
CITY OF MILTON-FREEWATER GOVERNING BODY

Damien Reino At Large, Position 1
Steve Irving - Council President At Large, Position 2
Edwin E. Chesnut At Large, Position 3

Lewis S. Key Mayor
John Lyon Ward 1
Bradley J. Humbert Ward 2
Jose Garcia Ward 3

**CITY OF MILTON-FREEWATER
CITY COUNCIL MINUTES****May 10, 2021**

The Council of the City of Milton-Freewater met Monday, May 10, 2021 at 7:00 p.m. at the Community Building, 109 NE 5th, a larger venue, Milton-Freewater, Oregon due to the Coronavirus (COVID-19) pandemic and practicing social distancing to stay in compliance with the Executive Orders Issued by Governor Kate Brown.

The following City Council members were present: Mayor Lewis Key, Councilors Steve Irving, Jose Garcia, Damien Reino, Ed Chesnut and John Lyon.

Councilor Brad Humbert was absent.

Staff members present were: City Manager Linda Hall, City Recorder Leanne Steadman, Police Chief Doug Boedigheimer, Electric Superintendent Mike Watkins, Fire Chief Shane Garner, Public Works Technician Steven Patten, Human Resource Officer Laurie Bubar, Engineering Technician Ryan Westman, Police Sergeant Joe Shurtz, Police Officers Craig Robinson and Dylan Garcia and Emergency Communication Specialist Lead Luz Garcia, and Emergency Communication Specialist Karen Lagier, Tracy Legore and Scott Hockaday.

Guests and citizens present were: Christine Boedigheimer, Mike Pierce, Stacy Pierce, Kandy Pressnall, Charles Danforth and Wes Koklich.

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 April 12, 2021
- Executive Session Minutes from April 12, 2021
- Accounts payables from March 16, 2021 through April 7, 2021
- Accounts payables from April 8, 2021 through April 19, 2021
- Accounts payables from April 20, 2021 through May 4, 2021

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

PRESENTATION ITEMS:**INTRODUCTION OF NEW POLICE DEPARTMENT EMPLOYEES CRAIG ROBINSON,
SCOTT HOCKADAY AND KAREN LAGIER**

Police Chief Doug Boedigheimer introduced the newest members of the police department; Craig Robinson, Police Officer and Emergency Communication Specialists Scott Hockaday and Karen

Lagier. He also introduced other members of the police department that were present; Sergeant Joe Shurtz, Police Officer Dylan Garcia, Emergency Communication Specialist Lead Luz Garcia and Emergency Communication Specialist Tracy Legore.

UPDATE – ELECTRIC UTILITY STUDY

Electric Superintendent Mike Watkins gave an oral update on the findings of the Electric System Planning Study that was completed by O.S. Engineering. The purpose of the study was to look at the electric system, and determine its operational capacity, its reliability, and identify system improvements that will allow the City to supply adequate and quality power to customers now and into the future. As part of his presentation he shared the background of the electric department and stated the City has three substations; Freewater Substation located on Cobb Road, Milton Substation located at the base of Milton Hill and the Lagoon Substation that is located on Seven Hills Road that supplies power to the city farm. The study confirmed that there is sufficient substation capacity available to serve the City's expected peak loads for the next ten years under normal operating conditions. The Electric System Planning Study is very detailed but he gave a couple recommendations that were part of the findings. One of the recommendations is to replace the fifty four year old T-1 transformer at Freewater Substation, which is near the end of its useful life with a new one which is about the size of a pickup truck, and the cost is estimated to be approximately \$375,000. Another recommendation included in the study was to purchase a similar power transformer, and parallel the existing transformer, M-1 at Milton Substation which would be another \$375,000. With these two recommendations replacing these transformers the cost could be \$750,000 or even more. The study will be instrumental in budgeting for these replacements. Mr. Watkins stated the study was available to review if council was interested.

Councilor Irving commended the electric staff for purchasing new LED streetlights and buying them in bulk to save the City money.

Wes Koklich, 2088 S. Walnut – asked how it was possible to gauge the need for electric vehicles, electric lawn mowers, bit coin/crypto currency, etc.

Mr. Watkins stated electric vehicles use a lot of energy to charge and it would be a struggle to balance.

