



CITY COUNCIL MEETING MINUTES January 16, 2018

The scheduled meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 7:00 p.m. on Tuesday, January 16, 2018, in the Council Chambers of City Hall. Council members present were Ronald Verini, Norm Crume, Dan Capron, Betty Carter, Ramon Palomo, Tess Winebarger, and Marty Justus.

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

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

Tess Winebarger led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on January 12, 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 stated they would be adding Resolution #2018-107 under New Business.

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

CONSENT AGENDA

Councilor Justus indicated that with regard to the minutes of January 4, 2018, he was present via telephone, but hadn't been there for the entire meeting.

Tori Barnett, City Recorder, stated it was noted in the minutes.

CARTER moved, PALOMO seconded, **TO ADOPT CONSENT AGENDA (A) MINUTES OF REGULAR MEETING OF DECEMBER 19, 2017; (B) MINUTES OF REGULAR MEETING OF DECEMBER 26, 2017; AND (C) MINUTES OF WORK SESSION OF JANUARY 4, 2018**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

PRESENTATION

Ontario Chamber of Commerce Update

John Breidenbach, CEO, presented. Also in attendance were Chamber Board Chairman Les Alexander, and Board Chair-Elect Kathleen Rudd.

Mr. Breidenbach stated: As you may recall, I came on January 4th, to the Work Session, and made kind of a brief, quick overview of what we have been doing in the last year. There were a few questions that were asked, so I'm back tonight to kind of finalize a couple of the questions and just to review without taking up your whole evening, some of the statistics and other things from 2017. Since Tessa was not here, and I don't know what part of the phone conversation Marty heard, but the biggest thing we were excited about in 2017, as far as tourism, of course, had to be the eclipse. We worked hard with Charlotte Fugate from Revitalize Ontario and many others, but our website hit in 2017 went up to 58,479; in 2016, it was 25,000; in 2015, it was 24,000. I can assure you that not all of that was eclipse related, but a major portion was. Relocation packets, we mailed out 25 total, specifically for relocation in 2017. I'm going to talk about that here in just a minute, and the question that the Mayor had. Phone calls in 2017, we answered over 2,200 phone calls, and again not all of those were concerning the eclipse. I was down a little bit from '16, which was 2,300, up from 1,800 in 2015. Walk-in statistics, in 2016, we were at 1,789, and in 2017, we were at 2,532, and about 350 of those were eclipse related.

As I did mention on the 4th, one of the nice things at the Chamber was we were able to purchase a building. Saint Alphonsus had the land, and the pharmacy building. In that building, we have a tourism small-visitors center that is open Monday through Friday, where you can come in and get not only local information, but State of Oregon, Idaho, or Nevada maps. And hopefully always find somebody willing to help, either one of our volunteers if we're out, or somebody else. We are excited about that.

One of the questions that came up from the Mayor as I was finishing my presentation last time was about tourism and economic development. How do they kind of tie together. So the note I put down was tell us about how you deal with a person that comes in and then they move to the area. As fate would have it in my life, that was on the 4th, so on Friday, it would have been the next day, a young lady came in and she said to me, she said I need to learn about Ontario, this was about 8:30 in the morning, 9:00. She said I need to learn about Ontario. She says "my boyfriend is up at the high school right now applying for the Social Studies teacher. And I said, "wow, cool". Turns out she was from Hillsboro, and we had a nice conversation. I told her about Four Rivers Cultural Center. It was just shy of 9:00, so she was going to go see if the museum was open, and she was going to come over and walk around TVCC's campus and see what those are. So then Monday morning when I got back to work, this email was waiting in the Chamber's inbox, and I just kind of want to share it with you because it's kind of a typical how things happen at the Chamber in many ways. So, it says "My name is Iris Young, and I will be relocating to Ontario soon. When I stopped by your office on Friday, John was very welcoming and gave me a great overview of the local area and community. I hope to become part of that community and make a meaningful contribution. Currently, I am a free-lance videographer and film maker in Portland, Oregon. I tell stories through short documentaries and short narrative films, as well as doing marketing videos, videographing for local organizations. I would love to do something similar for local businesses and organizations in Ontario. Can you please tell me the process of starting a business in Ontario, or recommend any other resources that are available. I am aware of the Small Business Development Center located at TVCC and plan to contact them as well. Any advice you can offer would be greatly appreciated and I look forward to talking to you in the future. Sincerely, Iris Young." So we replied with "We hold our Chamber luncheons every Monday and she could join me for a Chamber lunch, oh wait, that's out of order. Thank you for reaching out to us. We are a good resource if you are interested in starting a business. I would be delighted to bring you as a guest to one of the Chamber luncheons so we could introduce you to some of our Chamber members, and have you talk about some of your services that you would provide to Ontario. Please let us know if you have any question. She says that she would be back and forth between Ontario and Portland for the next few weeks, but plans to fully relocate by the beginning of March. During that time, she would love to get the framework in place, and begin offering services as soon as she arrives. Can you direct me to the registration process, which we talked about business licenses for a long time with the Council, and process for legal requirements that she should be aware of in Ontario. We told her about our Chamber lunch, and then we said thank you very much, 'cuz she said she'd be back and forth, and we hold our Chamber lunches every Monday, and with the exception of certain days and holidays throughout the year, you can learn more about the registration process by contacting Dan Cummings, at 541-881-3222. Thank you very much. I will contact Dan and will reach out to you again soon about attending a luncheon when we have a clearer idea of when we will be in town. So, obviously the young man got the job at the high school, and she's going to move here anyway. So, when you had your budget advisory committee meeting the other night, I was here and I walked up and asked Dan if she did get ahold of him, and he said yes. That is fairly typical of a lot of times when one person is relocating here, and they have a spouse or somebody, in this case a significant other, to join them, so we reach out and do that. I hope that answers your question, Mr. Mayor.

