

**MISSION STATEMENT: TO PROVIDE A SAFE, HEALTHFUL AND SOUND ECONOMIC ENVIRONMENT,
PROGRESSIVELY ENHANCING OUR QUALITY OF LIFE**



**COUNCIL MEETING AGENDA
CITY COUNCIL – CITY OF ONTARIO OREGON
TUESDAY, AUGUST 21, 2018, 7:00 PM, MT**

Pursuant to the Public Meetings Laws and Rules within the Oregon Revised Statutes, the City Council has the authority, ability, and standing to take action on any items on the Agenda, or add items to the Agenda, during the Study Session or Regular Meeting, as long as all public meeting notice requirements have been met.

1) CALL TO ORDER

Roll Call: Tessa Winebarger ____ Dan Capron ____ Marty Justus ____ Ramon Palomo ____
Betty Carter ____ Norm Crume ____ Mayor Ron Verini ____

2) PLEDGE OF ALLEGIANCE

This Agenda was posted on August 18, 2018. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website at www.ontariooregon.org.

3) MOTION TO ADOPT THE AGENDA

4) PUBLIC COMMENTS Citizens may address the Council; however, Council may not be able to provide an immediate answer or response. Our of respect to the Council and others in attendance, please limit your comment to three (3) minutes. Please state your name and city of residence for the record.

5) CONSENT AGENDA

- A) Adoption of Minutes:
 - February 8, 2018 Work Session
 - July 9, 2018 Special Telephonic Council Meeting
 - July 12, 2018 Work Session
 - July 17, 2018 Council Meeting
 - August 7, 2018 Special Council Meeting

6) SPECIAL ACTION

- A) Departure of Councilor Tessa Winebarger

7) OLD BUSINESS

- A) Marijuana Updates/Timeline Actions

8) NEW BUSINESS

- A) Treasure Valley Community College Multi-Use Pathway Design
- B) Ontario Splash Pad Phase 1 (Restroom) - Construction Award
- C) SRCI Wastewater Agreement Extension
- D) Resolution #2018-134: Establishing Public Safety Fees
- E) Resolution #2018-135: Certain Fees & Charges not Subject to Limitations of Article IX, Section 11b of Oregon Constitution (Measure 5)

9) HAND-OUTS/DISCUSSION ITEMS

- A) Check Register June to August 16, 2018

10) CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

11) ADJOURN

The City Council may recess/adjourn to Executive Session under ORS 192.660(2) as follows: (a) Employment of Public Officers, Employees, or Agents; (b) Discipline of Public Officers, Employees, or Agents; (c) Labor Negotiations; (d) Real Property Transactions; (e) Exempt Public Records; (f) Trade Negotiations; (g) Litigation /Consult with Legal Counsel; (h) Performance Evaluation of Public Officers and Employees; (i) Trade Negotiations; and/or (j) Labor Negotiations.

The City of Ontario does not discriminate in providing access to its programs, services and activities on the basis of race, color, religion, ancestry, national origin, political affiliation, sex, age, marital status, physical or mental disability, or any other inappropriate reason prohibited by law or policy of the state or federal government. Should a person need special accommodations or interpretation services, contact the City at 889-7684 at least one working day prior to the need for services and every reasonable effort to accommodate the need will be made.



CITY COUNCIL WORK SESSION MINUTES February 8, 2018

The scheduled Work Session of the Ontario City Council was called to order by Mayor Ronald Verini at 12:00 p.m. on Thursday, February 8, 2018, in the Council Chambers of City Hall. Council members present were Ronald Verini, Norm Crume, Dan Capron, Betty Carter, Ramon Palomo, and Marty Justus. Tessa Winebarger was excused.

Members of staff present were Adam Brown, Corinna Hysell, Larry Sullivan, Kari Ott, Debbie Jeffries, Terry Leighton, Jason Cooper, Dan Cummings, Betsy Roberts, Dallas Brocket, and Dan Beaubien.

The meeting was recorded and copies are available at City Hall.

Norm Crume led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on February 6, 2018. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

CRUME moved, CARTER seconded, **to ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

PUBLIC COMMENT

Dr. Ben Peterson, Ontario, stated: *Thank you for letting me come here and talk to you all today. I appreciate it. I grew up here in Ontario, moved back here about 14 years ago. I own a dental practice here in Ontario. I have three children and I live here. I, since moving back to Ontario, originally I lived in Fruitland for the first three years that I moved back to this area and started my dental practice. I moved to Ontario specifically to become more involved in the community. I felt like I couldn't be as involved as I wanted to when I lived in Idaho, and when I got back, done, primarily school committees, I chaired two bond committees, and helped pass the school bond that built our middle school and high school science wings. In that process, I was able to observe participation amongst employees that live in the city and don't. I was able to observe my participation as a city when I lived in Ontario versus when I did not live in Ontario, and I'll tell you, there's a significant difference between the two, and I think we have a real problem here in Ontario because the numbers have gotten so disproportionate that we don't have the horsepower here to move this city forward. I just think it's time to address, it's an uncomfortable topic for people because a lot of people, friends of mine, work here, they don't live here, but my biggest concern for the message to those people is it affects you if you live here or not because you may not have a job here, and you only need look as far as the college. A lot of their employees don't live here. Ontario becomes a bit of a third-world community because of a lack of educated, middle-class people here. Students refer to Ontario as the "Dirty-O" and who wants to send their kids to the Dirty O? People have to look at themselves and say, this wasn't my intention, but we've created a bit of a problem here. So, anyway, that's just an introduction. I'm just going to go through some written statements that I have, taken for what you want. Small towns like Ontario, public employees are the economic and social drivers of the community. For example, imagine what a town like Weiser, Idaho, or Vale, Oregon, would look like if 50% of their school and city work forces moved out. It would be devastating. That's what the citizens of Ontario are forced to deal with today. Assume that Ontario had available housing, a swimming pool, new school buildings, competitive taxes, but ¾ of our police force, both state and local, half of our public school administration and teachers, including our Superintendent, half of our city works, half of our community college personnel, ¾ of our state prison employees, lived outside of the community, most of them in a different state. Let's also assume that these people live in an adjacent community, and in that community nearly every teacher, principle, city employee, police officer, fire fighter, employed there resided there as well. Which community would you want to live in? However, I believe there is a solution to this problem and our local public leaders should adopt some basic policies.*



It was very important this not get inflated or misinterpreted. This is a going forward policy. Anybody who's been hired previously, we're not talking to you. We're talking to future hires, future administrators, because what's done, is done in the past. We're working on getting more of these people to come back. Now, if somebody lives in Idaho, if we can do something to encourage them to move back here, that'd be wonderful. What we're saying to you is, we want you to be our neighbor. We want you to come back. We want you to experience what I experienced when I moved back to Ontario and really connected with the community.

- *Number one: all future public employees and administrator-level hires must be required to live in the district or city boundaries. Basically, anybody who can be required to live here, will be required to live here as a condition of their employment.*
- *Number two: development of robust incentive packages for other staff, the rank and file employees, to encourage them to live where they work. This can include such things as student loan repayment, low interest loans for housing, stipends, signing bonuses, let them use as down payments on homes in the district.*
- *Number three: tracking and goal setting progress. For example, 80% of our local police force residing in Ontario by 2025. That's just an example. Tracking and goal setting is really important. So we went to the school district three years ago to ask them to adopt some similar policies. Now at the school district level, 10 of 16 administrators don't live in Oregon. So, the message back from the school board administration was that we were going to inspire people to live in Ontario. Inspiring doesn't work, and the people who pushed that agenda had not bothered to do any kind of tracking or goal setting, and I'll tell you, six administrators have been hired in the time between our presentation or our request for them to adopt this policy, and today. Five of those administrators lived in Idaho at the time; one was here. Currently, all six new hires live in Idaho. So, take that.*

This proposed policy change will not be easy, and may make some uncomfortable. It will require a backbone, clear communication, and creativity, but it's fair. We want nothing more for our community than any of our neighboring communities want or expect for their own. We want good neighbors who will join us in making our community better. We won't those who depend on this community for their livelihood to participate in that effort. The city's biggest expense is personnel, wages, and benefits. It's worth investigating how much of that spent stays in our community. The city makes a tremendous investment in its employees, and it's fair to ask them to invest in our community. This is quite similar to the city's recently passed housing bonus. I'm confident that crunching the numbers of similar creative incentives for the city employees would be a net positive. That does not take into account the non-monetary benefits of having those people live in our community, which far exceed, in my opinion, the monetary benefits. City employees are generally a large part of the educated, well-paid, middle-class. They are the backbone of small communities. The mere presence of such families make Ontario more livable and safer. Arguments that such policies are illegal or unconstitutional are based on fiction. I implore the City Council do their homework and adopt these very reasonable, lawful ways to implement such programs.

Again, I remind you of what we are seeking: A going forward policy required administrators and supervisors to live in the city, and to develop a range of incentives for staff, to encourage and motivate them to live here, too. This is one thing that is very important – you cannot push this type of policy when administration doesn't live here first. It's impossible for an administration to look at an employee, a potential hire, and say, look, we think it's important that you live in this community, here's why, and set that expectation. A lot of it is just expectation setting. When the communities around us where city leaders live in the community, they look across the table at a potential hire and that hiree knows exactly the message that's getting communicated.

Arguments that this limits the pool of qualified candidates are similarly nonsensical. If we have such a terrible community that people cannot be found who are willing to live here and work here, if our problems are so severe, we should probably just consider turning the lights off and closing the doors. Reasonable requirements to locate within a given time, with a financial incentive and new work, should not be discarded based on flippant excuses. It's actually an insult to your constituency to imply that decent people won't live among us. Thank you very much for your time.

Councilor Crume asked Dr. Peterson if he had any idea why the middle-class professional people don't choose to live in Ontario?

Dr. Peterson: *I have countless friends, classmates, who live in Idaho, and partners at work live in Idaho, and across the board, the common denominator, is the public education system. That's why, when I moved back, the first thing I did was zero in on ways I could get involved with our schools. That's one big thing. Another thing is just the quality of life. I don't think it comes down to swimming pools. Look at Fruitland – they don't have a golf course, there's no swimming pool. What they're looking for is our neighbors. I look back on my childhood and I think about the public employees, thinking specifically about teachers. My next door neighbor was Bob and Lydell Paterson growing up. I don't think my parents could have raised six kids with Bob and Lydell living next door. Bob was a principal for decades at Mae Roberts and Lindburgh. They took care of us when we were sick, they babysat when my dad had to go to the hospital in the middle of the night. They went to our college graduations. I think about, for example, I say Jerry Grey walking his granddaughter down the street the other day, Jerry Grey I had for one math class in high school, but when I was a kid, Jerry Grey coached Little League and ran the Little League program for decades. When I was in high school, he coached JV and Varsity baseball. They won a state championship with Jerry Grey coaching us. Now he is involved with Upward Basketball, which my daughter takes part in. Thing is, employees who don't live here, do not coach. Two things, you look at somebody's rental property vs. their primary residence. They don't get the same attention. Anyway, I think there's a huge hole in the overall community of those types of people, and people can see that and feel it, and they choose not to live here. Those are the two big things, in my opinion. The school is not alone.*

Mayor Verini asked the Council for their opinions on the residency issue.

Councilor Capron stated before he was on City Council, there was the issue of the town "leaving". Late 90s, early 2000, a lot of people left. Living in Ontario, seeing what was happening, he had a retired teacher tutoring his daughter, he had a retired policeman across the street, with another one up the road. Seeing the ones in town, seeing the ones that left, talking to people, it wasn't just one thing. People were leaving, and the Council needed to get people to want to live here. It came down to having places for people to live. How could they get the people to come back? He wanted to know what was legal, what wasn't, what they could or could not do, what the City Manager was willing to do, how the Council felt about this, so they could take it to the community.

Mayor Verini asked if there were any issues with moving forward on this with staff.

Larry Sullivan, City Attorney, stated Dr. Peterson was correct. There were no legal restrictions a municipality in Oregon imposing a residency requirement on an employee. There might be an issue for represented employees through the Collective Bargaining process, and he could not address that.

Adam Brown, City Manager, stated he had consulted a labor relations attorney, who opined that candidates were not covered by the collective bargaining contract until they were hired, so they could likely require that. The unit could ask that that be a subject of collective bargaining and some case law supported that they would likely win if they were to challenge that requirement, but no one in Oregon had actually been through that yet.

Councilor Justus asked Mr. Brown if they imposed this, made it that all future employees had to reside in the city, was he for or against it.

Mr. Brown stated he had experienced it differently, where it was too expensive to live. But, that wasn't the case here. There were affordable ways, many more than were available across the river. With the employees he had currently, to require them to live in the city going forward, he had no problem with that. The biggest challenge would be for law enforcement.

Councilor Justus asked if CH2 or Oster would be required to adhere to that policy, too?

Mr. Brown stated no, unless it was in their contract. He reminded the Council that when they contracted, it was not contacting for a person, it was for services. If it was the consensus of the Council, he could have something back before the Council at their next meeting, most likely an ordinance.

Councilor Carter asked Dr. Peterson if, in regards to the school system, he meant all the employees, or just upper management?

Dr. Peterson: *That's something, you guys have kind of taken this to another level, and that's fine, you guys can do what you want to do. I was talking about administrative level employees. The ones earning big salaries, who are making policies, including imposing taxes on the citizenry, like the Superintendent for the school district, and then incentivizing rank and file, encouraging, setting a tone, from the top down. That's what we are talking about. Now, police officers, I consider them people we'd try to incentivize to come over here and live here. On that note, if you'll give me just a little flexibility here, I have a friend who just retired as a police officer here in Ontario. He's planning on moving over here. I asked him, would you have moved over here if they said you couldn't have the job if you don't move over here, he said, the pay difference is so extreme that absolutely he'd move over here. He has a kid in high school, he wants to see this child through to graduation. I feel like we can be reasonable and work with people. But, it has to be a priority, front and center. You have to have a goal and try to improve it, because what happens is, if we don't have a police officer living in the community, we get a renter living in a house across the street from you, or you get somebody who is less educated and earns less money, and then we have to pay more money to police the situation. It's just absolutely backwards. Instead of having a police car pulled into that slot, we have problems. That's in my neighborhood. So I think it's a no-brainer. I don't know if anyone has ever reached out to them.*

Councilor Carter stated her question was because at the state level, within the agency there, at DOC, it was required that all upper management live within the city limits of Ontario, but it didn't require all other employees.

Mr. Brown stated one fairly easy incentive, and not costly, would be a water and sewer credit. Not a zero water and sewer cost, but a set amount that every employee would get.

Mayor Verini asked for Council consensus for either upper management or all employees to live within the city.

Councilor Capron wanted to see both, but not necessarily at the next meeting.

Councilor Crume stated they needed to look at the contracts for this. If the city asked CH2 or Oster to follow this rule, they city would need to impose it on any contracted labor the city used. He didn't believe it would be fair to require CH2 or Oster to fall under this proposal. Secondly, he wished people wanted to live here. The idea of telling anyone that they "had" to live here in order to get work, didn't sit with him. However, the argument by Dr. Peterson was correct. When people were invested in the community where they lived and worked, they were more likely to be a working component of the community. It had been a struggle for him to figure out how to make that happen when people didn't want to live here. He wanted to make this a community that people wanted to live in.

Capron-yes; Crume-yes; Justus-yes; Carter-yes; Palomo-yes; Verini-yes. Consensus to move forward.

Mr. Brown confirmed the action would be just for employees moving forward.

Mayor Verini stated that was correct.

PRESENTATION

2016-2017 Audit

Chelsey Herron, Owner/Member, Lewis, Poe, Moeller, Gunderson & Roberts, LLC, presented. **See attached document.**

OLD BUSINESS

Ordinance #2732-2017: Annexation and Rezone of Tax Lot 800, Assessor Map 18S4711BC – Urban Growth Area General Commercial (UGA C-2) to City General Heavy Commercial (C-2H) FINAL READING

Dan Cummings, Community Development Director, presented.

On November 21, 2017, during a Public Hearing, the City Council adopted Ordinance #2732-2017 on First Reading.



CRUME moved, CAPRON seconded, **THAT THE CITY COUNCIL ADOPT ORDINANCE #2732-2017, AN ORDINANCE ANNEXING INTO THE CITY AND REZONING OF A PARCEL OF LAND BEING LOCATED AT 510 SE 13TH STREET, FROM UGA GENERAL COMMERCIAL (UGA C-2) TO CITY GENERAL HEAVY COMMERCIAL (C-2H), ON SECOND AND FINAL READING BY TITLE ONLY.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Ordinance #2736-2018: Registration and Fees for Derelict Structures FIRST READING

Larry Sullivan, City Attorney, presented.

On December 19, 2017, the City Council enacted Ordinance No. 2733-2017, which created a new Chapter 2A of Title 7. That ordinance failed to include certain revisions proposed to Sections 7-2A-7 and 7-2A-8 at a City Council work session on December 7, 2017, dealing with the registration of derelict structures and derelict structure registration fees. The purpose of Ordinance #2836-2018 was to make the revisions discussed at the work session. This should be the last revision needed to complete and enforce the civil penalties ordinance.

With the enactment of Ordinance #2733-2017, the city now had authority to require the owners of derelict structures to register their derelict structures under Section 7-2A-7. At the work session, the City Attorney proposed that the owner should have the right to appeal the registration requirement. However, when the ordinance was enacted on December 19, 2017, no provisions were made for an appeal.

Section 7-2A-8 enacted by Ordinance #2733-2017 was intended to include a monthly fee for registration of derelict structures and a separate late fee if the registration fee was not paid on time. However, as enacted by the Council on December 19, 2017, there were blanks left for the amount of those fees. Ordinance #2736-2018 allowed those fees to be set by Council resolution.

Also, at the work session on December 7, 2017, the Council consensus was to authorize the City Manager to postpone the imposition of the monthly registration fee in certain circumstances. However, as enacted, Ordinance #2733-2017 did not grant the City Manager that authority.

Enacting Ordinance #2736-2018 would allow the Council to impose a fee for derelict building registrations and late fees, to be set by Council resolution.

The city Ordinance Officer was preparing to implement the nuisance abatement provisions passed by Ordinance #2733-2017, but could not move forward on a fee schedule for derelict building registrations until Ordinance #2736-2018 and a companion fee resolution were passed by the Council.

Because the derelict building registration procedure in current Code Section 7-2A-7 did not include an appeal procedure, it could be subject to legal challenge by owners of derelict structures. Because current Code Section 7-2A-8 did not authorize the City Manager to delay imposition of registration fees for owners who were required to register their derelict structures that could not be repaired through no fault of the owner, the imposition of those fees could be subject to legal challenge.

CRUME moved, JUSTUS seconded, **THAT THE CITY COUNCIL APPROVE ORDINANCE #2836-2018, AN ORDINANCE AMENDING SECTIONS 7-2A-7 AND 7-2A-8 OF CHAPTER 2A OF TITLE 7 CONCERNING REGISTRATION AND FEES FOR DERELICT STRUCTURES, ON FIRST READING BY TITLE ONLY.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

CHANGE TO AGENDA

Mayor Verini asked to move Appointments to Committees to the next item; then they'd return back to Old Business to tackle Resolution #2018-111. Council concurred.

NEW BUSINESS**Appointments to Committees**

Adam Brown, City Manager, presented.

The city was currently recruiting volunteers from the community to serve on the various Committees. An advertisement was placed in the Argus Observer, the Reminder, on the city's website, and all current members with expiring terms of service were contacted directly. Four applications for appointment have been received subsequent to the January 16, 2018, City Council meeting.

The Council had historically appointed individuals to fill positions on the various city committees as they become vacant or open. Further, on December 7, 2017, the Council passed Resolution #2017-138, which created an Ad Hoc Committee, to address the marijuana issues in the community. Councilor Dan Capron was assigned to sit as the Liaison to this Committee.

There was currently one open position on the Marijuana Ad Hoc Committee; two applications were submitted for appointment. There were currently four open positions on the Diversity Advisory Committee; two applications were submitted for appointment.

The city would like to fill the open positions as soon as possible. City policy states appointment to all Boards, Committees, and the Planning Commissions are to be made by the Mayor, with consensus of the Council.

Mr. Brown informed the Council that applicant Allison Thayer had pulled her application for appointment to the Marijuana Ad Hoc Committee.

PALOMO moved, CARTER seconded, **THAT THE CITY COUNCIL APPOINT PAUL CHENEY AND MARIA ROMERO TO THE DIVERSITY ADVISORY COMMITTEE, WITH TERM OF OFFICE COINCIDING WITH THE ESTABLISHING ORDINANCE.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

CAPRON moved, PALOMO seconded, **THAT THE CITY COUNCIL APPOINT STEVEN MILAND TO THE MARIJUANA AD HOC COMMITTEE, TERM OF OFFICE COINCIDING WITH ESTABLISHING RESOLUTION.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

BACK TO OLD BUSINESS**Resolution #2018-111: Housing Incentive Program**

Adam Brown, City Manager, presented.

Resolution #87-103 establishing the City of Ontario Business Loan Fund and loan allocation procedures was passed on March 2, 1987. Funds were acquired as a grant through the Oregon Community Development Program. This established a revolving loan fund for the purpose of loaning to local businesses for business equipment, acquisition, business development, and the creation of new jobs. This resolution required that loans be established with interest.

Loan Terms in summary are as follows:

- Loans of not less than \$10,000

- Maximum loan term of 15 years

- Interest rate fixed by city council at not less than 5%

- Loan servicing fee of 1 ½% to be deducted from the loan proceeds

- Applicant must secure a commitment from a commercial or private lender or local development group of at least 66 2/3% of the total project cost.

- Applicant must provide evidence of collateral

- Loan proceeds used for working capital shall not exceed 10% of the total loan amount.

The City Council recommended one additional revision to the recently adopted Housing Incentive Program to attract single family, owner occupied housing to the city.

Resolution #00-128 revised the City of Ontario Business Loan Fund and loan allocation procedures established by resolution #87-103. Resolution #00-128 simplified the rules and procedures of the loan fund in several ways:

The purpose was rewritten to maximize the utilization by saying it “is to provide financing to: encourage economic and community development; create or retain jobs; and/or, enhance the aesthetic appeal of properties located within the Ontario Urban Growth Area.”

The resolution reduced the criteria, the ineligible activities, the application criteria, and repealed the minimum loan amount.

It also designated the repayment of the loan directly to principal and outstanding uncollectable amounts and then established a grant fund for public facility projects.