Mr. Koklich asked if that could lead to blackouts.

Mr. Watkins stated his engineering technicians, Ryan Westman and Tina Kain did a great job looking at the customer's request and evaluating the load data sheets provided by the customer, to determine equipment is size properly and everything will work smoothly and under load.

UPDATE – 2050 WALLA WALLA BASIN STRATEGIC WATER PLAN

Public Works Technician Steven Patten gave an oral update on the 2050 Walla Walla Basin Strategic Water Plan. He stated this process is trying to ensure adequate water for people, irrigated agriculture, and instream flows for fish and wildlife. The process has pulled together a diverse group of individuals across the basin including representation from the city, county, state, tribal and environmental interest. There have been approximately twenty meetings to discuss strategies and ideas to put forward to meet those goals over the next thirty years. All the information is coming together into a strategic plan which is phase 1 of the process. Mr. Patten spoke about the specific factors productivity are constrained by. He spoke about strategies that may affect the city as being; floodplain reconnection (Nursery Bridge and upstream of Milton-Freewater), additional flow down

the lower Walla Walla River in winter/spring, expansion of the managed aquifer recharge program, expand and support municipal aquifer storage and recovery. A lot of the strategies are looking at how to get better coordination between Oregon and Washington. There is a bi-state basin, where there is Oregon Rules and Regulations and Washington Rules and Regulations that don't always mesh together very well. Some more things the strategic plan is hoping to improve on is drought management and drought response. They are also looking at municipal conservation plans and Mr. Patten stated that the Council recently approved the updated City of Milton-Freewater Water Management and Conservation Plan which a lot of the actions are already included in that plan like identifying and repairing leaks, improve water conservation among users, etc. With the recent flooding event last year, another strategic plan is to improve flood invasion maps so cities and counties can respond better in the future. Mr. Patten stated these are some of the strategies that are likely to affect the city but there are others as well. Moving in to Phase 2, they are going to continue to define additional strategies that need to be incorporated and they are also looking at developing an adaptive management strategies because there will be changes. Other strategies being looked at are education, outreach, funding and a Bi-State Management Administration. The plan moving forward is to have a consensus of the strategies and incorporate them into a draft initial plan at which time Mr. Patten will update the Council as they are warranted.

Councilor Irving asked how many recharge stations there are currently.

Mr. Patten stated in Oregon there were seventeen active sites and four sites in Washington. The sites in Washington are not currently active due to lack of funding and water quality. Initial reports for the sites in Oregon are showing for this last year it may have been the best year yet.

Mr. Pierce asked how depleted the aquifer was.

Mr. Patten stated it averaged between one to four feet decline per year.

A brief discussion ensued regarding the aquifer recharge study and design and tiered water rates.

Ryan Westman asked if increasing the flow on the Walla Walla River would affect the property owners that live next to the river.

Mr. Patten stated they are proposing to increase the flow during the winter months.

A brief discussion ensued.

BUSSINESS ITEMS:

RESOLUTION NO. 2453, AUTHORIZING SIGNATURE TO MASTER GRANT AGREEMENT WITH OREGON DEPARTMENT OF TRANSPORTATION FUND EXCHANGE AGREEMENT

City Manager Linda Hall presented the Master Grant Agreement with Oregon Department of Transportation (ODOT) which exchanges the City's annual allocation of Surface Transportation Block Grant (STBG) Funds. She reported that each year the city is allotted federal funds for roadway improvements channeled from the federal government through ODOT. The current fund exchange rate is 94 cents (\$.94) in grant funds for one dollar (\$1.00) of Surface Transportation Block Grant (STBG) funds. This exchange rate will run through December 31, 2021 then the exchange rate will go to 90 cents (\$.90) in grant funds for one dollar (\$1.00) of STBG funds. The

exchange rate has not been change in many years. It is very beneficial for the City to have a Master Grant Agreement with ODOT as the City falls under their umbrella. Another change in the new Master Grant Agreement is that the City will be able to request all the funds allocated by contract instead of submitting reimbursement requests for projects.

Councilor Irving motioned to adopted Resolution No. 2453, Resolution Authorizing Signature to Master Grant Agreement No. 34792 with Oregon Department of Transportation for the Fund Exchange Program (FEX). Councilor Chesnut seconded the motioned which passed unanimously.