The other thing I mentioned when I was here before about the V&C grant process, and that there is \$30K annually that's in the grant, and it also came up at the advisory meeting, and as a follow-up to that, I will tell you that Megan Cook from the Friends of the Aquatic Center, has submitted an application to us for our next V&C meeting, which will be the first Thursday in February. She was very excited when she heard that news here, so obviously promoting that grant needs to be done more. I don't know, her grant application, she's asking for \$20K. I told her I did not know what would be given; that's up to that Board, not me, but she would definitely have an audience with them on that morning.

I also mentioned that the Christmas decorations for the City of Ontario, and the ones we didn't put up over the underpass this year were really beat up. I have talked with Cliff and Betsy both, and we have two catalogs out of the three that I ordered in, and we will be following up and looking at measurements and prices to see what we can do working with CH to get the best of the best. Cliff suggested to me that I get ahold of the ones that they had over in Fruitland, and I did get ahold of that company. They sent me a catalog back. Apparently they are really good quality and low price. So we will continue to work with that.

I also mentioned last time I was here that we had put into Travel Oregon a grant request. I just filed it right when we came in, for agritourism workshops, and we got awarded that grant, so we will have an agritourism workshop in probably the end of March, first of April timeframe, and invite people who do Saturday markets and farmer's markets, and people with farm stands on how to become part of that program. They'd been working on it for about six-eight months now. It would be nice. It was going to cost us roughly about \$1K, but Travel Oregon will be picking up the tab for the estimate and everything.

We worked with Charlotte and put in for a Heritage Grant or a Cultural Trust Grant, also, for the same program. With it being 175th of the Oregon Trail, there is some signage that really needs fixed, not only in town, but out of town. We'll be trying to work on that.

I did talk to Travel Oregon some more about what it actually looks like, and they are going to roll something out at the Governor's Conference, which is in April, but pretty much they are saying anybody who's on the Oregon Trail, should be starting now and continuing just promoting the fact that they are on the Oregon Trail. We are reaching out to my counterpart in Baker, asking them what they are going to do, because they always have all kinds of activities with the Oregon Trail, and they don't have anything extra special planned this year, other than Memorial Day weekend and Labor Day weekend, they will be having, the Interpretive Center will be having more activities than normal.

Speaking of Memorial Day weekend, I just got a message today from Kit Kamo and in 2018, at Clay Peak, they went to the County Commissioners in Payette County this morning, and they are going to have a two-day dessert enduro-race at Clay Peak. They should have about 250 national riders coming in, and out of those 250 riders, most of them will have to stay in hotels in Ontario because I still can't find 250 rooms in Payette County no matter how hard I try. So, I mentioned that last time, about the Fiddler Festival, and they were going to have a music festival, and a gentleman by the last name of Reed, had been working with Marty about maybe brining a restaurant into town. Nick Reed is planning on doing a music festival over in Weiser the week before Fiddler Fest, which was the week after Global Village, which is the same as the Great Owyhee Ride, which wouldn't be a conflict with any of that. And again, the reason I reached out to him, and he reached back to me, was strictly because Washington County, also like Payette County, has no hotels. What we're talking about here is Transient Occupancy Tax that's collected from hotels, so anytime we can bring in anything to our area, or help promote the things that are already in our area, we reach out and try to do that. Sometimes we will meet one of the people putting on the event and they own businesses, and want to own another restaurant, we will work with the local committee and sometimes somebody's coming to town and they're a school teacher and they are here for an interview and they decide they want to make videos here. That's kind of the life that we live in at the Chamber of Commerce.

The question has come up, why do I not come to City Council every quarter, and report. I'd be more than happy to, but you guys would get really tired of hearing me talk all the time. Our world changes on a daily basis. Before I open it for questions, and answer questions tonight or from the other day; hopefully, I covered all from the other day, I want to talk about one more thing that Adam and I, and Charlotte, and Maggie, and Marty was at one of the meetings, or a couple of the meetings, we started a partnership at the beginning of the year with, oh, and the Mayor, too, sorry Mr. Mayor, with RDI, Rural Development Initiative, about facilitating a road map for vitality for Ontario and what did that look like. Of course, we did the survey, sent it out, we did all that, and, of course, it came back with need a pool, you guys are working on that with the Splash Pad, and it came out with beautification, you guys have been working on that for a long time, so what we kind of came up with as a group was a campaign for perception. Kind of a lot similar to what Ontario School District is doing with their O-Positive campaign. We decided that it would be a great idea to do a campaign of the good things that happen in Ontario all the time. Whether it be people relocating or starting a business. We came up with a slogan that says "Put the Aw in Ontario", and we've had several meetings. We got derailed a little bit last year because of the snow, and we got derailed a little bit the last few months because of some switches with RDI and some things that you guys were working on internally that we wanted you to be able to focus on those needs for our community, and in the meantime, keep spreading the positive message of Ontario. I gave you all one of the pencils that's kind of one of the trademarks of it. That's one of the things we're doing. We will be restarting the hospitality white board series, and, of course, anybody is invited to that. The charm trail and anything else that I didn't mention on that Thursday afternoon, and I did pass out magazines, and I'm very proud of that fact that, and I was really hoping that they'd come in today, but they didn't, but we do have the front cover, the back cover, for Oregon Events and Festival magazine that you'll be seeing soon. I shared that on Facebook.

So, I don't go on all night, are there any questions.

Councilor Justus stated he had several. For the record, where did the Chamber stand on the sales tax for the City of Ontario?

Mr. Breidenbach stated the Chamber stood on the sales tax for the city that they were going to try and educate the businesses in this community to the pros and cons of the sales tax.

Councilor Justus asked if the Chamber had taken a formal stance on supporting or not supporting the sales tax?

Mr. Breidenbach stated no. They took the stance that they'd educate.

Councilor Justus asked if anyone had approached him about the Chamber taking as stance on supporting the sales tax?

Mr. Breidenbach stated no one had directly asked them to take stance. They had been asked to take a stance against, and that's when they decided that they would educate the community.

Councilor Justus asked if he could tell them exactly how much the Chamber received from the TOT to promote tourism. How much was allocated to the Chamber of Commerce from the TOT every year for tourism.