Resolution #00-133 established the city of Ontario Economic and Community Enhancement Small Grant Fund and Accompanying Criteria and Procedures. This resolution defined the procedures for granting money acquired from interests and fees from the Business Loan Fund. The small grant fund criteria and procedures were established and the grants were established for the following uses:

Public facility improvement projects identified in adopted plans

Public Facility Projects such as playground equipment, street or crosswalk pavers, park irrigation systems

Landscaping enhancements

Improvements to the Railroad Depot

Projects with a useful life of at least 5 years

Resolution #2004-140 revised the City of Ontario Business Loan Fund and Accompanying Criteria and Procedures to provide clarity that the Business Loan Fund could be spent within and outside the City of Ontario and the Urban Growth Boundary so long as there was a direct or indirect benefit to the City or Urban Growth Boundary.

The Ontario City Council directed the City Manager to prepare an amendment to the Business Loan Fund to implement the Housing Incentive Program as presented. Revisions to the Business Loan Fund were prepared and approved by the Ontario City Council on December 19, 2017.

A revision to the Housing Incentive Program was passed on January 4, 2018, as requested by several Council members that the funds not be awarded to projects already receiving or who would be receiving other governmental funding.

A revision to the recently passed Housing Incentive Program had been requested by several Council members and in conversation with local builders. Reducing the size of the home would allow more affordable options to come into the community. Also, Council members did not want to restrict the possibility of other local funds being made available.

The program would have a positive impact on the General Fund. Initially, as additional revenue came in from new construction built under these agreements, the taxes would be transferred to replenish the Business Loan Fund. After the incentive program money had been replenished, the city would be able to use the additional property tax revenue from the new construction. Additional housing in Ontario would provide secondary economic impacts to the local economy by increasing the work force, providing closer access to places of employment, and additional retail business.

Multiple contractors and individuals had approached the city with interest in the program since it was presented conceptually to the City Council. Staff anticipated it would be received well by the community.

JUSTUS moved, CAPRON seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2018:111, A RESOLUTION REVISING THE CITY OF ONTARIO BUSINESS LOAN FUND AND LOAN ALLOCATION PROCEDURES RECENTLY REVISED BY RESOLUTION NUMBER 2018-101.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

BACK TO NEW BUSINESS**Liquor License: Bargaritas**

Jason Cooper, Police Sergeant, presented.

Water Hole Saloon Inc. completed the "Change of Ownership" application for Full On-Premises Commercial Sales liquor license privileges through the Oregon Liquor Control Commission for Bargaritas located at 1269 SW 4th Avenue, Ontario, Oregon. All necessary paperwork was approved through the Oregon Liquor Control Commission office and was awaiting approval through the Ontario City Council.

The criminal record process was completed on corporate officers Fred T. Currey and Katherine E. Currey of Water Hole Saloon, Inc. All records returned met state and local requirements. The application forms had been filled out appropriately and required fees paid. All permit and license requirements had been met through the Oregon Liquor Control Commission as well as through the City of Ontario Planning Department.

The Oregon Liquor Control Commission required an application process for Change of Ownership whether it be a limited partnership, corporation, limited liability company, or individuals. In this case, Arceo Restaurant Company Incorporated sold Bargaritas to Water Hole Saloon Incorporated. At this time the restaurant trade name would remain Bargaritas.

Acknowledgment was required in order for OLCC to complete the new owner name change process allowing sales of beverages.

All legal steps had been followed to completion, with no negative feedback.

If the Council objected or denied the license, the Oregon Liquor Control Commission might take the city's objections to the action into consideration, but were not obligated to do so. The OLCC was the ultimate authority on the issuance of the license.

CARTER moved, PALOMO seconded, **THAT THE CITY COUNCIL APPROVE THE CHANGE OF OWNERSHIP, FULL ON PREMISES/COMMERCIAL SALES LIQUOR LICENSE APPLICATION FOR WATER HOLE SALOON INC. – BARGARITAS.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-no; Capron-yes; Winebarger-out; Verini-yes. Motion carried 5/1/1.

Utility Billing Write-Offs

Kari Ott, Finance Director, presented.

As required by the Allowance for Bad Debts and Write Offs Policy, the Council needed to approve accounts to write-off before they were written off and/or sent to collections. The list of accounts proposed to write-off was attached. There was \$14,218.07 of utility billing accounts to write off, with \$14,079.28 to be sent to collections. All accounts were over 120 days past due.

The \$14,218.07 from utility bills was deemed uncollectible by the City Finance Department. Hopefully, a portion would be collected by the collections agency. The Finance Department would like to get the utility accounts to collections as soon as possible. These write-offs needed to be approved by the Council per the allowance for doubtful accounts policy.

Councilor Crume asked that the names associated with the accounts be provided to the Council.

Ms. Ott stated she'd have that available to the Council at the next meeting.

CAPRON moved, CARTER seconded, **TO APPROVE THE LIST OF UTILITY BILLING WRITE OFFS AS PRESENTED AND AUTHORIZE SENDING THE APPLICABLE ACCOUNTS TO COLLECTIONS.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Resolution #2018-108: City of Ontario Water Rights – Malheur Farms

Dan Cummings, Community Development Director, presented.

The City of Ontario owned land called the Malheur River Farm. The city had surface water rights out of the Malheur River for the farm with priority dates of 1902 and 1909 and some more recent that were originally applied by ditches and surface irrigation.

The original lands were purchased by the city in the late forties or early fifties. In the late fifties and early sixties, the city developed their Wastewater Treatment Plant and Lagoon System on portions of that land. In the early nineties, the city purchased additional land to install a pivot system for land application of the city's treated wastewater.

Staff was been working with the Warm Springs Irrigation District to determine what water rights the city had on its lands and the status of the water rights, along with the best procedure to correct and final proof those rights. According to the water right documents for this land, the city had approximately 429.0 acres of surface water rights under several permits. Based on the mapping by Warm Springs Irrigation District, 364.30 acres of these lands were under irrigation, which left approximately 64.70 acres not designated as land available for irrigation. Warm Springs Irrigation offered to do the mapping and water right documentation required of these lands under their project for the City of Ontario, in exchange for any excess water rights the city was not using on these lands.

Staff estimated that it would cost the city approximately \$30,000-\$50,000 to have the mapping and water right transfers required to proof up on the lands being irrigated. Timing was important as the Warm Springs Irrigation District was working under a state mandated time to complete this project. The city was at risk of losing some of these water rights for non-use.

CRUME moved, CAPRON seconded, **THE CITY COUNCIL APPROVE RESOLUTION 2018-108, A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN ANY DOCUMENTS REQUIRED TO ALLOW WARMSPRINGS IRRIGATION DISTRICT TO ADJUST AND TRANSFER ANY RIGHTS ON THE CITY LANDS KNOWN AS THE MALHEUR RIVER FARM.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Resolution #2018-109: Supplemental Budget to Recognize Police Donations and Authorizing Expenditures of those Funds

Kari Ott, Finance Director, presented.

The Police Department had recently received the below donations for police projects, and a supplemental budget change was required for the Police Department to expend these funds. The Department received:

- \$250 Ontario VFW
- \$300 Ontario American Legion
- \$100 Ontario American Legion (for Citizens on Patrol)

The Police Department came into contact with numerous children in the course of their duties. The Department would like to use \$550 of the donated funds to purchase items such as plastic police badges and stickers to be given to children. This could help to develop a rapport with children to help in lessening their fear of police. The plastic badges could also be handed out to school children that toured the Police Department. \$100 of the donated fund was to be given to the Citizens on Patrol program, as requested by the donor, the Ontario American Legion Auxiliary. A formal resolution approving the supplemental budget by the City Council was required to expend the funds per ORS 294.

CARTER moved, JUSTUS seconded, **THE CITY COUNCIL APPROVE RESOLUTION 2018-109, A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET TO RECOGNIZE POLICE DONATIONS AND AUTHORIZING EXPENDITURES OF THOSE FUNDS.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Resolution #2018-110: Establishment off Septage Receiving Rates

Betsy Roberts, City Engineer, presented.

The City was receiving septage at the Wastewater Treatment Plant (WWTP) as part of a pilot study for approximately two years and would like to make the program "official".

Prior to CH2M contracting for Public Works support at the City of Ontario, the city had constructed modifications to the headworks system at the WWTP in order to accept raw sewage from sanitary sewer haulers. While construction was complete, the program had not yet been developed. The Public Works Committee was working with Public Works staff to develop an application form, establish rates, review community impact and benefits, and understand regulatory requirements. Research on rates produced the following information:

Location	Rates (\$/Gallon)	Notes
Emmett	0.04	Only accepts local waste
Nampa	0.135	Plus \$13 license fee Full load only
Farmington, NM	0.0425	
Boise	0.074	Plus \$10.00 for after hours
Lewiston, ID)	0.14	
Mountain Home, ID	0.049	Plus \$20.00 for after hours
Payette County Landfill	0.126	Based upon \$30/Ton rate

Based on the above rates, the group established a pilot rate of \$0.10/gallon. The following volumes and revenue have been received over the past two years:

Year	Volume (gallons)	Revenue
2016	169,762	\$16,976.20
2017	210,150	\$21,015.00

During the pilot study, no significant challenges were experienced. The WWTP and Public Works staff felt the system could be managed appropriately, and final rates should be established. Putting this system into use and recognizing some revenue from it would help pay back the cost for construction of the system.

There was no outright financial cost, though there was a very small amount of labor involved for the Public Works staff working at the WWTP. As could be seen, revenue could be generated. The total amount depended on market conditions and the need. The project had been underway as a pilot study for two years.

The passage of a fee was subject to ORS 294.160(1) which provided: *"The governing body of a city, county or other unit of local government shall provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated."*

CRUME moved, PALOMO seconded, **MOVE THE CITY COUNCIL ADOPT RESOLUTION #2018-110, A RESOLUTION ESTABLISHING SEPTAGE RECEIVING RATES.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Hanger Lease Transfer: 109 India (James and Josette Beaumont)

Dan Beaubien, Airport Manager, presented.

Hanger 109 India has been purchased by James and Josette Beaumont, who now needed a current Lease. Keeping the Lease current maintains an uninterrupted cash flow to the city. Policy stated it was the responsibility of the city to approve Lease transfers.

CRUME moved, CARTER seconded, **MOVE THAT THE CITY OF ONTARIO GRANT THE LEASE OF HANGER 109 INDIA TO JAMES AND JOSETTE BEAUMONT AS SET FORTH IN THE ATTACHED LEASE AGREEMENT.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Hangar Lease Transfer: 260 Golf (Gary and Elaine Taylor)

Dan Beaubien, Airport Manager, presented.

Gary Taylor placed ownership of Hangar 260 Golf into his name and would like a current Lease with the city. Policy stated it was the responsibility of the city to approve the Lease transfer.

CRUME moved, CARTER seconded, **MOVE THAT THE CITY OF ONTARIO GRANT THE LEASE OF HANGER 260 GOLF TO GARY TAYLOR AS SET FORTH IN THE ATTACHED LEASE AGREEMENT.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Hangar Lease Transfer: 336 Echo/340 Delta (John and Sandra Freeburg)

Dan Beaubien, Airport Manager, presented.

Hangers Echo 336 and Delta 340, one hanger with two doors, has been purchased by John and Sandra Freeburg, who now needed a current Lease. Keeping the Lease current maintained an uninterrupted cash flow to the city. Policy stated it was the responsibility of the city to approve Lease transfers.

CRUME moved, CARTER seconded, **MOVE THAT THE CITY OF ONTARIO GRANT THE LEASE OF HANGER ECHO 336 AND DELTA 340 AS SET FORTH IN THE ATTACHED LEASE AGREEMENT.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Land Lease: FBO Modular (Frazier Aviation, LLC) TABLED AT END OF DISCUSSION

Dan Cummings, Community Development Director, presented.

The Fixed Base Operator was seeking to expand available space to accommodate the additional traffic at the airport. The added space was needed for Airport Committee meetings, pilot debriefings, OSU extension meetings, as well as emergency and overflow meeting rooms.

The modular facility was acquired and moved to the airport prior to securing a Land Lease. The Land Lease was a first of its kind on the non-operation side of the airport and was yet undeveloped. The Land Lease was developed with the assistance of city Planning and Zoning, the City Attorney, representation from the city's insurance provider, and the Airport Manager. The Airport Committee approved the modular as an expansion of the FBO. The Lease was put before the City Council in December, 2017, and was tabled pending further investigation into financial reconciliation between the FBO and the city. The eclipse revenue and hangar lease had been received by the city. Frazier Aviation currently owed the City of Ontario fuel tax from July 1, 2017, to December 31, 2017. The last payment received was in August, 2017, which was for the 2nd Quarter of 2017.

A Lease Agreement between the City of Ontario and Frazier Aviation LLC (FBO) was drafted and the occupancy of the modular awaits the approval of the Land Lease. Skirting, painting and other improvements to complete the set up were contingent upon acquiring the Lease Agreement. An additional Lease created additional revenue for the city.

The modular had been in place for approximately nine months waiting for the city to create a Land Lease and to resolve past financial issues. It was the policy of the city to approve all Leases at the airport.

Councilor Justus asked what was being done, or put into place, to ensure that Mr. Frazier kept current on his payments to the city. Historically, this person had caused the city to have to find him to get paid. They were now contemplating entering into another contract with this person. If they wanted to do a lease, fine, make it a standard rate, and also be charged a fine for every day that the modular had been there. He had not asked permission to put it there, just placed it there, and was now begging for forgiveness. So forgive him, but charge him. No more of the "oh well" responses. Also, it was set down on a spot proposed for a hangar, so should he be required to pay for a new airport plan report? Yes. If this was a private airport, that would have never happened!

Mayor Verini stated those were valid points, but the city had already negotiated this contract with Mr. Frazier, and the only stipulation was that his debt with the city needed to be paid in full. It would be in poor taste, as a city, to try and go back and start from ground zero again.

Mr. Brown stated he was not opposed to a rate of 15¢, and saw no reason to not go back to Mr. Frazier letting him know the rate was set at 15¢ per square foot. That was probably \$300 a year. Mr. Frazier would still be required to obtain a special use permit, and the city could include any conditions in that permit. Some of these things could be addressed, or reinforced, via the permit. He did not believe staff would grant permission to put the building on a permanent foundation. He would have to move it off the current site to do that. This lease was just for a modular. If and when he wanted to do anything with it, that lease would be terminated or renegotiated.

Mr. Sullivan stated he did not recall in the discussion of this lease, the issue of the ground encroaching on some hangar space. He did not recall any language that would allow the city to force him to give up any portion of the property because of the encroachment.

Mr. Beaubien referenced the proposed lease, section 10, for that language. He believed that section would cover the issue.

Mr. Sullivan stated the city's current plan set aside a portion of that space for hangars already.

Mr. Beaubien stated the plan could be altered and changed based on hangars laid out in a plan. Some might have to be moved around to meet issues, such as the irrigation problem they just encountered.

Mr. Sullivan stated it was his opinion that that section was ambiguous as to whether this document would actually allow the city to restrict Mr. Frazier from using that entire 5,906 square feet that he was leasing. The city was telling him that he could have that ground, and he was paying to use that ground for a two year period. He was not sure if the language in that section would override the language in which it was being leased to him. If the city was leasing bare ground to somebody, and then using some language that didn't even deal with depriving him of the ability to use it based on an agreement with the FAA, he would like to see something more explicit.

Councilor Justus stated he didn't find where Mr. Frazier would be responsible for the property taxes on the structures.

Mr. Brown suggested tabling this issue, allow staff the time to address the questions and comments, and then bring it back before Council at a later meeting.

Councilor Crume stated he'd like to see the agreement go retroactive to the day Mr. Frazier placed the structure at the airport. He also agreed with the increase of ground space from 9¢ up to 15¢ per square foot.

Councilor Capron stated Mr. Frazier was now current with all past debt, and he should be encouraged to stay caught up. But, that structure was an eyesore at the airport. He didn't like it out there for any reason.

Mr. Sullivan asked if the Council was in favor of the lease, was it the consensus of the Council to have this lease retroactive to the date the building was placed at the airport.

Consensus yes.

CRUME moved, JUSTUS seconded, to **TABLE THIS ISSUE**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Mayor Verini stated they would need clarification on the legalities, the land lease, and the encroachment.

Mr. Brown asked if the Council was still interested in pursuing this, or would they like it to go away? The building did fit one need for the aviation program.

Mayor Verini wanted to see if move forward. Council?

Capron-gone; Crume-move forward; Justus-gone; Carter-move forward; Palomo-move forward; Verini-move forward. Council consensus to move forward with the contract.

Expiration of Unified Certification Program Intergovernmental Agreement

Betsy Roberts, City Engineer, presented.

The Oregon Department of Transportation (ODOT) was requesting the city sign an Agreement stating the city recognized certifications issued to firms by the Certification Office for Business Inclusion and Diversity (COBID).

Historically, the city participated in the Unified Certification Program (UCP) and signed this Agreement. The purpose of the COBID was to review applications from various firms that wished to become certified as Disadvantaged Business Enterprises (DBE's). This status could provide these firms with an advantage in being selected for local, state, and federally funded projects that had a DBE requirement. By signing the Agreement, the city agreed to all DBE decisions made by COBID.

There was no cost to the city to become a member of the UCP, nor were there any consequences with respect to the city's potential to win grants for ODOT projects. By signing the Agreement and becoming a partner, the city was acknowledging the importance of recognizing and supporting disadvantaged businesses within the community.

There was no outright financial cost, though there was a very small amount of labor involved for the City Engineer or Public Works Director to participate in a meeting or phone call several times a year. ODOT was collecting signatures with a plan of gathering the partners together this spring for a meeting/call.

JUSTUS moved, PALOMO seconded, **MOVE THE CITY COUNCIL PARTNER WITH THE STATE OF OREGON TO SUPPORT THE CERTIFICATION OFFICE FOR BUSINESS INCLUSION AND DIVERSITY BY SIGNING THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF OREGON AND THE CITY OF ONTARIO.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

PUBLIC HEARING**Ordinance #2734-2018: Accepting Certain Territory as City of Ontario Street Right of Way, on First and Second Reading, Declaring an Emergency**

It being the date advertised for public hearing on the matter of the Ordinance #2734-2018, the Hearing was declared open. There were no objections to the city's jurisdiction to hear the action, no abstentions, ex-parte contact, and no declarations of conflict of interest.

Dan Cummings, Community Development Director, presented.

The Council was being asked to accept a portion of the right-of-way for SE 5th Avenue and SE 13th Street required as part of the conditions of approval of the Annexation of the Property of the EO Investments, LLC, under Ordinance #3732-2017.

On November 21, 2017, the Council passed Ordinance #2732-2017, an ordinance annexing territory owned by EO Investments, LLC, on First Reading in which one of the condition of approval was additional right of way be dedicated for SE 5th Avenue and SE 13th Street. On February 8, 2018, the City Council passed Ordinance #3732-2017 on Second and Final Reading.

The city was accepting only the right of way at this time as the street sections were not constructed to city standards. As part of the annexation of the property, the road maintenance was remaining under the Ontario Rural Road Assessment District No. 3 until such time as the streets were brought up to city standards and the owner requested removal from the District.

This action was part of the requirement of annexations under Ordinance #2732-2017, and needed to be done in a timely manner to fulfill the conditions of approval of that ordinance.

The City Council was required, pursuant to 10B-55-75, to accept or reject acceptance of right of way. The policy for this action was within the Public Works Maintenance duties and the Rural Road Assessment District No. 3. Legal aspects were the general liabilities that any road right of way issue brought.

The Hearing was opened for public testimony.

Proponents:

None.

Opponents:

None.

There being no Proponent and no Opponent testimony, the Hearing was closed.

CRUME moved, PALOMO seconded, **THE CITY COUNCIL APPROVE ORDINANCE #2734-2018, AN ORDINANCE ACCEPTING THE RIGHT OF WAY FOR A PORTION OF SE 5TH AVENUE AND SE 13TH STREET AND AUTHORIZING THE MAYOR TO EXECUTE THE DEED OF DEDICATION FROM THE EO INVESTMENTS, LLC. DECLARING AN EMERGENCY ON FIRST AND SECOND READING.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

Ordinance #2735-2018: Accepting Right of Way for Park Boulevard, on First and Second Reading, Declaring an Emergency

It being the date advertised for public hearing on the matter of the Ordinance #2735-2018, the Hearing was declared open. There were no objections to the city's jurisdiction to hear the action, no abstentions, ex-parte contact, and no declarations of conflict of interest.

Dan Cummings, Community Development Director, presented.

The Council was being asked to accept the remaining portion of the right of way for North Park Boulevard authorized under the Intergovernmental Agreement for Right of Way Services No. 31344, dated October 21, 2016. This piece was still under the control of the Oregon Department of Transportation as part of the NW Washington Avenue Re-Alignment Project.

- July 6, 2010: the Council passed Resolution #2010-136 approving a Local Agency Agreement for fund distribution for the NW Washington Avenue Re-Alignment Project, as well as Resolution #2010-137, which acknowledged receipt and authorized expenditure of ODOT project funding for the Project in the amount of \$4,500,000.00.
- July 19, 2011: the city entered into an Intergovernmental Agreement to cover right of way responsibilities for the Project. The Council also approved Amendment #01 to said IGA stipulating the state's agreement to transfer, and the city's agreement to accept, all right of ways required for the Project.
- September 16, 2013: the Council approved Amendment #2 to said IGA, amending certain sections of the original Agreement.
- October 21, 2016:, the Council approved IGA No. 31344, for Right of Way Services for North Park Boulevard as part of the NW Washington Project.
- December 28, 2017, staff received a Relinquishment Deed from Sean Erion, Jurisdictional Transfer Specialist, ODOT Right of Way Section HQ, Oregon Department of Transportation, with a request for acceptance by city officials. Upon adoption, the city would obtain the appropriate signatures and submit the executed document back to ODOT.

The city was accepting only the right of way at this time, as the street section is not constructed. Financial implications should be minimal, if any. This was another step in completing and closing out the Project, and needed to finalize the right of way for consolidation of the Project. Closing the Project cleared the way for the other ODOT projects to proceed. The Deed still needed to be returned to ODOT for completion and filing with the County Recorder.

The City Council was required, pursuant to 10B-55-75, to accept or reject acceptance of right of way. The policy for this action was within the Public Works Maintenance duties. Legal aspects were the general liabilities that any road issue brought. Through the Agreements previously executed between ODOT and the city, the city agreed to take over the ownership of this section of road. The city could face litigation if it did not follow through with the Agreement.

The Council could take no action on this matter and leave the jurisdiction of this section of North Park Boulevard under the state's jurisdiction; however, no action might result in litigation by ODOT compelling the city to complete the jurisdictional transfer.

