

**City of Milton-Freewater
City Council Minutes**

OATH OF OFFICE

At 6:45 p.m. Lewis Key - Mayor, Brad Humbert – Ward 2 Councilor, Keith Woods – Ward 3 Councilor and Jeff Anliker – At Large Position #1 Councilor were sworn into their respective offices by Notary Public Linda Hall.

The Council of the City of Milton-Freewater then met in regular session Monday, January 12, 2009 at 7:00 p.m. in the Albee Room of the Library.

The following members were present: Mayor Lewis Key, Councilors Orrin Lyon, Ed Chesnut, Keith Woods, Jeff Anliker, Brad Humbert and Steve Irving.

Staff members present were: City Manager Linda Hall, Finance Director Dave Richmond, Public Works Utility Worker Mike Brannan and City Recorder Leanne Steadman.

Citizens present were: Patty Key, Robyn Anliker, Jocelynn Anliker, Joyce Anliker, Manford Anliker, Wrandoll Brenes, Heidi Brenes, Zoe Brenes, Zack Brenes, Greg Anliker, Christa Guerrero, Robert Guerrero and Tim Mikesell. Karen Kendall and David VanDerlip from Greater Eastern Oregon Development Corporation were also present.

Press member Melanie Hall of the Valley Herald was present.

CONSENT CALENDAR ITEMS:

The consent calendar items consisted of regular council meeting minutes from December 8, 2008 and accounts payable from December 17, 2008 – January 7, 2009.

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

PRESENTATION:

RECOGNITION – JANUARY 2009 EMPLOYEE OF THE MONTH

Mayor Key recognized January 2009 Employee of the Month, Public Works Utility Worker, Mike Brannan. He described Mr. Brannan as being a very versatile and positive employee. He is very skilled at equipment operation, irrigation system installation, planning and repair, truck driving and meter reading. He grasps new jobs quite easily and masters them quickly. Mr. Brannan is considered a very valuable employee. Mayor Key, on behalf of the other City Councilors, presented Mr. Brannan with a \$100 check to show their appreciation.

City Manager Hall thanked the council for the employee of the month award program. She felt it was a great program to let employees know how much they are appreciated.

BUSINESS ITEMS:

ELECTION OF COUNCIL PRESIDENT

City Manager Hall stated that the City's Charter requires the election of a Council President from their membership at the first council meeting of each odd-numbered year.

Councilor Woods made a motion to nominate Councilor Lyon as Council President. Councilor Humbert seconded the motion which passed unanimously with Councilor Lyon abstaining from the vote.

RESOLUTION NO. 2114, AUTHORIZE SIGNATURE TO AMENDMENT #1 OF THE GOLF COURSE RESTAURANT LEASE AGREEMENT, "SHELLY'S LAST SHOT"

City Manager Hall reported that the original lease agreement for the golf course clubhouse called for utilities only to be paid from April 2008 through December 31, 2008. Beginning January 2009, the tenants were to start paying five-hundred dollars (\$500) a month rent plus all utilities. She said in light of the economy and the severe winter weather that we have had the restaurant business had been slow. She stated that the owners of "Shelly's Last Shot" had not asked for any type of extension and that Ms. Hall was bringing this forward at her own discretion. She stated whichever decision that Council made on the subject, staff would be completely satisfied with. Ms. Hall stated that it was a benefit to have tenants in the clubhouse and paying their own utilities otherwise the Golf Course, which is an enterprise fund, would have to absorb the added cost of utilities. She stated the proposal being presented had a three (3) month extension on the rent only and that they would still be required to pay utilities.

Councilor Irving motion to adopt Resolution No. 2114, Resolution Authorizing Signature to Amendment #1 to the contract with Shelly's Last Shot for the lease of the golf course clubhouse restaurant allowing an extension on the rent due time period until April of 2009. Councilor Lyon seconded the motion which passed unanimously.

Councilor Anliker said he went by the golf course restaurant and it was closed, no sign posted.

City Manager Hall said Councilor Anliker raised a good point and that she has had other members of the community comment on their hours of operation. She said she would be addressing that when she informed them of the amendment to the contract.

Councilor Irving stated that "Shelly's Last Shot" was hired to cater his employer's Christmas dinner and he felt they did a great job and the food was good.

PUBLIC NOTICE AND PUBLIC HEARING FOR THE PURPOSE OF A COMMUNITY DEVELOPMENT BLOCK GRANT FOR HOUSING REHABILITATION THROUGH GREATER EASTERN OREGON DEVELOPMENT CORPORATION (GEODC)

Mayor Key opened and summarized the rules for a public hearing held for the purpose of gaining citizen comments regarding an application for a Community Development Block Grant (CDBG). He then explained that the testimony given in this hearing should be centered around the criteria for the Community Development Block Grant.

