



CITY COUNCIL MEETING MINUTES August 28, 2018

The scheduled telephonic meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 5:30 p.m. on Tuesday, August 28, 2018, in the Council Chambers of City Hall. Council members in attendance were Ronald Verini, Norm Crume, Dan Capron, Tess Winebarger, Marty Justus, Betty Carter, and Ramon Palomo.

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

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

Ramon Palomo led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on August 27, 2018. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

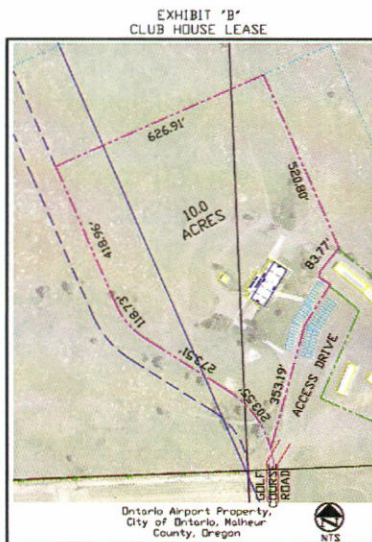
CARTER moved, PALOMO seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

NEW BUSINESS

Resolution #2018-136: Golf Course Clubhouse and Land Lease Agreement

Adam Brown, City Manager, presented.

The city has worked with Shadow Butte Enterprises, LLC, to develop a 20-year lease agreement for the former golf course clubhouse and 10 acres of land. The city worked with the proposed lessee to find a mutually beneficial site on the west side of the Ontario Municipal Airport, which was formerly the Golf Course Clubhouse and land. The tenant was looking for a building to be used for oil extraction and production, along with land to build greenhouses for seeding. The tenant would like a 20 year lease. The City Attorney and attorney for Shadow Butte Enterprises, LLC, have come to an agreement on the lease language for the property that was mutually beneficial. The tenant would like to enter the lease as soon as possible to commence operations this fall.



The city has agreed to update the bathrooms to be ADA accessible and to provide ADA accessible parking on site. Also, the city will pay for electrical upgrades up front and will be reimbursed for 50% of the costs within the first two years of the lease agreement. The site plan of the leased property has been made contemplating an ultimate use of the west side of the airport as industrial use. Sufficient land was been set aside for an entrance that would accommodate large vehicles and multiple lanes into the industrial park through Golf Lane. This would be the second lease for the west side of the airport.

After a 90 day period, the city would receive rent in the amount of \$2,000 per month or \$24,000 per year. The rent would increase by 3% per year until the rent was equal to the fair market value of the property. Revenue from this property lease would go to the airport to make the airport more self-sustaining. The tenant would also pay \$300 per year into a sinking fund for maintenance of the Hollingsworth Well from which they would draw some irrigation. Not only would the city realize a new revenue source for the airport, but would also save on the heating and air costs being spent on the building now, as well as ten less acres of property for the city to maintain.

Should the Council opt to deny this action, the city would continue to bear the maintenance costs for the airport. No additional revenue would be received; however, staff would continue to look for revenue generating opportunities to develop the west side of the airport.

CRUME moved, JUSTUS seconded, I MOVE THE CITY COUNCIL APPROVE RESOLUTION 2018-136, A RESOLUTION APPROVING THE LEASE OF THE FORMER GOLF COURSE CLUBHOUSE AND 10 CONTIGUOUS ACRES OF LAND. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes Verini-yes. Motion carried 7/0/0.

ADJOURN

WINEBARGER 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