The Hearing was opened for public testimony.

Proponents:
None.

Opponents:
None.

There being no Proponent and no Opponent testimony, the Hearing was closed.

JUSTUS moved, CARTER seconded, **THE CITY COUNCIL APPROVE ORDINANCE 2735-2018, AN ORDINANCE ACCEPTING THE RIGHT OF WAY FOR PARK BOULEVARD AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE RELINQUISHMENT DEED FROM THE OREGON DEPARTMENT OF TRANSPORTATION, DECLARING AN EMERGENCY ON FIRST AND SECOND READING.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

DEPARTMENT HEAD UPDATES

Financial Report: December, 2017

Kari Ott, Finance Director, presented. (Report attached)

Public Works Report: Quarterly

Cliff Leeper, Public Works Director, and Betsy Roberts, City Engineer, presented. (Report attached)

Community Development Report: Quarterly

Dan Cummings, Community Development Director, presented. (Report attached)

HAND-OUTS/DISCUSSION ITEMS

Sales Tax

Mayor Verini asked for Council consensus for Adam Brown to put together a presentation for the community, as well as placement on the city's website.

Councilor Capron reminded everyone, especially those who kept saying Oregon had no sales tax, that as of last year, it was ½% on vehicles, bicycles over \$200, .01% on payroll, plus an increase of 4¢ on gasoline. That needed to be told to those who believed Oregon had no taxes.

Mayor Verini agreed, and asked for consensus.

Capron-yes; Crume-yes; Justus-yes; Carter-yes; Palomo-yes; Verini-yes. Consensus to have the City Manager create a presentation on the proposed sales tax.

Councilors asked to receive it digitally.



Sales Tax Proceed Opportunities

Adam Brown, City Manager, stated if the Council was comfortable with the numbers presented, he'd like to put it on the city's website.

Mayor Verini asked for consensus for Mr. Brown to get approval of the language from the state, and then having it ready to present to the citizens.

Capron-yes; Crume-yes; Justus-yes; Carter-yes; Palomo-yes; Verini-yes.

Mr. Brown stated for the public's knowledge, it was referred to as the Safe Harbor Review.

City's Policy on Auditing Nonprofits that Receive Funds from the City

Councilor Justus stated he had gone and done a review of the books at the Chamber of Commerce. Several others were in attendance as well, including Debbie Blackaby, Bob Quinn, and Les Alexander. They had a good, in-depth discussion. The Council might or might not be aware that in 2016-2017, the Chamber charged against the revenue received \$8,875 a month for their 12x12 Visitors & Conventions Center. That was for the space, for employees that worked the space. He had a 10x10 space in his office that would rent for \$550, and that would include all utilities and internet. Next, the Chamber had accumulated over \$170K in TOT that they had in their savings account that they hadn't spent. They honestly believed that their mandate was to spend the \$30K that was above and beyond what they receive for the V&C grant. They tried to give out the \$30K, but they hadn't been able to do that every year. They were collecting the TOT and putting it into a savings account. Yes, they were spending \$10K of that for the 12x12 room, but now they've accumulated all these other funds. The city's contract with the Chamber read that they could be audited with a 30-day notice, but they had never been audited, and no one had ever checked on it. He did not understand how the Chamber of Commerce could accumulate \$170K of tax payer money, and the city not know it.

Mayor Verini stated there was more to it than just that. He believed the Chamber had submitted a breakdown of what was received by Councilor Justus.

Mr. Brown stated yes. The Chamber had given him the hand-outs, along with some other items Councilor Justus had asked for, so he could share that with the Council. It was their ledger and various other documents. He believed Councilor Justus's statement was accurate regarding the \$170K, but since that time, they had talked about the Chamber being will grant that money to the V&C Board for grants back to the city.

Councilor Justus stated it was a positive meeting. But, they had accumulated these funds and the city wasn't aware of it. And the city was short on cash. There had been a need for a Welcome to Ontario sign for years. That would be a Chamber function if they had those funds. There were trees that were running down all of East Oregon. The Chamber had not approached CH2 and asked how they could help finish the project so it wouldn't have to be done in stages. They had the cash! For him, it was a function of the Council to audit the organizations that received city money. He felt that the Cultural Center, the Chamber, the airport, anyone the city transacted business with, they should be requiring an audit every year, at their expense. If an audit was required, and it came out of their disbursement, if they were holding onto \$170K, they certainly could pay for an audit, and then the city would know what was going on. That was standard procedure. Revitalize Ontario didn't even have \$15K for income and expense, but if an organization received funds from the city, there should be a requirement to report and acknowledge where the money had gone.

Councilor Capron asked what the protocol was in other cities for Chambers and entities that received funds from their cities.

Mr. Brown stated he would need to research that. He was not positive that the \$170K stated was the right number. The Chamber's ending fund balance in 2017 was \$50K.

Mayor Verini stated in his opinion, this had been brought up recently, but in looking at it, it was the city's responsibility and it should have been the city's responsibility every year of having the Chamber, along with the Cultural Center, and anyone else that should have been coming to the city and making a presentation. It wasn't one-sided where they were trying to hide money from the city. The city hadn't followed through. Councilor Justus was making it sound like the Chamber was the bad guys, and they were not.

Councilor Justus stated the city was the bad guy in this. If the city gave him \$300K, and didn't ask what he did with it, who was the dummy.

Mayor Verini stated moving forward it was important to have the presentation, be it annually, quarterly, whatever, but they needed to hold everyone to the same standards. Councilor Justus was digging into one organization, for whatever reason, but the bottom line was that if there was an indication of a problem with the finances, then they needed to let Mr. Brown do his job by investigating. He had seen too much good in the community, through the Chamber of Commerce, Four Rivers Cultural Center, and Revitalize Ontario, and he didn't feel uncomfortable with what they had done with the funds.

Councilor Justus verified that the Mayor was okay with the Chamber having \$170 of tax payer money that was unaccounted for.

Mayor Verini stated it was accounted for.

Councilor Justus stated it was not accounted for because they didn't know where it was at. The money was supposed to be spent on tourism.

Mr. Brown stated he had attended their year-end report as a member of their board, and their board report was that they ended with a \$50K balance, and at that time they said that they wanted to maintain something for emergencies, such as the building, or other events that could arise.

Councilor Justus stated the operated under a calendar year, but the city was a fiscal year. The Chamber was on track to get \$180K this year.

Mr. Brown stated he didn't think they'd see what they got last year. The eclipse was a big boom in their revenue, and before that, the winter filled up the hotel rooms with the number of times the highways closed down. 2017 was a boom year for the TOT. They wouldn't see that large a profit moving forward. But, there was profit there. There were multiple positive things that came out of their meeting. John wanted to set a scheduled reporting slot to the Council, at a timeframe of their choosing. Also, the financials were not being sent to the ex-officio members, and John was unaware that wasn't being done, but it would be addressed and corrected. It would be discussed, but it was never in the monthly packet.

Councilor Justus stated the contract specifically read that the funds were to be kept in two separate accounts. They had not been able to verify that with him. All those things were red flags. They should have been able to provide documents that stated where the accounts were and how much money was there. He wasn't saying they were comingling funds, he was just saying that they might be. The Council's responsibility was to be fiscally responsible to the citizens. It was not a responsibility to the Chamber, the Chamber had the responsibility to the Council. They should follow the contract whether the Council asked or not. The Chamber was obligated to fulfill the obligations of the contract. He only wanted to make sure they were doing that. He felt that way about the Cultural Center, or Revitalize Ontario, or with anyone doing business with the city. They were talking about a half a million dollars, \$600K, not just \$20K, this was big bucks. If they were going to promote tourism in a real way, that would bring actual dollars to Ontario, the Council was obligated to pursue that. Having a 12x12 air-conditioned room that three people a month entered, was not an efficient use of that money. The Council could make up all the excuses they wanted to, but there was a fiduciary responsibility to the citizens. He was there, waving that flag, saying let's look at the books.

Mayor Verini stated they were moving the direction. Mr. Brown was on the Board, the books had been reviewed, and Mr. Brown would follow through.

Councilor Justus wanted the books audited, and he wanted the Cultural Center audited, and if they wanted to audit Revitalize Ontario, they could do that too.

Mayor Verini polled the Council to see if they wanted to issue a blanket audit on all the accounts the city currently provided funds to.

Councilor Justus said if the Finance Director for the City of Ontario had not audited the books for these organizations for the past four years, then the Council was not fulfilling their contractual obligation.

Councilor Palomo asked what the cost would be to conduct an audit on every entity.

Mayor Verini stated he did not know, but they had Mr. Brown on board as the City Manager, managing the city. Putting this in Mr. Brown's hands, and having Mr. Brown bring a recommendation back to the Council, he would feel comfortable with that.

Councilor Palomo agreed. Every three months, the entities needed to bring in their financials to the City Manager for a review. The city was working on transparency, so those places needed to be transparent, too. That wouldn't take an auditor. If there was a problem, raise the flag.

Councilor Carter stated Four Rivers had an audit done every year by an outside auditor.

Mr. Sullivan stated if the Council asked all those non-profits to provide the city with a paper trail showing the receipt of the funds, followed by what that money was used for, that was not an audit. An audit would determine if the documents correctly stated what they purported to say. The question was if the Council wanted to have someone independently verify the accuracy of the records being presented to the city. They'd also have to determine who was going to pay for that.

Mayor Verini stated the Council needed to either go along with the proposal by Councilor Justus or did they want to put it in the hands of the City Manager.

Councilor Justus was fine with handing it off to the City Manager.

Council consensus to give this issue to the City Manager for investigation and to bring back the results to the Council.

Department Stats

Ontario Fire & Rescue: Jan, 2018 (Attached)

Ontario Police: Dec, 2017 (Attached)

Code Enforcement: Dec, 2017 (Attached)

Code Enforcement: End of Year, 2017 (Attached)

Public Works: Dec 16, 2017 – Jan 25, 2018 (Attached)

Minutes

County Court: Jan 10, Jan 17, Jan 24, Jan 25, 2018 (Attached)

SREDA: Jan 3, 2018 (Attached)

Agenda

SREDA: Feb 7, 2018 (Attached)

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Capron stated he'd like to see if the Council was willing to talk about the rules of the Council, to see if they needed to change anything, especially attendance. If they were operating within the rules, fine, but it might be time to look at some things.

Mayor Verini stated so far, the absences had been excused and the rules followed.



Councilor Capron stated he just had some concerns. Maybe it was time to change some things.

Councilor Crume agreed. Take a look and bring suggestions forward.

Councilor Justus wanted attendance records for all the Councilors. Who had missed, how many times, etc. The rules might be being followed, but it was about the ratio. If a Councilor missed 50% of the meetings, the Council might like to see that in writing.

Councilor Carter said they wanted to be careful with micromanaging.

Councilor Palomo stated the Council orientation shouldn't be just for new Councilors, it should be for all of them. Those rules should be reviewed annually.

Councilor Crume stated he would be out on the 20th, and that would only be his second missed night meeting in nine years.

Councilor Capron stated they had meant to speak about paperless billing. Was anything ever done on that?

Kari Ott, Finance Director, stated she believed there was a module they'd need to purchase from the Springbrook system. It was allowed, but she didn't know the cost.

Mr. Sullivan stated if they moved to paperless billing, they would have a way people that didn't have internet access the ability to pay.

Councilor Capron stated it was more an opt in or opt out thing. Check the box if you wanted to go paperless.

Mr. Brown stated they would review the benefit vs cost. He and Ms. Ott would look forward into the issue.

Mr. Brown stated there would be a groundbreaking ceremony on February 19th, at 3:00 p.m., for the Splash Pad.

Mr. Brown stated on February 27th, from 4-6 p.m. would be a Parks & Recreation charrette, at Four Rivers.

ADJOURN

CARTER moved, JUSTUS seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 6/0/1.

ACCEPTED:

ATTEST

Ronald Verini, Mayor

Tori Barnett, MMC, City Recorder



**SPECIAL TELEPHONIC
CITY COUNCIL MEETING MINUTES
July 9, 2018**

The special telephonic meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 5:30 p.m. on Monday, July 9, 2018. The telephonic meeting was conducted in the Ontario City Hall Council Chambers. Councilors who participated were Ronald Verini, Norm Crume, Dan Capron, Marty Justus, and Ramon Palomo. Betty Carter was excused; Tessa Winebarger was absent.

Members of staff present were Adam Brown, Tori Barnett, Larry Sullivan, Dan Cummings, Terry Leighton, and Cliff Leeper.

Also in attendance was Mary Jo Evers and Megan Cook.

The meeting was recorded and copies are available at City Hall.

AGENDA

This Agenda was available on July 6, 2018. Copies of the Agenda were available at City Hall.

JUSTUS moved, CAPRON seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Crume-yes; Carter-out; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 5/0/2.

NEW BUSINESS

Letter of Intent: City of Ontario to Malheur County Court re Possible Formation of an Ontario Recreation District
Adam Brown, City Manager, presented.

Mr. Brown stated he had met with Mary Jo (Evers) and Megan (Cook) about the formation of the Recreation District, who were requesting assistance with two issues the County Court had brought up. The Court wanted to know who would own the assets, regarding the Recreation Office building, the Aquatic Center building, the Splash Pad, the Wayne King Skate Park, and the tennis courts, currently or in the future. The Court also wanted to know how the District would operate the first six months. He had spoken with the Council and all were willing to provide the District a loan for operations during that first six months.

Following that discussion, it was determined that the Court would need a Letter of Intent by their next meeting on Wednesday, July 11, 2018. To that end, this special telephonic meeting was scheduled, and Larry Sullivan, City Attorney, had drafted a Letter of Intent based upon the two requests of the County Court.

That DRAFT letter reads:

If the formation of the Ontario Recreation District is placed on the November 6, 2018, ballot and approved by the voters, the purpose of this letter is to express the intent of the City Council to enter into a formal Intergovernmental Agreement with the Board of Directors of the Ontario Recreation District to accomplish the following:

1. *Convey to the Ontario Recreation District the real property owned by the City of Ontario upon which is located the Aquatic Center, Ontario Recreation Office, skate park, tennis courts, and proposed splash pad, following the same procedure and format used to convey the Ontario Library real property to the Ontario Library District in 2009.*

2. *Make every reasonable effort to assist the Board of Directors to locate funding sources for the Ontario Recreation District until the District begins receiving property tax revenues in 2019, including, if necessary, extending low-interest temporary bridge loans to the District upon request of the District.*

Undoubtedly there will be other issues that arise that will need to be addressed in an Intergovernmental Agreement with the Ontario Recreation District. The City of Ontario is committed to the success of the Ontario Recreation District and will negotiate in good faith on any other issues that arise.

This letter was [unanimously] approved by the City Council during a special meeting on July 9, 2018.

*Very truly yours,
Ronald Verini, Mayor*

Councilor Crume stated with regard to Section 2 of the draft letter, he did not believe the city should be charging any interest on a loan provided to the District.

Councilor Justus disagreed. It should be treated as any other loan. That was just doing good business.

Councilor Crume stated he was 100% in favor of the formation of the District, but would have to vote no on this action if the loan was interest bearing.

PALOMO moved, JUSTUS seconded, to approve the Letter of Intent as presented. Roll call vote: Crume-no; Carter-out; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 4/1/2.

Megan Cook and Mary Jo Evers both stated that the County Court was watching very closely the results of this meeting, and the support of the Letter of Intent. They both believed, strongly, that it would be detrimental to their cause if the Council was divided. They believed a unanimous vote would be stronger, and show unity of support by the Council.

Councilor Crume agreed, but could not vote in favor of an action that would include interest on a loan to the District.

Larry Sullivan, City Attorney, stated they could remove that language from the Letter, and it could be negotiated at the time any request for support was received. The Letter would read “...if necessary, extending temporary bridge loans...”. Would that wording suffice?

Councilor Crume stated that would be okay with him.

PALOMO moved, JUSTUS seconded, to amend the previous motion to include the removal of the language “low-interest” from Section 2 of the Letter of Intent. Roll call vote: Crume-yes; Carter-out; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 5/0/2.

Director was given to staff to modify the draft Letter to remove the language “low-interest”, as well as remove the brackets around the word [unanimously], and to have the Letter ready for signature and delivery to the County Court prior to their Wednesday meeting.

Any Other Business at the Discretion of the Council

Councilor Crume asked if there was anything the Council should do regarding the appearance of the splash pad area?

Mr. Brown stated he had spoken with the Public Works Director, who had arranged for the area to be cleaned up, especially the weeds growing.

Councilor Capron stated the mall and the entire run of SW 4th Avenue was still looking bad. Was anything being done?

Mr. Brown stated he would follow-up with that.

Councilor Crume stated his wife had turned in an area that had been a continual problem for years, and it had been taken care of. He was curious as to what the process was – had they been fined, how the process was done – to see if the abatement process and civil penalties were working.

Megan Cook invited the Council to the County Court meeting on Wednesday. They'd like as many proponents there as possible to speak on behalf of the Splash Pad project. It was scheduled to begin at 9:00 a.m.

ADJOURN

CAPRON moved, JUSTUS seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Crume-yes; Carter-out; Palomo-yes; Justus-yes; Capron-yes; Winebarger-out; Verini-yes. Motion carried 5/0/2.

ACCEPTED:

ATTEST

Ronald Verini, Mayor

Tori Barnett, MMC, City Recorder





CITY COUNCIL WORK SESSION MINUTES July 12, 2018

The scheduled Work Session of the Ontario City Council was called to order by Mayor Ronald Verini at 12:00 p.m. on Thursday, July 12, 2018, in the Council Chambers of City Hall. Council members present were Ronald Verini, Norm Crume, Tessa Winebarger, Dan Capron, Betty Carter, and Marty Justus. Ramon Palomo was excused.

Members of staff present were Adam Brown, Tori Barnett, Larry Sullivan, Kari Ott, Debbie Jeffries, Terry Leighton, Dan Cummings, Cal Kunz, Betsy Roberts, Cliff Leeper, and Dan Beaubien.

The meeting was recorded and copies are available at City Hall.

Tessa Winebarger led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on July 10, 2018. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

WINEBARGER moved, CAPRON seconded, **to ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

OLD BUSINESS

Ordinance #2739-2018: Repealing Title 10C-50 Historical Landmarks and Replacing it with Title 10C-60 Historical Preservation Landmarks FINAL READING

Dan Cummings, Community Development Director, presented.

A request was made for the City of Ontario to replace the city zoning and development code, Title 10C-50 Substantive Regulations for Land Development - Historical Landmarks to follow the Oregon State Historic Preservation Office (SHPO) guidelines to become a Certified Local Government (CLG). If approved, this action would show the city's demonstrated interest in historic preservation and it would be recognized as a CLG by the National Park Service. Becoming a CLG opened the city up for funding through SHPO, technical assistance, and trainings.

On June 19, 2018, the City Council heard the action and approved it on First Reading by Title Only.

Chapter 10B-15-05 would allow the initiation of zoning and development code amendments by the City Council or Planning Commission. The proposed amendments had been initiated. As proposed, the amendment would replace Chapter 10C-50 entirely with a new Historical Landmarks Ordinance named Historic Preservation Ordinance. Doing so would allow the National Park Service and the State Historic Preservation Office (SHPO) to recognize the City of Ontario as a Certified Local Government, opening up opportunities for grants, technical assistance, historic inventories, and historic preservation trainings. The code would be non-compulsory. Property owners would have to register their property as historic, if it met the standards, in order to be eligible for grant money and be held to the restrictions laid out in this chapter. There were 81 other cities in Oregon that were recognized as Certified Local Governments and were therefore eligible to receive grants of varying amounts from the State of Oregon.

The request was to replace the current code with a code that adhered to SHPO standards. The changes were as follows:



REPEALING TITLE 10C-50 HISTORICAL LANDMARKS AND REPLACING IT WITH TITLE 10C-60 HISTORICAL PRESERVATION LANDMARKS.

At a Public Hearing by the Ontario Planning Commission on June 11, 2018, the Commission made a motion recommending the City Council approve planning action 2018-04-09ZCA, Ordinance #2739-2018. On June 19, 2018, the City Council heard the action and approved it on First Reading by Title Only. There had been no changes to the Ordinance since the first reading, and no additional comments had been submitted.

Other than staff time and recording fees (fees were budgeted), there should be no financial cost to the city. The application fees should cover staff time to process any applications and the city should benefit from increased tax values with any remodeling of the historical buildings.

Staff was attempting get this project approved and completed by the end of July.

The city had the authority to amend the zoning regulations in response to emerging technologies, business concepts, or changes in state law. The proposed amendments to Title 10C of the Ontario Planning Code were both substantive and “housekeeping” measures in response to Council direction and identification of changing business concepts and state regulations.

JUSTUS moved, CRUME seconded, **THAT THE CITY COUNCIL APPROVE ORDINANCE #2739-2018, AN ORDINANCE REPEALING TITLE 10C-50 HISTORICAL LANDMARKS AND REPLACING IT WITH TITLE 10C-60 HISTORICAL PRESERVATION LANDMARKS ON SECOND AND FINAL READING BY TITLE ONLY.** Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

Ordinance #2741-2018: Creating Title 6, Chapter 10, of the Ontario Municipal Code to Adopt a Public Safety Fee for the City of Ontario FINAL READING

Kari Ott, Finance Director, presented.

The city was in need of a funding mechanism to preserve the current Ontario Police Department staffing levels. The City Manager proposed a public safety fee of \$5 to be listed as a separate line item on the water and sewer bills. The revenue estimated would preserve two police officer positions.

The Budget Committee met in April, 2018, and, based upon that recommendation, approved the implementation of a \$5 public safety fee, effective with the 2018-2019 budget.

The Council approved the first reading of the ordinance on June 19, 2018, and there had been changes subsequent to that reading. This proposed final reading was necessary to approve the ordinance, which was the first step in the process outlined below. In order to impose a public safety fee, the city was required to create an ordinance, approve two different resolutions, allow for public comment, and publish notice in the newspaper. Those documents would accomplish the following:

- The ordinance would create Title 6, Chapter 10, of the Ontario Municipal Code which would allow the city to adopt the public safety fee and set up the parameters.
- The first resolution would set the public safety fee as a monthly \$5 fee to each dwelling unit and non-residential unit. The resolution also certified that an opportunity for public comment was provided.
- The second resolution classified the public safety fee not subject to Measure 5 limitations. It also certified that a publication would be published in the newspaper to give notice of the adoption of this resolution. The resolutions would be brought to the Council after the ordinance became effective.

Staff anticipates this public safety fee, at a monthly charge of \$5, would bring in \$217,500 annually. This action should be approved as soon as possible to start bringing revenue into the city to fund public safety. The legal process outlined above was mandatory. The Council was required to follow those steps to implement this public safety fee.