Mr. Breidenbach stated it was 36%....

Councilor Justus asked if there was a dollar figure, what they had received for 2017.

Mr. Breidenbach stated had not added it up for 2017.

Councilor Justus asked Kari Ott if she could tell him how much the Chamber got?

Kari Ott, Finance Director, stated \$163,037.57 for last year, which included the \$30K, so it was about \$133K.

Councilor Justus stated of that \$133K investment, would he say that he had taken those dollars, and out of that \$133K, could he tell him that for every dollar he'd been given, he brought \$2 back to the community?

Mr. Breidenbach said sure, they'd probably brought several dollars back.

Councilor Justus asked if he could prove that.

Mr. Breidenbach invited him to come look at the numbers. He wasn't quite sure what Councilor Justus was asking.

Councilor Justus said he was saying that in a business, for someone that was in business, if he spent \$1 on advertising, he expected, he hoped to get, he hoped, to get \$3 back in revenue. So the citizens of Ontario have given the Chamber \$133K. So, they should expect, in a business solution, to have a \$333K return.

Mr. Breidenbach asked what the total revenue was for all the hotels last year. How do you, how...

Councilor Justus stated if he were going to come before the Council, and he told John to be prepared for him, he should have brought to him and said, or brought to the Council, and said here's what we've done with your \$133K investment. And he hadn't done that. So what he was asking him to do was prove to him, or prove to the Council, that there's a return on the \$133K investment. That's all he was asking.

Mr. Breidenbach stated by state statute, what they were doing with the tourism dollars was what they were supposed to do with it, and if investing back in magazines and website, and getting people to come to town, promoting areas to visit, he would tell him that they had probably brought more back into the community than just \$2 per person.....

Councilor Justus stated he should be espousing on that, and be proud of it.

Mr. Breidenbach stated he was proud of it.

Councilor Justus stated he should be able to prove it.

Mr. Breidenbach stated he also wanted to add that going down the road from here, everything they did to promote Ontario today would matter 20 years from now. They were trying to change the perception of what happened today, what people thought of Ontario and the relationships they had with the state, was...

Councilor Justus asked how long John had been Chamber Director.

Mr. Breidenbach stated he was in his 13th year.

Councilor Justus stated John was telling him for 13 years, there had been a positive impact, with him as the lead.

Mr. Breidenbach stated yes.

Councilor Justus stated he couldn't verify, that night, what the return on the \$133K investment in the Chamber that year. John wasn't prepared to do that. It's a yes or no, you could or you couldn't.

Mr. Breidenbach stated tonight he couldn't, but...

Councilor Justus stated thank you; that's all he needed to know.

Mr. Breidenbach stated what he could report was that the money that was put back into bringing things in, went back into the hotels, because that's where it was tracked.

Councilor Justus asked if he had the statistics for hotel occupancy, for the last 13 years. For the last 13 years the city had the occupancy numbers?

Mr. Breidenbach stated they had the occupancy numbers every quarter, provided by the state.

Councilor Justus stated the \$133K that was awarded to the Chamber from the TOT, that wasn't used to balance the Chamber budget, it was used to promote tourism, correct? So, if the Council decided right now, to change the way they funded that \$133K, it wouldn't affect the Chamber at all, would it? How? If they weren't using it to balance the budget...

Mr. Breidenbach stated it would. It would affect the entire community because of the service that was provided to promote not only tourism, but economic development and everything else.

Councilor Justus stated the \$133K was dedicated to tourism, yes or no?

Mr. Breidenbach stated the \$133K was dedicated to tourism by law. By agreement the Chamber had with the city...

Councilor Justus stated he understood. So, in the Chamber's budget, he should be able to tell him exactly how much of that \$133K was used for overhead, etc.

Mr. Breidenbach stated yes, invoices went out every month.

Councilor Justus stated he was going to ask that he come back to the next Council meeting to present those numbers.

Mr. Breidenbach stated he could him now. \$10,071 a month from that fund to help support the Chamber of Commerce, overhead, utilities, etc., was that the number he was looking for?

Councilor Justus stated no. He was looking for the \$133K that was awarded to the Chamber and if it was used to help balance their budget, yes or no?

Mr. Breidenbach stated some money went into the budget...

Councilor Justus asked yes or no?

Mr. Breidenbach stated legally they were allowed to...

Councilor Justus stated he understood it was legal; he wanted a yes or no on using funds to balance the budget.

Mr. Breidenbach stated yes.

Councilor Justus state then, if the city decided not to fund the Chamber with that \$133K, it would have a negative effect on the Chamber.

Mr. Breidenbach stated that was correct.

Councilor Justus stated so everyone understood that the city had to make cuts, look for funds, and the Chamber would understand that if the Council had to rearrange those funds, there would be no hard feelings about that, right?

Mr. Breidenbach stated sure there would be. The Chamber was providing a bang for the buck, and delivering not only the tourism industry, which, by state statute, they had to do...

Councilor Justus stated there were other organizations they could hire to do the same thing.

Mr. Breidenbach stated they could, but he didn't know if they'd be able to deliver at the same level. If Councilor Justus wanted to take Ontario backwards, and start fresh, he could....

Councilor Justus stated that would be the argument the Chamber would make if the Council decided to change the funding.

Mr. Breidenbach stated there would be more than just the Chamber making that argument.

Councilor Justus stated he was just asking questions.

Mr. Breidenbach asked how the Council got any work done- sorry.

Councilor Justus asked Mr. Breidenbach to explain that comment.

Mr. Breidenbach stated Councilor Justus was just there to argue with him about something that really, by statute, they couldn't do any way.

Councilor Justus asked if he was telling him that the Chamber was holding the city's feet to the fire and they had to give the money? Was that what he was saying?

Mr. Breidenbach stated no. Was the city holding the Chamber's feet to the fire if they didn't support the 1% sales tax, they'd try and take away the funding?

