

2364th Meeting**COUNCIL REGULAR SESSION****MINUTES**

City Hall Council Chambers, 10722 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

SEPTEMBER 6, 2022

Council Present: Councilors Adam Khosroabadi, Lisa Batey, Desi Nicodemus, Council President Kathy Hyzy, and Mayor Mark Gamba

Staff Present: Kelly Brooks, Assistant City Manager Peter Passarelli, Public Works Director
Justin Gericke, City Attorney Natalie Rogers, Climate & Natural Resources Manager
Ann Ober, City Manager Scott Stauffer, City Recorder

Mayor Gamba called the meeting to order at 6:02 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Gamba announced upcoming activities, including a Milwaukie Poetry Society reading, the Milwaukie Sustainability Fair, a playground design presentation, an author conversation event, and a city managers open door session. **Councilor Batey** noted a fundraiser at Mike's Drive-In in support of the Milwaukie Parks Foundation.

3. PROCLAMATIONS AND AWARDS**A. American Legion Day – Proclamation**

Mike Wilson, American Legion Post 180 Past Commander, remarked on the post's work in the community on behalf of veterans. Council thanked Post 180 for their work and **Mayor Gamba** proclaimed September 16 to be American Legion Day.

B. Constitution Week – Proclamation

Phyllis Hines, Susannah Lee Barlow Chapter Daughters of the American Revolution (DAR), remarked on the importance of recognizing the Constitution. **Mayor Gamba** proclaimed September 16 to 22 to be Constitution Week.

C. Preparedness Month Proclamation (moved to September 20, 2022, agenda)

4. SPECIAL REPORTS

A. None Scheduled.

5. COMMUNITY COMMENTS

Mayor Gamba reviewed the public comment procedures and **Ober** reported that there was no follow-up report from the August 16 community comments.

Paul Lisac, co-owner of Lisac's Fireplace and Stoves, noted that 2022 was the Lisac family's 100th year of doing business in Milwaukie and asked if the city would consider reading an anniversary proclamation. It was noted that staff would follow-up with Lisac.

Pat Stauss, Milwaukie resident, expressed frustration about the city's response to inquiries about code violations reported on the Stauss' property, observing that other properties in the city were in violation of the same code issues. **Mayor Gamba** and **Stauss** remarked on city efforts to find a solution to the Stauss' code violation issues.

6. CONSENT AGENDA

It was moved by Councilor Batey and seconded by Council President Hyzy to approve the Consent Agenda as presented.

A. City Council Meeting Minutes:

1. **August 2, 2022, Work Session,**
2. **August 2, 2022, Regular Session, and**
3. **August 9, 2022, study session.** (removed from the agenda)

B. Resolution 61-2022: A resolution of the City Council of the City of Milwaukie, Oregon, making an appointment to the Arts Committee.

C. Resolution 62-2022: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing the purchase of a five-yard dump truck with snow accessories.

D. Resolution 63-2022: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing the city manager to sign the State of Oregon Seismic Rehabilitation Grant Program (SRGP) Grant Agreement.

Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting "aye." [5:0]

7. BUSINESS ITEMS

A. New Building Energy and Climate – Resolutions (3)

Mayor Gamba reviewed the city's climate goals, which included reducing the carbon impact of buildings, and explained that the proposed resolutions were meant to begin the process of reducing the use of natural gas (methane) by banning it in city-owned buildings, existing buildings, and future buildings. **Gamba** explained that two invited presenters would speak first and then Council would take public comment.

Scott Ongley, co-owner of Lisac's Fireplace and Stoves, opposed the resolutions, reviewed Lisac's history selling natural gas appliances, and remarked that the power grid was not prepared for all-electric buildings and that banning natural gas without further education and time to develop climate-friendly solutions was a bad idea. **Ongley** believed most Milwaukians did not support a natural gas ban, commented on the need for natural gas during power outages, and noted that newer gas appliances were more efficient. **Mayor Gamba** asked about air flow safety in natural gas fireplaces and **Ongley** commented on safety improvements made to fireplaces in recent years.

