

**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, JULY 16, 2019, 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: Freddy Rodriguez ____ Marty Justus ____ Ramon Palomo ____ Dan Capron ____
Michael Braden ____ Norm Crume ____ Mayor Riley Hill ____

2) PLEDGE OF ALLEGIANCE

This Agenda was posted on July 12, 2019. 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. Out 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) Minutes:
City Council Work Session: June 6, 2019
City Council Meeting: June 18, 2019

6) PRESENTATIONS

- A) Community in Action Update: Kathy Markee, Residential Housing Rehabilitation Program Representative
B) Eastern Oregon Border Board

7) OLD BUSINESS

- A) Ontario Recreation District Loan

8) NEW BUSINESS

- A) Request for Appointment to Marijuana Ad-Hoc Committee: Jim Mosier
Request for Appointment to Marijuana Ad-Hoc Committee: Natalie Barlow
B) H-GAC Cooperative Purchasing Agreement
C) Purchase of Loader for Streets Department
D) Resolution 2019-126: Proposed Action on Murrysmith Task Order for Mixing Zone Study
E) Bid Award: Police Car Lease Purchase
F) SRCI Rate Strategy

9) PUBLIC HEARING

- A) Ordinance # 2756-2019: An Ordinance Proclaiming the Annexation and Rezoning of Certain Territory to the City of Ontario, being a Parcel Within the NE1/4 Section 8, Township 18 South Range 47 East, W.M.; and Withdrawing said Territory from the Ontario Rural Fire Protection District 7-302 and the Ontario Rural Road Assessment District No. 3, on First Reading by Title Only

- B) Ordinance #2757-2019: An Ordinance Proclaiming the Annexation and Rezoning of Certain Territory to the City of Ontario, being a Parcel Within the SE1/4 Section 33 and the SW1/4 Section 33 of Township 17 South, Range 47 East, and the NW1/4 Section 4 and NE1/4 Section 5 of Township 18 South, Range 47 East, W.M., on First Reading by Title Only
- C) Resolution #2019-127: A Resolution Declaring a portion of the Malheur River Farm as Surplus and Not Needed for Public Use and Approving the Sale of the Property
- D) Sale of 71.13 Acres of Stelling Property to SNJ Online, LLC

10) DISCUSSION ITEMS

- A) Request for Right of Way Encroachment: 193 NW 6th Street (Amanda Galt-Gibbons)
- B) Minutes: Budget Meeting 04-25-2019

11) HAND-OUTS

- A) Check Register June - July 10, 2019

12) CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

13) ADJOURN



CITY COUNCIL WORK SESSION MINUTES June 6, 2019

The scheduled Work Session of the Ontario City Council was called to order by Council President Dan Capron at 12:00 p.m. on Thursday, June 6, 2019, in the Council Chambers of City Hall. Council members present were Norm Crume, Dan Capron, Ramon Palomo, Michael Braden, Marty Justus, and Freddy Rodriguez. Mayor Riley Hill was excused.

Members of staff present were Adam Brown, Tori Barnett, Larry Sullivan, Dan Cummings, Cliff Leeper, Jason Cooper, Peter Hall, Steven Romero, and Allen Montgomery.

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

Councilor Capron led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on June 4, 2019. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

Request to remove item 5(B) Four Rivers Cultural Center Annual Presentation; and add 8(C) HB2020 to the Agenda.

CRUME moved, BRADEN seconded, **TO ADOPT THE AGENDA AS AMENDED**. Roll call vote: Braden-yes; Justus-yes; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 6/0/1.

PRESENTATIONS

Census Bureau Presentation (Hand-out attached)

Lynn Gross, Eastern Oregon Partner Specialist, presented.

OLD BUSINESS

SRCI Water Services Contract Extension

Adam Brown, City Manager, presented.

CRUME moved, BRADEN seconded, **THAT THE CITY COUNCIL APPROVE A THREE MONTH EXTENSION TO THE WATER SERVICES AGREEMENT BETWEEN THE STATE OF OREGON AND THE CITY OF ONTARIO**. Roll call vote: Braden-yes; Justus-no; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 5/1/1.

NEW BUSINESS

Liquor License Application: The Playground, LLC

Jason Cooper, Interim Police Chief, presented.

CRUME moved, BRADEN seconded, **THAT THE CITY COUNCIL APPROVE THE NEW OUTLET, FULL-ON PREMISES FOR PROFIT PRIVATE CLUB LIQUOR LICENSE APPLICATION FOR THE PLAYGROUND, LLC**. Roll call vote: Braden-yes; Justus-no; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 5/1/1.

Infrastructure Investments List Needed for Economic Development

Adam Brown, City Manager, presented.

CRUME moved, JUSTUS seconded, **THAT THE CITY COUNCIL DIRECT STAFF TO COMPLETE THE CAPITAL PROJECT PRIORITIES AS AMENDED AND SUBMIT THE NEEDS TO BE INCLUDED IN THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY.** Roll call vote: Braden-yes; Justus-yes; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 6/0/1.

ESD Marijuana Buffer

Adam Brown, City Manager, presented.

Councilor Marty Justus read a statement into the record: *This issue is not about blaming a city department that is overworked and understaffed for moving forward for the issuing of a permit for a conditional use permit for a marijuana dispensary for a location that our ordinance clearly has buffered out. This issue is not about calling out the Mayor because a company that he has a stake in for making application for a permit for a property that is clearly buffered out by the marijuana ordinance, even though he has taken a very public stance against marijuana dispensaries and their legalization and including their location within the city limits of Ontario. This issue is about our city administrator, the city attorney, and the Mayor all knowing that an application for dispensary was made knowing that there was a direct conflict with the existing ordinance and not bringing it to the City Council's attention. It is my understanding that it seems our attorney was made aware not once, but twice that our marijuana ordinance may have been enacted with an unenforceable clause concerning the ESD and its 1000-foot buffer. This knowledge that was clearly passed on to our City Manager and City Planner no one thought it important that the Council be made aware of this flaw. Instead, it was decided that the permit should be issued without correcting the ordinance. In my opinion, issuing any kind of permit that conflicts with existing ordinances is detrimental not only to the enforcement of the entire ordinance, but sets a standard the puts the enforcement of all of our ordinance in jeopardy. The standard that would have been set if this permit was issued with Council's knowledge that our ordinance was and is flawed would clearly say to our citizens, "it is not about what you know, but who you know". If you are not connected, you can forget about being treated equally at City Hall. If transparency is our goal, the only choice before us is to modify the existing ordinance to either include the buffer for the ESD as intended when the ordinance was approved, or remove it. This will ensure the public is aware of this Council's intent. Thank you.*

Councilor Rodriguez asked if Councilor Justus did, or did not, have a stake, monetarily, in this industry through real estate or whatever, taking care of accounts, did he have a stake in this? If he remembered, Councilor Justus had abstained from votes in this similar market. Did he have a stake or not?

Councilor Justus stated he was not there to answer Councilor Rodriguez's questions.

Councilor Rodriguez stated that was fine, he didn't need an answer.

Councilor Crume stated he had been sitting there for over 10 years, dealing with personalities, mistakes, issues, problems that had occurred, and 99% of the time, it was their job to fix those mistakes and move on. Statements originally made were unfounded and untrue and disrespectful to everyone sitting there because when ESD was put into the position, not one of them in the entire room realized there was even a school there. They were close to getting the land use issues taken care of, and he recalled that John Kirby made a comment that there was a school out there. That's when staff verified there was a school located there. He chose to believe that not one Councilor knew that it was anything different than some type of special education school that didn't qualify in K-12, until lawyers brought to their attention a month ago. No one had maliciously done anything to cut in front of someone else, or make any extra profits. It was something that happened, and it was time to move on.

Housing Incentive Program - Musil

Kari Ott, Finance Director, presented.

CRUME moved, PALOMO seconded, **THAT THE CITY COUNCIL APPROVE THE APPLICATION BY BRENDA AND ROBERT MUSIL FOR THE ONTARIO HOUSING INCENTIVE PROGRAM IN THE AMOUNT OF \$10,000.** Roll call vote: Braden-yes; Justus-yes; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 6/0/1.

Resolution #2019-121: Master Fee Schedule

Kari Ott, Finance Director, presented.

CRUME moved, RODRIGUEZ seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2019-121, A RESOLUTION ESTABLISHING A MASTER FEE SCHEDULE FOR THE 2019-2020 FISCAL YEAR.** Roll call vote: Braden-yes; Justus-yes; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 6/0/1.

Resolution #2019-122: Water & Sewer Rate Increase

Kari Ott, Finance Director, presented.

CRUME moved, BRADEN seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2019-122, A RESOLUTION INCREASING WATER AND SEWER SERVICE FEES AND CHARGES BY THE 2018 CONSUMER PRICE INDEX.** Roll call vote: Braden-yes; Justus-yes; Palomo-yes; Crume-yes; Rodriguez-yes; Capron-yes; Hill-out. Motion carried 6/0/1.

HAND-OUTS/DISCUSSION ITEMS**Housing Incentive Program**

Adam Brown, City Manager, presented.

At the Councilor's request, this was being brought back with answers to some questions. The Housing Incentive Program was created last December. They started out at 1600 square feet, and it had been revised twice, and now allowed homes at 1350 square feet with an attached two-car garage and two bathrooms. A question had been raised as to whether manufactured homes or trailers could be in the city. Trailers could be in the city in a trailer court, so it was a zoning issue. Outside of that, they were not allowed. He had been asked to research if manufactured homes could use the Housing Incentive Program, and found they could remove the 1600 square feet requirement, which would make all homes have to have the two bathrooms and a two-car garage. He was seeking a legal opinion on whether they could require that the home be constructed on site, with the exclusion of engineered trusses. He was now seeking comments from the Council.

Overall, the two amendments they had arrived at were first, to remove the 1600 square foot requirement and require that all the homes have a two-car attached garage and two bathrooms, and second, that it be built on-site, except for the trusses.

Councilor Crume asked for the legal definition of a manufactured home on a foundation?

Larry Sullivan, City Attorney, stated he had not been presented with that for research, so he had not had the opportunity to do that. His initial thought was that since it was an incentive program, it would not prevent anyone from doing anything other than applying for an incentive that was discretionary. There might not be any restrictions on that, but he really needed to research the state laws on the issue.

Dan Cummings, Community Development Director, stated when the city tried to eliminate and not allow manufactured homes outside of a manufactured home park, the state stepped in and said there could not be any discrimination against manufactured homes. However, the city could put regulations on those homes. The city added building code regulations that any manufactured home outside of a manufactured home park or subdivision, had to be a double-wide unit, set on a foundation, not have bare, metal siding, and have a pitched roof. A private owner, when developing a subdivision, can put restrictions on it because it was private property. That developer could disallow manufactured homes in that subdivision; however, the city, the county, nor the state could, as it would be in violation of building and zoning codes. Mr. Sullivan could be correct in that it's an incentive program through the city, that might be possible, but that could open the city up to a lawsuit.

Councilor Crume stated they, as a Council, needed to determine what their intent was at the time, or what were they trying to get from that. Regarding the garage issue, he believed the intent was they were trying to draw middle-income people or families to Ontario. He questioned why the Council would demand the addition of a garage? Some people might not want one. The larger homes, like the 2400 square foot home, were obviously

attracting people to build a new home in Ontario. For the smaller homes, he believed it was to get the dollar value in an area where they were trying to attract middle income.

Councilor Justus asked if they were going to say to use an ordinance until an attorney challenged it. Why would the city amend another ordinance that could be challenged? The Council just said it was okay to override the ordinance already written. The *intent* of the marijuana ordinance was clear. The *intent* of the housing incentive was clear. Were they going to be consistent with the way they handled each ordinance, or not? If using the incentive program for a manufactured home provided an affordable housing option for a family, it should be done. A two-car garage should be a standard for every home because it added value and curb appeal, not to cut-out a section of the community. There was currently a housing shortage in Ontario. In his opinion, they didn't need to amend anything in the current ordinance.

Councilor Crume stated adding the requirement of a garage was putting an extra burden on someone that was already building a middle-income home, who might not need a garage. Leave the ordinance as it was written.

Councilor Justus asked for verification on what the code called for regarding manufactured homes. They had to be double-wide and on a concrete foundation, everywhere in the city?

Mr. Cummings stated yes, except for those in manufactured home parks.

Councilor Justus stated the Mayor's subdivision on Claude, was that a manufactured home park?

Mr. Cummings stated it was a manufactured home subdivision, and both were allowed in manufactured home subdivisions. Anything zoned manufactured could allow both single and double wides. For a park, you could rent spaces; for a subdivision, you could own the lot.

Councilor Capron stated his preference for the two-car garage.