Councilor Justus said he was telling him that if they didn't have the 1% sales tax, the city had to look at all the dollars that came in and how to disburse them absolutely within the laws of the State of Oregon, but if they had to look at how the money was redistributed, then they'd redistribute the money. Did he agree with that?

Mr. Breidenbach informed the Mayor that he'd stop arguing, and would answer any other questions.

Councilor Carter asked how Councilor Justus wanted the Chamber to measure their actions.

Councilor Justus stated if he were in charge, he would know how many hotel rooms were increased during the Global Village for example. If the Village had been going on for five years, and it had increased in out-of-area visitors, then the hotel rooms would have increased. He would know those numbers. It was about tourism. It wasn't about having a festival for the locals. Tourism would be bringing people into that area that did not live here. Correct?

Mr. Breidenbach stated it was also a celebration for what was here in this community. When they won the state award for that event, it wasn't about tourism or the locals, it was about celebrating diversity. As outlined in the flyer he had handed out...

Councilor Justus asked if he was now saying the Global Village was not a tourism event?

Mr. Breidenbach stated sure it was.

Councilor Justus stated if he was going to say they were getting \$333K from the investment, than he needed to be prepared to show where they were giving the money. He should be blowing his horn so they'd all know that their investment was a wise one. If it wasn't wise, it needed to be looked at. Currently, he saw evidence that the Chamber was doing its job, but he hadn't seen evidence that the city was getting the return on the \$133K investment. That's what he was looking for. That was all his questions. Thank you for responding.

Councilor Winebarger stated she thought the Chamber was doing a good job, and she appreciated the magazines.

Councilor Carter stated she thought so, too, and the Chamber was great for the community. The Council needed to always recognize that. If they didn't have a Chamber, they'd be like other areas. Think about that, and be positive.

Mayor Verini asked if the Council wanted Mr. Breidenbach to return with an updated document and answers to Councilor Justus's questions, or maybe Councilor Justus should present his questions to John and have them answered in written form.

Councilor Capron stated what portion went to overhead, etc., as he didn't really know how it worked. He didn't need to know what went to what magazine, or whatever, but yes, overhead, wages, etc., this was what the TOT funded. He didn't need him to come back, just put it in writing, send an email.

Mr. Breidenbach stated January-December, there was \$10,071 allocated to go towards rent and overhead of the Chamber office.

Mayor Verini asked if wanted Mr. Breidenbach to return again?

Councilor Capron stated he did not.

Councilor Winebarger stated she didn't need him to return. Whatever he was using the money for, as long as it was promoting the Chamber, she didn't care. They were doing a good job.

Councilor Crume stated he thought John had been doing a great job, and had proven that over the years. He will not, and would not, vote to change the funding being dedicated to the Chamber of Commerce.

Councilor Carter stated she was good; he didn't need to return.

Councilor Palomo stated he was good, too. If they were going to be doing that with the Chamber, they might as well start doing that with everybody else. He would want to know what Revitalize Ontario was doing with their money, and what their returns were, and they'd need to start digging into everybody. That'd be great if they could do that.

Councilor Justus said he could show him right now.

Councilor Palomo stated he thought the Chamber had been doing a wonderful job. Revitalize Ontario had also done a wonderful job, and he trusted they were doing their jobs in supporting Ontario and bring in the business.

Mayor Verini stated he also supported the Chamber of Commerce, and didn't think John should have to return.

Mr. Breidenbach voiced his thanks to Councilors Crume and Carter, and Charlotte Fugate, for going to the Chamber office and asking questions. He invited Councilor Justus to come by anytime.

Councilor Justus stated he would be by. He looked forward to the Chamber Board inviting him to speak with them, so he could promote the sales tax. Did the Council understand the Chamber was not supporting the sales tax that was unanimously voted for.

Councilor Winebarger said he hadn't said that; that was not a fair statement.

Councilor Justus stated it was a fair statement.

Councilor Capron stated John had made a statement as to why he didn't; he'd like to know why.

Mr. Breidenbach stated the reason they were not taking a stance was that there many Chamber businesses that were adamantly opposed to the tax; therefore, if it was supported by the Chamber, those businesses would drop their Chamber membership, and that would cost the smaller businesses more money by an increase in dues. At the same time, the city was desperately in a situation where funds are needed. He felt bad for the Budget Committee, but fee vs. tax on public safety and recreation, etc., there was a story to tell the citizens. The Chamber was in a position to say yes, vote for it, because they wanted to save the city, but they were in same position to say no, don't vote for, and kill any funding coming in from TOT. Therefore, they were choosing to educate people, invite Council or the City Manager to make presentations, do a pro and con debate. There was obviously a need for the citizens, the ones who would be voting, to do it. His concern was that once passed, there would be a lawsuit, which would cost more money. It wasn't that they were for or against it, and he'd been talking with some business owners who said they were against it, but when they got the actual ballot, no one would truly know what they wrote down, so don't give up the fight.

Mayor Verini thanked Mr. Breidenbach for his presentation.

Four Rivers Cultural Center Update

Matt Stringer, Executive Director, presented.

Mr. Stringer stated: *Hello, good evening, it's nice to be here. It's been about two years since I came and gave a presentation to the Council. A lot has gone on through the years. At the Four Rivers Cultural Center, we're doing everything in our power to ultimately make this a place that is a self-sustaining entity, something it's never been in the 20 years of existence. I wish I didn't need the hotel money, but it has never been feasible to operate without it. While we generate more income than ever before in the 20 year history of that facility, we don't generate enough. To keep the doors open without the We operate the facility in a manner that has enriched the community and its people, as well as bringing visitors and customers to Ontario. One thing I learned three years into this job was a non-profit entity, I read a book, but you're never going to make the kind of money you would if you had a blockbuster movie or if you had the biggest hit on Broadway. But, one thing you have that they don't have is supporters and donations and volunteers and champions to succeed. It kind of took my breath away, and I'm like, we don't have that. The membership program had been discontinued; there was no formal ask or anyway to generate income from the community. So, for me, it was an epiphany that helped me understand why the facility has never operated on sure footing. Experts go on to say without this, they won't keep their doors open. Most non-profits generate 70% of their total income from fundraising. We were generating about 8%. The last Executive Director didn't really generate any income beyond the conference facility rentals. The only fundraiser is the Center Ball function, which generated between \$15-17K, on average a year, of \$600K in income. I've instituted a development department since learning this. Development is a separate discipline and something I didn't know existed. When I took the job, I had no training in non-profit organizations. Since instituting this department, we've successfully executed a \$300K capital campaign. These funds were restricted to future facility improvements and repairs, including recent ones. A new stage floor in the theater, new carpeting in the theater, new sound acoustic panels in the theater, a*