Taking no action on this matter would result in two police officers being eliminated from the 2018-2019 budget.

WINEBARGER moved, CARTER seconded, **THAT THE CITY COUNCIL APPROVE ORDINANCE #2741-2018, AN ORDINANCE ADDING CHAPTER 10 TO TITLE 6 OF THE ONTARIO CITY CODE TO ADOPT A PUBLIC SAFETY FEE, ON SECOND AND FINAL READING BY TITLE ONLY.** Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

NEW BUSINESS

Hangar Lease #367 Alpha: Sam Ralston

Dan Beaubien, Airport Manager, presented.

Sam Ralston purchased Hangar 367 Alpha from Verla Holton and would like to continue the lease agreement with the city of Ontario. As per policy, all lease transfer were to be brought before the City Council for approval.

New leases were set to begin at 15¢ per square foot of hangar space. This would be an increase over the previous rate paid to the city. The hangar had already been purchased, which required a name change on the lease agreement to reflect that change. It is the responsibility of the city to grant land leases at the Ontario Municipal Airport for hangars.

CRUME moved, CARTER seconded, **THAT THE CITY COUNCIL GRANT THE LEASE AS PRESENTED FOR HANGER 367 ALPHA AT THE ONTARIO MUNICIPAL AIRPORT TO SAMUAL RALSTON.** Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

Resolution #2018-131: Grass Runway Dedication – Cash Troyer Memorial

Dan Beaubien, Airport Manager, presented.

Cash Preston Lee Troyer's dream was to become a pilot. Sadly, his life was cut short at the age of 9½ years old. He helped begin the new grass strip which would be used for back country fliers, as well as gliders. It seemed very fitting that the grass strip be named after him. Cash was a fixture at the airport. He knew many pilots and had knowledge beyond his years of all types of airplane and classes. He was the one who was spoken of in the elite group of pilots who visited the Ontario Airport. His hospitality in greeting and helping pilots soon spread in the aviation community to the point that pilots would land and look for his smiling face as their first greeting at the airport. Cash was never hard to find. Cash's mother and grandfather still greeted pilots as they came to the airport; however, it was now quite different without that youthful smile. The Ontario City Council and the Airport Committee unanimously agreed to name the new grass strip after Cash. His family was deeply moved that the City of Ontario would dedicate the grass strip in his honor.

The healing within the family and his many friends had begun. This would aid in the healing process and was timely. A resolution to proclaim the grass landing strip in Cash's name was required to make it official.

CAPRON moved, CARTER seconded, **THAT THE CITY COUNCIL ADOPT RESOLUTION #2018-131, A RESOLUTION DEDICATING THE GRASS LANDING STRIP AT THE ONTARIO AIRPORT IN HONOR OF CASH PRESTON LEE TROYER.** Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

Phase 4 – City of Ontario National Pollutant Discharge Elimination System Permit – Variance Application

Cliff Leeper, Public Works Director, and Betsy Roberts, City Engineer, presented.

Over the past two years, the city had been negotiating with the Oregon Department of Environmental Quality (DEQ) over the development of a draft National Pollutant Discharge Elimination System (NPDES) permit. The DEQ was currently finalizing the NPDES Permit for public comment. Once the permit had been reviewed by the public, the DEQ would finalize it and it would become enforceable at the City of Ontario.

The Ontario NPDES team met with the Director of the DEQ early this spring. The outcome of that meeting was an agreed upon direction forward, which included development of an application for variance by the City of Ontario. This Task Order included the effort needed to develop that application for variance. A minor part of the Task Order would cover the continued arsenic monitoring effort being conducted around the city.



Woods Consulting and Jacobs Engineering had been working with the City Manager on the city's behalf with the Oregon DEQ and the EPA over the past two years regarding the city's future NPDES permit. The City of Ontario's NPDES Permit had been extended administratively since 2009 by the DEQ. The team had been working to develop a draft NPDES Permit that provided a long timeframe for compliance and protected the city from unreasonable financial burden. The City of Ontario was unique; implementation of the 2.1 ug/l arsenic limit was new to the state and was lower than surrounding natural conditions; the city was just downstream of flows coming out of Idaho where the current limit was much higher; and the community was financially depressed.

The DEQ was moving forward with preparing the draft permit for public review and would continue to move toward finalizing the permit. However, the DEQ was working with the city to find alternative ways to support the city through the permitting process. The current recommendation was to move forward with an application for variance based on finances. A variance could be granted if the community could prove that the permit requirements would cause a financial burden, which equated to a sewer rate greater than 2% of the Median Household Income.

The estimated effort for development of the NPDES permit application for variance was \$49,890 to cover both Woods Consulting (\$27,600) and Jacobs's staff (\$22,290). \$50,000 was budgeted in 2018-2019 in the Sewer Fund line item 110-165- 628900. Previously, the city had paid a total of \$62,530.53 for Jacobs/CH2M staff and Wood Consulting work on the permit.

As part of the meeting with DEQ, it was determined that the variance application could be submitted immediately after the permit became final. This was anticipated to be sometime this fall. Staff recommended being prepared to submit the variance application as quickly as possible.

The Council had two options for this action:

Approve the Task Order for Phase 4. By approving this Task Order, the city retained the best opportunity to maintain some control over the impact of the NPDES permit on the community.

Do Nothing. By not acting, the city might lose momentum gained with the DEQ and current staff.

CARTER moved, WINEBARGER seconded, **THAT THE CITY COUNCIL APPROVE PHASE 4 OF THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT PROCESS REGARDING DEVELOPMENT OF AN APPLICATION FOR VARIANCE FOR JACOBS AND WOODS CONSULTING FOR \$47,845.** Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

DEPARTMENT HEAD UPDATES

Financial Report: May, 2018

Kari Ott, Finance Director, presented. (Report attached)

City Recorder: Semi-Annual Report (Jan-Jun, 2018)

Tori Barnett, City Recorder, presented. (Report attached)

Police Department: Quarterly Report (2nd Quarter)

Cal Kunz, Police Chief, presented. (Report attached)

Airport: Quarterly Report (Jan-Jul, 2018)

Dan Beaubien, Airport Manager, presented. (Report attached)

HAND-OUTS/DISCUSSION ITEMS

Business Loan Fund

Councilor Justus asked to speak about how many loans the city had made, how many loans had failed, and the future of the Business Loan Fund overall. How many loans had failed over the past three years?

Mr. Brown stated he believed it was just two. He would also find out how many loans had been given.



Councilor Justus wanted to know the success of the fund. If it was successful, then continue on, but if the city was losing money, consistently, it was time to reevaluate it. They had a fiduciary responsibility to the city. The comment had been made that the city was giving money to businesses that couldn't get money from anywhere else. If that was the case, why would the city give them money? If they weren't operating their business effectively or efficiently to get the line of credit they needed, that concerned him. He was aware that another application had been received, but he didn't want to take half of the fund away because the Council had just allocated funds to housing. It was important that they start promoting that \$10K grant to get more people to build houses in Ontario. He didn't want to take half of those funds for a business that might fail.

Mayor Verini stated the fund had grown from \$84K to about \$500K. There had been two loans that appeared to be in default. But, the city had just received payment from one of those loans. On the Business Loan Fund Committee, now, two bankers, Sandy Hemenway and Jackie Hansen, both with a tremendous amount of experience in business loans, one member from the community, Janet Komoto, with great insight, as well as he and Councilor Betty Carter. Staff (no-members) included Adam Brown, Kari Ott, and Dan Cummings, who attended the meetings and provided background and insight. While he couldn't speak for the businesses that went under, but regarding the application before the Committee currently, and following the rules established for granting loans, one section read *"No loans shall be approved unless there is sufficient collateral or adequate security given to allow repayment of the loan in the event of default. Unless personal guarantees are executed by all principals of the business in taking collateral as security for a loan, the following shall apply: whenever feasible, the city shall require that it be in first lien position on the collateral, and the city may agree to subordinate its security interest in collateral to another lender on the project if the borrower has sufficient equity in the collateral taken by the city to provide adequate security for the loan amount. The city shall not rely on inventory as collateral in approving the loan, although it may take a security interest in the inventory."* Reading through the criteria, if the Committee followed the rules, the city should be adequately covered under any situation where there was a default in the loan. With the quality of the individuals that were serving on the Committee, he saw no problem. He didn't know if they would be approving the current application. It would go through the process. If it passed through the Committee, it would come before the City Council for final approval or denial. The Fund was not in dire straits, but there had been some recent bumps.

Councilor Justus stated he understood that, but those rules had been there for a while. If the rules were there, and the city had personal guarantees, and there was a default, the response was, well, there's nothing to go after, so let's not go after the judgement. If there was a personal guarantee made, then get the judgement. His concern was that yes, they had a loan fund, but suddenly it wasn't being repaid. A judgement would follow until paid. If the city wasn't going to follow-through on the two that were in default, he didn't want to approve any more applications. They needed to follow their fiduciary responsibilities.

Mayor Verini stated there were a few issues. One, there was a default in one of the loans...

Larry Sullivan, City Attorney, stated although those two loans were in default, it appeared that the city would be moving forward on enforcing the city's remedies. They were in position to do that with one loan; the other, had a few more days to bring payments current. If that did not occur, they could move forward against that loan, too. It was premature to say those loans had failed. While the borrowers had ceased making payments, but it may be that the city will eventually be able to collect part or all of the money owed on those two loans.

Councilor Justus stated in his last conversation, he was told that there was not a lot of interest in pursuing them. He was in support of pursuing the city's interest. Not everyone who received a loan paid it back.

Mr. Sullivan stated since he had been City Attorney, there hadn't been any loan that went into default that the city hadn't had him move forward to take legal action against them. That didn't mean recovery was made; some were very modest recovery, but overall, the only thing that had stopped the city from collecting money was due to the debtor declaring bankruptcy. He had always taken all the necessary steps to protect the city's collateral.

Councilor Capron he would review any recommendation provided from the Loan Committee, but if he was looking for a loan for the city, he'd rather put it into housing for someone that lived there over a business owner that did not live here. The housing will benefit the city more.

Councilor Crume stated they started out with a modest amount of money, given by the state, which was the justification for creating the Revolving Loan Fund. It had proven that it had grown, even with the failures. With each failure, every Council held the exact discussion that they were having now, every time. The last issue was when the wine shop downtown failed, and then the sports store. Both were sizable loans, and the Council reeled back and established new rules and criteria because of those two defaults. The Council had to rely on the expertise of the Committee. Councilor Justus wasn't wrong – the Council had to be careful.

Agendas: (Attached)

SREDA 07-11-2018

Public Works Committee 07-10-2018

Minutes: (Attached)

Malheur County Court: 05-30-2018; 06-06-2018; 06-13-2018

SREDA 06-06-2018

Public Works Committee 05-08-2018

Packet: (Attached)

V&C Board 07-12-2018 w/05-03-2018 Minutes

Department Stats: (Attached)

Public Works 05-26-2018 thru 06-19-2018

Ontario Fire & Rescue 06/2018

Ontario Police 05/2018; 06/2018

Code Enforcement 05/2018; 06/2018

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Capron stated due to the marijuana initiatives going around, the Council needed to be proactive and get the ordinances going, and obtain feedback from the Marijuana Ad-Hoc Committee.

Mr. Brown stated that Councilor Justus had brought that issue to them at the agenda prep meeting, and staff felt two days was not enough time for staff to prepare a discussion on the issue. He had spoken with Mr. Sullivan and Mr. Cummings, and they planned to discuss the legal aspects, zoning aspects, the petition, etc., at the Tuesday Council meeting.

Mr. Brown stated the Diversity Advisory Committee held their second meeting last Tuesday, and it was going well.

ADJOURN

CARTER moved, CAPRON seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Crume-yes; Carter-yes; Palomo-out; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

ACCEPTED:**ATTEST**_____
Ronald Verini, Mayor_____
Tori Barnett, MMC, City Recorder



CITY COUNCIL MEETING MINUTES July 17, 2018

The scheduled meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 7:00 p.m. on Tuesday, May 15, 2018, in the Council Chambers of City Hall. Council members in attendance were Ronald Verini, Norm Crume, Dan Capron, Marty Justus, Tess Winebarger, and Ramon Palomo. Betty Carter arrived at 7:21 p.m.

Members of staff present were Adam Brown, Tori Barnett, Dan Cummings, Terry Leighton, Larry Sullivan, Cal Kunz, and Cliff Leeper.

The meeting was recorded and copies are available at City Hall.

Norm Crume led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on July 13, 2018. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

Mayor Verini noted a change to the Agenda. Under Executive Session, they would be adding B) ORS 192.660(2)(h).

CRUME moved, PALOMO seconded, **TO ADOPT THE AGENDA AS AMENDED**. Roll call vote: Crume-yes; Carter-out; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

PUBLIC COMMENT

Mary Ann Peterson, Ontario, stated: *I'm a resident of Ontario. My husband and I have lived in Ontario since 1975. We've watched the steady decline of our town over recent years. There are properties in almost every neighborhood that are neglected and rundown, affecting the quality of our lives, not to mention reducing property values. Some people have given up and left. For those of us who have decided to remain here, this is a huge issue. We want the city to know that it is very important to us that ordinances are enforced and we want accountability and some sort of follow-up for it. Thank you.*

Richard Watts, Ontario, stated: *Thank you very much. My issue is failure of the city to enforce parking ordinances in residential areas. On any given day, across the street from my residence, there are eight to 12 vehicles parked in the driveway or on the street. Three to four of them have temporary permits. One has expired December of 2017, parked in the driveway, flat tires, it has not moved. That is in violation of the ordinances. There are several other vehicles with permits expired or not. On numerous occasions an ordinance officer has gone through our neighborhood and drove right by that house. It takes him less time to drive through our neighborhoodhe never slows down, he doesn't stop, he doesn't wave. As for the Chief of Police, when I step out on my front porch, he drives by without waving, he drives by those cars every day that have been parked there for eight to 12 months. My question is, why can't the Police Department see the issue and rectify it? Thank you very much. I'm at 146 SW 25th Street, Ontario, Oregon.*

Susan Kurth, Ontario, stated: *I water the downtown pots and in doing so, I get a really close-up personal look at the streets, and the streets are just beyond dirty. I have pictures of very full storm drains that are full of trash and one of them smells like death today, this morning. If we got a big rain, would those drain? Would they back-up? What businesses would be damaged by that? So, I've got pictures here that I can show you, I'll pass them to you down and then you can show them around, but what is it? I've been told that the ordinance folks, I don't know the new company that owns that, says they're going to be cleaned as needed, and what is their judgement on that, as needed? How did they decide on that? Does anybody know, the as needed cleaning? Do you know, Adam, how they based that decision on?*

Adam brown, City Manager, stated there was, but it was better to leave the question and they could give her a better answer.



Ms. Kurth continued: *Okay, I did my, we pay employees to go work on those pots and the maintenance of the pots, which we enjoy doing. Part of our maintenance is picking up massive amounts of trash, which, if you'd look in the back of our pick-up right now, I haven't cleaned it out yet from today's trash, but we have all kinds of things, interesting things, that we pick out of those pots. And then we also blow off the sidewalks and sweep up as much as we can when we trade out the flowers in the pots, so we try to do our part in taking care of the cleanliness of our city, but there again, the yellow paint on the no parking zones of the curbs is almost worn off on a lot of the places. I don't know, how often do those get repainted?*

Cliff Leeper, Public Works Director, stated it was done yearly.

Ms. Kurth continued: *Yearly, okay, so if they need it more than yearly, is there a criteria for that?*

Mr. Brown told her to call the city.

Mr. Kurth continued: *Okay, I will do that. I'll pass these pictures around. This is just today's garbage. There's a picture of a storm drain that's almost to the top with trash. I don't think that'll drain properly if there comes a big rain, which you know how we have those gully washers. There's lots and lots of trash. It's almost like, put on some surgical gloves to take care of it because there's drug paraphernalia, there's needle stuff, there's all kinds of really interesting things. I'll pass this around and let you look at it, and then you guys be the judge on if you think they might need to be cleaned. Thank you.*

CONSENT AGENDA

WINEBARGER moved, CRUME seconded, **TO ADOPT THE CONSENT AGENDA**, which consisted of the Council Meeting minutes of June 19, 2018. Roll call vote: Crume-yes; Carter-out; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/0/1.

OLD BUSINESS

Code Enforcement Verbal Report

Cal Kunz, Police Chief, stated: *I appreciate the opportunity to come before you and speak on ordinance for a moment. As you know, a couple weeks ago with the new fiscal year, Code Enforcement staff has been downsized by 33%. We have a big hurdle to overcome with ordinance in general, and having less staff is going to make that even more difficult; however, I did want you to know that we have discussed with the City Manager, as well as Officer Brockett, just going forward basically what our game plan is going to be, and I wanted to share that with you if I could. First off, we have to prioritize, always in police work, whether it's code enforcement or police work in general, and that is something that we'll have to continue here with ordinance. There's basically the four priority levels, the way we look at it. First would be life/safety. We get a lot of dangerous animals or animal bites, or, for that matter, animals trapped in vehicles or locked in vehicles and whatnot, so anything that's possible life/safety is still going to be our number one priority. After that, we want to be responsive to our citizens. When our citizens have concerns about ordinance issues, they come to us. I think their expectation is to have the police department address it or at least look at their issue in some way, so the second prong is whenever we have a complaint either from the members of the Council who see an issue or a problem, that would be a second level priority, or, as I said, the citizens. The third, at that point, would be, if there's time, we start getting proactive, the main thoroughfares, obviously, within the city where most cars are traveling, people are coming into our city, we want to do everything we can to keep those within ordinance and if we keep those parts of the city kept up. Then after that we have the four quadrants that we look at for the city and we do try to take a look at all four of them throughout the year whenever we can so we can equally enforce codes throughout the city. A few hurdles, I'll tell you right now that makes it kind of difficult to get proactive. When we did have the second ordinance officer, that was kind of the proactive prong of code enforcement. It was before my time where that second one came about, but from what I understand, it was to be more proactive, and I think that helped with that. Graffiti was one of the big things at the time to help abate that quicker and get rid of that in our city. When it comes to just one code enforcer, some of the hurdles that we do have, we have the one officer, and he is call responsive. He does get those calls not only about the animals throughout the day, but also throughout the day from citizens. It's rare that a day goes by that I'm not going to him with a problem or two from the community. It's a bit of an overwhelming job for one person. There's no doubt about that. When we look at ordinance problems, to actually follow through with an ordinance problem, it's a process. There's a problem, we identify it, generally it goes that the officer will go out, make contact, and try to resolve the problem. If he can't make contact with the actual owner, then often it's posting a notice, saying that this is an issue, and you have so many days to follow-through, there's that follow-through period, and now that we have the civil penalties, "x" amount of days it gets to the point that those are assessed. There are certified letters to be sent. There's follow-up, and in each stage of the follow-up there are pictures to be taken for evidence, there's a report to be written, and there's follow up reports to be written. It's quite a process, so I realize myself that driving around the city, there's lots of code issues, but every time we see a problem, to actually address the problem, there are steps that we have to take and when you have to go through so many steps to make a good case, it does take time, it does take a lot of documenting, so it is, for example,*

I talked to Officer Brockett the other day, and this month he's trying to catch up on follow-up work. He has 60 cases this month that he's trying to follow-up. This process I spoke of, the letters the follow-through, the photos, the taking reports, he's doing that this month, as well as July is a hot month and we're getting a lot more calls about dogs and animal problems and life/safety issues, so he's pulled away from that to deal with those priorities. It's a very tasking and difficult job, there's no doubt about it, but we have not given up by any means. We're going to try to be as aggressive as we can. We're going to be using any time that we have to be proactive, but I definitely wanted to let the Council now that we do have a priority system. We're going to follow that to the best of our ability. I don't have a perfect answer. I wish I did. A lot of it boils down to staff, just needing more staff to do all these steps in the process to abate these issues. For example, I spoke with Chief Huff in Fruitland, a little over a year ago, and asked him how many ordinances officers they had, and he told me, pretty quickly, he said that we have two full-time, and he said they had a really hard time keep going up with the demands over there. Obviously, with Ontario, our plate is full and at this point we have one, so we're going to continue to do the best we can, there's no doubt about it. I'm open for any questions or suggestions.

Councilor Winebarger asked how civil penalties were progressing.

Chief Kunz stated that was an important tool for the department. The civil penalties was doing what they had hoped. It was getting voluntary compliance. People were now calling in, instead of ordinance calling them. They were telling them they were working on the issues, and would be done by a certain date. It was still in its infancy, but they were already seeing a lot more voluntary compliance. They did have the Hearings Officer set up, and there were two issues set for hearings. It gave more leverage to the department, which was what they wanted – the voluntary compliance and responsibility. When he spoke of the importance of following up on cases, when he spoke with Officer Brockett, the number of cases was going to decrease. With 33% less staff, the numbers would go down, but he was shooting for quality cases – documenting them properly in case they went to hearing, they would have a good, solid, strong case.

Councilor Capron asked if people were being cited as soon as it was possible?

Chief Kunz stated it depended on what the case was.

Councilor Capron asked what the policy was on writing parking tickets?

Chief Kunz stated when they were addressing the parking problems, they were call responsive on those, so citizen generated complaints.

Councilor Capron stated he had several citizens ask if they could help with paperwork or filing, help with graffiti, etc.

Chief Kunz stated regarding paperwork, that had to be the officer. But for graffiti, if there were volunteers for cleaning that up, that would be a very positive thing.

Councilor Capron stated on his drive from his home to City Hall that night, he counted over 10 properties with out of control weed issues. Was there any type of priority list for dealing with issues along the main thoroughfare?

Chief Kunz stated yes, that was their game plan going forward, to hit the main areas first.

Councilor Justus asked if Chief Kunz could tell him that out of all the cases on the books, how many were in each quadrant of the city? If there were 60 cases on the books, and the city had four quadrants, to him, there should be 15 citations in every quadrant. If they were using the main thoroughfares, there should be 15 on East Idaho, 15 on West Idaho, etc. He drove around the city on a regular basis, and he didn't see the city being handled fairly by code enforcement. He understood the department was short-staffed, and he also understood that a budget stopped on June 30th, so there had been 1.5 Code Enforcement Officers until that date, so for all of this to happen in the last 17 days, well, it didn't. The mall was atrocious until five days ago, but it was taken care of now. The department had reserve officers, there were police officers, what was it going to take? They had to decide what they had to do, and how to get it done. From his perspective as a citizen, and also as a Councilor, if Dallas was 60 cases behind and could only get to 15, the citizens needed to know that so they could step up and help. Everyone in that room knew the city didn't have any money, but they had to find a way to get this done. He was there to help with that, not to hit anyone over the head about it.