Councilor Rodriguez stated it appeared someone could spend the amount of the incentive on adding a garage. It appeared the Council was choosing to be proactive, when they were reactive in a different situation.

Financial Report (Hand-Out)

Kari Ott, Finance Director, presented.

HB2020 Letter

Adam Brown, City Manager, presented.

Everyone had been following the Cap and Trade Carbon Bill, House Bill 2020, and everyone was aware of the devastated impacts that could have on this community. They were currently in the last month of the Session, but Mayor Hill spoke with Senator Bentz about it, who said a letter couldn't hurt. The idea was that the city would attempt to trade themselves. For example, instead of being included in the Cap and Trade Bill, Ontario would give up something, and the Mayor's idea was to focus on plastics, such as bags and straws. The other two Councilors who participated in the Agenda prep meeting, thought it was worth bringing to the full Council. Staff drafted a letter, (handed out) and it was a proposal to get out of the Cap and Trade program by going another green-friendly route.

Councilor Justus wanted to add that the city would also ban Styrofoam containers and cups and use greener containers and recyclable containers. That should be considered for implementation, regardless.

Councilor Palomo voiced his agreement, and would like to see the city move in that direction.

Councilor Rodriguez stated it was a great idea, and would let us compete with Western Oregon. Adding the elimination of Styrofoam products to the proposal would give more negotiating power.

Councilor Braden stated the sentence “while the carbon tax proposed in the state legislature may be the right move for some in Oregon, it’s not the right move for us”. Now, the city was making a concession to them, saying we’d like to propose something more sustainable, instead of holding a hard line of “we don’t like this, this is bad for us”. To him, this felt like a soft letter. The concessioners were not necessary. This was the first time that he had been proposed with the idea of banning some of these consumer goods, such as plastic bags, straws, and Styrofoam. It was a good discussion to have. He could be in favor of some of it. Right now, he was not, and he did not think throwing it in the letter was the right place to address those issues.

Councilor Justus stated the point of the letter, and he doubted they would even consider it, but the point was in making an appeal to the Governor. Everybody knew what this would do to the economy. They had to do something. This letter was just one more time asking them to look at us, and to please understand the dilemma we’re in. He understood Councilor Braden’s feelings, but hard-balling wasn’t working either.

Councilor Braden asked why we’d throw a concession to them. He didn’t see a need.

Councilor Rodriguez stated they weren’t asking us to, so the city wasn’t conceding to anything.

Councilor Braden stated the arguments he was hearing were making this a concession, saying we would go greener like your side of the state, so we’ll throw you these bones.

Councilor Rodriguez stated it would be more like setting an example.

Mr. Brown stated a letter in opposition to the Bill had already been sent. The idea was to let them know we weren’t just opposed to everything, but were in favor of something that was along a similar agenda. The letter before them stated the Plan was bad for our area, but we were willing to concede something that was on a similar agenda path.

Consensus for moving forward with the letter: NC-yes, but add in the Styrofoam; FR-yes, with Styrofoam; MJ-yes, add in Styrofoam; MB-No; RP-yes; DC-yes, with Styrofoam.

Department Stats (Attached)

Fire & Rescue: May, 2019

Public Works: May, 2019

Police: Apr, 2019

Code Enforcement: Apr, 2019

Packet/Minutes (Attached)

V&C Board: Jun 6, 2019, AND Minutes of 03-07-2019 in Packet

Agenda (Attached)

SREDA 06-04-2019

Minutes (Attached)

Planning Commission 02-11-2019

County Court 02-27-2019; 05-01-2019; 05-08-2019; 05-15-2019; 05-22-2019

County Court (Budget) 04-23-2019; 04-24-2019

SREDA 05-07-2019

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Crume stated has proud that the city finally had a new attraction. The gratification of all the families and kids at the opening of the Splash Park, was overwhelming.

Councilor Rodriguez stated his agreement. It was special to see the joy come out in those kids who had been waiting so long for this to open.



Adam Brown stated he had attended the Board Board meeting last Monday, and they approved some of their grant and loan programs. One was the housing incentive program that was built somewhat on Ontario's model, but expanded. They went into the meeting with a proposed \$2,500 cash to the buyer, and a 10-year, 50% property tax abatement. He wasn't positive on the numbers, but there was a property tax abatement piece. That gave you cash walking in the door, but also lowered property taxes for a fixed period of time. The discussion let to increasing the cash payout to buyer to \$6,000. It had to be bought into by the other taxing jurisdictions – the Road District, the County, School District, etc. – but the city might want to consider if we needed to change ours and look at the payback with that, but with the other taxing districts, that certainly helped with the payback with that additional incentive.

Councilor Capron stated he had met the new Police Chief, and he was very impressed. The City Manager did a great job on the hiring. He would be a great fit for the community.

ADJOURN

CRUME moved, PALOMO seconded, **THAT THE MEETING BE ADJOURNED**. Unanimous voice agreement.

ACCEPTED:

ATTEST

Riley J. Hill, Mayor

Tori Barnett, MMC, City Recorder



CITY COUNCIL MEETING MINUTES June 18, 2019

The scheduled meeting of the Ontario City Council was called to order by Council President Dan Capron at 7:00 p.m. on Tuesday, June 18, 2019, in the Council Chambers of City Hall. Council members present were Dan Capron, Norm Crume, Michael Braden, Marty Justus, Freddy Rodriguez, and Ramon Palomo. Riley Hill was excused.

Members of staff present were Adam Brown, Tori Barnett, Terry Leighton, Kari Ott, Dan Cummings, Steven Romero, Larry Sullivan, Cliff Leeper, Peter Hall, Betsy Roberts, and Dan Beaubien.

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

Councilor Capron led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on June 14, 2019. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

CRUME moved, BRADEN seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

CONSENT AGENDA

BRADEN moved, JUSTUS seconded, **TO ADOPT THE CONSENT AGENDA, WHICH INCLUDED MAY 9, 2019, COUNCIL WORK SESSION MINUTES; AND MAY 21, 2019, COUNCIL MEETING MINUTES**. Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

SPECIAL ACTION

Tori Barnett, City Recorder, gave the Oath of Office to incoming Police Chief Steven Romero.

PRESENTATION

South Oregon ADA Ramp and Intersection Options

Betsy Roberts, City Engineer, presented. (Report attached)

Consensus to move forward on this project in November.

OLD BUSINESS

Resolution #2019-119-C: Correcting Resolution #2019-119 Which Adopted the City of Ontario's Annual 2019-2020 Budget

Kari Ott, Finance Director, presented.

BRADEN moved, PALOMO seconded, **THAT THE CITY COUNCIL ADOPT RESOLUTION #2019-119-C, A RESOLUTION CORRECTING RESOLUTION #2019-119, TO CATEGORIZE APPROPRIATION CATEGORIES DIFFERENTLY PER ORS 294**. Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.



Resolution #2019-123: Establishing a Classification and Compensation Plan

Adam Brown, City Manager, presented.

CRUME moved, BRADEN seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2019-123, A RESOLUTION ESTABLISHING A CLASSIFICATION AND COMPENSATION PLAN.** Roll call vote: Crume-yes; Rodriguez-no; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 5/1/1.

Councilor Braden stated the plan had been prepared over a month ago, and presented to the Council. He recalled reading through it, but the request was made for a few local independent agencies to review it and get feedback. That had been done. The plan was presented in a positive manner, so he believed the Council had done their due diligence. He did not think the Council was skipping any steps, and were not unnecessarily rushing things. This was the time to get it done.

NEW BUSINESS**Resolution #2019-124: Recognizing Unexpected Grant Revenues and to Transfer Budgeted Appropriations for Unexpected Items**

Kari Ott, Finance Direct, presented.

JUSTUS moved, CRUME seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2019-124, A RESOLUTION TO RECOGNIZE UNEXPECTED GRANT REVENUES AND TO TRANSFER BUDGETED APPROPRIATIONS FOR UNEXPECTED ITEMS.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

Lease with Ani-Care Animal Shelter for Public Works Shop

Adam Brown, City Manager, presented.

CRUME moved, BRADEN seconded, **THAT THE CITY COUNCIL APPROVE THE LEASE WITH ANI-CARE ANIMAL SHELTER, INC.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

Agreement with J-U-B Engineering for Professional Services

Dan Beaubien, Airport Manager, presented.

CRUME moved, BRADEN seconded, **THAT THE CITY COUNCIL ADOPT THE AGREEMENT FOR PROFESSIONAL SERVICES WITH J-U-B ENGINEERING AS PRESENTED.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

Agreement with TVCC for Maintenance of the Treasure Valley Connector Trail

Adam Brown, City Manager, presented.

JUSTUS moved, BRADEN seconded, **TO ACCEPT THE NEW UPDATED CONTRACT FOR THE TREASURE VALLEY CONNECTOR TRAIL.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

JUSTUS moved, BRADEN seconded, **THAT THE CITY COUNCIL APPROVE THE EASEMENT AND MAINTENANCE AGREEMENT FOR THE TREASURE VALLEY CONNECTOR TRAIL, AS AMENDED.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

Agreement with the Recreation District for Recreation Assets

Adam Brown, City Manager, presented.

PALOMO moved, JUSTUS seconded, **TO ACCEPT THE UPDATED AGREEMENT WITH THE RECREATION DISTRICT FOR RECREATION ASSETS.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

BRADEN moved, CRUME seconded, **THAT THE CITY COUNCIL APPROVE THE INTERGOVERNMENTAL AGREEMENT REGARDING CERTAIN RECREATION STRUCTURES IN LIONS PARK, AS AMENDED.** Roll call vote: Crume-yes; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 6/0/1.

DISCUSSION ITEMS

Amending of Marijuana Ordinance

Adam Brown, City Manager, stated Councilor Justus had brought this up at the previous meeting about an error in the existing ordinance. The question posed by Councilor Justus was if the city was going to let that stand or would it be corrected. After speaking with several Councilors about the issue, Councilor Crume suggested that because this was so new, there could possibly be more errors found, so it might be wiser to wait another six months in case other errors were located. Then, when the corrections were made, if there were more, corrections could be done all at one time. It would have to go through the land use process, which could be approximately \$2,000 and 90-days for action.

Councilor Justus stated if a permit had been issued, which was in opposition to the ordinance, then the ordinance needed to reflect what was happening. If another error was located, then they'd have to address it at that time.

Councilor Crume stated there had been several house-keeping items that the Council had to do over the years, where rules, laws, ideas had changed, Council had made mistakes, and it had been a simple task to fix those errors as the Council deemed necessary. He did not think there were any current Councilors who wanted to leave an error in an ordinance; however, it was new and there were not even any dispensaries open. It was an complicated process to establish the ordinance, spending months getting it put together between staff and Council. It was his recommendation to wait on this, as it would not change anything with the permit that had been applied for. Staff and Council were aware of the issues. He thought they needed to give it time to let the dispensaries in and open, to see how they worked in the community, to avoid having to do this very thing every six months. He agreed that it needed to be corrected –just in the future.

Councilor Justus stated the organization that made the application for the permit that found fault in the ordinance, ethically, should have disclosed that to the Council and should have....

Councilor Capron stated Councilor Justus was going in a direction that was out of the realm of what they were discussing. Keep it on topic - fixing the ordinance.

Councilor Justus stated the most important thing was that they, as Councilors, had an ordinance that was not in place, a Mayor that made application for a permit...

Councilor Capron again stated Councilor Justus was off topic, and asked him to stay with the issue before them.

Councilor Braden stated the more this was discussed, they were creating a public perception that the Council had made a large mistake that affected private entities and were not willing to act on it. However, the reality was that a complicated ordinance was created that put the ESD in one classification when it should have been in another. That had been challenged, and would probably see the Council moving ESD from one classification to another. He didn't see that having any effect on other applications. If it did, he'd be in favor of changing the ordinance now, but it was water under the bridge and the change would not make the ordinance any more effective going into the future.

CRUME moved that the City Council direct staff to table this issue at this point in time for future reference at a later date. Motion died for lack of Second.

JUSTUS moved, RODRIGUEZ seconded, **THAT THE CITY COUNCIL DIRECT STAFF TO GO THROUGH THE PROCESS TO CORRECT THE MARIJUANA ORDINANCE.** Roll call vote: Crume-no; Rodriguez-yes; Palomo-yes; Justus-yes; Capron-yes; Braden-yes; Hill-out. Motion carried 5/1/1.