Ongley discussed differences between gas and electric stoves and suggested that banning natural gas appliances would not result in much of a climate benefit and would cause energy and financial problems for Milwaukie residents. **Ongley** suggested that nuclear energy was the safest and cleanest form of energy and that regulating energy sources was not the purview of cities.

Mayor Gamba remarked that the resolutions did not propose taking away natural gas from existing buildings. **Ongley** observed that if natural gas were used less the utility company could decide it was not worth it to service an area, which would result in natural gas not being an option for certain areas.

Melanie Plaut, retired medical doctor, presented information about the negative health and climate impacts of methane (natural) gas; noting that the use of methane increases greenhouse gas (GHG) emissions, gas-related explosions, indoor air pollution, childhood asthma, depression, and Alzheimer's disease. **Plaut** suggested that research had shown that low-income homes were more at-risk of natural gas pollution, that natural gas appliances were harmful even when not being used and noted that several professional medical associations supported gas bans. **Plaut** concluded by reviewing recommendations for how to use natural gas appliances safely if they could not be replaced and encouraged Council to ban the use of natural gas.

Mayor Gamba reviewed the public comment procedures.

Zachary Turner, Climate Control Heating, Ventilation, and Air Conditioning (HVAC) estimator, remarked on the advantages of electric heating systems and electrifying buildings, and urged Council to adopt the resolutions. **Councilor Batey** and **Turner** remarked on the installation and use of mini-splits and heat pumps.

Ben Stevenson, Sunrise Movement PDX representative, urged Council to adopt the resolutions and remarked on the health and climate benefits of banning natural gas.

Alma Pinto, Milwaukie resident and climate justice associate with the Community Energy Project, commented on the impact of natural gas on the health and finances of low-income and Black, Indigenous, and People of Color (BIPOC) residents and encouraged Council to adopt the resolutions.

Bob Jenks, Oregon Citizens Utility Board (CUB) executive director, commented on the end-user's cost of the state's subsidization of expanding the natural gas system.

Eric Freed, Milwaukie resident, suggested utility companies were keeping all levels of government from addressing climate change and urged Council to adopt the resolutions.

Elijah Cetas, Milwaukie resident, remarked on life as a low-income renter using natural gas appliances and the need to invest in aging utility infrastructure.

Jonny Kocher, Rocky Mountain Institute (RMI) senior associate, commented on a Milwaukie utility cost analysis that found using natural gas appliances cost customers more than using electric appliances and encouraged Council to adopt the resolutions.

Matt Bokar, Salazar Architects senior associate, supported Council adopting the resolutions and commented on Salazar Associate's work to electrify building projects.

Greer Ryan, Climate Solutions representative, commented on the negative health impacts of using natural gas and the need to ban natural gas now so the city would be eligible for federal funding to electrify utility infrastructure. **Council President Hyzy** and **Ryan** remarked on when federal funds may be available for local use.

Mayor Gamba recessed the meeting at 7:46 p.m. and reconvened at 7:53 p.m.

Josie Moberg, Breach Collective climate justice legal fellow, supported Council adopting the resolutions and remarked on the urgency of addressing climate change.

John Weigant, Gresham resident, supported Council adopting the resolutions and commented on society's future reliance on electricity and not fossil fuels.

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Rob Reynolds, Milwaukie resident, asked Council to pause its consideration of the resolutions for 120-days to conduct more research and community outreach on the issue, and suggested the city had other issues to address before a natural gas ban.

Brad Reed, Milwaukie resident, supported Council adopting the resolutions and commented on the health reasons to move away from the use of fossil fuels.

Jacob Sherman, Milwaukie resident, supported the intent of the resolutions and asked Council to conduct additional public outreach before acting on the resolutions.

Lisac commented on the ability of gas appliances to function as a heat source during power outages and the inability of heat pumps to work in cold weather. **Councilor Batey** and **Lisac** noted newer gas fireplaces use batteries to power the ignition switch. **Mayor Gamba** and **Lisac** remarked on the size of a space a gas fireplace can heat.

Councilor Khosroabadi asked about an electric heat pump's ability to function in cold weather and **Turner** reported that heat pumps can work in the cold weather seen in Oregon. **Lisac** and **Turner** noted that heat pumps do not work without electricity and **Lisac** remarked on the importance of having a gas fireplace as a backup heat source.

