
CITY OF MILTON-FREEWATER GOVERNING BODY

Damien Reino At Large, Position 1
Steve Irving - Council President At Large, Position 2
Wes Koklich 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**

June 12, 2023

The Council of the City of Milton-Freewater met in regular session on June 12, 2023 in the Albee Room of the City Library, 8 SW 8th Avenue at 7:00 p.m.

The following members were present: Mayor Lewis Key, Councilors Jose Garcia, Damien Reino, Wes Koklich, John Lyon and Brad Humbert.

Council President Steve Irving was absent.

Staff members present were: City Manager Linda Hall, City Recorder Leanne Steadman, Public Works Superintendent Brian Steadman and Electric Superintendent Mike Watkins.

Guests and citizens present were: Charles Danforth, Tammy Seaquist, Paul Seaquist, Sheila Hagar, Jean Ann Mitchell, Ryan Westman, Ann Jolly, Suni Danforth, Jason Schaffner, Tracy Martinez, Joe Shurtz and Laurie Bubar.

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

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of:

- Council minutes from May 8, 2023
- Accounts Payable May 3, 2023 – May 16, 2023
- Accounts Payable May 17, 2023 – June 6, 2023

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

BUSINESS ITEMS:

PUBLIC HEARING AND RESOLUTION NO. 2514, 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 \$97,000.

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 regarding the State Revenue Sharing funds.

Manager Hall stated the proposed \$97,000 State Revenue Sharing funds were being used for public safety purposes, police, dispatch and fire.

Councilor Lyon motioned to adopt Resolution No. 2514, Resolution Electing to Receive State Revenue Sharing Funds for Public Safety Purposes. Councilor Humbert seconded the motion which passed unanimously.

PUBLIC HEARING AND RESOLUTION NO. 2515, ADOPT FISCAL YEAR 2024 BUDGET (July 1, 2023 – June 30, 2024)

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 2024.

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 regarding the budget.

Manager Hall stated the proposed budget was presented to the Budget Committee on April 25, 2023 which was approved. The budget contains over ten million dollars in grant money of that, \$800,000 in grant money is to support a shared wine production facility to be located in the old Sykes building, and \$204,000 in grant monies to support and improve recreation facilities was a couple examples. There is also \$60,000 Local Option Tax for Senior Transportation, \$100,000 Local Option Tax for Parks and Recreation and \$285,000 for General Obligation Bond for the new Police and Dispatch Station. The total balanced budget is \$63,678,405 which does include utility rate increases.

Councilor Humbert motioned to adopt Resolution No. 2515, Resolution Adopting the budget for the 2023-2024 fiscal year in the sum of \$63,678,405 (including \$1,678,408 of unappropriated fund balance and reserves), 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, \$285,000 for General Obligation Bond for new police station and make appropriations as listed on the Resolution. Councilor Reino seconded the motion which passed unanimously.

RESOLUTION NO. 2516, AMEND ELECTRIC RATES

Electric Superintendent Mike Watkins stated the implementation of a general 5% electric utility increase was being proposed. The department has seen an increase in the cost of operational needs, as well as purchasing materials such as transformers, poles, and conduit over the last few years. He shared some examples of the increase in materials. The new rates would be effective July 1, 2023.

Councilor Lyon motioned to adopt Resolution No. 2516, Resolution Amending the Electric Rates 5%. Councilor Humbert seconded the motion which passed unanimously.

RESOLUTION NO. 2517, AMEND SEWER RATES

Public Works Superintendent Brian Steadman stated the implementation of a general 5% sewer rate increase was being proposed. The need for the increase was driven by the increased cost in operations and materials. The increase is equivalent to \$1.65 per month increase in the monthly residential base rate. The last increase of 3.1% was July 1, 2015 to meet grant requirements.

Councilor Lyon motioned to adopt Resolution No. 2517, Resolution Amending Sewer Rates to reflect a 5% increase effective July 1, 2023. Councilor Humbert seconded the motion which passed unanimously.

RESOLUTION NO. 2518, AMEND SOLID WASTE RATES

Mr. Steadman stated the implementation of a general 10% solid waste rate increase was being proposed. The need for the increase was driven by the increased cost in operating costs and materials, mandated fees, testing requirements, environmental regulations and operating requirements of the landfill operating permit. The increase is equivalent to \$1.61 per month to the base rate for one 96-gallon container and \$.42 recycling for a total solid waste rate increase of \$2.03 per month.

Councilor Koklich asked about recycling.

Mr. Steadman stated there are more mandates coming from Oregon Department of Environmental Quality (DEQ) slated to be effective in 2025. There will be more requirements for recycling which will more than likely have to be transported across the state. The new mandate would also require an additional truck being added and manpower.

Councilor Koklich asked about recycling glass.

Mr. Steadman stated glass is collected as a recyclable and is crushed down to small particles then spread on the landfill roads for dust control.

Councilor Lyon motioned to adopt Resolution No. 2518, Resolution Amending Solid Waste Collection Rates Reflecting a 10% increase effective July 1, 2023. Councilor Humbert seconded the motion which passed unanimously.