RESOLUTION NO. 2454, AUTHORIZING SIGNATURE TO HAZMAT BY RAIL EQUIPMENT DISTRIBUTION INITIATIVE GRANT AGREEMENT WITH STATE OF OREGON

Fire Chief Shane Garner reported the HAZMAT by Rail Distribution Initiative was an opportunity for Oregon Fire Departments to increase equipment capabilities. The Oregon Fire Marshal's office will procure and direct ship equipment to the fire department. Once received, the equipment will become property of the fire department. The grant will provide thermal imaging cameras, storm drain covers, HAZMAT containment pools, and gas monitoring equipment. There is no match requirement and there will be no direct funds received as this is a direct equipment grant.

Mayor Key asked what the approximate value was of the equipment that would be received.

Chief Garner stated between seven thousand dollars (\$7,000) and ten thousand dollars (\$10,000).

Councilor Chesnut motioned to adopt Resolution No. 2454, Resolution Authorizing Signature to the HAZMAT by Rail Equipment Distribution Initiative Grant Agreement #HBR5 made by the State of Oregon, acting by and through its Department of State Police. Councilor Irving seconded the motion which passed unanimously.

RESOLUTION NO. 2455, APPOINTING MUNICIPAL JUDGES PRO TEM

City Recorder Leanne Steadman reported with Sam Tucker retiring after over thirty four (34) years as serving as the City Municipal Judge and Council appointing Molly Tucker Hasenbank as the new Municipal Judge, the Municipal Judge Pro Tem list required updating. The new list contains the names of Sam Tucker, Chris Wallace, Kittee Custer and Tim O'Hanlon.

Councilor Irving motioned to adopt Resolution No. 2455, Resolution Appointing Municipal Judges Pro Tem and Repealing Resolution No. 2330. Councilor Garcia seconded the motion which passed unanimously.

RESOLUTION NO. 2456, MAKING APPROPRIATIONS DUE TO UNFORESEEN REVENUES AND EXPENDITURES FOR AQUATIC CENTER LAON

Manager Hall stated at a previous council meeting the Council approved a loan through Baker Boyer Bank in the amount of \$230,000 for aquatic center repairs. The loan will be paid back through the Parks and Recreation Local Option Tax revenues. An appropriation is required to be made to stay in compliance with the Oregon Budget Law.

Councilor Lyon motioned to adopt Resolution No. 2456, Resolution to make appropriations due to unforeseen revenues and expenditures. Councilor Chesnut seconded the motion which passed unanimously.

AUTHORIZATION TO LEASE THE BATTING CAGE BUILDING AND THE MEL BENNETT TENNIS COURTS TO THE MILTON FREEWATER UNIFIED SCHOOL DISTRICT

Manager Hall stated the City has been maintaining both the batting cage building located near the McRae Ireland ballfield and the Mel Bennett Tennis Courts located by Yantis Park. They are both owned by the City, but heavily used by the Milton Freewater Unified School District (MFUSD) in their athletic programs. Both facilities are aged and in need of upgrades. The MFUSD has expressed interest in a long term lease of these facilities. The tennis courts have been in need of resurfacing for decades, but the project is extremely expensive as staff learned after having an expert access their condition. The batting cage building is very popular for softball and baseball players to practice in, and this building is showing its age and wear. The utilities are currently being paid for by the parks department. Manager Hall recommended proposing a no cost, long term lease to the MFUSD and they would take over the utilities and upkeep on the batting cage building as well as the maintenance and improvements to the Mel Bennett tennis courts. Manager Hall stated she made it clear that public access would still need to be accommodated to both facilities as they are owned by the City. MFUSD Superintendent Aaron Duff said that would not be a problem and they would be reserved like the City's current practice, but that he would likely upgrade the standard locks and keys to a card reader system.

A discussion ensued regarding the extensive repairs needed to the tennis courts.

Councilor Lyon motioned to authorize the City Manager to negotiate and enter into a lease agreement with the Milton Freewater Unified School District for long term lease of Mel Bennett Tennis Courts and Batting Cage Building. Councilor Garcia seconded the motion which passed unanimously.