Councilor Crume asked, with regard to the civil penalties, had any fines actually been collected?

Chief Kunz stated he would have to defer to the Finance Department for that. The police department was getting a lot more cooperation, and the civil penalties caught attention.

Councilor Justus asked if they were to fund a full-time ordinance department the way it should be staffed, how much would that cost?

Mr. Brown stated approximately \$160K.

Chief Kunz thanked everyone for their comments.

NEW BUSINESS

Marijuana Legal and Land Use Current Status Presentation by City Attorney and City Planner

Larry Sullivan, City Attorney, presented.

Mr. Sullivan stated he had presented an outline to the Council. The goal of the presentation was to anticipate as many questions as the Council might have with respect to the ongoing marijuana initiative petitions, what impact those would have on the city if they passed, what was the process involved if the Petitioners obtained enough signatures to get the issue on the ballot, what regulatory steps could the city take if it appeared the Petition might end up on the ballot, were there things the Council could do, and what happened if both initiatives passed. If the city didn't take any independent steps to regulate either one of those businesses, what did Oregon law do with respect to regulating those businesses.

1) What are the two marijuana initiative petitions trying to accomplish?

- a) Two similar initiative petitions pending: the "Eyler" initiative and the "Archie" initiative.
- b) Both reverse the city's ban on all marijuana-related businesses to allow:
 - i. Medical marijuana dispensaries
 - ii. Recreational marijuana outlets
 - iii. Recreational marijuana wholesalers
 - iv. Recreational marijuana processors
 - v. Recreational marijuana producers (i.e. growers)
- c) Both impose 3% tax on recreational marijuana sales
- d) Both require marijuana businesses to have special city-issued licenses
- e) Zoning:
 - i. Archie initiative allows marijuana businesses in all commercial zones other than Neighborhood Commercial (C-1).
 - ii. Eyler initiative prohibits dispensaries in residential zones but does not address other zones except to say that marijuana businesses are allowed within the city limits. It does not say "everywhere" within city limits.

2) What happens if a petition gets the required number of signatures?

- a) The petitioners have two years (until June or July, 2020, depending on the City Recorder approval date) to get the required signatures.
- b) Once the City Recorder receives certification from the County Clerk that an initiative has sufficient signatures, she "files" it at the next meeting of the City Council, for Council review.
- c) The City Council then has two options: either approve the initiative; or do a separate referral. The referral would be an ordinance created by the Council to be placed on the ballot instead of the initiative.
- d) To get on the November 6, 2018, ballot, the petitions must have sufficient signatures to be certified by the County clerk and be approved by the City Council 90 days before the election (i.e. by no later than August 8, 2018).
 - i. The last regular meeting of the Council before the 90 day deadline is on July 24, 2018, so the petitioners must obtain County certified signatures before then, unless the Council agrees to hold a special meeting between July 24 and August 8, 2018.
 - ii. If the petitioners obtain enough signatures but miss the 90 day deadline, the initiative will be placed on the May or November, 2019, general election ballot.

3) If either initiative is approved by the voters, will this allow the City to impose the 3% sales tax?

- a) Oregon law does not explicitly say that the 3% marijuana sales tax can be imposed through the initiative process. There is no case law dealing with the 3% tax.
- b) ORS 475B.491 allows cities to impose the 3% tax only by a referral to the voters.
- c) The Oregon Constitution gives voters broad authority to make state and local legislation through the initiative process.

- d) If the voters approve the 3o/o tax through initiative, in the City Attorney's opinion this is not prohibited by ORS 475B.491, because the tax is being imposed by the voters, not by the city. In the City Attorney's opinion the City has the same right to enforce the 3% tax approved by the voters through an initiative as it does when the 3% tax is imposed through a referral.
 - i) To be safe, the City Council could approve a separate referral of the 3% tax for the November 6, 2018, ballot, as long as it does so 80 days before the election (i.e. by no later than August 16, 2018). This could be done as late as the regular meeting on August 14, 2018, once the Council knows whether either petition received enough signatures to get on the November 6, 2018, ballot.
 - ii) Alternatively, instead of approving one of the initiatives for the November ballot, the Council could do a referral instead, to overturn the city's marijuana ban and impose the 3% tax. The City Council could do this without endorsing the referral. Doing so would clearly comply with ORS 475B.491.
 - iii) Doing either i) or ii) would avoid possible litigation over a 3% tax approved only through the initiative process.

4) What right does the City have to impose limits on marijuana businesses more restrictive than those in the initiatives?

- a) Oregon law allows cities to impose reasonable regulations on marijuana businesses related to time, place and manner of operation. ORS 475B.426 and 475B.928.
- b) If Ontario's ban is overturned by initiative, the City cannot impose conditions that effectively prevent the operation of marijuana businesses within the city limits.
- c) In the City Attorney's opinion the City could not limit the absolute number of marijuana businesses in the City, because any such limit would be arbitrary.
- d) The effect of a successful initiative would be to add a new ordinance to the City Code, effective 30 days after the election. In the City Attorney's opinion the City Council may amend that ordinance to impose reasonable regulations authorized under ORS 475B.426 and 475B.928, including zoning limitations enacted in compliance with state law.
- e) Dan Cummings, Community Development Director, will present several zoning recommendations to the Council after the City Attorney's Sullivan's presentation

5) May the City Council enact ordinances imposing reasonable regulations on marijuana businesses in anticipation of the passage of one or more of the initiatives?

- a) Yes, with qualifications concerning the Archie initiative (discussed below).
- b) Archie Initiative- If the Archie initiative passes, medical and recreational dispensaries would be explicitly allowed in the C-2, C-3, and C-2-H zones, unless the city imposes further restrictions on those businesses after November 6, 2018. In the City Attorney's opinion, the City Council could change the zoning provisions of the Archie initiative only after November 6, 2018, the date of the election. If the City Council passed a zoning ordinance before November 6, 2018, that was inconsistent with the Archie initiative, the courts would likely give precedence to the more recently enacted ordinance (the Archie initiative) in resolving inconsistencies.
- c) Eyler initiative- In the City Attorney's opinion, the City Council could impose reasonable zoning restrictions on marijuana businesses in anticipation of the passage of the Eyler initiative, as long as the city's restrictions were not otherwise inconsistent with the Eyler initiative (because any inconsistencies would be resolved in favor of the Eyler initiative). To have those restrictions be effective on December 6, 2018 (30 days after the election), the city would have to begin working on those in the immediate future in order to satisfy the State of Oregon's notice and hearing requirements for land use regulations.
- d) If the Eyler initiative passes, and if the city does not enact any zoning provisions in anticipation of its passage, the only restrictions on the location of the marijuana businesses (other than medical marijuana dispensaries governed by the Zoning Code restrictions enacted in 2015) would be those imposed by state law and those in the City Zoning Code governing non-marijuana business retail outlets, wholesalers and agricultural processors and producers.

6) What happens if both initiatives pass?

It would be the City Council's responsibility to reconcile the two initiatives and remove redundant and inconsistent provisions by amending them just as it amends other ordinances.

7) If either initiative passes, what restrictions would be imposed by Oregon law on marijuana businesses in Ontario if the city does not impose additional restrictions?

- a) Recreational and medical dispensaries are prohibited within 1,000 feet schools, unless there is a physical barrier (like a river, for example) between the dispensary and the school and the dispensary is at least 500 feet from the school
- b) Medical and recreational dispensaries and processors are prohibited in residential zones.
- c) Medical marijuana dispensaries cannot locate within 1,000 feet of another dispensary.
This does not apply to recreational marijuana dispensaries, which are allowed to be within 1,000 feet of other dispensaries. Cities may impose the 1,000-foot rule by ordinance, but cannot impose a greater distance between dispensaries.
- d) Medical marijuana dispensaries cannot locate at a grow site.
- e) Before issuing any recreational marijuana license, the OLCC must request a statement from the city that the requested license is for a location where the proposed use of the land is a permitted or conditional use. If the proposed use is prohibited in the zone, the OLCC may not issue a license.

Dan Cummings, Economic Development Director, stated his statement did not mean that the city was advising the ban be lifted. He was giving advice as to what the city should do in case the ban was lifted.

Mr. Cummings had created two maps. First, the existing "Residential 200" buffer zone. He took the existing ordinance enacted by the Council for medical marijuana, with the buffer zones that the Council, and the citizens, at that time, provided input for. It followed the state law for a 1,000 foot buffer between all schools, and the city included the 1000-foot buffer around all parks and public places, to protect the youth. On map #1, the blue circles were the buffer zones. The original map only showed the C-2H zone, which was orange on the hanging wall map, or the lime green on map #1. He reviewed both initiatives, Eyer and Archie, and created a map that showed the 1000 foot buffer around schools and parks, and the original 200 feet from a residential area. Then he added, in color, what areas would be allowed. He had them include C-1, C-2, and C-2H, and C-3 zones. After the buffer zones were added in, the only areas left open for dispensaries were in the C-2 and C-2H zones, which were the lime green and green on the map.

At the Ad-Hoc meeting last week, a member asked what would happen if, some areas along SW 4th Avenue were too close to residential, what it would look like if the buffer zone was increased to 400 feet. That was reflected on the second map. All other buffer zones remained the same. That didn't affect much on the Eastside, where most of the C-2H zoned areas were located, but it eliminated areas on SW 4th Avenue. Some remained, but it eliminated the majority.

The Council could reduce the impact on the community by the buffer zones, which the city was allowed to do. If the Council opted to regulate by buffers, he would like to eliminate the conditional use opportunity. It would only be authorized as an outright use.

Secondly, as stated by Mr. Sullivan, medical marijuana had a 1000 foot restriction between businesses; however, recreation did not. His recommendation would be to not put a restriction in and let the businesses do just like any other retail business, leave it to supply and demand.

Third, he had made the map based upon commercial zoning. He would be highly recommending that they add in Heavy Industrial, to limit grows to the industrial zones, but to also allow a dispensary in the Heavy Industrial. Any commercial business could operate in an industrial zone if it serviced that industry. It would be growing and processing. Some operations grow their own marijuana, and also have a retail store.

The C-3 area that was wanted, was the downtown area. It had a park on Oregon Street, and it also had Depot Park. That made it a restricted area. In speaking to the Petitioner that wanted in the C-3 zone, he expressed his concerns about locating downtown had to with the standing pedestrian traffic. Adjacent business owners would not be happy if that was allowed and blocks of people were lined up. The Petitioner suggested writing the regulation to include that all customers had to be indoors, not lingering and lining up outside. If the customers exceeded the authorized occupancy, they would need to leave. They'd need to release the buffer zones from the parks and not affect the rest of it.

Councilor Winebarger asked about excluding certain zones, like unless it was in a C-3 zone.

Mr. Cummings stated the C-3 zone was different, including different regulations and requirements. Yes, it could be done, but he didn't believe it would be good move on the part of the city.

The process for change would be a land use action, and that would require a notice to DLCD 35 days before the first public hearing; then notify the Planning Commission 20 days ahead of the first hearing, but that could be in conjunction with the 35 days. Then a second public hearing, which would be in front of the City Council, followed by a second reading by the Council. Then, a 30-day wait from the final reading to active. It was a minimum of a 3-month process.

Councilor Capron stated if they approved the map, it didn't mean it was final. As an example, if Four Rivers School moved next year, and the property reverted back to whatever it was before, and a dispensary opened up in the zone, and a school moved back into the area, the dispensary would not have to close or move.

Mr. Cummings stated he hadn't addressed anything in the UGA, because it was not currently in the city. Right "here" was the E-2 and "this" was E-5, which was in the UGA, but "this" piece right "here" was in the city limits and was zoned Employment Zone 2, which allowed almost everything that was in the C-2, the C-2H, and Light Industrial, so that area would be available; however, whatever went in there would have to be a 2-acre development site. The buffer was to the property line, not the building.

Steve Meland, Chairman, Marijuana Ad-Hoc Committee, stated: *Recently the Council sent a few different questions to us, two of them specifically, so I'll just repeat those questions for everybody and then I'll go ahead and give you guys our official recommendation. First question was should it be a requirement to have owned a dispensary in another state prior to establishing one in Ontario? The second question for us to discuss was should there be a requirement that there's a two-year residency for any owner owing 51% or more of the marijuana dispensary in Ontario? Essentially, do you have to have one in as state previously, and do you have to live here for two years.*

On the first question, the requirement to have operated a dispensary in another state, we did not pass a recommendation to the Council. However, for the requirement to have a 2-year residency in Ontario before establishing a dispensary in the city, the committee did want to send back a recommendation that you should have to be a resident for two years to own 51% or more of a cannabis dispensary in Ontario.

Those were the only two questions that I had, unless there are any other questions for me today.

Councilor Justus asked if the committee recommended that it be 51% for the forever. To own a marijuana dispensary ever, they had to have 2-years residency?

Mr. Meland: *No, I should clarify. The question came to us posed as a two year requirement, so for the first, no, I take that back. It was the 3-year requirement. For the first three years, the residency would be required for anyone that has 51% ownership, or more, for the first three years of operation.*

Mr. Sullivan verified it was not a preexisting condition that anyone, when they applied, they've been a resident for two years?

Mr. Meland: *That was actually, in fact, the recommendation. That was the question that we got posed, and the recommendation went back that it would be a prerequisite for issuance of a license, that you have lived in Ontario for two years.*

Mr. Sullivan stated it was not that whoever owned the business for the first three years after the business opened, 51% would have to be owned by someone who was a current resident. That wasn't what....

Mr. Meland: *You would have to, in fact, I believe under the way the question was posed to us.*

Mr. Brown stated the committee discussion was because they wanted the money to stay local rather than somebody living in Idaho and making a business in Ontario. That hasn't been run up the legal ladder.

Mr. Sullivan stated the chances of getting challenged could be significant, but he didn't think the city would lose. The city could offer a reasonable basis for wanting to impose that. It would be clearer if it wasn't two years prior to the application being made. It was more difficult to justify why someone who lived in the city limits for only one year wasn't qualified to make an application, whereas someone who had lived in the city for two years, was. It would be clearer if the requirement was that once the application was submitted, the person operating the business had to be an Ontario resident or a majority owner for the first three years.

Councilor asked when the Petitioners had to have all their signatures? The next Council meeting would be the 24th, so they'd have to have all the signatures by then, and have them certified? Or, the Council would have to agree to hold a special meeting.

If the Council didn't agree to hold a special meeting, and they got their signatures after that, it wouldn't go on the ballot until May.

Mr. Sullivan stated he was going to double-check the May date. That was for regular initiatives, but there be part of the marijuana law that only allowed that to be voted on at a November General Election. If that's the case, it wouldn't be on the ballot until November, 2020.

Mayor Verini stated the Council had to decide if they were amenable to holding a special meeting, if necessary. What was the latest date the Council could convene to ensure the Initiative was on the November 2018 ballot?

Tori Barnett, City Recorder/Elections Official, stated it would be August 7th. She had to have everything to the County Clerk, ready for the ballot, on August 8th.

Mayor Verini stated the Council needed to determine if they were would be willing to hold a special meeting if the Petitioners could not meet the deadline of the 24th.

Councilor Crume stated everyone knew he was against marijuana, but he would not stand in the way of getting this on the ballot.

Councilor Palomo asked how hard was it to get the number of necessary signatures?

(Voice) It wasn't a matter of getting the necessary signatures, it was a matter of getting them all certified by the county by the 24th.

Mayor Verini asked for a consensus to call a special meeting, if needed. Consensus roll call: Capron-yes; Winebarger-yes; Crume-yes; Justus-yes; Carter-yes; Palomo-yes; Verini-yes. Unanimous consensus to hold a special meeting if necessary.

HAND-OUTS/DISCUSSION ITEMS

SDC Summary – Annual Report

No comments (Attached)

Check Register: May-July 13, 2018

No comments (Attached)

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

- ✓ Councilor Capron stated he was going on vacation, so a special meeting during that time, he'd participate by phone.
- ✓ Councilor Winebarger stated some of the staff of the League of Oregon Cities was in town for the Small Cities Network, and she would be joining them after this meeting concluded, so if anyone had any questions or issues she wanted her to take to them, speak now.

EXECUTIVE SESSION(S)

Executive Session: ORS 192.660(2)(e)

An executive session was called at 8:54 p.m. under provisions of ORS 192.660(2)(e) to discuss real property transactions. The Council convened into a second Executive Session at 10:17 p.m.

Executive Session: ORS 192.660(2)(h)

An executive session was called at 10:17 p.m. under provisions of ORS 192.660(2)(h) to discuss current or potential litigation. The Council reconvened into regular session at 10:25 p.m.

ADJOURN

WINEBARGER moved, CARTER seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

ACCEPTED:

ATTEST

Ronald Verini, Mayor

Tori Barnett, MMC, City Recorder





SPECIAL CITY COUNCIL MEETING MINUTES August 7, 2018

The special meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 5:30 p.m. on Tuesday, August 7, 2018. The meeting was conducted in the Ontario City Hall Council Chambers. Councilors who participated were Ronald Verini, Norm Crume, Dan Capron, Tessa Winebarger, Betty Carter, Marty Justus, and Ramon Palomo.

Members of staff present were Adam Brown, Tori Barnett, Larry Sullivan, Dan Cummings, Terry Leighton, and Cal Kunz.

The meeting was recorded and copies are available at City Hall.

Marty Justus led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on August 6, 2018. Copies of the Agenda are available at City Hall.

CRUME moved, CAPRON seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

PUBLIC COMMENT

Jill Miller, Ontario, asked if the proposed 3% tax on recreational marijuana was in addition to the dividend the city would receive from the state.

Mayor Verini stated it yes, it was in addition to.

NEW BUSINESS

Resolution #2018-132: A Resolution Rejecting Initiative #11-2018-2-I so as to Allow City of Ontario Voters to Vote on the Initiative at the November 6, 2018, General Election

Mayor Verini begin by stating tonight's meeting was ONLY for the Council to discuss and take action of the proposed ballot measure, Initiative #11-2018-2-I.

The Council would be taking public comment on this action, but ONLY this action. If members in the audience had any other issues they wanted to discuss before Council, please attend the regular work session this Thursday, August 9th, beginning at 12 noon, and bring the issues forward at that time.

The Council would have three options before them on this action. And before going any further it is important that everyone understands that the term "reject" does NOT mean the Initiative does not move forward. It is language supplied by the State Elections Office on how to handle an Initiative.

Tonight, the three options were:

- 1) Accept the Initiative as presented. This would result in no election being necessary as the Initiative would immediately become law in the city.
- 2) Reject the Initiative, and take no further action. This would result in the Initiative going to the citizens of Ontario for the vote; their votes will determine if the Initiative passes or fails.
- 3) Reject the Initiative, but bring a Council initiated Referral back to the ballot in November.

Larry Sullivan, City Attorney, stated regarding Option #1, the section regarding the implementation of the 3% tax on marijuana would still need to be placed on the ballot for approval or rejection by the voters.



Marijuana Ordinance Fastest Track for Completion by November Election

12	13	14	15	16	17	18	August
19	20	21 City Council Mtg.	22	23	24	25	
26	27	28 City Council Mtg.	29	30	31 Send Notice to DLCD	1	September
2	3	4	5	6 Council Worksession	7	8	
9	10	11	12	13	14	15	
16	17	18 City Council Mtg.	19	20	21	22	
23	24	25	26	27	28	29	
30	1	2	3	4 Council Worksession	5	6	
7	8 Planning Commission	9	10	11	12	13	October
14	15 Special Planning Commission if needed	16 City Council Mtg. First Reading	17	18	19	20	
21	22	23 City Council Mtg. Second Reading	24	25	26	27	
28	29	30	31	1	2	3	
4	5	6 Election	7	8	9	10	November
11	12	13	14	15	16	17	

Ad Hoc Committee Ordinance Recommendations

Should the City Council require a 2 year residency for any business owner with more than a 51% ownership to operate a dispensary in Ontario.

Ad Hoc Committee supports this requirement.

Notes: Attorney's initial reaction was that he believes it could be done going forward, but not looking backward.

Should the city council require that a business owner be required to operate in another state before being able to operate a store in Ontario?

Ad Hoc Committee does not support this policy

Buffer Zones:

Ad Hoc Committee supports for 1,000 foot buffer from retail to parks/recreation.

Ad Hoc Committee supports no buffer from retail to church and daycare.

Ad Hoc Committee supports 500 foot buffer from retail to residential.

Ad Hoc Committee supports a 1,000 foot retail to retail buffer zone.

Time:

Ad Hoc Committee supports following the state hours of operation.

Taxation and Licensing:

Ad Hoc Committee supports city business license for medical grows within the city.

Ad Hoc Committee supports taxation at highest possible local level (currently 3%).

Ad Hoc Committee supports all business licenses pay \$5,000. Motion passes 7-0

Ad Hoc Committee supports a no cost registration for all medical grows. Motion passes 7-0

Advertising:

Ad Hoc Committee supports prohibiting billboard advertising in the city.

Where:

Ad Hoc Committee supports non-flammable processing should be allowed in all zones other than residential. Flammable processing should be allowed in just industrial zones. Motion passes 7-0

Ad Hoc Committee supports allowing all wholesalers in the commercial and industrial Zones.
Motion passes 7-0

Ad Hoc Committee supports indoor and outdoor grows in industrial zones. Motion passes 7-0

Ad Hoc Committee supports that we allow both indoor and outdoor grows of medical marijuana. Motion passes 7-0

Revenue:

Ad Hoc Committee supports the city council be allowed to spend money as they see fit to educate children and parents. Motion passes 6-1;

Ad Hoc Committee Ordinance Recommendations

Should the City Council require a 2 year residency for any business owner with more than a 51% ownership to operate a dispensary in Ontario.

Ad Hoc Committee supports this requirement.

Notes: Attorney's initial reaction was that he believes it could be done going forward, but not looking backward.

Should the city council require that a business owner be required to operate in another state before being able to operate a store in Ontario?

Ad Hoc Committee does not support this policy

Buffer Zones:

Ad Hoc Committee supports for 1,000 foot buffer from retail to parks/recreation.

Ad Hoc Committee supports no buffer from retail to church and daycare.

Ad Hoc Committee supports 500 foot buffer from retail to residential.

Ad Hoc Committee supports a 1,000 foot retail to retail buffer zone.

Time:

Ad Hoc Committee supports following the state hours of operation.

Taxation and Licensing:

Ad Hoc Committee supports city business license for medical grows within the city.

Ad Hoc Committee supports taxation at highest possible local level (currently 3%).