RESOLUTION NO. 2519, AMEND WATER RATES

Mr. Steadman stated the implementation of a general 25% water rate increase was being proposed. The need for the increase was driven by the need to keep up with aging infrastructure such as the replacement of the north water tower, construction of an additional well to replace well #9 and the increasing cost of chlorine and maintenance materials as well as increasing number of testing and reporting requirements in the water system. The overall increase is equivalent to a \$5.45 per month increase in the base rate. The last water rate increase was July 1, 2016 of 10%.

Councilor Lyon asked if concrete was the chosen material for the water reservoir.

Mr. Steadman stated that is what staff is proposing. Research has shown that concrete will last longer and will require less maintenance than other materials.

Councilor Lyon motioned to adopt Resolution No. 2519, Resolution Amending Water Rates Reflecting a 25% increase effective July 1, 2023. Councilor Humbert seconded the motion which passed unanimously.

A brief discussion ensued regarding the rate increases.

Manager Hall stated staff took the increases in the utilities very seriously, and even after the adoption of the increases, the city still has the areas lowest rates.

Councilor Lyon asked if the water rate increase was forced.

Manager Hall stated that in order to qualify for any grants, the water utility must have a plan to get to at least half of the Oregon state rate average.

RESOLUTION NO. 2520, AMEND GOLF COURSE RATES

Mr. Steadman stated the implementation of a general 3% golf course rate increase was being proposed. The need for the increase is the rising cost of maintenance materials and equipment as well as the debt service for the irrigation system.

Councilor Lyon asked about the golf course cart path repairs.

Mr. Steadman stated they were on the project list.

Manager Hall stated the local option tax is \$100,000 per year with approximately \$95,000 being received. The hope is to leverage that money to other grants, in the FY24 budget there is a \$204,000 parks grant. There have been a lot of repairs at the pool and instead of waiting for the local option tax monies to come in, a loan to fix the pool was taken out so that debt service still needs to be repaid. She said it's very challenging to balance the list of wants to the amount of funds that are available.

Tammy Seaquist, 684 College Street – stated the golf course, Mac-Hi track and the aquatic center is a wonderful area.

Ann Jolly, 225 Maple – asked if the city subsidizes the golf course.

A brief discussion ensued.

Councilor Lyon motion to adopt Resolution No. 2520, Resolution Amending the Municipal Golf Course rates to reflect a 3% increase effective July 1, 2023. Councilor Garcia seconded the motion, the motion passed with Councilor Humbert being the only dissenting vote.

RESOLUTION NO. 2521, AUTHORIZING SIGNATURES TO THE CITY'S BANKING AND INVESTMENT ACCOUNTS

RESOLUTION NO. 2522, AUTHORIZING CERTAIN EMPLOYEES TO MAKE TRANSFERS IN THE LOCAL GOVERNMENT POOL AND FIDELITY INVESTMENT ACCOUNT

City Recorder Leanne Steadman stated with the current Finance Director Dustin Dougherty leaving the position and the promotion of Laurie Bubar as the new Finance Director, it was necessary to change the authorized signatures on the City's banking accounts. The only change was that of the

finance director, all other signatories listed on the proposed resolutions remained the same. The change affected the banking and investment accounts as well as the Local Government Pool account and Fidelity Investment account.

Councilor Reino motioned to adopt Resolution No. 2521, Resolution Authorizing Signatures to the City of Milton-Freewater Banking and Investment Accounts. Councilor Humbert seconded the motion which passed unanimously.

Councilor Reino motioned to adopt Resolution No. 2522, Resolution Authorizing Certain Employees to Make Transfers in the Local Government Pool and Fidelity Investment Account. Councilor Garcia seconded the motion which passed unanimously.

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

Jean Ann Mitchel, 1012 Davis – stated her concern of the swimming pool cleanliness and the amount of attention the pool staff was giving the patrons. She stated their lifeguards are being de-certified.

Mr. Steadman stated after he received the phone call from Mrs. Mitchel and learning of her concerns, he called the CEO of the Walla Walla YMCA, which the city contracts with, to bring the matters to her attention. All the items that were brought to his attention, to his knowledge, were addressed that same day.

Manager Hall stated that was the first day of opening fully to the public. She said she believed in the YMCA and their service and trusted their lifeguards were certified.

MANAGERS REPORT

Manager Hall announced the first “Coffee with a Cop” will be at Burger Hut on June 17th from 8:00 – 10:00 am.

COUNCIL ANNOUNCEMENTS

Councilor Koklich asked if Oregon Department of Transportation (ODOT) was going to fix the entry going into Safeway parking lot.

Mr. Steadman stated he has already requested that ODOT fill in the entrance approach to Safeway during their course of construction.

Councilor Koklich asked for an update on NE 2nd.

Manager Hall stated several staff members met on site that day and the plan is to start with taking back the city’s right-of-way. The area will be clearly marked out and a 24-hour notice will be given to vacate the right-of-way property.

There being no further business the meeting was adjourned at 7:43 p.m. to an executive session 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 City Council meeting was returned to open session at 8:10 p.m.

There being no further business the meeting was adjourned at 8:17 p.m.

Lewis S. Key, Mayor