
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
Vacant Ward 1
Bradley J. Humbert Ward 2
Jose Garcia Ward 3

**CITY OF MILTON-FREEWATER
CITY COUNCIL MINUTES****September 9, 2019**

The Council of the City of Milton-Freewater met Monday, September 9, 2019 at 7:00 p.m. in the Albee Room of the Library, 8 SW 8th Avenue, Milton-Freewater, Oregon.

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

Councilor Jose Garcia was absent.

Councilor Orrin Lyon passed away as a result of a riding accident on August 26, 2019.

Staff members present were: City Manager Linda Hall, City Recorder Leanne Steadman, Finance Director Dave Richmond and City Planner Laurel Sweeney.

Citizens and Guests present were: Kandy Pressnall and Ben Currin.

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

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of:

- Council Minutes from August 12, 2019
- Special Session Council Minutes from August 26, 2019
- Accounts payables from August 7, 2019 through August 20, 2019
- Accounts payables from August 21, 2019 through September 3, 2019

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

BUSINESS ITEMS:**ADOPTION OF REVISED INVESTMENT POLICY AND RESOLUTION NO. 2402,
RESOLUTION DESIGNATING PARTIES RESPONSIBLE TO SERVE IN THE ROLES
OF INVESTMENT CONTROLLER AND INVESTMENT OFFICER AS PER THE CITY'S
INVESTMENT POLICY**

Finance Director Dave Richmond stated a revised investment policy was submitted to the Oregon Short Term Fund (OSTF) Board which they reviewed at their July 2019 meeting. The city's main objectives of 1) safety, 2) liquidity, and 3) rate of return have not changed for the new policy. The revised policy gives more flexibility to extend and invest the money for longer periods of time, up to five years. This change could result in consistent and higher interest revenue. Mr. Richmond credited Don Leek, the city's financial advisor and Manager Hall for their work on the revised policy. He stated the interest earning total for the past five years under the old policy was \$392,784. Changing the maturity restrictions will help maintain or increase these earnings.

Councilor Humbert motioned to adopt the City of Milton-Freewater's updated Investment Policy dated September 9, 2019 and become effective immediately. Councilor Irving seconded the motion which passed unanimously.

Councilor Pressnall motioned to adopt Resolution No. 2402, Resolution Designating Parties Responsible to Serve in the Roles of Investment Controller and Investment Officer as per the City's Investment Policy. Councilor Humbert seconded the motion.

Prior to the roll call vote, Councilor Chesnut verified that if the City Manager or the Finance Director delegated the duties of the Investment Controller and/or the Investment Officer that this would go back before the council for approval.

Manager Hall stated that was correct.

A roll call vote was taken and the motion passed unanimously.

RESOLUTION NO. 2403, AUTHORIZING SIGNATURE TO STATESIDE TRANSPORTATION IMPROVEMENT FUND SERVICES AGREEMENT WITH UMATILLA COUNTY

City Planner Laurel Sweeney stated the Oregon Legislature enacted House Bill 2017 (HB 2017), Keep Oregon Moving act in mid-2017. Keep Oregon Moving includes a new employee payroll tax that is dedicated to funding the expansion of public transportation services. The payroll tax became effective on July 1, 2018 and is administered through the Statewide Transportation Improvement Fund, or STIF. Ninety percent of the STIF funds will be disbursed by formula to Qualified Entities (QE) based on the amount of payroll tax generated in their area. Umatilla County is considered a QE for our region. Last November, staff submitted a grant application to Umatilla County requesting funds for; the expansion of the existing fixed route bus service, the ADA elevator, support for a portion of the transportation assistant position, limited expansion of the tax service and a system design transit plan. The agreement with Umatilla County will ensure distribution of grant funds that are targeted at expanding the existing transportation service and support services. The total grant award is for \$282,901, biennially.

Councilor Humbert stated the paragraph in the agreement, "Assignment" seemed to take away the local jurisdiction authority by having to have the written consent of the County to change services and sub-contractors to the transportation services. He stated he certainly was not going to vote against the grant award and he was satisfied to see a termination clause in the agreement.