Ad Hoc Committee supports all business licenses pay \$5,000. Motion passes 7-0

Ad Hoc Committee supports a no cost registration for all medical grows. Motion passes 7-0

Advertising:

Ad Hoc Committee supports prohibiting billboard advertising in the city.

Where:

Ad Hoc Committee supports non-flammable processing should be allowed in all zones other than residential. Flammable processing should be allowed in just industrial zones. Motion passes 7-0

Ad Hoc Committee supports allowing all wholesalers in the commercial and industrial Zones.
Motion passes 7-0

Ad Hoc Committee supports indoor and outdoor grows in industrial zones. Motion passes 7-0

Ad Hoc Committee supports that we allow both indoor and outdoor grows of medical marijuana. Motion passes 7-0

Revenue:

~~Ad Hoc Committee supports the city council be allowed to spend money as they see fit to educate children and parents. Motion passes 6-1;~~

Ad Hoc Committee recommends the City Council create a committee involving professionals from all sides of this situation that has the greatest potential to benefit the largest portion of our community. 4-2



**AGENDA REPORT
NEW BUSINESS
August 21, 2018**

To: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: **TREASURE VALLEY COMMUNITY COLLEGE MULTI-USE PATHWAY DESIGN**

DATE: August 14, 2018

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE DESIGN & SURVEY FOR PHASE 1 OF THE TREASURE VALLEY COMMUNITY COLLEGE (TVCC) TRAIL PROJECT FOR \$16,300.

SUMMARY:

This Staff Report provides for the survey and design of the TVCC trail improvements. The TVCC Connector trail improvements would link more regions of the TVCC and the rest of the community. Phase 1 includes paving nearly 6,000 feet of 10-foot wide trail. The segments of path explored in Phase 1 will be along SW 14th Avenue, generally from SW 4th Street to Park Boulevard, then north along Park Boulevard to SW 9th Avenue to connect to the existing sidewalk. The third leg of the triangle connects back through the campus sports field, running past the new residence hall and the southern end of the campus at SW 14th Avenue. See attached map.

BACKGROUND:

By connecting to existing sidewalk on Park Boulevard at SW 9th Avenue on the north and SW 4th Avenue on the south, the new pathway connects the campus to the rest of the community. The cross campus path would be at the decision of TVCC as to whether they want that route through campus or not. This new path would provide walking, running, or biking for all of the community to enjoy. This pathway project is identified in the recently updated Parks Master Plan.

CURRENT SITUATION:

Currently TVCC pedestrian paths lack connectivity with the community. On the west side of the college along Park Boulevard and SW 14th Avenue, the path will be paved in asphalt and a new curb and gutter will be constructed. This will create a more formalized path for community residents and students walking along the road to ensure they are better protected from vehicles. A new asphalt paved path will be explored for constructed near the residence hall and down toward the south end of campus; this section of path will run through the existing lawn. Any landscaping disturbed during construction will be replaced back to its original condition.

City staff would like to have the design for this pathway completed so that it is available when construction funding might become available. Trails are an important aspect for making our community more attractive and livable.

ANALYSIS:

- A. **FINANCIAL** The total construction cost of the phase one TVCC trail improvements is estimated to cost approximately \$165,000 to do all three legs of the project. The construction costs generally include landscaping, excavation, asphalt paving, base course, curb and gutter.

The estimated cost for this effort is \$16,300, which breaks down to \$6,800 for survey effort by on-call surveyor, CK3, and \$9,500 for in-house design by Jacobs.

The Bike Reserve fund is currently at \$104,718. Design and survey costs would come out of the Bike Reserve fund, leaving a remaining \$88,418 in that fund.

Line Item: 055-115-714120

- B. **TIMING** Our goal is to conduct survey this fall and design over the winter so that the construction documents could be available for construction in the spring or as funds become available.

- C. **POLICY/LEGAL** The City Council must approve this work order.

ALTERNATIVES:

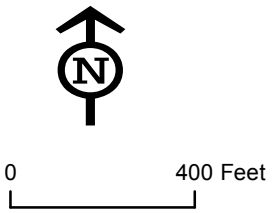
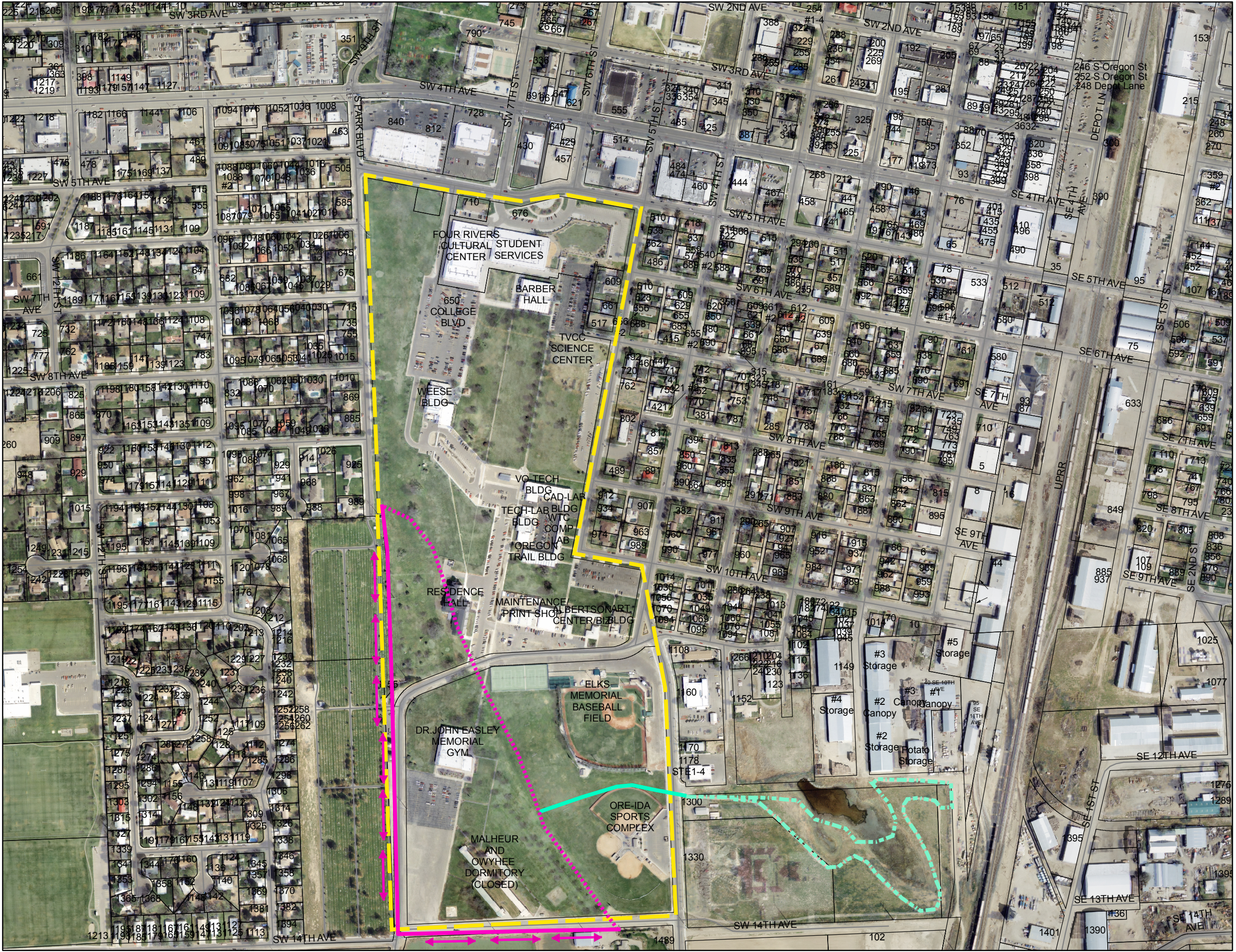
One alternative would be to do nothing and not add the pathways. This would not improve the alternative transportation connectivity throughout the campus or the community.

RECOMMENDATION:

Staff recommends that the City Council approve design of the Phase One TVCC Pathway Improvement.

ATTACHMENTS:

1. ParksAndRecPathLines Aug 21 18 Council Attachment
2. Jacobs Design Task Order 8 15 18
3. Email CK3 scope survey TVCC trail 8 15 18



- Legend
- Phase 1
 - ↔ Possible loop connection via gravel road and sidewalk to phase 1 trail
 - Phase 2 - New connection to wetland area. Path surface undetermined.
 - Phase 2 - New loop portion and improved existing gravel trail.



1999 Bryan Street, Suite 1200
Dallas, Texas 75201
United States
T +1.214.638.0145
F +1.214.638.0447
www.jacobs.com

Ontario Treasure Valley Community College Trail Design

PREPARED FOR: Adam Brown
COPY TO: Cliff Leeper
PREPARED BY: Betsy Roberts
DATE: August 15, 2018

Project Background and Scope of Work

The City of Ontario recently completed an update to its Parks Master Plan. A significant focus of that document was on alternative transportation connectivity. The City has struggled to implement bicycle and pedestrian projects from the Parks Master Plan and the Transportation Master Plan. To be prepared to take advantage of grant opportunities to implement a bicycle and pedestrian friendly project, City staff recommend utilizing Bicycle Reserve funds to develop the survey and design for the project. This task order addresses the engineering design portion of that effort.

Assumptions

1. Survey will be conducted by others: On-Call consulting firm, CK3, LLC.
2. Jacobs staff will coordinate survey with CK3.
3. City Manager will support coordination with TVCC.
4. Design will include engineering drawings and specifications.
5. Documents will be developed into a set of Contract Documents; Contract Documents will be left in 90% stage to be completed at the actual time the project may be bid.
6. Team will conduct internal team meetings as well as attend up to three meetings with TVCC and City Manager or staff.

Deliverables

Contract documents, including engineering drawings, specifications and contract language to a 90% level.



Memorandum

Error! No text of specified style in document.
Error! No text of specified style in document.

1.1.1 Compensation

Total Project Fee for Design Services: \$9,500. This is a Time & Materials, Not To Exceed Amount.

From: Lance King <lance@ck3llc.net>
Sent: Wednesday, August 15, 2018 12:25 PM
To: Roberts, Betsy/BOI <Betsy.Roberts@jacobs.com>
Subject: RE: [EXTERNAL] Survey data

Betsy,

I have two options for you.

Topo / Record Boundary data: Deliverables CAD drawing with Civil 3D surface, supporting field notes and wet stamped PDF topo drawing suitable for inclusion with plan set: NTE \$7,684.00

Topo / Record Boundary data: Deliverables CAD drawing with Civil 3D surface, supporting wet stamped field notes and point list: NTE \$6,480.00

On the last project we did with the City we provided CAD drawings and only stamped our notes and point list data, we saved a bit of money by not producing a hard copy map wet stamped, we are willing to do that again if you so choose.

Thanks,

Lance King PLS

Oregon PLS 61420

Idaho PLS 14945

CK3, LLC

Visit us at: www.CK3LLC.net

Ontario

368 SW 5th Ave.

Ontario, OR 97914

Office: (541) 889-5411

Fax: (541) 889-2074

Hermiston

945 W. Orchard Ave.

Hermiston, OR 97838

Office: (541) 567-2345

Fax (541) 567-2305



**AGENDA REPORT
NEW BUSINESS
August 21, 2018**

To: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: **ONTARIO SPLASH PAD PHASE 1 (RESTROOM) - CONSTRUCTION AWARD**

DATE: August 16, 2018

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE AWARD OF THE BID FOR THE BUILDING OF THE RESTROOMS FOR THE ONTARIO AQUATIC CENTER PHASE 1 SPLASH PARK BUILDING ADDITION TO HOLCOMB CONSTRUCTION, INC. FOR \$154,720.

SUMMARY:

Construction of the restrooms are part of phase one of the Ontario Aquatic Center Master Plan. Completion of this portion of the Phase One is essential to opening the facility.

BACKGROUND:

The Splash Park idea was started by a group of citizens back in March of 2016, wanting to reopen the pool. Through numerous public outreach events, input was gathered from the citizens and school aged children and the concept of the splash pad was born. The Friends of the Aquatic Center have raised a significant amount of money through a variety of fundraisers and have been awarded a grant from the State of Oregon to help fund the restroom construction effort for the Splash Pad.

CURRENT SITUATION:

The restrooms for the Splash Pad are required by the State of Oregon in order to proceed with the development of the Splash Pad Phase One. Very recently, the Oregon State Parks and Recreation awarded a grant of nearly \$300,000 to the City to help fund the building of the restrooms and other parts of the Splash Park project.

The restrooms were put out to bid over the past month, and two bids were received. Both were responsive. The low bid was submitted by Holcomb Construction, Inc. in the amount of \$154,720.00 and the second, submitted by Snake River Construction & Excavation, LLC was submitted in the amount of \$203,452.00. Both bids were reviewed and found to be responsive. Both bids are within the amount estimated. The low bid is attached.

ANALYSIS:

- A. **FINANCIAL** The Holcomb Construction Inc bid, in the amount of \$154,720.00, would be paid out of the Oregon State Parks and Recreation Grant. No additional funds from the City are needed.
- B. **TIMING** Approval by the Council to award this project needs to occur quickly so that work can commence as soon as possible. The fall construction window is starting to shrink and to take advantage of that time, we need to

move quickly.

C. **POLICY/LEGAL** This has been out to bid and was advertised in the Argus Observer and on public bid forums.

ALTERNATIVES:

City Council can choose not to award. This will require rebidding, which will take additional time and is likely not to change the bid amount.

RECOMMENDATION:

Staff recommends that the City Council approve award of the project to the identified low bidder, Holcomb Construction, Inc.

ATTACHMENTS:

1. Holcomb bid-08132018134425

BID FORM & OTHER REQUIREMENTS OF BIDDERS AND OF THE SELECTED BIDDER1 START OF BID FORM, TO BE ELECTRONICALLY SUBMITTED AS INDICATED HEREIN
23 ONTARIO AQUATIC CENTER PHASE ONE SPLASH PARK, LIONS PARK, ONTARIO, OREGON
4 NEW RESTROOMS BUILDING ADDITION PROJECT
5 PROJECT CONSTRUCTION - BID FORM:
67 The Undersigned Company hereby submits to the owner, the City of Ontario, Oregon; the
8 following Bid for the construction of the above project:
910 **BASE BID including all work** \$ 154,720⁰⁰, including all work.
1112 **Design/Build Electrical work** \$ 11,850⁰⁰, which is included in the
13 above Base Bid.
1415 **Design/Build Plumbing work** \$ 27,000⁰⁰, which is included in the
16 above Base Bid.
1718 **List and Price of Bid Alternates, if any:** \$ N/A, for Alternate #
19 \$ N/A, for Alternate #
20 \$ N/A, for Alternate #
21 \$ N/A, for Alternate #
2223 **Subtotal of Bid Alternates, if any:** \$ zero, (\$ zero if no alternates)
2425 **TOTAL BID including all work,** \$ 154,720⁰⁰ including design/build work
26 and alternates, if any
2728 Name of Company Holcomb Construction Inc. ; Construction Management
2930 Legal/Business Entity Holcomb Construction Inc.
3132 Address of Company 407 S 4th St Nyssa OR 97913
3334 Company Contact Information (phone, e-mail and company
35 website) (541) 372-3806 holconst@yahoo.com
3637 Company's Oregon CCB Licence Number 1581
3839 By submitting the above bid, we certify that our company has had the opportunity to receive and
40 familiarize ourselves and our construction team with the contract documents dated 7-3-18 including
41 plans and specifications. Further, we were in attendance at the mandatory Pre-Bid Meeting at the
42 site, on 7-19-18. We also acknowledge receiving the project Bid Period
43 Addendums (if any) listed in the above bid tabulation. Addendum 1 & 2
4445 We certify that the above bid includes all labor and materials necessary to construct the project,
46 including those portions of the project indicated as "Design/Build."
47
48

BID FORM & OTHER REQUIREMENTS OF BIDDERS AND OF THE SELECTED BIDDER

1 Certify Bidder's compliance with ORS 279C-800 through ORS 279C-870, State Statutes, US Davis Bacon
2 Act (40 U.S.C. 276a), which relate to payment of prevailing rates of
3 wage: \$43.25 - Carpenter
4

5
6 Signature of person authorized to act for the above-named company: Brad Holcomb
7

8 Printed name of that person: Brad Holcomb
9

10 Position in Company: President
11

12 Date: July 31, 2018
13

14 END OF BID FORM, WITH THE ABOVE ONLY, TO BE SUBMITTED TO OWNER AS INDICATED HEREIN.
15 DO NOT SUBMIT THE INFORMATION INDICATED NOR REQUESTED BELOW
16

OTHER REQUIREMENTS AND OBLIGATIONS OF ALL BIDDERS, AND OF THE SUCCESSFUL BIDDER

- 17
18
19 • By submitting a bid, the bidder agrees to be bound by the following documents:

- 20 • Invitation to Bid
- 21 • Instructions to Bidders
- 22 • Supplemental Instructions to Bidders
- 23 • Agreement
- 24 • Performance & Payment Bonds
- 25 • General Conditions & Supplementary Conditions
- 26 • Drawings listed in Section 00-01-50.
- 27 • Specifications listed in Project Manual Table of Contents.
- 28 • Addenda as indicated in the appropriate place on the bid form.

29
30 • **OVERHEAD & PROFIT**

- 31
32 • The bidder certifies that the submitted Bid Price includes all fees, taxes, profit, overhead, and
33 similar items.

34
35 • **TIME OF COMPLETION**

- 36
37 • The Work will be completed within the time stipulated and specified in the Supplementary
38 Conditions, if there is any such stipulation.

39
40 • **CONTRACT & BOND**

- 41
42 • The bidder agrees, if awarded the Contract, to deliver to the Owner within ten (10) days after
43 receiving the Contract Forms an executed Agreement together with satisfactory Performance
44 & Payment Bonds in an amount equal to one hundred (100) percent of the Contract Sum.
45 • The successful bidder will indicate the Surety requested to issue the Performance & Payment
46 Bonds:

- 47 • Name of Surety Company: North American Specialty Insurance Company

BID FORM & OTHER REQUIREMENTS OF BIDDERS AND OF THE SELECTED BIDDER

- 1 • The successful bidder will authorize said Surety Company to disclose any information to the
2 Owner concerning the Undersigned's ability to supply Performance & Payment Bonds in the
3 amount of the Contract Sum.
- 4 • The successful bidders maximum bonding capacity is: \$ 2,000,000.00
- 5
- 6 • **NONCOLLUSION**
- 7
- 8 • By submitting a bid, the bidder certifies that (1) their Bid has been arrived at independently
9 and is being submitted without collusion with, and without any agreement, understanding or
10 planned common course of action with, any other Vendor of materials, supplies, equipment,
11 or services to limit independent bidding or competition, and (2) the contents of their Bid have
12 not been communicated by the Bider nor its Employees or Agents to any Person not an
13 Employee or Agent of the Undersigned or its Surety on any Bond furnished with the Bid and
14 will not be communicated to such Person prior to the official opening of the Bid.
- 15
- 16 • **WAGE RATES**
- 17
- 18 • The successful bidder agrees, if awarded the Contract, that he will comply with the provisions
19 of ORS 279C.800 - 279C.870 pertaining to the payment of prevailing rates of wage.
- 20
- 21 • **CONTRACTORS' REGISTRATION**
- 22
- 23 • As a condition to submitting this Bid, a Contractor must be registered with the Oregon
24 Construction Contractors Board in accordance with ORS 701.035 to 701.055, and the
25 Contractor must disclose the Registration Number. Failure to register and disclose the
26 Number, will make this a Non-responsive Bid and the Bid will be rejected, unless contrary to
27 Federal Law.
- 28 • The Chosen Bidder must certify that all Subcontractors performing construction work as
29 described in ORS 701.005(2) will be registered with the Construction Contractors Board prior
30 to commencing work under this Contract.
- 31
- 32 • **WORKER'S COMPENSATION INSURANCE**
- 33
- 34 • The successful Bidder hereby certifies that, in compliance with the Worker's Compensation
35 Law of the State of Oregon, Worker's Compensation Insurance will be provided by:
- 36 • Name of Carrier (Not local Agent): State Insurance Fund
- 37 • Policy Number: 482823
- 38
- 39 • **SELECTED DESIGN-BUILD SUB-CONTRACTORS**
- 40
- 41 • The successful Bidder will then indicate the following companies that will be providing Design-Build
42 services to include Design for review and approval by Owner and Architect prior to ordering any
43 products or beginning construction:
- 44
- 45 • Electrical Sub- Contractor: Hata Electric
- 46
- 47 • Plumbing Sub-Contractor: Inter Mountain Plumbing
- 48

49 **END OF BID FORM AND OTHER REQUIREMENTS OF BIDDERS**



Swiss Re Corporate Solutions

BID BOND

CONTRACTOR:

(Name, legal status and address)

Holcomb Construction, Inc. and Construction Management

407 South 4th Street, Nyssa, OR 97913

OWNER:

(Name, legal status and address)

City of Ontario

444 SW 4th Street, Ontario, OR 97914

BOND AMOUNT:

5% Five Percent of Amount Bid

PROJECT:

(Name, location or address, and Project number, if any)

Ontario Aquatic Center Phase One Restrooms Building

SURETY:

North American Specialty Insurance Company

1450 American Lane, Suite 1100

Schaumburg, IL 60173

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 18th day of July, 2018

(Witness)

(Witness) Amy Farris

Holcomb Construction, Inc. and Construction Management

(Principal)

By:

(Title)

(Seal)

North American Specialty Insurance Company

(Surety)

By:

(Title) Brenda J. Smith, Attorney-in-Fact



SWISS RE CORPORATE SOLUTIONS

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Overland Park, Kansas, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Overland Park, Kansas, each does hereby make, constitute and appoint: Brenda J. Smith

Principal: Holcomb Construction, Inc. and Construction Management

Bond Number: Bid Bond

Obligee: City of Ontario

Bond Amount: See Bond Form

Bond Description: Ontario Aquatic Center Phase One Restrooms Building

Its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 9th of May, 2012:

"RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature]
Steven P. Anderson, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company

By [Signature]
Michael A. Ito, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company



IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 12th day of October, 2017.

North American Specialty Insurance Company
Washington International Insurance Company

State of Illinois
County of Cook

ss:

On this 12th day of October, 2017, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Michael A. Ito, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature]
M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 18th day of July, 2018.