comprehensive audio/video system throughout the entire conference facility, with 68 speakers in the ceiling and uniform sound everywhere and opportunities to have different music in consecutive rooms all at the same time at the touch of a button. Those were the kinds of things that we're doing, and uninteresting things like window casings. But, our membership has gone from 30, when I got there, to 250. We have community members stepping up and assisting with our educational programs, our gift shop buying, and many other things. We now have community members who feel a sense of ownership in the space and are emotionally attached. We're set to receive significant donations from a community theater group, either through a direct ask or a membership program. We're identifying what aspects of space, what people are attached to, identifying where and why they want to support us.

What does the hotel investment pay for? The city transient lodging received for the last fiscal year was \$50K more than it was in 2012. Directionally, somebody was doing something right. This paid for 32% of the Center's operating expenses. It paid for 29% of capital outlay, loan principal payment, or non-operating expenditures. Because I can credit you with keeping our doors open, I think this one is really important. Because you keep the doors open, I'm able to write for \$250K each and every year in grant money to pay for the programming and dynamic community participation projects that occur here very regularly. I cannot get operating grants; they do not exist. I can get grants for programming and grants for capital improvements – the sound system, the carpet. This programming generates hotel business that I pay for to lodge theater talent, visiting lecturers, artists, and everything we make from selling tickets to events, of which very few cost anything. We're trying to do virtually everything for free. We're trying to get more engaging things for the community. A dollar spent at the Cultural Center does more for our community than a dollar spent at Walmart. Now that the bulk of our ticket sales for events come from online purchase, we can track zip codes. Our efforts to reach out to a broader population based on marketing the Boise, Nampa, Meridian area, is paying off. A larger percentage of events and activities are coming from 50 miles away, in Idaho, and they are eating in our restaurants, buying our gas, and shopping in our stores. On March 8th, we have a performance by an Americana group, which is a big hit with young people, called Dead South. We've sold over 300 tickets so far, and 60% of the sales are from the Boise/Meridian area.

To give you a frame of reference on how the Cultural Center is doing, at this point, 35% of our rental income comes from Portland, Salem, and Eugene. I was amazed when that was figured. These people are having conventions and meetings here, and they are staying in the motels, eating in our restaurants, buying toothpaste at Rite-Aid. In one large grant I received in 2017, I made the commitment to generate \$21K in new business in a 12-month time frame. Not social or rental business. We generated more than \$35K in convention and business meeting revenue. One example was a PEO convention that lasted four full days and had 440 attendees, 260 of which were from out of town. The rental bill at our facility is \$6,482, and they rented at least 1,000 hotel rooms. I counted more than 20 state leaders that we've had, mostly from Salem, some from Portland, with small groups, 25 people, for three days. But 25 people for three days can be as much as 75 hotel rooms, times 20 meetings, is 1,500 hotel rooms. It's very difficult to know what you can attribute to yourself. You know when your functions are, and the way you're doing things, but if I were to go through every booked meeting that occurred, I could come up with something that could be close to the actual number of rooms that we bring in. I think it's probably safe to say that, and much more for the business than the functions we're constructing ourselves, that we bring in more hotel stays than any other entity in the city.

We want you to feel good about your investment. In 2012, we estimated 41K people would walk through our doors. In 2017, we had more than 85K bodies come through the Cultural Center. In 2012, we had 268 meetings booked at the facility, and in 2017, we had 668. In 2012, we figured we administered to probably about 2,800 children through museum tours and educational programs; in 2017, we entertained over 16,000, including kids from the Paiute Reservation. We had 5,000 kids from the Nampa School District come and visit the museum. Our Community Theater Program sells tickets. The year before I got here, the staff didn't program a single event. Today, we execute more than 52 of these each year. The average is one a week, whether it's a lecture, or a theater concert, or a music event in the garden. The car shows, senior citizen expos, theater performances, lectures, painters, guide-dog trainers, cooking classes, learn Japanese in an hour, we focus on the community. We do all in our power to involve community. We just sent out a survey where we seek more than 400 responses. We listen and we respond. We're starting Zumba classes, there is Tai Chi in the garden beginning end of March, and we are hosting a series called "Cooking Matters". We have cooking classes that Bob Komoto has given, something that I've begged Marty to do in his spare time. We're doing things that are just trying to be very human. We presented a 8-movie series on social justice, we featured a different marginalized population each week – homeless people, working poor, mentally challenged, physically disabled, LGBTQ, in an effort to make our community more sensitive and knowledgeable about those invisible to most populations. This is what your money is either directly, or more indirectly, paying for.

We also have a heart. We are definitely trying to provide service forums for people to learn how to protect themselves. I want you to be proud of this space; I want you to be proud that a community as small as this one has a facility as big as this; I want you to be proud that there are so many programs that help our children learn; I want you to be proud that we do things for our local ethnic population, and that we express respect for them. We're desperately trying to make this space work. We are trying to be good stewards of the money generated, and the money you give us. We're under no false understanding that the money you give us helps us be what we are. It is my biggest wish that we can build the Center into the bright spot for the community. We want to be the community's living room; we want all of you to spend time there. We want all of you to be proud of this resource.

As I stated, 27% of our revenue contributed by the hotel tax, 32% of our expenses are covered by the hotel tax, and 29% of our expenditures uncovered if we had in a mortgage payment and our capital expenditures, which include air conditioners at \$15K each, and three have broken in the past year and half.