Discussion of Vacant Structure Task Force

Councilor Marty Justus stated the city had a movie theater that had been vacant downtown for 30+ years. It was full of vermin, rats, and pigeons. There were cracks in the walls and it was a nuisance building. They needed to create a Task Force that said something had to be done with those type of buildings. They needed to require engineering reports that stated they were structurally sound. The city couldn't force a lease or a remodel, but they could make sure they were structurally sound and that they didn't have vermin. He had the same issue with the mall. The vacant sections of the mall had structural issues due to Snowmageddon, and nothing was being done to force the owners to do something with the mall. They'd been fighting the mall for 20 years, and no one seems to know who the owners were. He knew that Yee Properties owned the old Kentucky Fried Chicken building and Jackson Stores owned the Jackson's Gas Station. It was not that hard to find out who owned property through the tax records. To let these issues go was a blight on the city and they needed to do something about. They could not allow it to keep going on and turning a blind eye to these continual problems.

Mr. Brown stated he believed this to be more a squatter issue than a derelict building issue. His suggestion was to provide time to Chief Romero to review the squatter ordinances, who had also requested time to ensure the city was using all the tools at their disposal for dealing with this type of situation. A secondary part of the issue, in determining if a structure was unsafe, was more complicated. The enforcement was difficult. On the mall, that was something they'd been working on to find a substitute tenant.

Councilor Capron stated he continually received inquiries about what the city's plans were for dealing with the homeless population. Did the city even have a plan? The count had gone from 50 up to 150+ of the homeless, and it would just continue to grow.

Councilor Rodriguez stated Ontario not only attracted the homeless, but created the homeless as well.

Dan Cummings, Community Development Director, stated with regard to the comments about the mall, he was working with the owner of the mall who owned the middle section. The owner of the remaining piece of the mall was maintaining his section. What was not being maintained, and what everyone was trying to blame on the mall owner, was on the west end was Tractor Supply, who was not maintaining their strip along Sunset Drive, or out front; the old Kentucky Fried Chicken building was owned by the Yee family, and that was not being maintained by them; and the other frontage that was not being maintained was owned by the Albertson's Corporation. It was not correct to pick on the one mall owner because his section actually was being maintained. It was the other owners who were not doing their part. All of them needed to be included when discussing the mall. He had recently spoken with the owner, and they were working on some plans to address some issues.

Councilor Justus stated those owners might not even realize they were responsible for the parking lot. It did not appear anywhere in the deeds he had read.

Mr. Cummings stated they were well aware.

Councilor Justus stated on the mall, and the lack of maintenance, it wasn't made clear that it was theirs to maintain. If there was no common area agreement in place, then no one would maintain it.

Mr. Cummings stated each parcel was responsible for maintaining their own landscaping sections.

Mr. Brown asked to bring this back on July 3rd, to allow him the opportunity to give the Task Force some thought and who might be on it. He welcomed any suggestions from the Council. He'd also like to give Chief Romero the opportunity to review the squatter's laws and the criminal trespassing laws.

Councilor Braden requested an outline on what the duties of membership would be.

Consensus to bring issue back to the July 3, 2019, Work Session.

Loan to Recreation District

Adam Brown, City Manager, stated Chair Evers from the Recreation District asked a couple weeks ago if the city would consider a short-term loan for operations. That was something that was included in the letter of support to the County Court when they were asked to put the formation of a Recreation District on the ballot. It was legal to give an intergovernmental loan. The District was aware that the city could charge the federal interest rate, which was around 2.75%, however, that's an annual rate so it wouldn't be that full amount. This issue was just up for discussion. If the Council was supportive of the idea, staff would draft an agreement. It was suggested by the Finance Director to take the funds from the Business Loan Fund. The District was looking at is a repayment in November of this year, as that's when they'll get their first proceeds from the taxes assessed.

Councilor Braden asked if it would be the full balance or over time.

Mr. Brown stated he believed it would the full balance in November. They were bringing on staff pretty quickly and it's just obviously a timing problem for them. Their first revenue wouldn't come in until November.

Councilor Rodriguez asked if there was a website for the District, other than the Facebook page?

Mary Jo Evers, Recreation District Chair, stated they were working on that. They did have a website that currently allowed for online registrations, but they didn't have staff members yet.

Councilor Rodriguez asked for the best outlet for the general public to get updated as to what's going on or what's coming, because there were a lot of rumors and he couldn't find anything that would give the general public better answers.

Ms. Evers stated part of that was because they'd just been doing setup because everything had been run by the city until now, and didn't want to step on any toes and say 'well, we're going to do it this way'.

Councilor Rodriguez stated he understood that, but the constituency out there was asking a lot of questions, and he, as could be seen online, was constantly redirecting them to where the answers were probably going to be coming from and there were a lot of questions. Where could he direct them to, to get answers from the Recreation District?

Councilor Capron stated they needed to get back to the loan discussion.

Councilor Crume stated he was good with the loan option. He'd suggested it months ago, because he knew that they were going to have to have some money to get moving. That way there would be no drop in services; they could keep it going and get it done.

Councilor Rodriguez agreed it sounded like the best case, based on his conversation with Adam that day. He just felt if they were going to be helping in this situation, they should be at least trying to help the community as well by giving them some answers that were missing at this point.

Councilor Justus stated he was the one in the Budget Committee meetings that suggested the \$100K loan from the Business Fund, so he definitely supported the loan.

Councilor Braden stated he supported the loan. One step further was regarding the interest. Adam had said that they'd be amenable to charging interest. He didn't know if that was creating a bad precedent, but did the city need to charge the District interest on the loan? That's a discussion question he had. They were doing a great service and it was a short term loan, so no interest, to him, would be acceptable.

Mr. Brown stated in their discussion that afternoon, they were under the impression that the city might be required to. Staff could answer that question by July 3rd.

Councilor Ramon stated he was good with it.

Councilor Capron stated he was good with it.

HAND-OUTS

Minutes: Attached

Public Works Committee 04-15-2019 (*Approved*)

Public Works Committee 05-14-2019 (*Draft*)

Check Register: Attached

May 1, 2019 → June 12, 2019

CORRESPONDENCE/COMMENTS

Councilor Crume stated he would not be at the July 3rd Work Session.

Councilor Justus informed everyone that Revitalize Ontario was working on a Tat Tot Festival downtown for October 2020. To kick it off, they would have a booth at the Malheur County Fair this summer, and were in need of volunteers to cover 54 shifts. They'd like volunteers to cover two shifts each.

EXECUTIVE SESSION**ORS 192.660(2)(e)**

An executive session was called at 9:06 p.m. under provisions of ORS 192.660(1)(e) to discuss real property.

Councilor Justus declared a direct conflict of interest in the matter up for discussion in Executive Session, recused himself, and departed the Council Chambers.

The Council reconvened into regular session at 9:28 p.m.

ADJOURN

CRUME moved, BRADEN seconded, **THAT THE MEETING BE ADJOURNED.** Unanimous voice vote to adjourn.

ACCEPTED:

ATTEST

Riley J. Hill, Mayor

Tori Barnett, MMC, City Recorder



July 11, 2019

CDBG #17012 – Report to Ontario City Council

The DEQ requires that all houses built prior to 2004 be tested for asbestos. The state informed us of this ruling on March 12th. Moving forward any projects that we had not started construction on had to be tested for asbestos. A local asbestos inspector has completed testing on seven houses, all test results were negative for asbestos. After the testing we moved forward with getting bids.

To date we have completed 8 projects, 2 starting construction, and 4 at bid. We have 1 @ initial inspection.

Project #2 – Bathroom: walk in shower w/ handrails and new hardware, flooring, taller toilet. Minor electrical repairs, repaired gas furnace, replaced broken front window.

Project #4 - Minor electrical repairs, new metal roof, replaced leaking faucet in kitchen, replaced exterior front door.

Project #6 – Replaced standard tub with a walk-in tub and new flooring in bathroom, replaced windows, kitchen cabinet over heat vent, electrical repairs, properly installed over the range fan, new back door, new storm door.