[Signature]
Jeffrey Goldberg, Vice President & Assistant Secretary of
Washington International Insurance Company & North American Specialty Insurance Company

**APPENDIX E
FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM**

Restrooms Addition Building Ontario Splash Park

☐ CHECK THIS BOX IF YOU WILL NOT BE USING ANY FIRST-TIER SUBCONTRACTORS OR IF YOU ARE NOT SUBJECT TO THE DISCLOSURE REQUIREMENTS (SEE INSTRUCTIONS).

FIRST-TIER SUBCONTRACTORS

Firm Name <u>DIA Door & Specialties Inc.</u>	Dollar Amount
CCB#	<u>\$17,750</u>
Category of Work <u>Supplier Only</u>	

Firm Name <u>Inter mountain Plumbing</u>	Dollar Amount
CCB# <u>146282</u>	<u>27,000⁰⁰</u>
Category of Work <u>Plumbing</u>	

Firm Name <u>Haka Electric</u>	Dollar Amount
CCB# <u>269990</u>	<u>\$11,850⁰⁰</u>
Category of Work <u>Electrical</u>	

Firm Name <u>Paint Pros</u>	Dollar Amount
CCB# <u>057141</u>	<u>4800⁰⁰</u>
Category of Work <u>Painting</u>	

Firm Name <u>Keim & Sons Masonry</u>	Dollar Amount
CCB# <u>113424</u>	<u>39,500⁰⁰</u>
Category of Work <u>Masonry</u>	

Firm Name	Dollar Amount
CCB#	
Category of Work	

Firm Name	Dollar Amount
CCB#	
Category of Work	

Firm Name	Dollar Amount
CCB#	
Category of Work	

(Attach additional sheets as necessary)



**AGENDA REPORT
NEW BUSINESS
August 21, 2018**

To: Mayor and City Council

FROM: Adam J. Brown, City Manager

THROUGH: Adam J. Brown, City Manager

SUBJECT: SRCI WASTEWATER AGREEMENT EXTENSION

DATE: August 20, 2018

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE WASTEWATER EXTENSION AGREEMENT FOR THE SNAKE RIVER CORRECTIONS INSTITUTION AND AUTHORIZE THE MAYOR TO SIGN A LETTER STATING THE ONTARIO CITY COUNCIL'S CONCERNS ABOUT THE LOWER LIFT STATION.

SUMMARY:

The Department of Corrections (DOC) which operates the Snake River Corrections Institute (SRCI) is proposing a second one-year extension of the 20 year agreement that terminated in September of 2017.

BACKGROUND:

Following the last extension of the agreement in August of 2017, negotiations ceased until the spring of 2018 when DOC was once again able to come to the table. The timeliness of the extension is important because of the failures of the lower lift station, which was under-engineered and has failed multiple times. The lower lift station only serves SRCI. The city has made repeated attempts to notify DOC that there is an imminent danger that must be addressed.

Since the extension in August 2017, the city has spent \$50,000 in studying alternatives and making temporary repairs to the lower lift station. More repairs are required to make the facility environmentally safe and fail proof.

CURRENT SITUATION:

The Department of Justice has assisted the Department of Corrections in preparing the extension of the contract. They have also been helpful in accelerating the negotiations over the past three weeks.

The City Council expressed a desire to document their continued concerns for the collection system from SRCl to the wastewater treatment plant. In addition to approving the extension, the City Council asked staff to prepare a letter to the Department of Corrections reiterating its concerns about the collection system.

ANALYSIS:

- A. **FINANCIAL** The estimated cost to rebuild the preferred reconstruction alternative is \$1.68 million. The wastewater fund is not currently sufficient to bear that cost. That cost will need to be built into the rate system going forward or the state will need to pay for that cost up front to keep the service cost low.
- B. **TIMING** The City has prepared and shared a 10-year forecast of capital needs for SRCl. We have a better sense that the State recognizes the urgency and is willing to continue to negotiate in good faith.
- C. **POLICY/LEGAL** Only the City Council can approve the extension with the State of Oregon. The State of Oregon has the authority to force the city to continue to provide service to the prison.

ALTERNATIVES:

State statute allows the State to force the city into mediation to determine a reasonable rate. It is the sentiment of staff from both the State and the City that we can work forward now to negotiate a rate without the time constrictions of mediation.

RECOMMENDATION:

Staff recommends approval of the extension agreement and the draft letter to the Department of Corrections.

ATTACHMENTS:

- 1. Letter to DOC with Amendment#3-LAS08.20.2018_1 BR
- 2. 5490(2) City of Ontario Final 072717



City of Ontario

444 SW 4th Street
Ontario, OR 97914
Voice (541)881-3223
Fax (541)889-7121

Mayor Ronald Verini

Norm Grune, Council President

Betty Carter

Dan Capron

Tessa Winebarger

Marty Justus

Ramon Dalomo

Dear Department of Corrections:

Enclosed is Amendment #3 to the Intergovernmental Agreement #5490 signed by City of Ontario Mayor Ronald Verini. Amendment #3 extends the City of Ontario's agreement with the Oregon Department of Corrections ("DOC") to provide wastewater services to Snake River Correctional Institution ("SRCI") through September 30, 2019.

The original Intergovernmental Agreement was signed by the parties in 1990, and restated in 1997 as Amendment #1, with an expiration date of September 30, 2017. Prior to that expiration date, the City and DOC signed a one-year extension, as Amendment #2, from September 30, 2017, to September 30, 2018. This Amendment #3 represents the second annual extension.

When the Ontario City Council approved Amendment #3 on August 21, 2018, the Council also approved the contents of this letter. The purpose of this letter is to make the Department of Corrections aware of the City of Ontario's concerns about the terms of the extension, and how the City plans to address those concerns in the next round of negotiations with DOC.

In the last several months, City staff has had several discussions with DOC and DOJ personnel concerning both the poor design of that portion of the City's waste water system exclusively serving SRCI, as well as its aging infrastructure.

With respect to poor design, City staff has pointed out that the capacity of the wet well for SRCI is too small to handle SRCI's volume of effluent and is causing substantial wear to components of the lift station serving SRCI. The City has spent over \$50,000 in the last year for lift station repairs as a direct result of the wet well's faulty design. That faulty design is increasing the risk of a failure of the lift station and of subsequent effluent spills, with potentially disastrous consequences. The City Council will not be held liable for a system failure that ends up with effluent in the Malheur River. The City has brought this to the attention of the State of Oregon and reiterated this concern over the past year. Contract negotiations ceased immediately following an extension in 2017 putting off a solution to the impending catastrophe.

City staff believes that the long-term solution is to take the wet well and lift station offline and replace them with a siphon that would deliver SRCI's effluent directly to the City's wastewater treatment plant. City staff informally estimates that the engineering and construction expense of implementing this solution could be in excess of \$1.86 million. Additional costs would be incurred in condemning private property along a portion of the path of the siphon and routing the siphon under the Malheur River.

Neither Amendment #2 nor Amendment #3 explicitly addressed this design issue, and it needs to be addressed in the next agreement by requiring DOC to pay the cost of doing that upgrade. Although the City believes that Article 4 of the 1997 agreement already imposes that cost on DOC, it would be better to address it explicitly.

The City's next concern is that the compensation formulas in the 1997 agreement (Amendment #1) were developed when one portion of SRCI's waste water system just a few years old and when another portion had not yet been constructed. That infrastructure is aging. The next agreement's compensation formulas will need to address the costs of replacing that infrastructure.

City staff recently gave DOC a spreadsheet with a ten year plan showing the City's estimate of waste water system costs, including infrastructure replacement. The City is going to continue to refine that spreadsheet. The City is going to require the formulas in the next agreement to address infrastructure replacement costs, perhaps by amortizing those costs over the life of the agreement and requiring DOC to pay those costs.

City staff is aware of DOC's position on this issue; DOC personnel have said that it shouldn't be required to pay extra for maintaining the City's waste water system, any more than the City's ordinary utility customers do. However, SRCI is not an ordinary utility customer. As a customer of the City, SRCI is not only the City's largest waste water customer; it is also the only customer in which a substantial portion of the waste water system serves only that customer.

Based upon the pace of negotiations over the last few months and the few issues that were resolved, it is apparent that the parties will need to meet more frequently, and will need to develop deadlines for resolving these issues. If necessary, the City will participate in mediation.

Very truly yours,

Mayor Ronald Verini



City of Ontario

444 SW 4th Street
Ontario, OR 97914
Voice (541)881-3223
Fax (541)889-7121

Mayor Ronald Verini

Norm Grune, Council President

Betty Carter

Dan Capron

Tessa Winebarger

Marty Justus

Ramon Salomo

Dear Department of Corrections:

Enclosed is Amendment #3 to the Intergovernmental Agreement #5490 signed by City of Ontario Mayor Ronald Verini. Amendment #3 extends the City of Ontario's agreement with the Oregon Department of Corrections ("DOC") to provide wastewater services to Snake River Correctional Institution ("SRCI") through September 30, 2019.

The original Intergovernmental Agreement was signed by the parties in 1990, and restated in 1997 as Amendment #1, with an expiration date of September 30, 2017. Prior to that expiration date, the City and DOC signed a one-year extension, as Amendment #2, from September 30, 2017, to September 30, 2018. This Amendment #3 represents the second annual extension.

When the Ontario City Council approved Amendment #3 on August 21, 2018, the Council also approved the contents of this letter. The purpose of this letter is to make the Department of Corrections aware of the City of Ontario's concerns about the terms of the extension, and how the City plans to address those concerns in the next round of negotiations with DOC.

In the last several months, City staff has had several discussions with DOC and DOJ personnel concerning both the poor design of that portion of the City's waste water system exclusively serving SRCI, as well as its aging infrastructure.

With respect to poor design, City staff has pointed out that the capacity of the wet well for SRCI is too small to handle SRCI's volume of effluent and is causing substantial wear to components of the lift station serving SRCI. The City has spent over \$50,000 in the last year for lift station repairs as a direct result of the wet well's faulty design. That faulty design is increasing the risk of a failure of the lift station and of subsequent effluent spills, with potentially disastrous consequences. The City Council will not be held liable for a system failure that ends up with effluent in the Malheur River. The City has brought this to the attention of the State of Oregon and reiterated this concern over the past year. Contract negotiations ceased immediately following an extension in 2017 putting off a solution to the impending catastrophe.

SRCI Wastewater Extension

City staff believes that the long-term solution is to take the wet well and lift station offline and replace them with a siphon that would deliver SRCI's effluent directly to the City's wastewater treatment plant. City staff informally estimates that the engineering and construction expense of implementing this solution could be in excess of \$1.86 million. Additional costs would be incurred in condemning private property along a portion of the path of the siphon and routing the siphon under the Malheur River.

Neither Amendment #2 nor Amendment #3 explicitly addressed this design issue, and it needs to be addressed in the next agreement by requiring DOC to pay the cost of doing that upgrade. Although the City believes that Article 4 of the 1997 agreement already imposes that cost on DOC, it would be better to address it explicitly.

The City's next concern is that the compensation formulas in the 1997 agreement (Amendment #1) were developed when one portion of SRCI's waste water system just a few years old and when another portion had not yet been constructed. That infrastructure is aging. The next agreement's compensation formulas will need to address the costs of replacing that infrastructure.

City staff recently gave DOC a spreadsheet with a ten year plan showing the City's estimate of waste water system costs, including infrastructure replacement. The City is going to continue to refine that spreadsheet. The City is going to require the formulas in the next agreement to address infrastructure replacement costs, perhaps by amortizing those costs over the life of the agreement and requiring DOC to pay those costs.

City staff is aware of DOC's position on this issue; DOC personnel have said that it shouldn't be required to pay extra for maintaining the City's waste water system, any more than the City's ordinary utility customers do. However, SRCI is not an ordinary utility customer. As a customer of the City, SRCI is not only the City's largest waste water customer; it is also the only customer in which a substantial portion of the waste water system serves only that customer.

Based upon the pace of negotiations over the last few months and the few issues that were resolved, it is apparent that the parties will need to meet more frequently, and will need to develop deadlines for resolving these issues. If necessary, the City will participate in mediation.

Very truly yours,

Mayor Ronald Verini

CC: Representative Lynn Findley
Senator Cliff Bentz



**AGENDA REPORT
NEW BUSINESS
August 21, 2018**

To: Mayor and City Council

FROM: Kari Ott, Finance Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: RESOLUTION #2018-134: ESTABLISHING PUBLIC SAFETY FEES

DATE: August 21, 2018

PROPOSED MOTION:

I MOVE THE CITY COUNCIL ADOPT RESOLUTION 2018-134, A RESOLUTION ESTABLISHING PUBLIC SAFETY FEES.

SUMMARY:

Council Approved Ordinance #2741-2018 on July 12, 2018.

BACKGROUND:

The City Council of Ontario recognizes the need to maintain services that safeguard, facilitate and encourage the health, safety and welfare of the residence and business of the city.

The Public Safety Fee is not intended to fund public safety in its entirety, it will be used to maintain public safety services.

The City is in need of a funding mechanism to preserve the current police department staffing levels. The City Manager proposed a public safety fee and the budget committee approved a \$5 public safety fee listed as a separate line on the water on the sewer bills. The public safety fee preserves two police officer positions.

CURRENT SITUATION:

This resolution will set the public safety fee as a monthly \$5 fee to each dwelling unit and non-residential unit. This will give citizens an opportunity to comment on the fee.

ANALYSIS:

- A. **FINANCIAL** We expect this public safety fee at a monthly charge of \$5 will bring in

\$217,500 annually.

- B. **TIMING** This should be approved as soon as possible to start bringing revenue into the city to fund public safety.
- C. **POLICY/LEGAL** ORS 294.160 requires an opportunity for public comment on fees.

ALTERNATIVES:

A. Take No Action: There would be no public safety fee imposed; this would cause two police officers to be cut from the 2018-2019 budget.

RECOMMENDATION:

Staff recommends the approval of Resolution 2018-134.

ATTACHMENTS:

1. RES_CC_Establishing Public Safety Utility Fees_8 2018



RESOLUTION 2018-134

A RESOLUTION ESTABLISHING PUBLIC SAFETY FEES

- WHEREAS,** The City Council of Ontario recognizes the need to maintain services that safeguard, facilitate and encourage the health, safety and welfare of the residence and business of the city; and
- WHEREAS,** The Ontario City Council and Budget Committee deemed it a priority to preserve public safety services as identified by the City Council; and
- WHEREAS,** The Public Safety Fee is not intended to fund public safety in its entirety, it will be used to maintain public safety services; and
- WHEREAS,** The Council adopted Ordinance No. 2741-2018 on July 12, 2018, which created policy guidance for the collection of a Public Safety Fee; and
- WHEREAS,** Ordinance No. 2741-2018 authorizes the establishment of Public Safety Fees by resolution; and
- WHEREAS,** The City Council intends to charge a per unit Public Safety Fee to the responsible party for each dwelling unit or non-residential unit with an active utility account; and
- WHEREAS,** The City Council has provided an opportunity for public comment as required by ORS 294.160.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council that:

SECTION 1 Billing Term. The Public Safety Fee shall appear on the monthly water, sewer or other utility bill.

SECTION 2 Public Safety Fees. The following Public Safety Fee shall apply a **\$5.00** fee to each dwelling unit or non-residential unit with an active utility account per month per the terms of Ordinance No. 2741-2018, codified at Title 6, Chapter 10 of the Ontario Municipal Code.

SECTION 3 Other Definitions, Terms, Policies, and Procedures. Unless otherwise set forth herein, the definitions, terms, policies and procedures relating to the City's provision of utility and other services under this Resolution are those established by Ordinance No. 2741-2018 codified at Title 6, Chapter 10 of the Ontario Municipal Code.

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this ___ day of August, 2018, by the following vote:

AYES:

NAYES:

EXCUSED:

ABSENT:

APPROVED by the Mayor this ____ day of _____, 2017.

ATTEST:

Ronald Verini, Mayor

Tori Barnett, MMC, City Recorder



**AGENDA REPORT
NEW BUSINESS
August 21, 2018**

To: Mayor and City Council

FROM: Kari Ott, Finance Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: **RESOLUTION #2018-135: CERTAIN FEES & CHARGES NOT SUBJECT TO LIMITATIONS OF ARTICLE IX, SECTION 11B OF OREGON CONSTITUTION (MEASURE 5)**

DATE: August 21, 2018

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION 2018-135, A RESOLUTION CLASSIFYING CERTAIN FEES AND CHARGES AS NOT SUBJECT TO LIMITATIONS OF ARTICLE IX, SECTION 11B OF THE OREGON CONSTITUTION (MEASURE 5).

SUMMARY:

Resolution 2018-135 is attached.

BACKGROUND:

The City Council approved Ordinance 2741-2018.

After Resolution 2018-134 Establishing Public Safety Fees is approved by the City Council, the City Council needs to consider approving Resolution 2018-135.

CURRENT SITUATION:

Resolution 2018-135 classifies the public safety fee imposed by Resolution 2018-134 not subject to Measure 5 limitations. This also certifies that a publication will be published in the newspaper to give notice of the adoption of this resolution.

ANALYSIS:

- A. **FINANCIAL** None Noted.
- B. **TIMING** This should be approved as soon as possible after Resolution 2018-134 is approved.

C. **POLICY/LEGAL** This would give a sixty days for challenges of this classification.

ALTERNATIVES:

The City could choose not to approve the Resolution.

RECOMMENDATION:

Staff recommends the approval of Resolution 2018-135.

ATTACHMENTS:

1. RES_CC_Public Safety Fees not Subject Article IX_8 2018



RESOLUTION 2018-135

A RESOLUTION CLASSIFYING CERTAIN FEES AND CHARGES AS NOT SUBJECT TO LIMITATIONS OF ARTICLE IX, SECTION 11b OF THE OREGON CONSTITUTION (MEASURE 5)

- WHEREAS,** Article XI, Section 11b of the Oregon Constitution (Measure 5) imposes limits on only certain types of fees and charges imposed by local governments; and
- WHEREAS,** ORS 305.583, enacted by the 1990 Legislature to implement Article XI, Section 11b, provides that local governments may adopt resolutions classifying its existing fees and charges as either subject to, or not subject to the limits in Article XI, Section 11b of the Oregon Constitution; and
- WHEREAS,** If a local government adopts such a classifying resolution, ORS 305.583(8) requires that notice of the adoption be published within fifteen (15) days of the adoption to ensure that the public is notified of the action and has an opportunity to challenge the classification in court; and
- WHEREAS,** If no challenge is brought against the classification within sixty (60) days after adoption of the resolution, and assuming that notice is published as required, ORS 305.583 then prohibits any challenge at a later time to challenge the local government's classification of a fee or charge as not subject to the limits in Article XI, Section 11b of the Oregon Constitution, thereby providing the local government additional certainty in preparing and relying on its budget; and
- WHEREAS,** It is in the public interest that the recently adopted Public Safety Fee be classified as not subject to the limits of Article XI, Section 11b of the Oregon Constitution at this time.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council to approve the following:

SECTION 1 Classification of Fee. The Public Safety Fees set forth in Resolution 2018-135, attached hereto and incorporated herein by reference, are classified as incurred charges and thus not subject to the limits of Article XI, Section 11b of the Oregon Constitution.

SECTION 2 Publication. Within fifteen (15) days of the adoption of this Resolution, the City Recorder shall cause to be published in a newspaper of general circulation within the City, a notice of adoption of this resolution classifying fees and charges. The notice shall:

- a. Appear in the general news section of the newspaper, not in the classified advertisements;
- b. Measure at least three (3) square inches;
- c. Be printed in a type size at least equal to eight (8) point type; and
- d. State that the City Council has adopted a resolution classifying its Public Safety Fee as not subject to the limits of Article XI, Section 11b of the Oregon Constitution, that the reader may contact a designated City official to obtain a copy of the resolution, and that judicial review of the classification may be sought within sixty (60) days of the date the resolution was adopted.

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this ___ day of August, 2018, by the following vote:

AYES:

NAYES:

EXCUSED:

ABSENT:

APPROVED by the Mayor this _____ day of _____, 2018.