One of the things that is very detrimental to the facility that I think is very shortsighted from the people that have administered the building prior to me is until I got there, there hasn't been any kind of reserve fund. As we all know, if you live in a condominium, and your boiler breaks, all of a sudden your monthly charges go from \$120 to \$650 because there is no reserve fund to pay for things. So, when something goes wrong and I even have \$15K to replace it, that's an unplanned cost incurred. So, we've taken more than \$100K of this \$300K we've been able to generate from the capital campaign and put that into a maintenance fund that could only be used for really defined things. We received \$50K more than in 2012; \$213,266 from the TOT revenue, and our total revenue this year was \$801K, which is also \$200K more in revenue than the year I got here. I was talking to Charlotte and saying should I tell myself I can retire when we get that up to a million dollars in revenue, but I think that's quite ambitious. But, with that growth in revenue also comes the really extensive growth in expenses. Our two primary categories that occur are labor, when we have so many more events for setting up and tearing down. An event that costs \$100, I only make \$60 because of the labor to put it up and pull it down. And I feel like we're in a growth phase. We feel like things are just wonderful. The space is blossoming. That old adage of you've got to spend money to make money, I try to conservatively state that to the best of my abilities. Any questions?

Councilor Justus stated for full disclosure, he was on the Center Ball Committee, and had been for five years. Did Matt personally support the sales tax?

Mr. Stringer stated as an individual, he did.

Councilor Justus stated if he, in representing Four Rivers Cultural Center, would it be detrimental for him to say the Cultural Center supported the sales tax?

Mr. Stringer stated he often started a lot of his speeches prior to a discussion about physically disabled people, undocumented people that the Cultural Center doesn't mean right, and it didn't mean left, it just meant human. He knew that when asked to man the Democratic booth at the Malheur County Fair, he was directed by a couple people, including a City Council member, that he shouldn't present himself that way. He had been directed not to join Kiwanis, Lion's, or Rotary, because that, in and of itself, factioned the Cultural Center off to one entity. So, he'd been loath to do that. When people had asked if they could put their signs up to vote on something, he'd told them absolutely, but he'd never....he wanted him to become a Council member so I would want your sign, but if anybody else asked that he didn't want to, he'd take their sign, too. He didn't know if it would be good to present themselves that way. He received phone calls from people asking why they were celebrating Cinco de Mayo, and he had to go through the whole logical non-assertive discussion about it.

Councilor Justus stated he understood, but from his point of view, the Chamber and the Cultural Center, because they received funds from the city, that supporting a revenue resource from the city was something that they should consider doing.

Mr. Stringer stated he would talk about it in his personal conversations, and it was like, come on, we've got to figure out how to get these things, and it doesn't cost very much, and we don't live in Norway.

Councilor Justus voiced his appreciation for his response. He knew what Mr. Stringer had done at the Cultural Center, but he saw the Cultural Center, and it was, since he'd become the Executive Director, it truly was Ontario's living room. He wanted to tell him how much he appreciated everything he'd done.

OLD BUSINESS

Housing Incentive Program Update and Discussion

Adam Brown, City Manager, presented.

This had been presented before, but now included a few more ideas from the Council. Some ideas that he had received were one, to consider, in addition to the 1,600 square foot minimum, also maybe consider a 1,400 square foot minimum if they had a two-car garage.

Councilor Capron confirmed it was to be an attached two-car garage.

Mr. Brown stated yes.

Councilor Carter asked if the 1,600 would also have the garage.

Mr. Brown stated it currently read simply 1,600 square feet. They could do a 1,600 square feet OR 1,400 with an attached two-car garage.

Mayor Verini asked if any contractors had approached the city on this.

Mr. Brown stated that some Councilors had been approached.

Councilor Justus stated the cost of a 1,600 square foot property was going to be around \$199-200K to build that. A 1,400 square foot would be about \$180-185K. That was a more affordable figure. Once you hit the \$200K price range, they've put some of the people looking for housing, out of that reach of the \$10K deal. At the 1,400 with the two-car garage, it would open up the program to a lot more people. It wouldn't be a small house; it would be a standard house. It was \$125-130 a foot to build, so when it was brought down 200 square feet, they brought the affordability factor down. This was based on a discussion with Agile Homes.

Councilor Crume stated his perception of this program was that it was to attract the middle class, which was where the 1,600 came from. It was valid to think that 1,400 with the two-car expense would be pretty close.

Councilor Capron stated if he was looking at a home, there would be no way he could get the 1,600. If they wanted people with families, kids in school, starting out, that would be a stretch, that extra \$200-300 a month for a payment. Most new builds were going to require a garage. Even at 1,600, you'd have to have a garage. It's a great way to open the door for more people.

Councilor Carter asked if someone wanted a two-car garage with the 1,600 plan, was that something that could be done.

Councilor Justus stated yes. Currently, the 1,600 had no garage, so they'd amend it to 1,400 with a two-car garage, or more. If someone wanted a 1,800 square foot home, they could do that.

Consensus to modify and put it together.

Resolution #2018-105: Appropriating Funds to Purchase OpenGov Software

Adam Brown, City Manager, presented.

The city had worked to be as transparent as possible especially regarding financial reporting. The financial software used by the city could be difficult to use by staff and access wasn't available to the public. Most Enterprise Resource Planning (ERP) systems didn't provide public portals. Staff would like to create better access for senior staff and create more openness to the public of the city's finances.

The city recently changed its budget process to make financial reporting more transparent; however, staff struggled to get financial information to department heads and the public. Recently, when the Human Resources Director and the Front Desk Receptionist resigned, the City Manager made the decision to not fill the vacancies at this time. This would lead to a total savings of \$94,162 for the remainder of the year. Also, staff had been able to save approximately \$7,500 by getting rid of financial software modules that weren't being utilized.