Beth Doglio, former Washington state legislator, remarked on the importance of local governments addressing climate change by promoting the electrification of buildings.

Anne Pernick, SAFE cities community manager at Stand.earth, encouraged Council to adopt the resolutions to address the negative health impacts of using natural gas.

Katie Mercer, Portland resident, suggested natural gas companies were trying to sell a hazardous product and encouraged Council to adopt the resolutions.

Laura Stevens, unincorporated Clackamas County resident, supported the resolutions and remarked on the negative health effects of natural gas and wildfire pollution.

Brian Stewart, Electrify Now! co-founder, commented on the rising costs of using fossil fuels versus electricity, and encouraged Council to adopt the proposed resolutions.

Patty Hine, 350 Eugene president, supported the resolutions and commented on the electrification policies being considered by the City of Eugene.

Kasra Shokart, Milwaukie resident, supported the resolutions and remarked on the importance of stopping the use of fossil fuels.

Dylan Plummer, Sierra Club senior campaign representative, supported the resolutions and commented on the Sierra Club's work to encourage pro-electrification policies.

Mayor Gamba noted written comments on the resolutions had been submitted since the meeting started. It was Council consensus to move to discussion and not stop the meeting to review the comments.

Mayor Gamba read the text of the resolution directing that city-owned buildings be electrified into the record, noting changes to the resolution text that had been proposed by Council President Hyzy.

Councilor Nicodemus supported the electrification of appliances and buildings but was concerned about the lack of public process and community engagement to develop the resolutions, particularly among the Black, Indigenous, and People of Color (BIPOC) community. **Mayor Gamba** and **Nicodemus** remarked on the timing of adopting the resolutions and the need to engage the community about a natural gas ban.

Councilor Batey agreed with those who had suggested that the city should consider the issue more before adopting the resolutions but believed the resolution providing direction regarding city-owned buildings and new construction would not need as much community engagement.

Councilor Batey suggested the resolutions should be revised before being adopted and observed that an energy efficiency report issued for the city several years ago had identified natural gas use a vulnerability. **Batey** remarked that Plaut's presentation had raised concerns about residential use of natural gas and NW Natural Gas' lack of transparency in identifying gas leaks in homes and construction sites.

Councilor Nicodemus reiterated concern about the lack of BIPOC representation in the comments received. **Mayor Gamba** agreed with Nicodemus and observed that the lack of diversity in community engagement was true for most topics the city addressed.

Councilor Khosroabadi expressed concern about what happens during storms when the power goes out. **Mayor Gamba** stated that electric batteries and microgrids were the solution. **Khosroabadi** and **Gamba** commented that with or without gas appliances, there would be no heat without electricity. **Khosroabadi** agreed it was important to engage more people in drafting the resolutions and was concerned about new buildings including gas appliances.

Mayor Gamba and **Council President Hyzy** commented that current residents could end up living in new housing, but most residents of new housing do not live in the city.

Council President Hyzy asked staff for feedback on the potential workload impacts of the resolution directing that city-owned buildings be electrified. **Rogers, Passarelli,** and **Ober** discussed the process of identifying and funding energy efficiency projects at city facilities and what projects would be reprioritized to give staff time to complete electrification projects by the 2025 deadline identified in the resolution. **Ober** recommended that staff analyze energy efficiency and electrification work to be done at city facilities before Council adopt the resolution.

The group commented on the potential financial impacts of requiring all-electric and energy efficiency work be done at city facilities that are part of ongoing request for proposal (RFP) processes. They noted that electrification requirements could be factored into future projects and that it would be hard to add such requirements to ongoing projects, which may also require budget adjustments to cover project costs.

The group remarked on the energy efficiency standards being sought for the Coho Point at Kellogg Creek development project.

Ober reiterated that Council give staff time to analyze the impact of requiring city-owned buildings be electrified. **Passarelli** remarked on city facilities that would have to be retrofitted with electric systems. **Council President Hyzy** wanted ongoing projects to proceed and not slowed down by new requirements. **Hyzy** proposed that the resolutions be tabled to allow staff time to analyze the impact of electrifying city buildings and future construction projects. **Ober** believed staff could report back in a few weeks.