RESOLUTION NO. 2457 – AMENDING INFRASTRUCTURE IMPROVEMENT SURCHARGE RATE AND IMPLEMENTATION

Manager Hall stated since July of 2007, the City has had a utility infrastructure surcharge in place that helps provide stability of funding for major improvements and/or repairs to utilities. When the two dollars and fifty cents (\$2.50) per month surcharge was first implemented, it was applied to water and sewer utilities only. In October of 2008, it was extended to include the electric utility. Since that time, the fee has been in place, for fourteen (14) years it has never been increased, nor has it been extended to apply to all the utilities. Staff recommended increasing this fee by one dollar (\$1.00) for the electric, water and sewer utilities and implementing a fee of three dollars and fifty cents (\$3.50) in the solid waste utility to the Budget Committee, of which was adopted unanimously by the committee. This fee is accounted for separately in each utility fund and is used for capital projects and can be used to match large grants such as it did with the sewer plant improvement project. She stated rather than implementing rate increases which multiply with usage, staff was proposing that Council consider making the infrastructure improvement fee applicable to all city utilities uniformly.

Mike Pierce, 321 Peabody St. – asked how much the fee was.

Manager Hall stated the electric, water and sewer would increase one dollar (\$1.00) making it three dollars and fifty cents (\$3.50) per utility and add the fee for solid waste for three dollars and fifty cents (\$3.50).

Councilor Lyon stated he was concerned that this increase would be too close to the Police Station Ballot Measure and if council could wait until next month to vote on this increase or could the fee be phased in. He stated it wasn't the right time.

Manager Hall explained that the increase and implementation of fee for the solid waste utility was included in the preliminary budget. The Budget Committee adopted the preliminary budget and if this fee were not to be adopted by Council then the budget would need to be re-worked and rate increases would need to be figured for the utilities. The budget notice would need to be re-advertised and the budget committee would need to be reconvened all before the June council meeting in order to meet the state deadline for submitting the city's budget to the state. She said when the General Obligation bond cost for the Police Station was figured, it was figured prior to a lot of new construction. The more construction and homes being built, the more that assessed value spreads that debt out for the bond debt. Manager Hall then explained that funds cannot be intermixed between them and that they must be accounted for separately. She stated she was going to report on the repairs needed for well #1 under her manager's report but wanted to give an example of how these funds are spent. She said the city has seven (7) basalt wells. The city's water system consists of two separate water systems, north and south, which is probably due to the fact that there used to be two cities, Milton and Freewater. On the south system there are three (3) wells, currently well #1 which is by the South Fire Station is down needing repairs in the amount of eighty thousand dollars (\$80,000), due to the shaft and casings needing replaced. Well #2 behind the library has had an air bubble problems for years, it has good static water level but the air bubble is causing some problems so that leaves one well out at Marie Dorian park. She said her point was that these fees help ensure there are funds available for situations like this to have funds available to make crucial repairs so there is no interruption in vital services.

Mayor Key stated well #2 was important as it was tied to the back-up generator in case of an emergency.

Councilor Chesnut stated if we always wait for the right time, there will not ever be a right time. He stated the increase of six dollars and fifty cents (\$6.50) per month was important to ensure dedicated funds to retain viable services. He stated he was in favor of the infrastructure fee.

Councilor Irving motioned to adopt Resolution No. 2457, Resolution Amending Infrastructure Improvement Surcharge Rate and Implementation. Councilor Chesnut seconded the motion which passed with Councilor Lyon being the dissenting vote.

ORDINANCE NO. 993, GRANTING A FRANCHISE TO WTECHLINK INCORPORATED, DOING BUSINESS AS MILTON FREEWATER FIBER COMPANY

Manager Hall stated the City has been approached by Wtechlink Incorporated, they are doing business as Milton Freewater Fiber Company they have requested the City grant them a franchise to do business here and they offer telecommunications fiber network. The franchise agreement would be an ordinance, as is required. It is not an exclusive franchise, as there are already two other fiber companies doing business in Milton Freewater, Charter and LSN (Light Speed Network). The franchise agreement would allow them to construct, operate, repair, and maintain a telecommunications fiber network in the city rights-of-way as well as attach to poles, lines, anchors, wires, cables, etc. In exchange, the company pays the city seven percent (7%) of their gross revenues with a quarterly account and they would also pay pole attachment fees for each pole they attach their fiber to. These fees range from six dollars (\$6.00) to nine dollars (\$9.00) per pole. The City Attorney has reviewed the agreement and his recommendations have been incorporated. The

company is very anxious to begin construction and she asked the Council to consider an exemption from the two council meeting rule and host both readings and adoption at the meeting.