OpenGov was a cloud-based software that could be integrated with the city's financial software (Springbrook) to provide financial information that would be readily accessible to city staff, City Council, and the public. Reports could be run across different fiscal years and would make it more efficient to provide financial information. No hardware purchases would be required to implement this software.

The software purchase would incur a one-time implementation cost and an annual fee. The contract would be for a five-year period. The annual cost of the software was \$9,000 and there was a one-time implementation fee of \$7,500 for the training and the set up for the City of Ontario.

If the Council elected to take no action, it would result in the financial reporting process remaining the same and no improvements to efficiency and transparency would be gained.

CAPRON moved, CARTER seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2018-105, A RESOLUTION APPROPRIATING FUNDS FOR THE PURCHASE OF OPENGOV SOFTWARE AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT WITH OPENGOV.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2018-107: Appropriating Funds for Homeless Program

Kari Ott, Finance Director, presented.

This was the same resolution that had been presented in December. The entity would be requesting for \$6,500 annually during the normal budget process. This \$4,000 was to get them through the end of June.

Councilor Crume stated he had been against this for various reasons. One, he wanted feedback from the Budget Committee, either in support or against, and the Council had received that support. Secondly, this was a stop-gap measure for now as compared to fully funding it perpetually. He could be in favor for the stop-gap, but not for a future annual expenditure. There were other methods that should be explored, such as churches and service organizations. He'd also be in favor of the stop-gap if it was tied in with the county and other cities all partnering to resolve this. If it was just Ontario footing the bill, he'd be a no vote.

Councilor Capron stated the Budget Committee voted yes, rather quickly, which surprised him, but that's how they'd voted.

Councilor Carter stated this was our future. The homeless were here, and all cities were facing this. They needed to educate themselves. Homelessness was part of the community, and the city would need to provide some resources.

Councilor Winebarger stated that during the whole budget discussion, there had not been any community input. There had been no comments on the article in the newspaper, either.

WINEBARGER moved, JUSTUS seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2018-107, A RESOLUTION APPROPRIATING FUNDS FROM THE PUBLIC SAFETY FUND FOR ADDITIONAL FUNDING NEEDED FOR HOMELESS SERVICES AS RECOMMENDED BY THE BUDGET COMMITTEE.** Roll call vote: Crume-no; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 6/1/0.

NEW BUSINESS**Appointments to Boards and Committees**

The Council discussed the various applications received by the city.

CRUME moved, PALOMO seconded, **THAT THE CITY COUNCIL APPOINT ALFREDO RODRIGUEZ, JAHMEL COOKE, AND ANDREW PETERSON TO THE MARIJUANA AD HOC COMMITTEE WITH TERMS OF OFFICE COINCIDING WITH THE ESTABLISHING ORDINANCE.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

CRUME moved, WINEBARGER seconded, **THAT THE CITY COUNCIL REAPPOINT PATRICK WOODCOCK TO THE PUBLIC WORKS COMMITTEE WITH TERM OF OFFICE COINCIDING WITH THE ESTABLISHING ORDINANCE.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

WINEBARGER moved, CAPRON seconded, **THAT THE CITY COUNCIL REAPPOINT JOHN HALL TO THE VISITORS AND CONVENTIONS BUREAU BOARD WITH TERM OF OFFICE COINCIDING WITH THE ESTABLISHING ORDINANCE.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

Refunding of Bond Numbers B04003 and G06004

Adam Brown, City Manager, presented.

Business Oregon informed the city that an opportunity was available, based upon favorable interest rates, to refinance two city Bonds. Bond Number B04003 had a current balance of \$3,066,491 and Bond Number G06004 had a current balance of \$2,996,415.

Bond B04003 (full faith and obligations series) was entered into by the city for the amount of \$4,482,580 on May 1, 2007. The interest rates ranged from 4.0% to 4.375% with the final payment due December 1, 2031. Revenues from water fees were used to repay the note. The project was for the Ontario Water Transmission and Treatment Plant Upgrade.

Bond G06004 (full faith and obligations series) was entered into by the city for the amount of \$3,976,000 on May 27, 2009. The interest rates ranged from 3.0% to 5.25% with the final payment due December 1, 2033. Revenues from sewer fees were used to repay the note. The project was for Wastewater System Improvements.

Business Oregon notified the city on December 29, 2017, that an opportunity existed to refinance both Bonds. Bond B04003 had a principal balance of \$3,066,491 and Bond G06004 had a principal balance of \$2,996,415. The estimated Net Present Value Savings for both projects was \$595,765.

Refunding these bonds would save the city approximately \$37,000 per year in water and waste water funds. The savings did not come in a lump sum to the city, but rather in reduced bond payments each year.

There issuance costs for refinancing the bonds were included in the net present value savings. The city could, however, at their own cost, use the city Bond Counsel to verify the validity and enforceability of the refunding loan.

The actual savings would depend on the interest rates at the time of refunding. The state would not act unless there was an opportunity to get a lower interest rate.

The deadline for notifying the state was set as January 18, 2018. The state estimated reissuing bonds in April or May of 2018, based on the rates at the time of reissuance.

Only the City Council could authorize the refunding of bonds. If the letter of intent was approved by the City Council, the Council would need to amend the loan documents.

If the Council opted to not accept this offer, the future debt obligations would not change from their current status.

JUSTUS moved, CARTER seconded, **THAT THE CITY COUNCIL AUTHORIZE THE STATE OF OREGON TO REFUND BONDS B04003 AND G06004 FOR AN ESTIMATED NET PRESENT VALUE SAVINGS OF \$595,765.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2018-106: Support of Parks Master Plan Update

Adam Brown, City Manager, presented.

The City of Ontario must update the Parks Master Plan to be eligible for state grant funding. Staff intended to do this in house since there was no funding available to hire an outside consultant.

The city made a grant application to the State of Oregon for the Ontario Aquatic Center in 2017, but were not awarded the grant. One of the deficiencies noted by the selection committee was that the city's Parks and Recreation Plan was not current. The last one was approved in 2003 and was not reflective of the current status of the Ontario parks and recreation system.