The group discussed what information staff would work on getting for the next Council discussion on building energy efficiency and noted how raising the minimum project cost amount threshold that triggered an electrification requirement from \$50,000 to \$200,000 would keep smaller projects from being subject to the new requirements. They also noted that any analysis of project costs would be hard to confirm due to the unusual and unpredictable costs of materials and construction during the last two years.

Council President Hyzy suggested the work to revise the resolutions could be an opportunity to engage under-represented communities. **Ober** noted there were equity groups who could help with project estimates.

Mayor Gamba recessed the meeting at 9:41 p.m. and reconvened at 9:45 p.m.

Ober noted that agenda item 7. B. Climate Fee Policy would be moved to the September 20 regular session agenda.

Mayor Gamba read the resolution related to the electrification of existing buildings into the record. Staff believed the resolution aligned with work staff was already undertaking.

Council President Hyzy noted Eugene's process for considering electrification and that staff had suggested the resolutions would create additional workload but would also align with work already being done. **Hyzy** reiterated a request for an analysis of what electrification and a robust community engagement effort would mean for staff. **Rogers** and **Passarelli** reviewed electrification, engagement, and equity work the city was already doing and what projects may require a consultant.

Council President Hyzy underscored the importance of equity work on city projects and was concerned that there would not be enough time or resources to do it in a way that ensures BIPOC community members participate. The group acknowledged the self-driven workload of the city's Equity Steering Committee (ESC) and the equity work being done by city staff on other projects.

Mayor Gamba asked what in the resolution regarding the electrification of existing buildings needed to change to not add to staff workload. **Ober** believed staff needed time to determine what the price of adding electrification projects would be.

Councilor Batey suggested the resolution's requirement that staff identify a plan to decarbonize existing buildings would be a big lift. **Ober** and **Rogers** remarked on what factors staff would look at in determining a cost impact for Council.

Council President Hyzy observed that the proposed electrification work may amount to it being a Council goal that the community would need to identify as a goal. **Mayor Gamba** remarked that the city's community visioning process had served the purpose of identifying what work the city should undertake to achieve climate action goals.

Council President Hyzy and **Ober** remarked that prioritizing electrification work would mean that other projects would be less of a priority.

Councilor Khosroabadi suggested the electrification work could be a way to refocus the city's ongoing Climate Action Plan (CAP) work to include the transportation system's carbon impact. **Ober** and **Khosroabadi** discussed the resolutions' deadlines for achieving electrification work and what work would need to be done to achieve those deadlines. **Council President Hyzy** suggested that adding electrification and other work to the CAP could be part of the planned five-year update of the plan. **Rogers** and **Hyzy** noted the feasibility of waiting for pending state legislation and litigation regarding decarbonization and natural gas to play out before updating the plan.

Council President Hyzy suggested the resolutions were not the only way to achieve the desired electrification outcomes and noted the need to give staff time to evaluate the proposed actions. **Mayor Gamba** remarked that there were only two ways to address the climate impacts of methane – stop using it or replace it with something else, neither of which Gamba believed the gas utility companies were interested in. **Hyzy** agreed with

Gamba and expressed concern that the community had not had time to weigh-in. **Gamba** and **Hyzy** commented on whether imposing a natural gas ban on future buildings would have a cost for the city.

Mayor Gamba read the text of the resolution regarding the electrification of future buildings, noted the upcoming franchise negotiations with NW Natural Gas, and suggested that it did not cost the city anything to ban the installation of new gas lines.

Councilor Batey believed there would not be much staff time required to implement a natural gas ban for new residential buildings. **Ober** and **Rogers** commented on how the city could approach a natural gas ban in new residential buildings, noting legal and legislative paths that had led to little results in other states.