Mr. Pierce asked where the revenue funds went.

Manager Hall stated the seven percent (7%) franchise fee goes into the general fund for safety purposes, police and fire and the pole attachment fee will go to the electric fund.

Councilor Lyon motioned that Ordinance No. 993 be introduced by title only and full reading waived. Councilor Chesnut seconded the motion and a roll call vote was taken: Councilor Irving, yea, Councilor Garcia, yea, Councilor Reino, yea, Councilor Chesnut, yea and Councilor Lyon, yea, the motion passed unanimously. The City Manager then read the ordinance by title. The council then introduced the first reading of Ordinance #993, An Ordinance Granting to Wtechlink Incorporated, d.b.a. Milton Freewater Fiber Company, an Oregon Corporation, a Franchise to Construct, Operate and Maintain a Telecommunications Network within the City of Milton-Freewater, Oregon.

Councilor Chesnut motioned that the second reading of Ordinance #993 be by title only and full reading waived. Councilor Lyon seconded the motion and a roll call vote was taken: Councilor Irving, yea, Councilor Garcia, yea, Councilor Reino, yea, Councilor Chesnut, yea and Councilor Lyon, yea, the motion passed unanimously. The City Manager then read the ordinance by title.

Councilor Lyon motioned to adopt Ordinance #993, An Ordinance Granting to Wtechlink Incorporated, d.b.a. Milton Freewater Fiber Company, an Oregon Corporation, a Franchise to Construct, Operate and Maintain a Telecommunications Network within the City of Milton-Freewater, Oregon. Councilor Chesnut seconded the motion and a roll call vote was taken: Councilor Irving, yea, Councilor Garcia, yea, Councilor Reino, yea, Councilor Chesnut, yea and Councilor Lyon, yea, the motion passed unanimously.

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

Charles Danforth, 225 Maple Ave. – complemented the staff on the city website and its contents. He stated with wells going down and transformer costs going up, now was the time to do what needs to be done. He stated he believed the cost of materials was only going to go up and he said he was in favor of the police department bond, do it now, don't put it off.

MANAGERS REPORT

Manager Hall reported earlier about well #1 needing repairs she asked the council to authorize a purchase order in the amount of \$77,482.38 for the needed repairs.

Councilor Irving motioned to authorize a purchase order in the amount of \$77,482.38 for well #1 repairs. Councilor Chesnut seconded the motion which passed unanimously.

Manager Hall stated that staff will give an update on the disposition of well #9 which is located by the RV Park on Milton Hill at a future council meeting.

Manager Hall stated with the price of transformers going up and companies not honoring thirty (30) days on their bids she asked the council to authorize a purchase of one 1500 kVA transformer that is needed for a local business equipment upgrade in the amount of \$32,010.

Councilor Irving motioned to authorize a purchase order in the amount of \$32,010 for the purchase of a 1500 kVA transformer. Councilor Chesnut seconded the motion which passed unanimously.

Manager Hall introduced a new business owner that was present, Mike Pierce of Pierce Fabrication located in the Key Dollar Building on Peabody Street.

Mr. Pierce confirmed that prices of steel have increased substantially and he believed that they will only continue to rise.

COUNCIL ANNOUNCEMENTS

Councilor Irving shared that his employer, Andy's Market, just recently upgraded their phone system and he was currently working on getting the details to share with Manager Hall. He stated his home town, Cascade Locks, has two electric vehicle charging stations and those that use them pay by credit/debit card. He stated that might be something the City look at in the future of providing.

Councilor Chesnut gave an update on his move to his new home. He stated planning for an electric vehicle charging station could be good for economic development.

Mr. Danforth spoke about hydrogen fueled vehicles.

A brief discussion ensued regarding hydrogen fueled vehicles versus electric vehicles.

There being no further business the meeting was adjourned at 8:38 p.m.

Lewis S. Key, Mayor