Project #7 - New sliding glass door and 3 windows

Project #8 – New windows

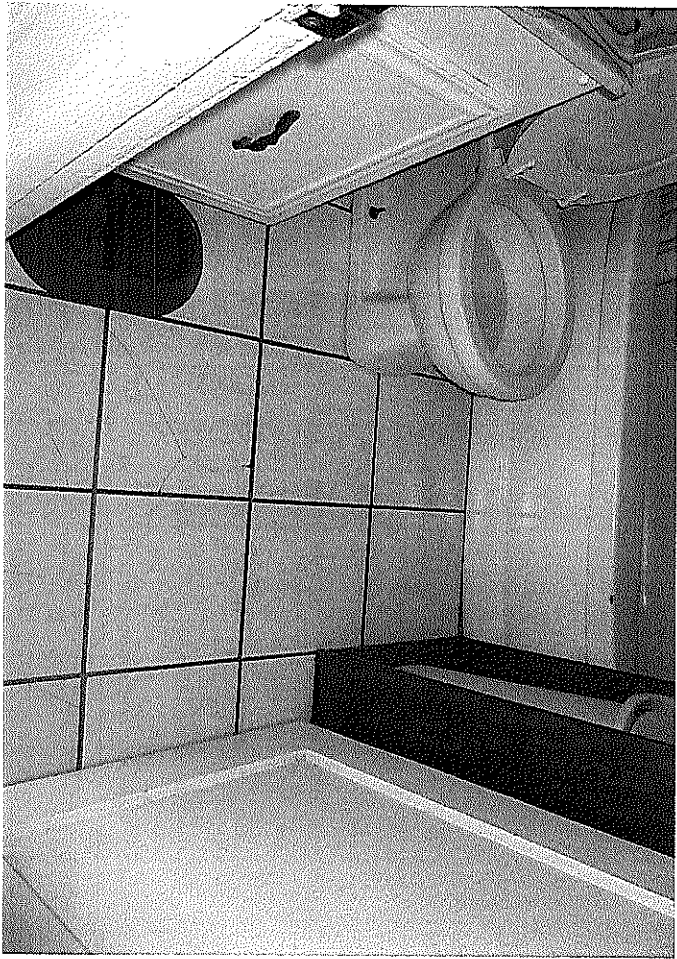
Respectfully Submitted,

Kathy Markee
Program Representative
541-889-9555 ext. 102
kathy@cina.team

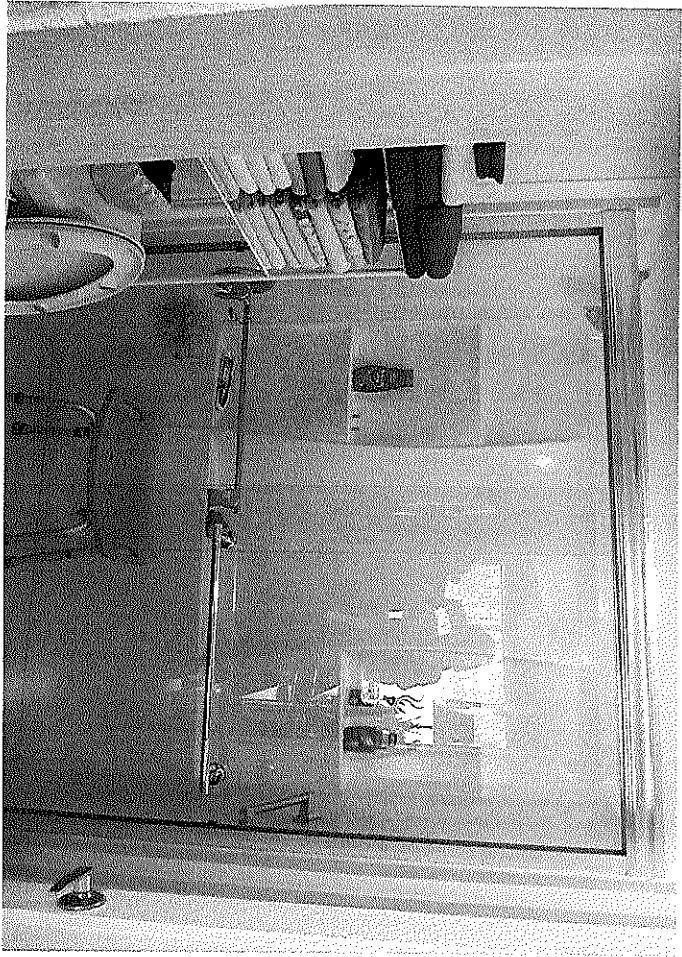
Project

2

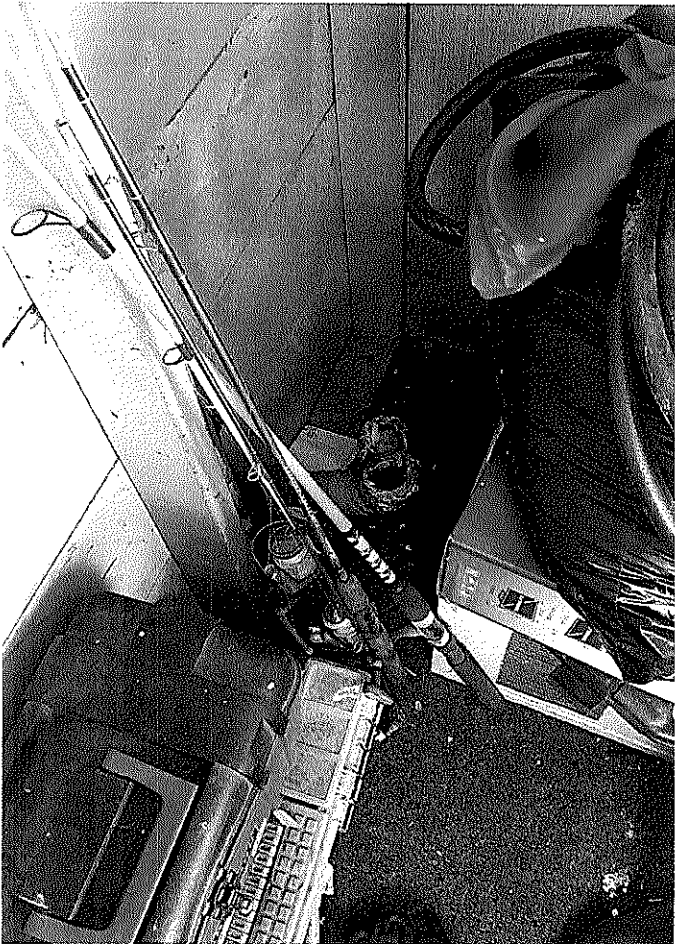
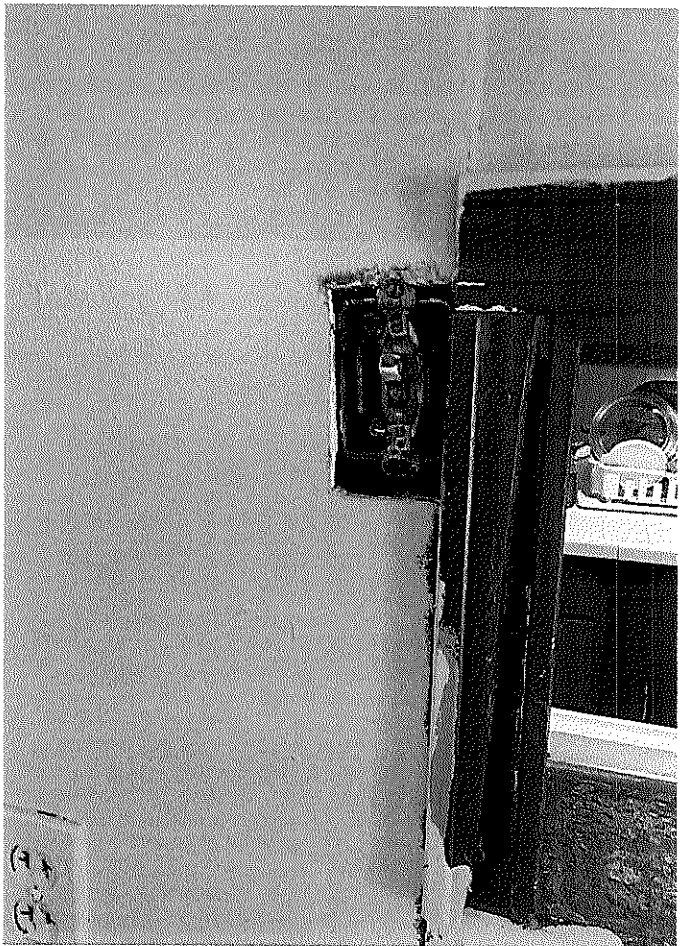
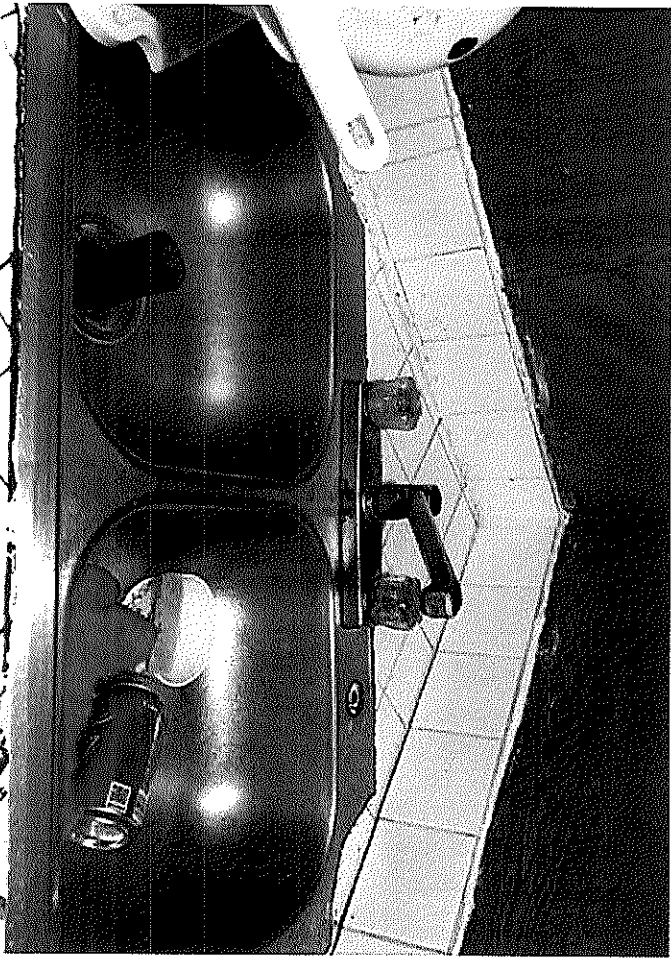
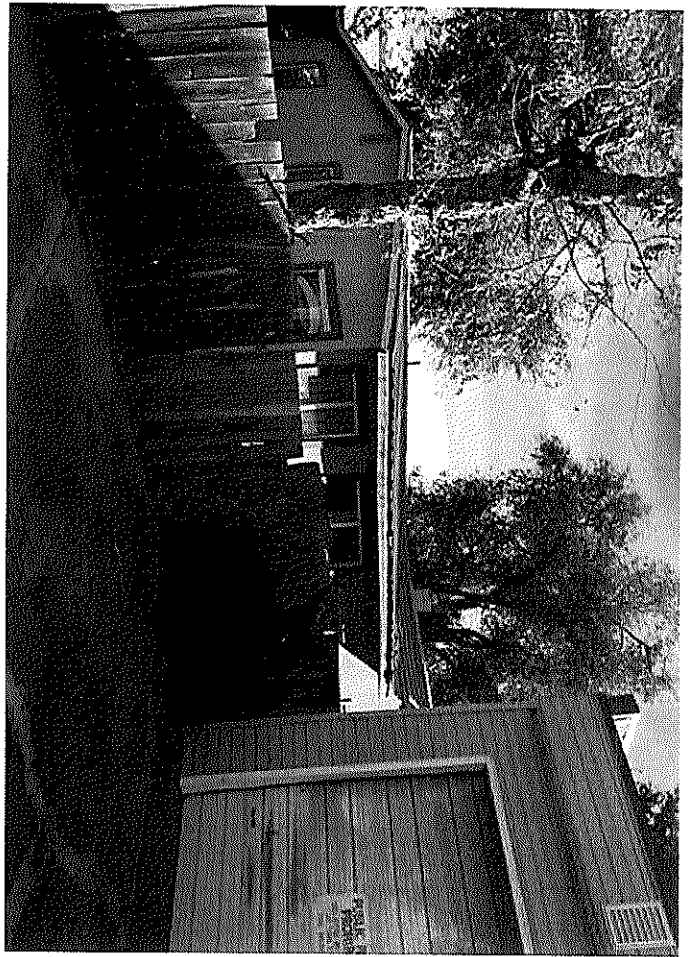
Before



Project 2
AFTER

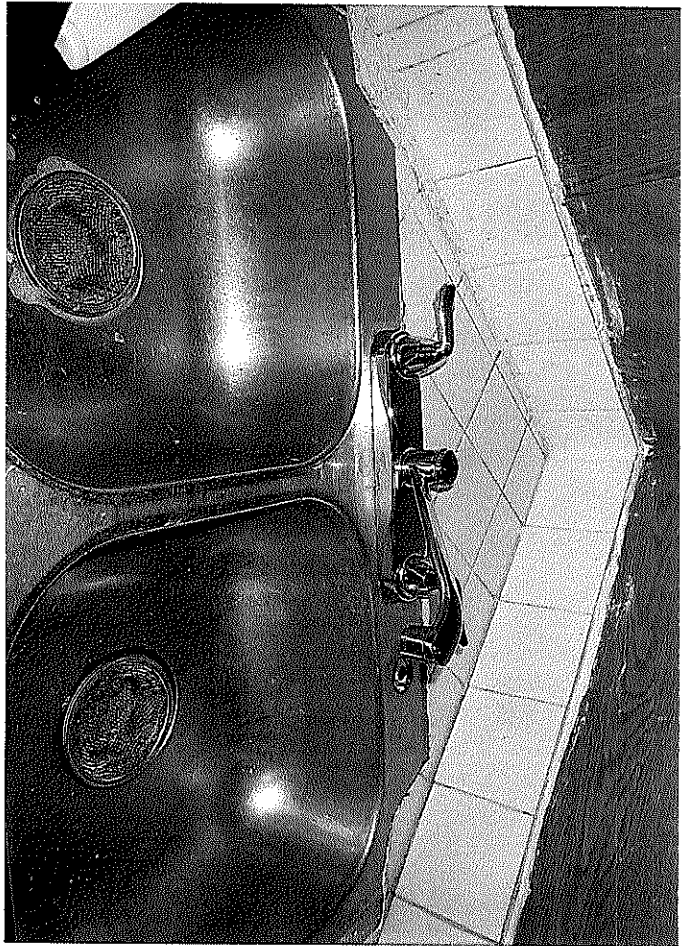
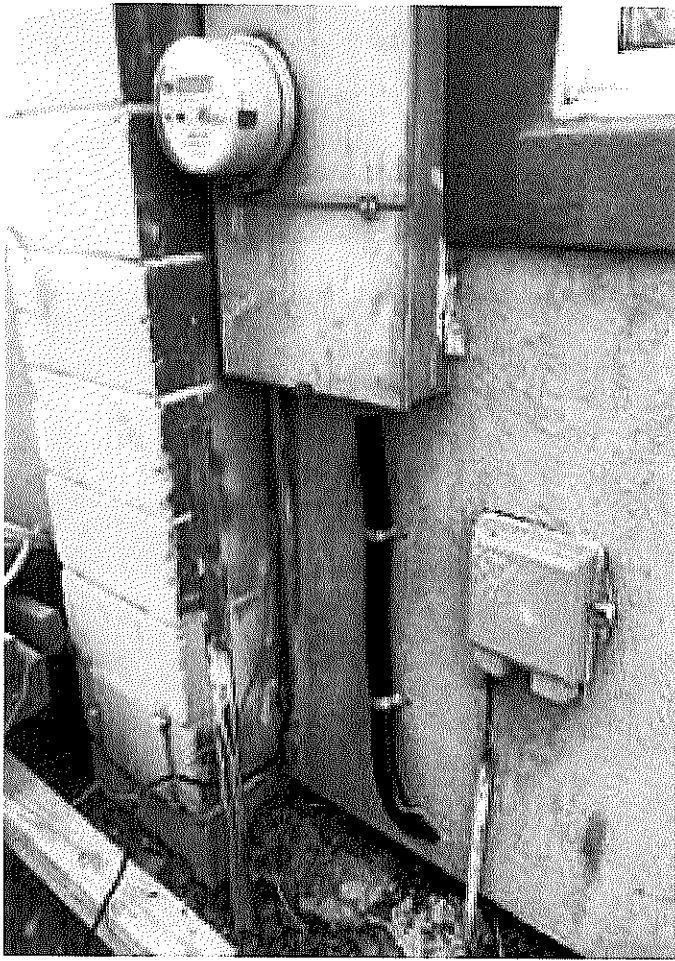