Ronald Verini, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder

Accounts Payable

Checks by Date - Summary by Check Date

User: kari.ott
Printed: 8/16/2018 9:22 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	PRFED	PAYROLL TAXES	06/01/2018	317.58
ACH	PRPERS	OREGON PERS	06/01/2018	715.94
123218	879299	Dwayne Holloway	06/01/2018	38.25
123219	684622	Marcy Siriwardene	06/01/2018	116.50
Total for 6/1/2018:				1,188.27
123220	&525	American Staffing, Inc.	06/07/2018	336.94
123221	032180	Anytime Septic Service, LLC	06/07/2018	450.00
123222	130950	Cable One	06/07/2018	298.94
123223	626400	Campo & Poole Distributing, LLC	06/07/2018	5,627.44
123224	436000	Lindsay Eco Water	06/07/2018	17.00
123225	878931	Tire Factory of Ontario	06/07/2018	130.00
123226	602320	NAPA Auto Parts	06/07/2018	88.37
123227	583401	State of Oregon Department of Environmer	06/07/2018	100,491.00
123228	608001	Pitney-Bowes, Inc.	06/07/2018	104.97
123229	879176	Seder Architecture & Urban Design, LLC	06/07/2018	14,280.07
123230	702008	Staples Business Credit	06/07/2018	759.32
123231	&357	Larry A. Sullivan	06/07/2018	2,485.00
123232	788402	TransUnion Risk & Alternative Data Soluti	06/07/2018	140.00
123233	879151	Waste-Pro	06/07/2018	30.00
123234	033300	Argus Observer	06/07/2018	509.13
123235	774001	Wtechlink	06/07/2018	300.00
123236	UB*11463	CREED & HOLLY CAMERON	06/07/2018	22.57
123237	UB*10746	Famous Footwear	06/07/2018	1,192.83
123238	UB*11459	LARINDA FERRERIA	06/07/2018	51.18
123239	&260	Four Rivers Cultural Center	06/07/2018	3,837.11
123240	UB*11460	MIKE JARAMILLO	06/07/2018	44.02
123241	UB*11461	STEPHANIE JONES	06/07/2018	85.80
123242	UB*11462	JEROME MAROSTICA	06/07/2018	52.54
123243	539200	Ontario Area Chamber of Commerce	06/07/2018	3,475.98
123244	UB*11457	EMMANUEL VAZQUEZ	06/07/2018	70.10
123245	UB*11458	KALEY WHITE	06/07/2018	43.12
123246	037600	AT&T	06/07/2018	20.93
123247	637828	Century Link Communications, LLC	06/07/2018	101.95
123248	376000	Idaho Power	06/07/2018	1,306.79
Total for 6/7/2018:				136,353.10
ACH	PRFED	PAYROLL TAXES	06/12/2018	141.48
ACH	PRPERS	OREGON PERS	06/12/2018	318.92
Total for 6/12/2018:				460.40
123249	&525	American Staffing, Inc.	06/14/2018	218.26
123250	130624	B & W Car Wash	06/14/2018	6.00
123251	879302	BME Upfitting, LLC	06/14/2018	155.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
123252	637830	Century Link	06/14/2018	510.99
123253	270285	Enhanced Telecommunications & Data, Inc	06/14/2018	194.00
123254	344128	City of Fruitland	06/14/2018	14,708.30
123255	879247	Idaho Communications, LLC Day Wireless	06/14/2018	467.00
123256	408200	J-U-B Engineers, Inc.	06/14/2018	11,764.12
123257	879191	Kristy's Custom Sewing	06/14/2018	48.00
123258	879300	Kussmaul Electronics	06/14/2018	345.09
123259	716050	The Idaho Statesman	06/14/2018	337.46
123260	879301	Net Assets	06/14/2018	10.00
123261	501200	Norm's Auto Electric	06/14/2018	59.95
123262	879988	Nyssa Fire Department	06/14/2018	75.00
123263	532000	Ontario Bearing & Hydraulic, Inc.	06/14/2018	20.26
123264	583450	State of Oregon Dept of Corrections	06/14/2018	1,770.00
123265	528405	Oster Professional Group, LLC	06/14/2018	23,460.00
123266	614087	Peace Officers Research Association of Cal	06/14/2018	342.00
123267	879166	Pitney Bowes Global Financial Services, LI	06/14/2018	953.25
123268	368050	Robb Enterprises	06/14/2018	112.54
123269	878957	Valli Information Systems, Inc.	06/14/2018	2,332.90
123270	832852	Wells Fargo Business Elite Card	06/14/2018	5,646.22
123271	033300	Argus Observer	06/14/2018	70.95
123272	UB*11465	4 M DEVELOPERS LLC	06/14/2018	61.66
123273	879087	Adam Brown	06/14/2018	127.50
123274	UB*11466	KAYCEE HILL	06/14/2018	83.71
123275	879189	Chief Terry Leighton	06/14/2018	23.26
123276	UB*11464	SABRINA SPERL	06/14/2018	121.76
123277	284000	Farmers Supply Co-Op	06/14/2018	3,169.68
Total for 6/14/2018:				67,194.86
ACH	PRFED	PAYROLL TAXES	06/21/2018	2,913.14
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	06/21/2018	772.42
ACH	PRPERS	OREGON PERS	06/21/2018	4,290.97
123278	&525	American Staffing, Inc.	06/21/2018	565.01
123279	879130	Ani-Care Animal Shelter, Inc.	06/21/2018	1,370.08
123280	033300	Argus Observer	06/21/2018	112.88
123281	879306	Associated Pacific Movers, Inc.	06/21/2018	7,800.00
123282	130950	Cable One	06/21/2018	63.75
123283	626400	Campo & Poole Distributing, LLC	06/21/2018	4,316.02
123284	144000	Cascade Natural Gas Corporation	06/21/2018	45.20
123285	184000	Claire Bowers Claire's Automotive	06/21/2018	1,735.28
123286	206557	Creative Product Source, Inc.	06/21/2018	495.00
123287	634311	Frazier Aviation, LLC	06/21/2018	425.00
123288	879191	Kristy's Custom Sewing	06/21/2018	30.00
123289	516494	State of Oregon Department of Transportati	06/21/2018	1,058.98
123290	879305	Rich's Automotive Clinic	06/21/2018	185.00
123291	863995	White Cloud Communications-Boise, Inc.	06/21/2018	288.00
123292	879155	Chief Cal Kunz	06/21/2018	227.92
123293	879138	Stantec Consulting Services, Inc.	06/21/2018	1,317.50
Total for 6/21/2018:				28,012.15
123306	&260	Four Rivers Cultural Center	06/28/2018	14,818.08
123307	UB*11469	BRADY MERRIFIELD	06/28/2018	81.08
123308	539200	Ontario Area Chamber of Commerce	06/28/2018	10,923.41
123309	362285	Oregon Trail Motel	06/28/2018	55.18
123310	642080	Petty Cash	06/28/2018	235.07
123311	UB*11467	HOLLE RAYMOND	06/28/2018	48.93

Check No	Vendor No	Vendor Name	Check Date	Check Amount
123312	UB*11468	DOUG TOWELL	06/28/2018	71.66
123313	879026	Accela, Inc.	06/28/2018	19,561.15
123314	005800	Action Medical, Inc.	06/28/2018	48.10
123315	879240	Advanced Control Systems, LLC	06/28/2018	8,452.80
123316	&525	American Staffing, Inc.	06/28/2018	526.58
123317	033300	Argus Observer	06/28/2018	116.10
123318	130624	B & W Car Wash	06/28/2018	12.00
123319	192273	CBA Lighting & Controls, Inc.	06/28/2018	415.97
123320	637830	Century Link	06/28/2018	700.02
123321	364000	Clarion Inn	06/28/2018	25.50
123322	333852	Graphic Impressions	06/28/2018	325.00
123323	333890	Graphix Wear	06/28/2018	1,360.00
123324	368200	Hughes Fire Equipment, Inc.	06/28/2018	203.21
123325	376000	Idaho Power	06/28/2018	2,987.70
123326	879308	Indian Valley Fire Department	06/28/2018	75.00
123327	420000	John Deere Financial	06/28/2018	272.68
123328	412500	Keller Associates, Inc.	06/28/2018	3,450.00
123329	422140	Kinney Industries, Inc.	06/28/2018	268.80
123330	428195	Leads Online, LLC	06/28/2018	1,668.00
123331	441140	Looks Nu, Inc.	06/28/2018	195.00
123332	501200	Norm's Auto Electric	06/28/2018	299.90
123333	509600	Northwest Insurance Group, Inc.	06/28/2018	2,915.00
123334	879103	Online Solutions, LLC	06/28/2018	7,200.00
123335	532000	Ontario Bearing & Hydraulic, Inc.	06/28/2018	15.10
123336	582451	Oregon Code Enforcement Association	06/28/2018	75.00
123337	602520	Payette County Recreation District	06/28/2018	835.00
123338	638602	Quality Electric, Inc.	06/28/2018	84,856.95
123339	666052	SAIF Corporation	06/28/2018	57,264.00
123340	686822	Sprint	06/28/2018	51.95
123341	702008	Staples Business Credit	06/28/2018	503.30
123342	879303	Sunroc	06/28/2018	18,964.15
123343	738002	Symbol Arts, LLC	06/28/2018	50.00
123344	788203	TREASURE VALLEY COMMUNITY CO	06/28/2018	590.00
123345	802400	Union Pacific Railroad Company	06/28/2018	465.07
123346	878957	Valli Information Systems, Inc.	06/28/2018	162.08
123347	288897	Verizon	06/28/2018	1,465.38
123348	847905	WesTek Marketing, LLC	06/28/2018	2,040.82
123349	879307	Wright Brothers Investments, Inc	06/28/2018	134.65
123350	878915	CH2M Hill OMI	06/28/2018	421,251.03
123351	572000	Ontario Sanitary Service, Inc.	06/28/2018	444.38
Total for 6/28/2018:				666,480.78
ACH	PRAFLAC	AMERICAN FAMILY LIFE ASSURANCE	06/29/2018	2,146.28
ACH	PRAMERF	AMERICAN FUNDS GROUP	06/29/2018	400.00
ACH	PRCCIS	E B S TRUST	06/29/2018	60,909.78
ACH	PRFED	PAYROLL TAXES	06/29/2018	59,574.87
ACH	PRNATW	NATIONWIDE RETIREMENT SOLUTIONS	06/29/2018	250.00
ACH	PRORJU	OREGON DEPARTMENT OF JUSTICE	06/29/2018	947.00
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	06/29/2018	16,490.38
ACH	PROSGP	OREGON SAVINGS & GROWTH PLAN	06/29/2018	2,100.00
ACH	PRPERS	OREGON PERS	06/29/2018	71,301.94
ACH	PRFED	PAYROLL TAXES	06/29/2018	71.56
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	06/29/2018	22.40
123294	PRICMA	I C M A RETIREMENT TRUST 457	06/29/2018	150.00
123295	PRIDCHIL	IDAHO CHILD SUPPORT RECEIPTING	06/29/2018	461.00
123296	PRLINC	LINCOLN NATIONAL LIFE INS CO	06/29/2018	350.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
123297	PRSFIRE	UMPQUA BANK	06/29/2018	360.00
123298	PRUTCH	UTAH, OFFICE OF RECOVERY SERVIC	06/29/2018	716.00
Total for 6/29/2018:				216,251.21
123352	&525	American Staffing, Inc.	07/09/2018	1,337.79
123353	032180	Anytime Septic Service, LLC	07/09/2018	140.00
123354	033300	Argus Observer	07/09/2018	109.65
123355	037600	AT&T	07/09/2018	21.02
123356	822861	Big Valley Supply, Inc.	07/09/2018	63.52
123357	626400	Campo & Poole Distributing, LLC	07/09/2018	3,463.28
123358	192273	CBA Lighting & Controls, Inc.	07/09/2018	46.34
123359	637828	Century Link Communications, LLC	07/09/2018	97.68
123360	206557	Creative Product Source, Inc.	07/09/2018	41.48
123361	879225	Malheur Media, LLC	07/09/2018	505.98
123362	602320	NAPA Auto Parts	07/09/2018	14.17
123363	879301	Net Assets	07/09/2018	10.00
123364	879176	Seder Architecture & Urban Design, LLC	07/09/2018	2,892.30
123365	879145	Silver Signet, LLC	07/09/2018	75.00
123366	&357	Larry A. Sullivan	07/09/2018	3,402.62
123367	878931	Tire Factory of Ontario	07/09/2018	144.00
123368	879146	Toshiba Financial Services	07/09/2018	2,545.68
123369	788402	TransUnion Risk & Alternative Data Soluti	07/09/2018	140.00
123370	823500	Vale Electric, Inc.	07/09/2018	1,568.43
123371	879151	Waste-Pro	07/09/2018	30.00
123372	&260	Four Rivers Cultural Center	07/09/2018	4,758.14
123373	113500	Allen Montgomery	07/09/2018	539.55
123374	539200	Ontario Area Chamber of Commerce	07/09/2018	4,310.31
123375	571100	Ontario Rural Fire Protection District	07/09/2018	2,316.00
123376	596071	Ontario Volunteer Firefighters Association	07/09/2018	343.00
123377	879309	Civil Air Patrol Magazine	07/09/2018	45.00
123378	879176	Seder Architecture & Urban Design, LLC	07/09/2018	780.00
123379	UB*11471	NEVIN JOSHUA VINCENT DASS	07/09/2018	23.46
123380	UB*11473	SASHA DRAKE M/R@RETAIL	07/09/2018	71.19
123381	UB*11470	ALBERTO GAMEZ * \$\$	07/09/2018	23.56
123382	UB*11472	MICHAEL HAUETER	07/09/2018	35.01
123383	UB*11476	PENNY KENISON*	07/09/2018	14.30
123384	879310	Donovan McGraw	07/09/2018	250.00
123385	15101	City Of Ontario - Department Head Credits	07/09/2018	3,900.00
123386	UB*11475	QUISENBERRY'S	07/09/2018	64.43
123387	UB*11474	RON YANO	07/09/2018	70.00
Total for 7/9/2018:				34,192.89
123388	&525	American Staffing, Inc.	07/12/2018	1,248.11
123389	032180	Anytime Septic Service, LLC	07/12/2018	85.00
123390	130624	B & W Car Wash	07/12/2018	9.00
123391	520400	Dorman's, Inc.	07/12/2018	7.61
123392	408200	J-U-B Engineers, Inc.	07/12/2018	22,008.15
123393	440000	L.N. Curtis and Sons	07/12/2018	113.40
123394	UB*11130	Jordan Lucas	07/12/2018	41.28
123395	527000	Ontario Animal Hospital	07/12/2018	87.50
123396	516494	State of Oregon Department of Transportati	07/12/2018	5,795.98
123397	718000	State of Oregon Employment Department	07/12/2018	2.36
123398	528405	Oster Professional Group, LLC	07/12/2018	23,460.00
123399	738001	James Swank	07/12/2018	47.99
123400	738002	Symbol Arts, LLC	07/12/2018	125.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
123401	878957	Valli Information Systems, Inc.	07/12/2018	1,964.39
Total for 7/12/2018:				54,995.77
123402	130950	Cable One	07/13/2018	298.94
123403	878915	CH2M Hill OMI	07/13/2018	435,797.60
123404	180798	CIS Trust	07/13/2018	226,629.36
123405	364000	Clarion Inn	07/13/2018	69.62
123406	879247	Idaho Communications, LLC Day Wireless	07/13/2018	470.00
123407	336784	G.W., Inc.	07/13/2018	63.04
123408	462397	L-3 Mobile-Vision, Inc.	07/13/2018	43.70
123409	428200	League of Oregon Cities	07/13/2018	8,418.90
123410	434008	Lexipol, LLC	07/13/2018	6,748.00
123411	436000	Lindsay Eco Water	07/13/2018	7.00
123412	210200	CMi Software Corp	07/13/2018	17,900.00
123413	477523	Municipal Code Corporation	07/13/2018	350.00
123414	879142	Oregon Association of Municipal Recorder:	07/13/2018	485.00
123415	583401	State of Oregon Department of Environmen	07/13/2018	840.00
123416	642093	Red's Automotive Repair, Inc.	07/13/2018	770.99
123417	738560	Tailored Solutions Corporation	07/13/2018	705.00
123418	879311	Treasure Valley Community College	07/13/2018	4,200.00
123419	774001	Wtechlink	07/13/2018	300.00
Total for 7/13/2018:				704,097.15
123420	879240	Advanced Control Systems, LLC	07/19/2018	8,452.80
123421	879312	The Parents of Julissa Almarez	07/19/2018	44.00
123422	033300	Argus Observer	07/19/2018	1,113.60
123423	144000	Cascade Natural Gas Corporation	07/19/2018	20.05
123424	637830	Century Link	07/19/2018	75.10
123425	878915	CH2M Hill OMI	07/19/2018	10,518.51
123426	376000	Idaho Power	07/19/2018	250.63
123427	456402	Malheur County Clerk	07/19/2018	107.00
123428	583450	State of Oregon Dept of Corrections	07/19/2018	2,360.00
123429	682495	SBE Oregon, LLC	07/19/2018	2,382.71
123430	879138	Stantec Consulting Services, Inc.	07/19/2018	595.00
123431	863995	White Cloud Communications-Boise, Inc.	07/19/2018	4,250.00
123432	&525	American Staffing, Inc.	07/19/2018	868.46
123433	033300	Argus Observer	07/19/2018	116.10
123434	626400	Campo & Poole Distributing, LLC	07/19/2018	3,505.52
123435	637830	Century Link	07/19/2018	435.89
123436	477523	Municipal Code Corporation	07/19/2018	858.28
123437	UB*11477	City of Ontario	07/19/2018	136.00
123438	UB*11480	City of Ontario	07/19/2018	170.00
123439	UB*11479	EASTERN OREGON CYCLES	07/19/2018	136.00
123440	879313	The Parents of Marcus Grimaldo	07/19/2018	52.00
123441	UB*11481	LARRY & NORMA HENRY	07/19/2018	118.13
123442	UB*11482	ADAN RICO	07/19/2018	15.86
123443	UB*11478	ASHTON STARK	07/19/2018	97.59
123444	832852	Wells Fargo Business Elite Card	07/19/2018	11,084.61
Total for 7/19/2018:				47,763.84
123445	180798	CIS Trust	07/26/2018	539.34
123446	344128	City of Fruitland	07/26/2018	7,763.61
123447	879299	Dwayne Holloway	07/26/2018	31.50

Check No	Vendor No	Vendor Name	Check Date	Check Amount
123448	376000	Idaho Power	07/26/2018	3,526.80
123449	420000	John Deere Financial	07/26/2018	225.28
123450	412500	Keller Associates, Inc.	07/26/2018	3,450.00
123451	441140	Looks Nu, Inc.	07/26/2018	80.00
123452	451750	Malheur County Sheriff's Office	07/26/2018	48,536.00
123453	638602	Quality Electric, Inc.	07/26/2018	64,250.59
123454	702008	Staples Business Credit	07/26/2018	46.80
123455	005000	A-1 Key & Lock	07/26/2018	18.50
123456	&525	American Staffing, Inc.	07/26/2018	1,703.10
123457	UB*11483	JOSHUA ANDREWS	07/26/2018	33.96
123458	033300	Argus Observer	07/26/2018	232.20
123459	130950	Cable One	07/26/2018	63.75
123460	144000	Cascade Natural Gas Corporation	07/26/2018	16.24
123461	637830	Century Link	07/26/2018	727.08
123462	420000	John Deere Financial	07/26/2018	32.83
123463	626654	The Police and Sheriffs Press, Inc.	07/26/2018	17.49
123464	638602	Quality Electric, Inc.	07/26/2018	8,689.00
123465	692230	Specialty Construction Supply	07/26/2018	22,500.00
123466	702008	Staples Business Credit	07/26/2018	83.95
123467	702100	Staples Credit Plan	07/26/2018	43.26
Total for 7/26/2018:				162,611.28
ACH	PRAFLAC	AMERICAN FAMILY LIFE ASSURANCE	07/31/2018	2,146.28
ACH	PRAMERF	AMERICAN FUNDS GROUP	07/31/2018	400.00
ACH	PRCCIS	E B S TRUST	07/31/2018	60,911.32
ACH	PRFED	PAYROLL TAXES	07/31/2018	63,041.59
ACH	PRNATW	NATIONWIDE RETIREMENT SOLUTION	07/31/2018	250.00
ACH	PRORJU	OREGON DEPARTMENT OF JUSTICE	07/31/2018	947.00
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	07/31/2018	248.95
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	07/31/2018	17,465.35
ACH	PROSGP	OREGON SAVINGS & GROWTH PLAN	07/31/2018	2,100.00
ACH	PRPERS	OREGON PERS	07/31/2018	74,885.39
ACH	PRFED	PAYROLL TAXES	07/31/2018	100.66
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	07/31/2018	0.66
ACH	PRPERS	OREGON PERS	07/31/2018	226.89
123468	PRICMA	I C M A RETIREMENT TRUST 457	07/31/2018	150.00
123469	PRIDCHIL	IDAHO CHILD SUPPORT RECEIPTING	07/31/2018	411.00
123470	PRLINC	LINCOLN NATIONAL LIFE INS CO	07/31/2018	350.00
123471	PRSFIRE	UMPQUA BANK	07/31/2018	360.00
123472	PRUTCH	UTAH, OFFICE OF RECOVERY SERVICES	07/31/2018	716.00
Total for 7/31/2018:				224,711.09
123473	&260	Four Rivers Cultural Center	08/03/2018	25,332.59
123474	539200	Ontario Area Chamber of Commerce	08/03/2018	20,448.39
123475	408200	J-U-B Engineers, Inc.	08/03/2018	22,520.88
123476	&525	American Staffing, Inc.	08/03/2018	2,253.29
123477	003079	AVG Technologies USA, Inc.	08/03/2018	2,967.99
123478	626400	Campo & Poole Distributing, LLC	08/03/2018	5,265.96
123479	637828	Century Link Communications, LLC	08/03/2018	101.99
123480	879243	Clear Creek K9	08/03/2018	800.00
123481	216000	D & B Supply Company	08/03/2018	192.65
123482	333852	Graphic Impressions	08/03/2018	325.00
123483	&162	USABlueBook	08/03/2018	6,995.01
123484	376000	Idaho Power	08/03/2018	50.99
123485	073400	Deborah L. Jeffries	08/03/2018	18.53

Check No	Vendor No	Vendor Name	Check Date	Check Amount
123486	879163	Ontario Auto Ranch	08/03/2018	885.20
123487	572000	Ontario Sanitary Service, Inc.	08/03/2018	306.94
123488	702008	Staples Business Credit	08/03/2018	66.05
123489	738001	James Swank	08/03/2018	114.88
123490	774001	Wtechlink	08/03/2018	300.00
Total for 8/3/2018:				88,946.34
123491	173000	Chief Supply Corporation, Inc.	08/10/2018	641.85
123492	240100	State of Oregon Dept of Consumer & Busin	08/10/2018	4,077.14
123493	879130	Ani-Care Animal Shelter, Inc.	08/10/2018	1,370.08
123494	879192	Annas Consultants, Inc.	08/10/2018	431.72
123495	032180	Anytime Septic Service, LLC	08/10/2018	85.00
123496	130950	Cable One	08/10/2018	298.94
123497	364000	Clarion Inn	08/10/2018	34.00
123498	206557	Creative Product Source, Inc.	08/10/2018	165.33
123499	634311	Frazier Aviation, LLC	08/10/2018	425.00
123500	UB*11484	EMILIO GALLEGOS	08/10/2018	26.72
123501	360015	Home Depot Credit Services	08/10/2018	3.26
123502	UB*11486	HOTBOX FARMS	08/10/2018	73.91
123503	368200	Hughes Fire Equipment, Inc.	08/10/2018	1,695.63
123504	396000	Iseri Travel Agency	08/10/2018	1,041.10
123505	879191	Kristy's Custom Sewing	08/10/2018	118.00
123506	440000	L.N. Curtis and Sons	08/10/2018	135.00
123507	436000	Lindsay Eco Water	08/10/2018	12.00
123508	879314	Micro Focus Software, Inc.	08/10/2018	2,444.80
123509	500400	Norco, Inc.	08/10/2018	100.15
123510	572000	Ontario Sanitary Service, Inc.	08/10/2018	137.44
123511	879149	ProForce Law Enforcement	08/10/2018	822.22
123512	UB*11485	CHRISTIE REEVES	08/10/2018	57.82
123513	879176	Seder Architecture & Urban Design, LLC	08/10/2018	3,777.63
123514	686822	Sprint	08/10/2018	51.92
123515	&357	Larry A. Sullivan	08/10/2018	2,992.50
123516	879146	Toshiba Financial Services	08/10/2018	1,694.39
123517	788402	TransUnion Risk & Alternative Data Soluti	08/10/2018	140.00
123518	878957	Valli Information Systems, Inc.	08/10/2018	2,164.04
123519	832697	Virtual Graffiti, Inc.	08/10/2018	1,271.90
123520	879151	Waste-Pro	08/10/2018	30.00
123521	863995	White Cloud Communications-Boise, Inc.	08/10/2018	711.00
Total for 8/10/2018:				27,030.49
Report Total (328 checks):				2,460,289.62