Council President Hyzy asked for information about staff workload to implement the resolutions and **Ober** summarized steps staff would take to identify the workload. **Hyzy** believed the work being done in Eugene was different than what would need to be done in Milwaukie and expressed concern that NW Natural Gas may place a measure on the ballot in Milwaukie in 2023 that would remove the city's ability to regulate electricity and natural gas lines. **Hyzy** was concerned that the city had not done the community education work necessary to explain why banning natural gas was important. **Batey** believed the groups who had commented on the resolutions would lead the effort to defeat any NW Natural Gas measure.

Councilor Khosroabadi and **Ober** noted the cost and staff time that had been required to conduct a survey about the parks measure and **Khosroabadi** suggested the city commission a similar survey for natural gas. **Mayor Gamba** and **Khosroabadi** remarked on the feasibility of conducting a survey on an unknown natural gas measure.

Ober and **Mayor Gamba** summarized that Council had provided enough feedback for staff to analyze the resolutions and provide feedback to Council in November.

Councilor Batey encouraged those who had submitted comments to pay attention to the Clackamas County Housing Authority's Hillside Park redevelopment project as it would be the largest housing project to be built in the city.

Mayor Gamba noted that Pernick, who had commented, was a national organizer for electrification work. **Ober** noted that staff would reach out to another national electrification advocate in the coming weeks.

B. Climate Fee Policy Discussion (moved to September 20, 2022, regular session)

C. Parks Levy Ballot Measure Referral – Update

Gericke reported that the parks levy ballot measure title challenge period, referred to voters by Council, had ended without a challenge being filed, and explained that the next step would be to submit the final ballot title language to elections officials.

Council President Hyzy believed the city lacked clarity on the issue and needed more time to explain it to the public. **Hyzy** and **Councilors Nicodemus, Khosroabadi,** and **Batey** suggested the ballot measure be withdrawn until 2023 to give the city more time to explain why the city should leave North Clackamas Parks and Recreation District (NCPRD) and to see whether the district referred its own ballot measure to voters.

Staff summarized that Council wanted the ballot measure to be withdrawn and asked Council to withdraw the measure by motion and vote.

It was moved by Councilor Batey and seconded by Councilor Nicodemus to withdraw the previously adopted resolution referring a parks levy ballot measure to the voters. Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting “aye.” [5:0]

D. Council Parks Goal – Discussion

Councilor Batey reviewed Council’s last goals discussion that had resulted in two goals being adopted and suggested the time was right to add a third parks goal.

Council President Hyzy agreed that parks needed to be made a Council goal for the rest of 2022. Councilor Batey and Ober did not believe a timeline needed to be set for goals as the next Council could change them at any time.

Councilor Khosroabadi asked why the housing goal had been removed in 2021. Councilor Batey and Council President Hyzy explained that most of Council had felt the housing work the city could do was finished or underway. The group noted that the city did not play a role in administering housing funding and social support services and that the new Council would revisit the goals in 2023.

It was moved by Council President Hyzy and seconded by Councilor Khosroabadi to extend the meeting until 11:15 p.m. Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting “aye.” [5:0]

Mayor Gamba commented that adopting a goal for a few months did not seem worth it. Ober noted the budgetary impact of an issue being made a Council goal. Council President Hyzy suggested that putting something on a ballot and continuing to work on parks elevated it to a Council goal. Councilor Batey did not believe a Council goal had to be a multi-year project and could have value as a short duration statement.

It was noted that there was a 4:1 majority of Council in support of adding parks as a Council goal for the remainder of calendar year 2022.

Ober noted that Councilor Batey and Council President Hyzy would draft a goal adoption resolution for Council to consider at the September 20 regular session.

8. PUBLIC HEARING

A. None Scheduled.

9. COUNCIL REPORTS

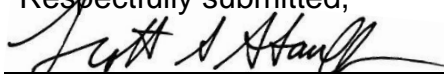
Ober reported that Councilor Khosroabadi was interested in being the Council liaison to the Clackamas County Water Environment Services (WES) advisory body and that Council would consider appointing Khosroabadi to the role at a future meeting.

10. ADJOURNMENT

It was moved by Councilor Nicodemus and seconded by Councilor Batey to adjourn the Regular Session. Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting “aye.” [5:0]

Mayor Gamba adjourned the meeting at 10:59 p.m.

Respectfully submitted,



Scott Stauffer, City Recorder