Project 4
Be fort

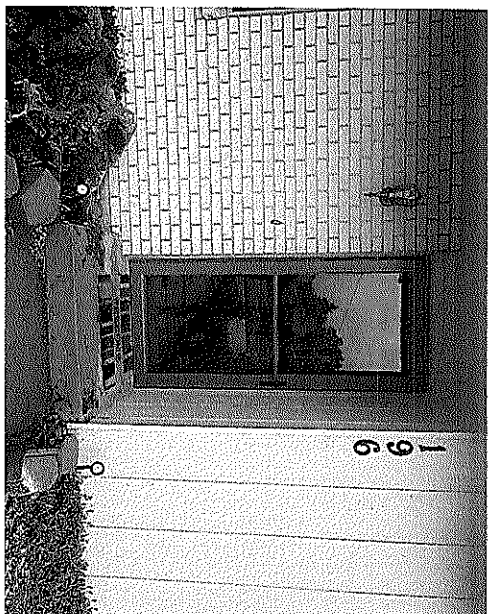
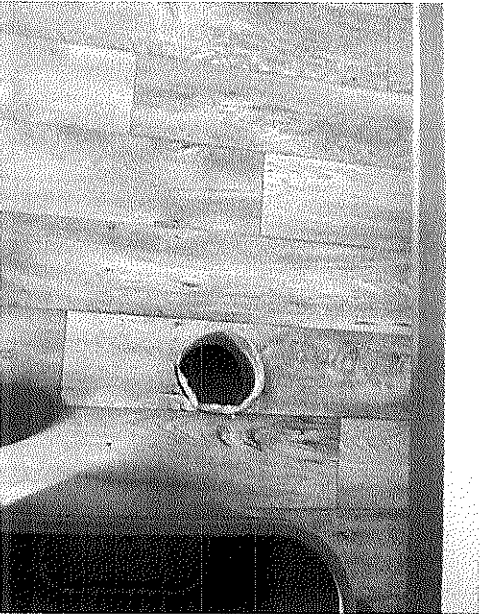
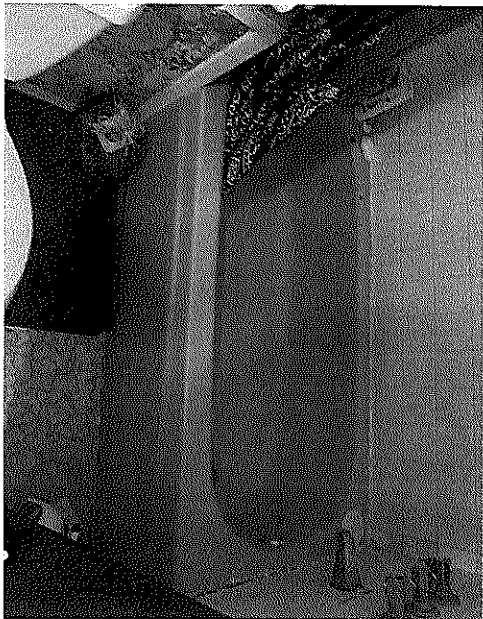


Project 4

AFTER

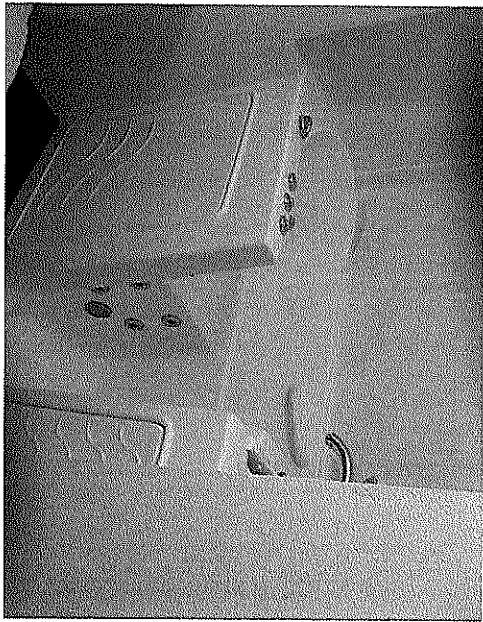
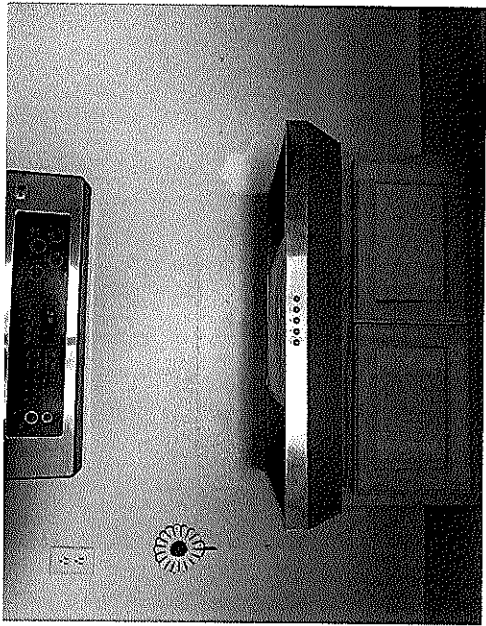


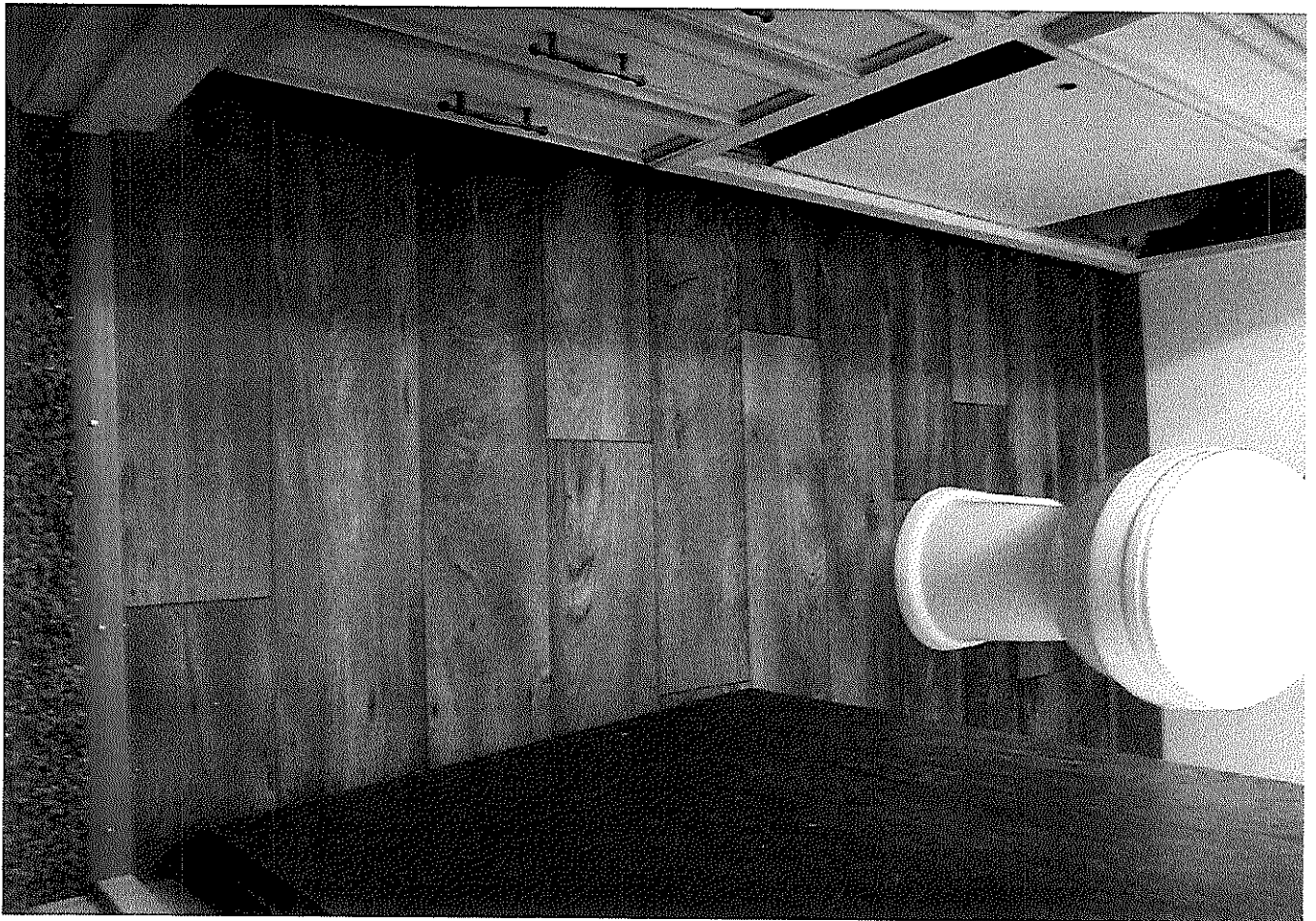
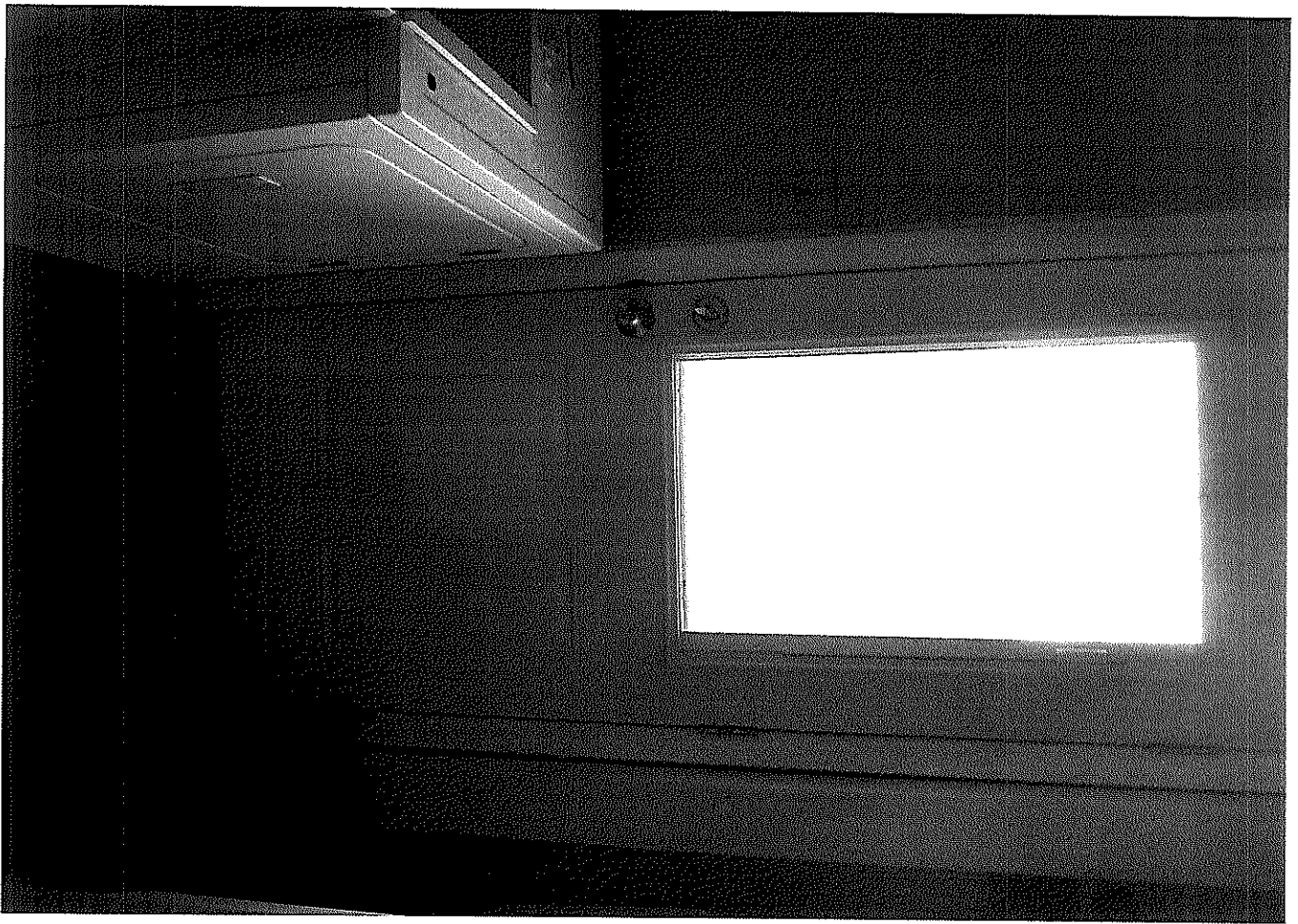
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Before