Resolution No. 2006-118 was passed in 2006, which modified the Plan to include a Greenbelt Trail and Safe School Route Map. While this could be considered an amendment, it did not impact any of the current projects for which the city had requested funding and was still beyond the five-year timeline requested by the State of Oregon.

Working with multiple groups, staff felt they could update the Plan in time to apply for the next round of grant funding. Resolution 2018-106 followed the recommended protocol for initiating a revision to the Parks Plan.

Staff received multiple sources of feedback that could be used to update the Plan. First, staff had significant amounts of data which could be pulled from the strategic planning process. Staff initiated contact to work collaboratively with the college on a trail around campus and they were engaging students in the process. The Friends of the Aquatic Center had done multiple surveys and developed a Master Plan for the Ontario Aquatic Center that could be incorporated. Lastly, the Fair Board made significant progress updating their long range plan that could be incorporated in the process.

Staff did not anticipate spending any city funds to update the Plan. City staff would use community partners to assist in the preparation of the document.

Staff would like to apply for another round of funding in April of 2018, which meant moving quickly. The City Council would have to adopt an amended plan as late as March of 2018.

The state provided guidelines for preparing a Community Park and Recreation Plan. One of the recommended steps was passing a resolution supporting planning. The proposed resolution followed the state template. The City Council would need to adopt the final plan to make it current and acceptable to the State of Oregon.

While approving the resolution in support of planning was a recommended step, the city could still proceed with planning without approval of the resolution.

If the Council opted to not update the Plan, it would make the city ineligible for any funding in 2018.

CARTER moved, PALOMO seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2018-106, A RESOLUTION IN SUPPORT OF PLANNING.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

HAND-OUTS/DISCUSSION ITEMS

Proposed 2018-2019 Budget Calendar

Consensus to adopt the 2018-2019 Budget Calendar as presented. *[Attached]*

Abatement List by Name

Kari Ott, Finance Director, stated this was provided at the request of the City Council at the previous meeting.

Councilor Crume stated he had asked that names be attached to the accounts in an attempt to better understand where the city was at on this. He'd like to see some discussion about this. On some, it appeared it might be an act of defiance, for whatever reason, of not paying. It wasn't that they couldn't, they were choosing not to. He struggled with that type of attitude, with that person being involved with the city by serving on a committee. If it was sent to collections, there'd just be another fight with this person. They all needed to understand there would be consequences with that particular one.

Mayor Verini stated to Ms. Ott that the invoice was mailed in 2015; had there been any follow-through? Was it a monthly billing?

Ms. Ott stated yes. Some people had moved, some died, but the city did issue "one last letter" letting them know it was going to collections if not paid by the first. Prior to that, yes, a monthly invoice was sent to each name on the list. The letter also let the individual know that the city added on 40% to the bill. They were already charging interest at 9%.

Councilor Justus stated if they wanted to amend the committee requirements, they could indicate that if someone owed the city back anything, either contractually, tax-wise, utilities, etc., then that person would be ineligible to serve on a committee. If someone was already on a committee, they should be suspended until the situation was corrected. He wouldn't have any problem contacting Riley about this.

Larry Sullivan, City Attorney, stated they could amend the ordinance to read that a vacancy would arise on a committee, if there was an ordinance violation that resulted in an unpaid fine or assessment.

Councilor Capron stated it should be a three-month suspension, and if not paid by then, that person was gone.

Councilor Justus stated they should go 90 days, 120 if they were being nice. Not paying a bill anywhere else, you'd lose your privileges. They were not living up to their fiduciary responsibilities to the citizens, by carrying this \$19K+ debt.

Ms. Ott stated they had brought this abatement list to the Council over a year ago, and there was a process in place for handling this. This was actually an old list, and they just wanted to get it cleaned up.

Consensus to amend the ordinance.

Check Register: Dec 1, 2017-Jan 12, 2018

No comment. *[Attached]*

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Capron stated he had already spoken to Marty, but he was interested in paperless billing. Then charge for any type of mailing.

Councilor Winebarger stated not everyone had a computer. It was a great idea, but you can't force someone to buy a computer or get internet service.

Councilor Justus stated they needed to automate first.

Mr. Brown stated we were also limited by our own technology.

Councilor Capron stated at the budget meeting, they had brought up a bond for the pool.

Councilor Crume suggested having the Friends come in before the Budget Hearings started.

Everyone agreed that was a good idea. They'd like to hear about the phases.

Councilor Winebarger stated the LOC was looking at revamping some trainings and information they'd be sending out. She had spoken with the new Executive Director, and he was a ball of energy, and had tons of ideas. They wanted to know what type of trainings to hold, and were seeking input from the membership.

Councilor Winebarger stated she would like to review the Council Rules & Procedures. Everyone had them in orientation, but they were not followed sometimes.

Councilor Palomo stated the Parks & Recreation Committee met last week. They had discussed some options for generating revenue for the Recreation Department. It was a great committee.

Councilor Carter asked if Mr. Brown had heard anything about the equity pay act.

Mr. Brown stated he had not.

Mr. Brown stated they'd be letting an RFP tomorrow for the airport hangar project. They would be looking for engineers to create specifications for a design build hangar project.

EXECUTIVE SESSION

Executive Session: ORS 192.660(2)(h)

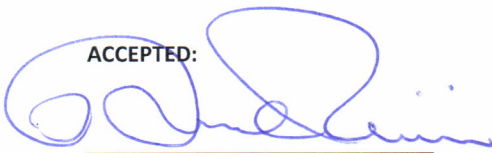
An executive session was called at **9:36 p.m.** under provisions of ORS 192.660(1)(h) *current or pending litigation*. The Council reconvened into regular session at **9:54 p.m.**

WINEBARGER moved, CRUME seconded, **TO ACCEPT THE FINAL PROPOSAL FOR THE BALLOT MEASURE ON THE SALES TAX.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

ADJOURN

CRUME moved, CAPRON 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:



Ronald Verini, Mayor

ATTEST



Tori Barnett, MMC, City Recorder