Councilor Chesnut motioned to adopt Resolution No. 2403, A Resolution authorizing signature to a Statewide Transportation Improvement Fund Services Agreement – Formula Funds, with Umatilla County and the City of Milton-Freewater to receive grant funds up to \$282,901. This is a biennial grant with effective dates of July 1, 2018 – June 30, 2021. Councilor Irving seconded the motion which passed unanimously.

AWARD FOR A MARKET ASSESSMENT AND DESIGN FEASIBILITY STUDY FOR A SHARED WINE PRODUCTION FACILITY AND TASTING ROOM

City Planner Laurel Sweeney stated at the June 2019 city council meeting the council authorized to enter into an agreement with Business Oregon for a Strategic Reserve Fund (SRF) grant in the amount of \$230,000 for a Market Assessment and Design Feasibility Study for a shared wine production facility and tasting room. Request for Qualifications (RFQ) and Request for Proposal (RFP) were submitted with a total of seven consulting teams submitting proposals for Phase 1 (Market Assessment) and Phase 2 (Design Feasibility) or a combination of both. The RFQ's and RFP's were scored by city staff as well as the city's partners in the project, Willamette Valley

Vineyards. After the scoring was complete, Tincknell & Tincknell/Steve Martin Associates, Inc. team received the highest points. The budget for Phase 1 is \$80,000 and \$150,000 for Phase 2. The highest scoring team does not exceed the budgeted amount.

Councilor Chesnut asked where the teams were from.

Ms. Sweeney stated Tincknell & Tincknell is from Healdsburg, California and Steve Martin Associates, Inc. is from Sebastopol, California.

Councilor Irving asked what the project completion date was.

Ms. Sweeney stated September 2020.

Councilor Chesnut made a motion authorizing an award to Tincknell & Tincknell/Steve Martin Associates for a Market Assessment (Phase 1) and Design Feasibility (Phase 2) for a shared Wine Production Facility and Tasting Room, and authorized to move forward in the preparation of a contract/agreement. Councilor Humbert seconded the motion unanimously.

Prior to the last business item, Manager Hall stated that she wanted to express to Finance Director Dave Richmond and City Planner Laurel Sweeney and City Recorder Leanne Steadman how proud she was of each of them while undergoing the Federal Transportation Administration (FTA) Federal Tri-Annual Review Audit for all their dedication and hard work.

BID AWARD FOR ELECTRIC DEPARTMENT OFFICE REMODEL

Manager Hall stated the construction and installation of an elevator at City Hall has been a long awaited goal for the City Council and citizens. The project is moving right along but it is somewhat noisy and disruptive to the electric administration offices. This prompted a long time goal of remodeling this space for greater efficiency. The remodel plan was designed by the two electric engineering technicians and the department assistant, with oversight by the Department Head. Bids were sought, with only one bid received that would be able to complete the work needed in the timeline required. Staff's recommendation is to award the bid to S & K Mountain Construction in the amount of \$36,799. They are a company that the city has worked with in the past and staff has been very satisfied with their work.

Councilor Humbert motioned to award the bid for the electric office remodel to S & K Mountain Construction in the amount of \$36,799. Councilor Pressnall seconded the motion which passed unanimously.

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

Ben Currin gave an update on the golf course. He stated the course was looking very nice right now and that they have a lot of golf club members this year, about 100. He asked what was going on with the city pool and that he was very disappointed with the communication about the pool from the city council and staff. He said the last press release on the city website was dated July 31st regarding rebates to citizens. He stated he has not seen any information about what was going on with the pool, what happened and why it happened and how staff was going to make sure it didn't happen again. He said he just voted for a \$1.2 million dollar recreation bond and is being told this was a \$100,000 mess up. He stated he understood the financial straits the golf course is under and the \$100,000 could have gone a long way on the golf course that he was an advocate for. He said as a taxpayer he would like to know this wasn't going to happen again and at this point he hasn't seen that. He stated again that he was an advocate for the golf course and was a tax payer for the community. He said he understood the positive that the pool brings to the

community. He referred to Walla Walla and Pendleton building new swimming pools but that no one has built a new golf course. He stated he has looked in the newspapers and has not seen any communication from the city council or city staff on what exactly happened at the pool. He stated his intentions were not to be contentious but that all he was asking for was clear, better communication from the city council and staff.