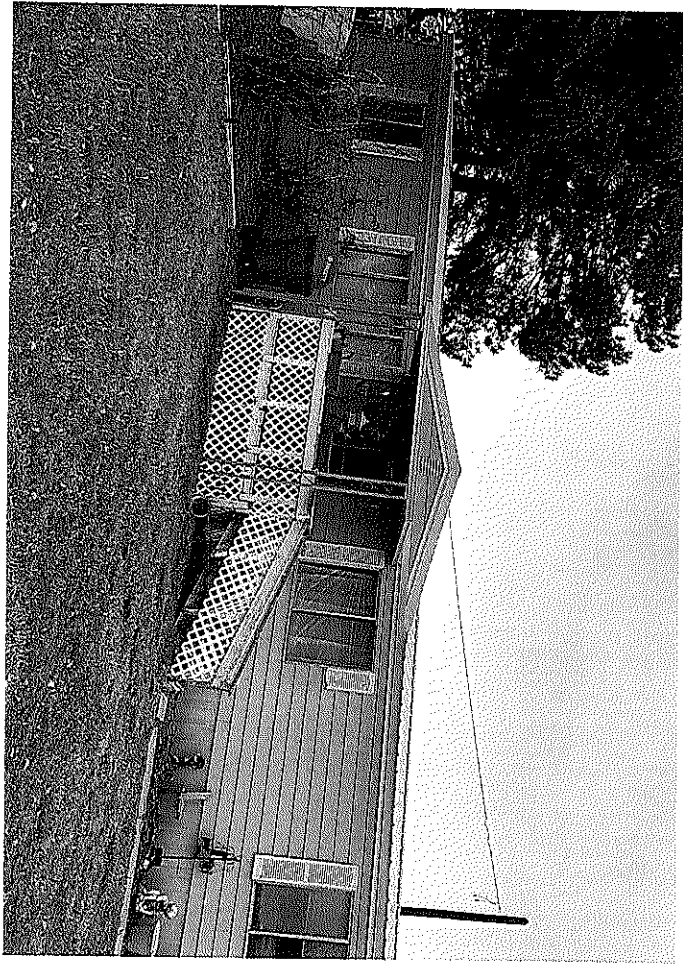
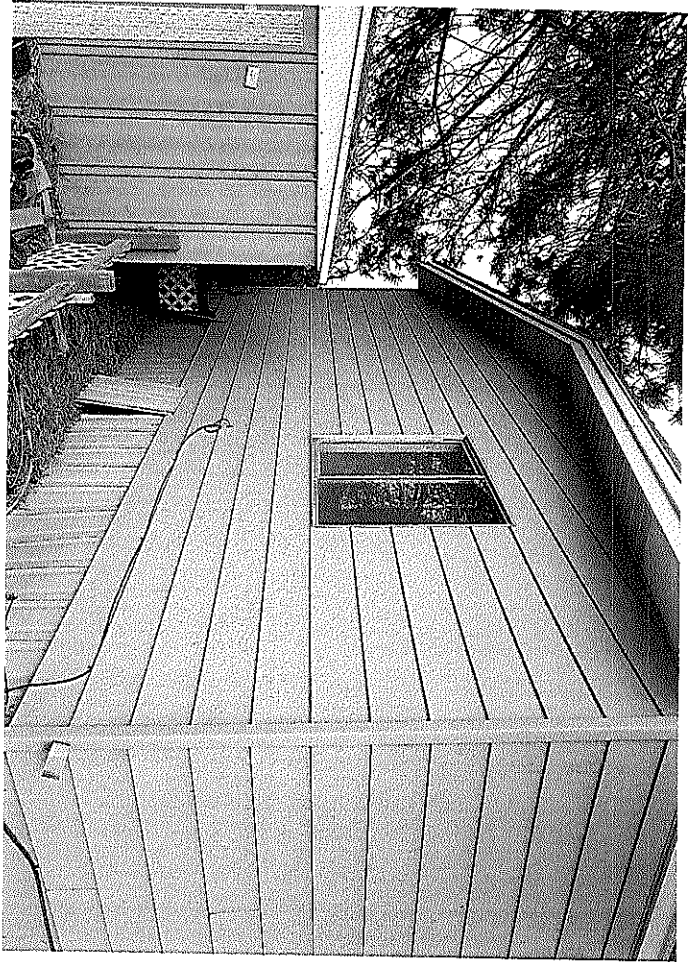
Project 6

After

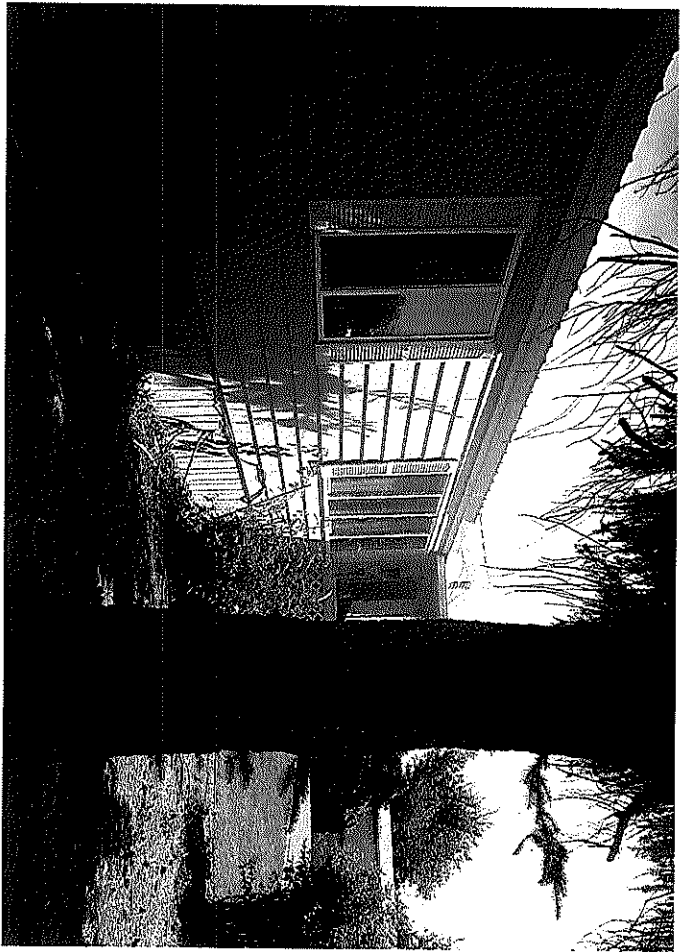
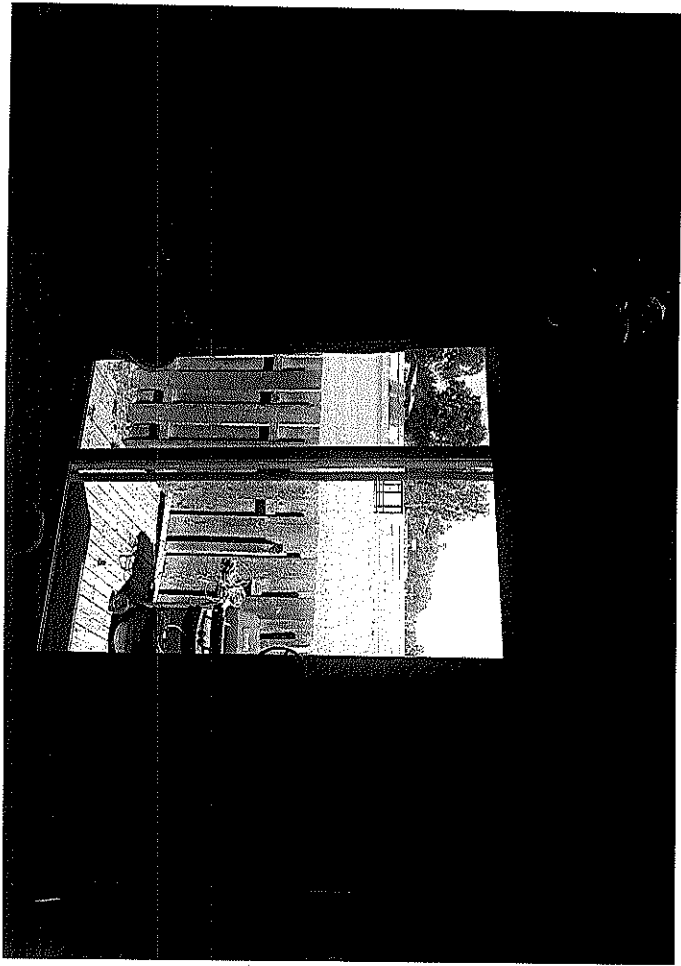




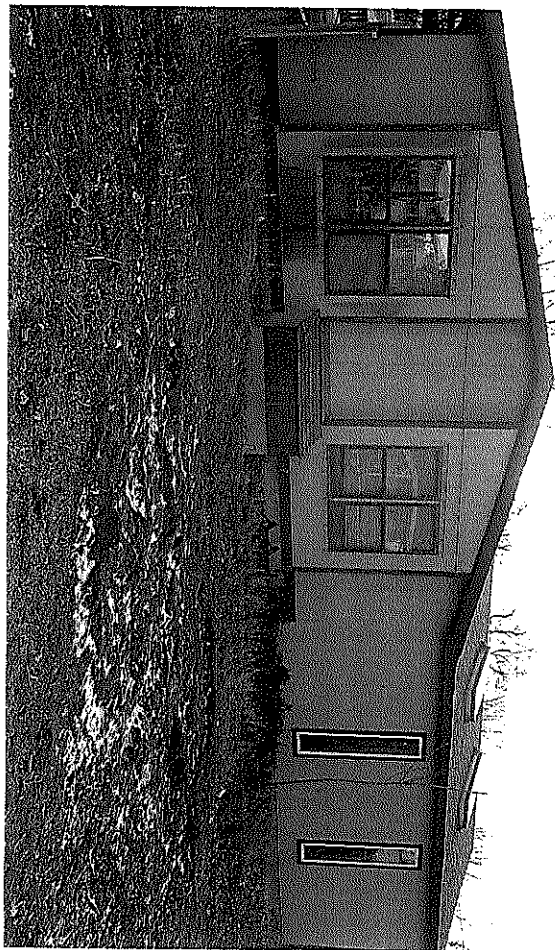
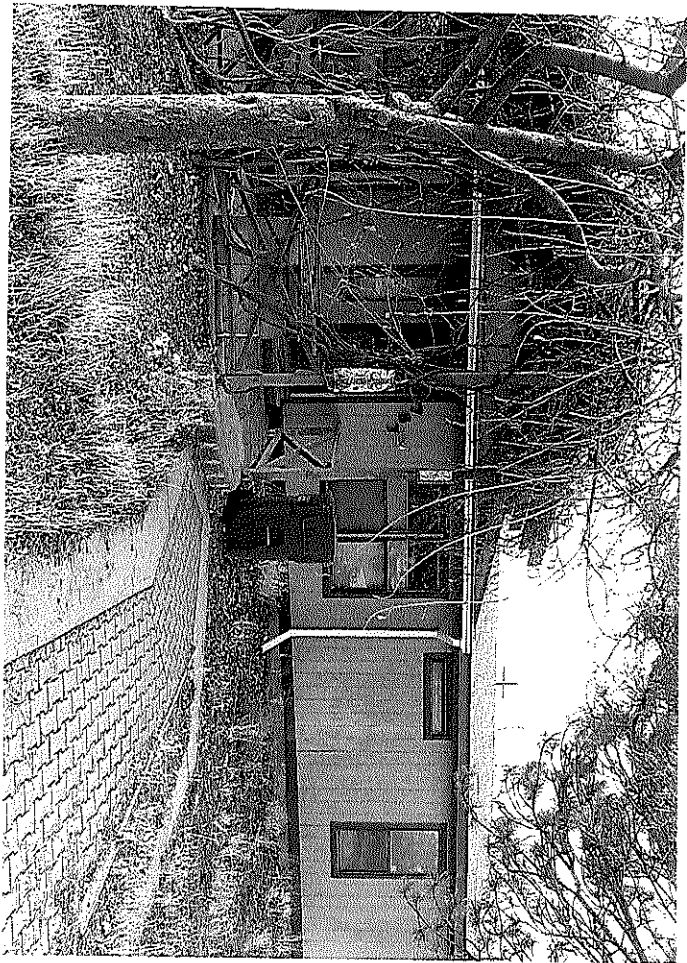
Project 7
Before



Project 7
After

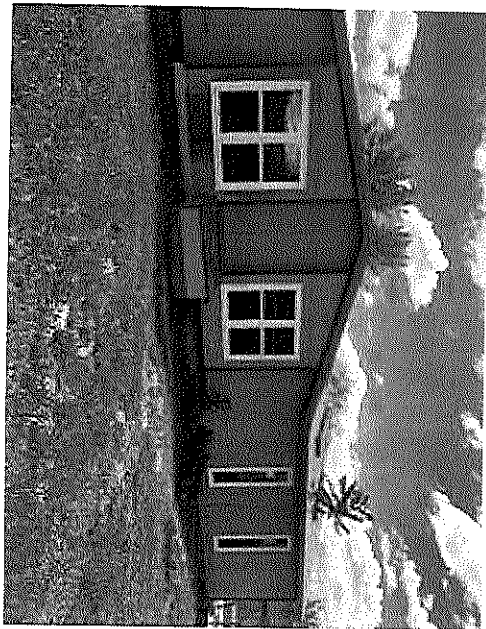
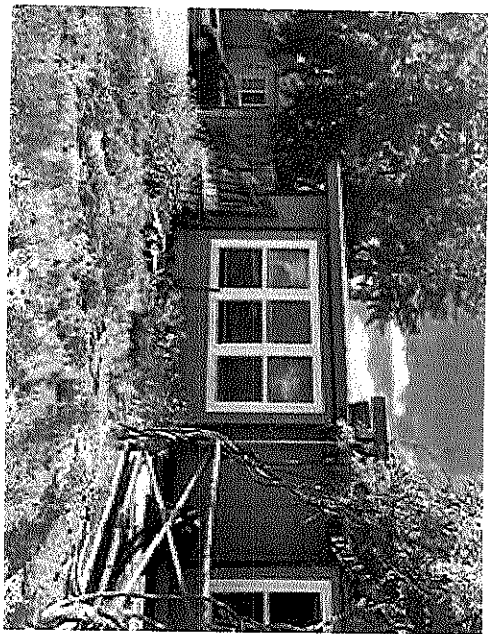


Project 8
Before



Project 8

AFTER





**AGENDA REPORT
OLD BUSINESS
July 16, 2019**

To: Mayor and City Council
FROM: Kari Ott, Finance Director
THROUGH: Adam J. Brown, City Manager
SUBJECT: ONTARIO RECREATION DISTRICT LOAN
DATE: July 8, 2019

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE A SHORT-TERM \$100,000 LOAN TO THE ONTARIO RECREATION DISTRICT AT AN ANNUAL INTEREST RATE OF 2.13%.