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

City Recorder Leanne Steadman reported notice of the hearing had been published according to law and no written comments had been received in her office.

No member of the audience wished to make comments or asked any questions.

At which time City Manager Hall stated that there had been some events arise regarding the grant application since the production of the council packets. She said the specific program that the city would be applying for was the residential rehabilitation program. She stated that she learned of the grant through the Greater Easter Oregon Development Corporation (GEODC). The program would enable home owners inside the city limits, to fix up their

homes by replacing heating units, foundation, structural walls, roofs and other major repairs. She stated there was a maximum of thirty-thousand dollars (\$30,000) per home and the grant would not be required to be paid back until the home was sold or the home owner passed away, at which time the funds would be repaid. Ms. Hall stated that if Council chose to submit an application it would be in collaboration with the City of Pendleton. She said just recently she found out from GEODC that the State had said the city could possibly be ineligible due to the fact that the City of Milton-Freewater currently has another Community Development Block Grant open which is the Economic Development Loan Fund. The loan fund is struggling because no one is expanding their business right now. Ms. Hall said nowhere in the CDBG handbook did it say that a certain percent of a current grant must be expended before being granted another one. She knew that three (3) open Community Development Grants were the limit at any one given time. GEODC, on behalf of the City of Milton-Freewater and the City of Pendleton, were appealing the State's decision and a hearing date had been scheduled for January 16, 2009. She said she wanted to carry forward with the public hearing and get councils' input but wanted to be very clear that it was dependent of the outcome of the hearing if the two cities would be receiving the grant.

City Manager Hall introduced Karen Kendall and David VanDerlip from GEODC. They were at the meeting to support the cities and answer any question anyone may have had.

Tim Mikesell – Pendleton, Oregon – Said he understood that the public hearing was for the City of Pendleton and the City of Milton-Freewater.

City Manager Hall said that was correct, the public hearing was for both cities. The City of Milton-Freewater and Pendleton would be joint applicants. The City of Milton-Freewater would be the lead applicant the first year and that was why the public hearing was being held here and next year the City of Pendleton would be the lead applicant and would host the public hearing if the grant was granted.

Mr. Mikesell said he had been involved with a similar program in Fossil, Oregon and felt it did a lot of good for a lot of people in that community.

No member of the council wished to make comments or asked any questions.

The mayor then declared the public hearing to be closed and asked for the direction of the council.

Councilor Chesnut motioned to authorize a Community Development Block Grant application for a residential rehabilitation program on behalf of the cities of Milton-Freewater and Pendleton be submitted. Councilor Humbert seconded the motion with passed unanimously.

MANAGER'S REPORT:

City Manager Linda Hall reported that the Christmas lights would remain up until the end of January to accommodate citizen's requests. A new city wide newsletter had been established with the first issue going out in the utility bills April 2009. The newsletter will be four (4) times a year, quarterly, and will be aimed at giving citizens information on events going on in the city. A settlement had been reached with Qwest regarding franchise fees. She said after banning together with about forty (40) other cities and over the course of six (6) years of an audit being preformed the city will realize approximately twenty-seven hundred dollars (\$2,700). She said she was a little disappointed in the amount of reimbursement but felt it was a good message to Qwest that cities are looking at their franchise agreements and holding them accountable. There was also an audit performed on Charter who holds the cable

franchise agreement with the city. She said that the city had contracted with a company that solely audits cable companies. The results of that audit were done very timely and seven-hundred fifty dollars (\$750) was found as a result. That amount will be split fifty fifty (50/50) with the auditing firm. Again Ms. Hall said at least the franchise holders are aware that the city is watching to make sure they are being accountable and holding to the contracts. The snow removal cost to the city was approximately sixty-three thousand dollars (\$63,000). She complimented all the crews for doing a great job of keeping the streets as clean as possible during the winter storms. The deadline for the Urban Renewal Agency Business Improvement Program has been extended until Friday, February 13, 2009. The program is a seventy-five, twenty-five (75/25) match, with the business owner paying the twenty-five (25) percent of the cost. The program can be used for exterior paint, signage, lighting, etc. Ethics reports for the last quarter of October, November and December 2008 are due January 15, 2009. Ms. Hall said that Mollie Monahan had been in contact with her and was giving her some history of Milton and Freewater when they became one city, Milton-Freewater. She said she would share more information of the history at a later date.

Members of the council commended and thanked the city crews and city staff for all their hard work on snow removal and taking care of customers. They felt everyone went above and beyond to get the job done.

Councilor Woods said he would be moving and would attempt to attend as many meetings as possible but suggested filling his position sooner than later.

There being no further business, council adjourned at 7:30 p.m.

Lewis S. Key, Mayor