Councilor Chesnut stated there is no additional information to provide since it's in the hands of legal representation. Information was given out once it was determined to be the new coating on the pool which was part of the improvement project at the aquatic center. Staff tried to rectify the problem but ultimately had to close the pool. The information of the cause was made multiple times in newspapers that a failure of the coating was the cause of the cloudy water. The information has been provided and that information would have predated the July 31st press release on the website since rebates were the last to come.

Manager Hall stated that several press releases were done and they were picked up by all the local newspapers that she is aware of and the press releases said exactly what the issue was as soon as staff determined the cause of the problem. She clarified that it was a local option tax for \$100,000 a year and not a \$1.2 million dollar bond that was passed for the parks and recreation. There was approximately \$36,000 not \$100,000 that was put into the pool for upgrades which included new pool umbrellas, paint inside and outside the building including the roof, remodel of bathrooms, new lockers, etc. One of those improvement elements, once all the leaks in the pool were repaired, was a new coating of the inside of the pool. The coating was a product recommended by a pool paint manufacturer and other area pools have used the same product. For unknown reasons the pool paint failed. She stated it was no fault of any staff member and no one knew or expected the product to fail. Many facets of the mechanics of the pool were investigated including the sand filters and replacing all the sand. The issue came down to the pool paint discovering it had failed and was bleeding into the water. The paint would cause cloudiness in the water and it was unsafe since the lifeguards could not see the bottom of the pool. She explained the pool got the first attention with some of the local option tax revenue due to the citizens' public prioritization and the pool was at the top of their list. Staff held several public input meetings not only at city council meetings but other civic group meetings to give citizens the opportunity to give input and prioritize the recreation projects.

A discussion ensued.

Councilor Humbert read an article he pulled up on Facebook from the Walla Walla Union Bulletin dated July 31st explaining the issue at the pool which included stating the cause of the cloudy pool water was suspected from the rubberized coating on the pool.

Councilor Pressnall stated he felt the council does give out information and if a question is asked of the council, then it's answered. He added Council members can't answer questions unless they are approached and asked.

Councilor Humbert stated it was a product failure and that he hoped the product manufacturer would make things right as being an honorable producer of the product. All this is being looked into by Manager Hall and Public Works Superintendent Brian Steadman and legal representation. It didn't have anything to do with city staff. The product was purchased by a pool manufacturer and the product failed.

Mayor Key stated no one expected the product to fail.

Councilor Irving stated he was hopeful that Mr. Currin would go back to the people that have asked him about the pool and give them some answers.

Mr. Currin stated this was better information than what was on the website and stated that needed to be communicated to the citizens. He said he will go back and let people know and offered if there was anything he or the golf club could do to let him know. He said he believed in the city, the city council and the administrative staff and that they always do their best fiduciary.

MANAGER'S REPORT

Manager Hall stated as mentioned earlier there were representatives from the Federal Transportation Administration (FTA) conducting a Federal Tri-Annual Review Audit. The recruitment for the Library Director position will be released soon and Lili Schmidt will serve as the interim director. Lili is a sixteen year employee of the library and is very capable with the interim duties. She said she has had discussions with the new Milton-Freewater Unified School Superintendent Aaron Duff regarding a School Resource Officer (SRO). In previous talks with the previous School Superintendent, it was said the school would contribute \$25,000 towards a SRO. City staff has applied for SRO grants but was unsuccessful. Mr. Duff indicated the school would contribute \$90,000 towards a SRO and he was in negotiations with Umatilla County for the additional funding and then the School Board would then need to vote on it.

COUNCIL ANNOUNCEMENTS:

Councilor Chesnut stated he didn't have his calendar handy and asked when the golf course work study was.

Manager Hall stated it was scheduled for September 16, 2019.

There being no further business the meeting was adjourned at 8:05 p.m.

Lewis S. Key, Mayor