SUMMARY:

The Recreation District had asked the city for a \$100,000 loan to be paid back in November when tax revenues come in.

BACKGROUND:

The Recreation District loan possibility was discussed at the June 18, 2019, Council meeting. A consensus was given by the Council to bring it back for approval.

CURRENT SITUATION:

The Ontario Recreation District began on July 1, 2019, and won't get property tax revenues until November 2019. The Recreation District needs to hire staff and expenses will be incurred beginning in July 2019. The Recreation District is asking for \$100,000 loan to be paid back in full in November 2019.

There is no collateral on this loan and charging interest would ensure an incentive to get the loan paid back. The July 2019 applicable short-term federal rate is 2.13%. If the money is loaned on July 17, 2019, and paid back November 30, 2019, the interest charged would be \$793.64.

ANALYSIS:

- A. **STRATEGIC PLAN** Working with the Ontario Recreation District to make the District a success will enhance the quality of life in Ontario.

- B. **FINANCIAL** The city could loan the \$100,000 from the Business Loan Fund. There would be a return of just under \$800 in interest revenue.
- C. **TIMING** The loan should be made as soon as possible to give the Recreation District the cash flow necessary to operate.
- D. **POLICY/LEGAL** A Promissory Note will be drafted to loan the funds to the Recreation District.

ALTERNATIVES:

The city could choose not to loan the funds to the Ontario Recreation District. The District would have to find an alternative source for short term funding.

RECOMMENDATION:

Staff recommends the City Council approve the loan to the Recreation District.

ATTACHMENTS:

1. AFR July 2019
2. Rec District Amortization Schedule

Section 1274.--Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property

(Also Sections 42, 280G, 382, 467, 468, 482, 483, 1288, 7520, 7872.)

Rev. Rul. 2019-16

This revenue ruling provides various prescribed rates for federal income tax purposes for July 2019 (the current month). Table 1 contains the short-term, mid-term, and long-term applicable federal rates (AFR) for the current month for purposes of section 1274(d) of the Internal Revenue Code. Table 2 contains the short-term, mid-term, and long-term adjusted applicable federal rates (adjusted AFR) for the current month for purposes of section 1288(b). Table 3 sets forth the adjusted federal long-term rate and the long-term tax-exempt rate described in section 382(f). Table 4 contains the appropriate percentages for determining the low-income housing credit described in section 42(b)(1) for buildings placed in service during the current month. However, under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, shall not be less than 9%. Table 5 contains the federal rate for determining the present value of an annuity, an interest for life or for a term of years, or a remainder or a reversionary interest for purposes of section 7520. Finally, Table 6 contains the blended annual rate for 2019 for purposes of section 7872.

REV. RUL. 2019-16 TABLE 1

Applicable Federal Rates (AFR) for July 2019

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	2.13%	2.12%	2.11%	2.11%
110% AFR	2.34%	2.33%	2.32%	2.32%
120% AFR	2.56%	2.54%	2.53%	2.53%
130% AFR	2.78%	2.76%	2.75%	2.74%
<u>Mid-term</u>				
AFR	2.08%	2.07%	2.06%	2.06%
110% AFR	2.29%	2.28%	2.27%	2.27%
120% AFR	2.50%	2.48%	2.47%	2.47%
130% AFR	2.71%	2.69%	2.68%	2.68%
150% AFR	3.13%	3.11%	3.10%	3.09%
175% AFR	3.65%	3.62%	3.60%	3.59%
<u>Long-term</u>				
AFR	2.50%	2.48%	2.47%	2.47%
110% AFR	2.75%	2.73%	2.72%	2.71%
120% AFR	3.00%	2.98%	2.97%	2.96%
130% AFR	3.25%	3.22%	3.21%	3.20%

REV. RUL. 2019-16 TABLE 2

Adjusted AFR for July 2019

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	1.62%	1.61%	1.61%	1.60%
Mid-term adjusted AFR	1.58%	1.57%	1.57%	1.56%
Long-term adjusted AFR	1.89%	1.88%	1.88%	1.87%

REV. RUL. 2019-16 TABLE 3

Rates Under Section 382 for July 2019

Adjusted federal long-term rate for the current month	1.89%
Long-term tax-exempt rate for ownership changes during the current month (the highest of the adjusted federal long-term rates for the current month and the prior two months.)	2.09%

REV. RUL. 2019-16 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for July 2019

Note: Under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, shall not be less than 9%.

Appropriate percentage for the 70% present value low-income housing credit	7.53%
Appropriate percentage for the 30% present value low-income housing credit	3.23%

 REV. RUL. 2019-16 TABLE 5

Rate Under Section 7520 for July 2019

Applicable federal rate for determining the present value of an annuity, an interest for life or a term of years, or a remainder or reversionary interest	2.6%
---	------

 REV. RUL. 2019-16 TABLE 6

Blended Annual Rate for 2019

Section 7872(e)(2) blended annual rate for 2019	2.42%
---	-------

Ontario Recreation District Loan

Compounding Period: Annual

Nominal Annual Rate: 2.130%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	07/17/2019	100,000.00	1		
2	Payment	11/30/2019	100,793.64	1		

TValue Amortization Schedule - Normal, 365 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	07/17/2019				100,000.00
1	11/30/2019	100,793.64	793.64	100,000.00	0.00
2019 Totals		100,793.64	793.64	100,000.00	
Grand Totals		100,793.64	793.64	100,000.00	

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
2.130%	\$793.64	\$100,000.00	\$100,793.64

Committee/Council Liaison Appointments - 2019

<u>Committee</u>	<u>Term Expires</u>	<u>Current Member</u>	<u>Applicant-Interested</u>	<u>Appointed</u>
<u>Airport</u> <i>Full Board</i>				
<u>Audit</u> <i>Full Board</i>				
<u>Budget</u> <i>Full Board</i>				
<u>Diversity Advisory</u> <i>Full Board</i>				
<u>Marijuana Ad-Hoc</u> Vacancy Vacancy		Vacant Vacant	✓ Jim Mosier ✓ Natalie Barlow	
<u>Planning Commission</u> <i>Full Board</i>				
<u>Public Works</u> <i>Full Board</i>				
<u>V&C</u> <i>Full Board</i>				

Airport: 4th Monday each month, 6:00 p.m. @ the Airport

Diversity Advisory: 2nd Tuesday each month, 5:30 p.m., @ City Hall

Marijuana Ad-Hoc: As needed, 5:30 p.m. @ City Hall

Parks & Recreation: 3rd Wednesday, Quarterly, 3:30 p.m., @ Rec Center (*May change after June 30, 2019*)

Planning: 2nd Monday each month, 7:00 p.m. @ City Hall

Public Works: 2nd Tuesday each month, 3:00 p.m. @ City Shop



RECEIVED

7-10-19

Feb

CITY OF ONTARIO

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: **City of Ontario -- City Recorder**
444 SW 4th St., Ontario, OR 97914
(541) 889-3232 FAX (541) 889-7121

The Ontario City Council appoints individuals to numerous Boards, Committees, and the Planning Commission. Persons who wish to serve need to provide the following information.

NAME: Mosier James D.
Last First Middle Initial

HOME ADDRESS: 1237 SW 12th St Ontario 97914
Street City Zip Code

TELEPHONE: 541-881-6073 mosierjim@gmail.com
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board, Committee, or Commission for appointment requested:

Marijuana ad hoc

1.

2.

3.

Community Activities/Civic Organization/Boards/Committees: (Past)

Activity / Organization:

Length of Service

Position(s) Held:

<u>City Council</u>	<u>2 terms</u>	<u>Councilman</u>
<u>Youth Services Commission</u>	<u>8 yrs</u>	<u>member</u>
<u>Local Public Safety Coordinating Council</u>	<u>4 years</u>	<u>Member</u>

Employment:

Self Employed in juvenile justice serving 17 Eastern Oregon Counties 1982 - 2002

Retired Episcopal Priest 1985 - 2015

Juvenile Justice director clerk of Multnomah Counties 1970 - 1982
Current Employer: Position: Dates of Employment:

Education:

BA U of Portland, (CPS) Church Divinity School of the Pacific

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

Personal interest due to long experience in Juvenile Justice

I have lived and worked in this community continuously since 1974
Our daughters are graduates of Ontario High School and have professional careers
Additional Information you feel may be helpful in considering your request for appointment:
For these reasons I have a continuing long term interest in the welfare of the community

James D Mosier
Signature:

10
July 8, 2019

Date:

Submit

Reset

CITY OF ONTARIO REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: **City of Ontario -- City Recorder**
444 SW 4th St., Ontario, OR 97914
(541) 889-3232 FAX (541) 889-7121

The Ontario City Council appoints individuals to numerous Boards, Committees, and the Planning Commission. Persons who wish to serve need to provide the following information.

NAME: Barlow Natalie R
Last First, Middle Initial
HOME ADDRESS: 187 NW 2nd street Ontario 97914
Street City Zip Code
TELEPHONE: (541) 709-4700 natalie.solleveld@gmail.com
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board, Committee, or Commission for appointment requested:

Ad Hoc Marijuana Committee
1. 2. 3.

Community Activities/Civic Organization/Boards/Committees:

Activity / Organization:	Length of Service	Position (s) Held:
<u>Stormy Ray Cardholders</u>	<u>2017-Current</u>	<u>Volunteer</u>
<u>Veteran Advocates of Oregon</u>	<u>2016-Current</u>	<u>Volunteer</u>
<u>Eastern Oregon Cannabis Festival</u>	<u>2019-Current</u>	<u>Coordinator</u>

Employment:

<u>Golden Nugget CBD</u>	<u>Sales Consultant</u>	<u>April 27th - Current</u>
Current Employer:	Position:	Dates of Employment:

Education:

Associates degree in criminal Justice / 2009

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

I have a desire to promote education & positive benefits of Cannabis for the Community.

Additional Information you feel may be helpful in considering your request for appointment:

I have been involved in the Cannabis industry and events for 4+ years.

Natalie R. Barlow
Signature:

July 5, 2019
Date:

Submit

Reset



**AGENDA REPORT
NEW BUSINESS
July 16, 2019**

To: Mayor and City Council

FROM: Adam J. Brown, City Manager

THROUGH: Adam J. Brown, City Manager

SUBJECT: H-GAC COOPERATIVE PURCHASING AGREEMENT

DATE: July 5, 2019

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE INTERLOCAL CONTRACT FOR COOPERATIVE PURCHASING BETWEEN THE CITY OF ONTARIO, AND THE HOUSTON-GALVESTON AREA COUNCIL.

SUMMARY:

Cooperative purchasing agreements are a way to tap into larger pool purchasing power. The City is scheduled to purchase a cimline crack fill machine. The best price was found through the Houston Galveston Area Council which requires approval of an Agreement to participate in the purchasing program.

BACKGROUND:

The 2020 approved budget included \$60,000 for a Cimline Crackfill Machine. Staff has been looking at the most efficient purchasing opportunities to buy this equipment.

CURRENT SITUATION:

Staff located a cooperative purchasing agreement that offers the best price for purchasing the Cimline Crackfill Machine. The purchasing agreement is from the Houston Galveston Area Council (HGAC). The HGAC allows units of governments from other states to use their purchasing contracts through an agreement.

