND CHARGES**

City Recorder Leanne Steadman stated this proposed resolution was to adopt the Urban Growth Boundary fee established earlier in the meeting and to include the fee page that was originally in the Electric Department Rates and Charges into the consolidated User Fee Schedule Resolution.

Manager Hall stated there was a question by Councilor Chesnut requesting clarification on the fee for public auctions. There was a consensus to clarify the fee to be per event and not per year.

Councilor Irving motioned to adopt Resolution No. 2371, Resolution Repealing Resolution No. 2361 and Replacing it with a Revised User Fee Schedule that adds an Urban Growth Boundary Expansion/Swap Fee along with Transferring the Fees from the Electric Department Rate Schedule and Charges and amends the Public Auction fee to reflect the fee being charged per event not per year. Councilor Humbert seconded the motion which passed unanimously.

**RESOLUTION NO. 2372, AMENDING THE PAY SCALE FOR CITY PLANNER AND APPROVING A REVISED JOB DESCRIPTION**

Manager Hall stated with the promotion of Community Development Supervisor to Electric Superintendent, it was determined in a reorganization strategy to leave the Community Development Supervisor position open. Due to the retirement of the Human Resource Officer/Public Transportation Coordinator, two areas of responsibility have been added to the City Planner. Therefore, a new job description and pay scale is proposed to reflect the changes. The Planning Assistant position would go full time to help with the additional work load for that department. With the reorganization of duties and not filling the Community Development Supervisor position it will result in an overall savings of over one hundred thousand dollars (\$100,000).

Councilor Chesnut motioned to adopt Resolution No. 2372, Resolution Amending the Pay Scale for City Planner. In addition, approve the revised job description for the position of City Planner. Councilor Humbert seconded the motion which passed unanimously.

**RESOLUTION NO. 2373, AMENDING THE PAY SCALE FOR ELECTRIC ASSISTANT AND APPROVING A REVISED JOB DESCRIPTION**

Manager Hall stated with the retirement of Rick Rambo, Electric Superintendent, and the promotion of a new Electric Superintendent, Mike Watkins, the proposed job description and pay scale reflect the actual duties of the Electric Assistant. The title of the position will change to

Electric Assistant/Project Aide and the wage scale will mirror the Public Works Assistant/Project Aide.

Councilor Humbert motioned to adopt Resolution No. 2373, Resolution Amending the Pay Scale for Electric Assistant/Project Aide. In addition, approve the revised job description for the position of Electric Assistant/Project Aide. Councilor Irving seconded the motion which passed unanimously.

**RESOLUTION NO. 2374, AUTHORIZATION TO A LOAN FROM THE SAFE DRINKING WATER REVOLVING LOAN FUND THROUGH THE STATE OF OREGON, OREGON INFRASTRUCTURE FINANCE AUTHORITY**

Manager Hall stated this was a request authorizing a loan from the Safe Drinking Water Revolving Loan fund by entering into a financing contract with Oregon Infrastructure Finance Authority for a forgivable loan to pay for the extension of water infrastructure to Locust Mobil Village trailer Park and Outwest Motel. There has been a long history with this particular issue. The City was successful in protecting its right and privilege to control when and where it annexed, and extended utilities to ultimately due to the passage of Senate Bill 121 during the legislation session of 2015. According to reports from State Health Authority officials the trailer park is still struggling with water quality issues. The County Commissioners were approached by the Oregon Health Authority officials to administer a forgivable grant to pay for extending infrastructure out to the park. Recently, the City has been asked to consider extending a water line to the park as a solution to the problem. There would be no cost to the City of its citizens or ratepayers, as all costs to extend this infrastructure would be covered by the State grant, which comes in the form of a forgivable loan. This project would also include extending the infrastructure out to Outwest Motel. The projected project total is estimated to be four hundred fifty seven thousand dollars (\$457,000).

Councilor Humbert asked if Anderson Perry and Associates would be doing the on sight inspections.

Manager Hall stated that the project will be administered by Business Oregon and that she knows the Public Works Superintendent well in that he will also be out at the project making sure things are done correctly since it's the city's infrastructure.

Councilor Irving reiterated that there would be no cost to the city or its citizens.

Councilor Humbert motioned to adopt Resolution No. 2374, Resolution Authorizing Signature to State of Oregon Safe Drinking Water Revolving Loan Fund Financing Contract with the State of Oregon. Councilor Pressnall seconded the motion which passed unanimously.

**DISCUSSION ITEM:**

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

Manager Hall presented the updates on all the goals that had an update since her last report in April 2018.

Mayor Key stated that there had been good progress on the goals.

**COUNCIL ANNOUNCEMENTS:**

Councilor Irving stated that the aquifer recharge program which was a grant project with the Walla Walla Basin Watershed Council has dropped off the project list. He said he believed that the City should pursue it.

**EXECUTIVE SESSION:**

The council adjourned to executive session at 8:23 p.m. pursuant to 192.660(2)(i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

The council returned to open session at 8:34 p.m.

There being no further business the meeting was adjourned at 8:34 p.m.

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Lewis S. Key, Mayor