The Agreement is prepared and needs approval by the City Council, prior to the City Manager being able to sign the agreement.

ANALYSIS:

- A. **STRATEGIC PLAN** This purchase supports the Desirability and Growth strategic priorities. This machine is heavily used to maintain our roads and keep them in a desirable state. Road conditions is an important part for keeping our community desirable.

The City needs to maintain the roads we have to be able to accommodate new growth.

- B. **FINANCIAL** The City Council budgeted \$60,000 for the crack fill machine. The lowest price is through the HGAC co-op program. Staff is seeking salvage costs for the current machine, otherwise we will need locate another \$5,000 for the machine.

Purchasing the machine out of the Agreement will be 10-15% higher.

- C. **TIMING** These types of machine purchases typically require a lead time. The department has crack fill material to use this year if they can acquire a machine to use it in a timely manner.
- D. **POLICY/LEGAL** Only the City Council has the authority to commit to the cooperative agreement. This item requires Council approval before the City Manager can sign on behalf of the City.

ALTERNATIVES:

Do Not Approve / Take No Action - The next purchasing costs for the crack fill machine is much higher than the cost through the HGAC. Additional funds will need to be budgeted or the purchase must wait.

RECOMMENDATION:

The City Manager recommends approval of the Interlocal Contract for Cooperative Purchasing.

ATTACHMENTS:

1. Agmt_HGAC_Cooper Purchasing Agmt_7 5 2019

THIS INTERLOCAL CONTRACT ("Contract"), made and entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code (the "Act"), by and between the Houston-Galveston Area Council, hereinafter referred to as "H-GAC," having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, and **City of Ontario, Oregon**, a local government, a state agency, or a non-profit corporation created and operated to provide one or more governmental functions and services, hereinafter referred to as "End User," having its principal place of business at **444 SW 4th St. Ontario, OR 97914**.

WITNESSETH

WHEREAS, H-GAC is a regional planning commission and political subdivision of the State of Texas operating under Chapter 391, Texas Local Government Code; and

WHEREAS, pursuant to the Act, H-GAC is authorized to contract with eligible entities to perform governmental functions and services, including the purchase of goods and services; and

WHEREAS, in reliance on such authority, H-GAC has instituted a cooperative purchasing program under which it contracts with eligible entities under the Act; and

WHEREAS, End User has represented that it is an eligible entity under the Act, that its governing body has authorized this Contract on **07/12/2018** (Date), and that it desires to contract with H-GAC on the terms set forth below;

NOW, THEREFORE, H-GAC and the End User do hereby agree as follows:

ARTICLE 1: LEGAL AUTHORITY

The End User represents and warrants to H-GAC that (1) it is eligible to contract with H-GAC under the Act because it is one of the following: a local government, as defined in the Act (a county, a municipality, a special district, or other political subdivision of the State of Texas or any other state), or a combination of two or more of those entities, a state agency (an agency of the State of Texas as defined in Section 771.002 of the Texas Government Code, or a similar agency of another state), or a non-profit corporation created and operated to provide one or more governmental functions and services, and (2) it possesses adequate legal authority to enter into this Contract.

ARTICLE 2: APPLICABLE LAWS

H-GAC and the End User agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, and ordinances and laws in effect or promulgated during the term of this Contract.

ARTICLE 3: WHOLE AGREEMENT

This Contract and any attachments, as provided herein, constitute the complete contract between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

ARTICLE 4: PERFORMANCE PERIOD

The period of this Contract shall be for the balance of the fiscal year of the End User, which began **01/01/2019** and ends **12/31/2019**. This Contract shall thereafter automatically be renewed annually for each succeeding fiscal year, provided that such renewal shall not have the effect of extending the period in which the End User may make any payment due an H-GAC contractor beyond the fiscal year in which such obligation was incurred under this Contract.

ARTICLE 5: SCOPE OF SERVICES

The End User appoints H-GAC its true and lawful purchasing agent for the purchase of certain products and services through the H-GAC Cooperative Purchasing Program. End User will access the Program through HGACBuy.com and by submission of any duly executed purchase order, in the form prescribed by H-GAC to a contractor having a valid contract with H-GAC. All purchases hereunder shall be in accordance with specifications and contract terms and pricing established by H-GAC. Ownership (title) to products purchased through H-GAC shall transfer directly from the contractor to the End User.

ARTICLE 6: PAYMENTS

H-GAC will confirm each order and issue notice to contractor to proceed. Upon delivery of goods or services purchased, and presentation of a properly documented invoice, the End User shall promptly, and in any case within thirty (30) days, pay H-GAC's contractor the full amount of the invoice. All payments for goods or services will be made from current revenues available to the paying party. In no event shall H-GAC have any financial liability to the End User for any goods or services End User procures from an H- GAC contractor.

ARTICLE 7: CHANGES AND AMENDMENTS

This Contract may be amended only by a written amendment executed by both parties, except that any alterations, additions, or deletions to the terms of this Contract which are required by changes in Federal and State law or regulations are automatically incorporated into this Contract without written amendment hereto and shall become effective on the date designated by such law or regulation.

H-GAC reserves the right to make changes in the scope of products and services offered through the H-GAC Cooperative Purchasing Program to be performed hereunder.

ARTICLE 8: TERMINATION PROCEDURES

H-GAC or the End User may cancel this Contract at any time upon thirty (30) days written notice by certified mail to the other party to this Contract. The obligations of the End User, including its obligation to pay H-GAC's contractor for all costs incurred under this Contract prior to such notice shall survive such cancellation, as well as any other obligation incurred under this Contract, until performed or discharged by the End User.

ARTICLE 9: SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 10: FORCE MAJEURE

To the extent that either party to this Contract shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed; provided, however, force majeure shall not excuse an obligation solely to pay funds. Determination of force majeure shall rest solely with H-GAC.

ARTICLE 11: VENUE

Disputes between procuring party and Vendor are to be resolved in accord with the law and venue rules of the State of purchase.

THIS INSTRUMENT HAS BEEN EXECUTED BY THE PARTIES HERETO AS FOLLOWS:

City of Ontario, Oregon

Name of End User (local government, agency, or non-profit corporation)

444 SW 4th St.

Mailing Address

Ontario, OR 97914

City, State ZIP Code

Signature of chief elected or appointed official | **Date**

Adam Brown, Ontario

Typed Name & Title of Signatory

Houston-Galveston Area Council

3555 Timmons Lane, Suite 120, Houston, TX
77027

By: _____

Executive Director

Date: _____



END USER DATA

Please sign and return the Interlocal Contract, along with this completed form, to H-GAC by emailing it to cpcontractfax@h-gac.com or by faxing it to 713-993-2424. The contract may also be mailed to:

H-GAC Cooperative Purchasing Program
P.O. Box 22777, Houston, TX 77227-2777

Name of End User Agency: **City of Ontario, Oregon** County Name: **Malheur County**

Mailing Address: **444 SW 4th St. Ontario, OR 97914**

Main Telephone Number: **(541) 889-7684** FAX Number: **(541) 889-7121**

Physical Address: **444 SW 4th St. Ontario, OR 97914**

Web Site Address: **www.ontariooregon.org**

Official Contact: Adam Brown

Mailing Address: **444 SW 4th St.
Ontario, OR 97914**

Title: **City Manager**

Ph No.: **(541) 881-3223**

FX No.: **(541) 889-7121**

E-Mail Address:

adam.brown@ontariooregon.org

Authorized Official: Adam Brown

Mailing Address: **444 SW 4th St.
Ontario, OR 97914**

Title: **Ontario**

Ph No.: **(541) 881-3223**

FX No.: **(541) 881-3251**

E-Mail Address:

adam.brown@ontariooregon.org

Official Contact: Kari Ott

Mailing Address: **444 SW 4th St.
Ontario, OR 97914**

Title: **Finance Director**

Ph No.: **(541) 573-6151**

FX No.: **(541) 573-5605**

E-Mail Address: **kott@opgcpa.com**

Official Contact:

Mailing Address:

,

Title:

Ph No.:

FX No.:

E-Mail Address:

Official Contact:

Mailing Address:

,

Title:

Ph No.:

FX No.:

E-Mail Address:

COMPLETING AND EXECUTING THE ILC PROCESS

Step 1 (complete)

Thank you for completing this step. A PDF copy of the ILC document will be delivered to the email address entered.

Step 2

Secure a signature by the individual identified as the Authorized Official to contractually bind your entity.

Step 3

Scan and email a copy of the contract to H-GAC at cpcontractfax@h-gac.com, or fax it to 713-993-2424.

The contract may also be mailed to:

H-GAC Cooperative Purchasing Program

PO Box 22777

Houston, TX 77227-2777

If you require an original signed contract, please print, sign, and mail two (2) sets of the ILC documents.

Step 4

H-GAC will execute the contract and return a copy to you electronically.



**AGENDA REPORT
NEW BUSINESS
July 16, 2019**

To: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: PURCHASE OF LOADER FOR STREETS DEPARTMENT

DATE: July 8, 2019

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE TRADE IN OF THE CURRENT 1997 JOHN DEERE LOADER AND THE PURCHASE OF THE NEW JOHN DEERE WHEEL LOADER FROM COASTLINE EQUIPMENT THROUGH SOURCEWELL FOR \$128,367.

SUMMARY:

The loader used for work on Ontario city streets by the Public Works Streets Department is outdated and does not perform well enough to complete the work. Budget has been approved for \$165,000 in Fiscal Year 2020 for a new loader to be purchased.

BACKGROUND:

The Public Works Streets Department currently uses a 1997 John Deere loader for various work on city streets. The existing loader has approximately 12,200 hours on it. This is double the number of hours for standard turnover of equipment. The motor does not operate as it should and is constantly needing repair and is too weak to perform the tasks needed. The repairs are getting costly and are only a temporary fix to the major problem. In addition to these issues, the hydraulic system does not perform as it should.

CURRENT SITUATION:

A total of \$165,000 has been budgeted in the Street Fund to purchase a new loader. The existing 1997 loader can be traded in to help reduce the cost of the new loader. The new John Deere loader will better enable the streets department to make improvements and repairs to the streets in Ontario. The new equipment will also save time and money in reducing the number of repairs needed, reducing both repair budget needs and staff time. The new loader will improve safety for the operators due to the new design being up to date with the standards of today.

ANALYSIS:

- A. **STRATEGIC PLAN** The city will be meeting three Strategic Plan categories: Desirability, Growth, and Beautification, with the purchase of the new loader. The streets department will be better equipped to improve and repair the streets with the new loader. Staff can more readily take on projects such as the East Idaho tree replacement project, beautifying the city's streets. Aesthetically improved streets improve make the city more desirable to the public. The new equipment can also help grow the city by ensuring staff have safe, effective equipment to enable them to work most efficiently on city projects.
- B. **FINANCIAL** The new John Deere Loader costs \$152,367 from Coastline Equipment through Sourcewell. Sourcewell is the bidding cooperative through which the city has membership. Membership in a bidding cooperative provides the city with publicly bid prices for a number of valuable items. The 1997 loader can be traded in for \$24,000, making the total cost for the new loader \$128,367. The entire cost for the loader can be covered under the allocated budget for the loader in the Capital Improvements Fund, \$36,633 under budget.
- C. **TIMING** The Streets Department needs to do repairs and improvements to the city streets as soon as possible. Purchasing this loader now will allow the Streets Department to utilize the new equipment and perform the work more efficiently.
- D. **POLICY/LEGAL** This item requires Council approval before the City Manager can sign on behalf of the city.

ALTERNATIVES:

- A. The City Council can reject the purchase of the new loader which would force the Streets Department to continue using the 1997 loader. More frequent repairs would continue to occur as time went on, leading to additional repair costs and more downtime by staff.

RECOMMENDATION:

Staff recommends that the City Council approve the trade in of the 1997 loader and purchase the new John Deere loader for \$128,367.

ATTACHMENTS:

- 1. loder quote-07082019150212

Quote Id: 19935031

Prepared For:
CITY OF ONTARIO PUBLIC WORKS SHOP

Prepared By: **PATRICK HARGAN**

Coastline Equipment Company
2000 E Overland Road
Meridian, ID 83642

Tel: 208-888-3337

Mobile Phone: 208-870-4968

Fax: 208-888-3088

Email: patrick.hargan@coastlineequipment.com

Date: 26 June 2019

Offer Expires: 31 October 2019

Confidential

Quote Summary

Prepared For:

CITY OF ONTARIO PUBLIC WORKS SHOP
 Po Box 444
 Ontario, OR 97914
 Business: 541-889-8572

Prepared By:

PATRICK HARGAN
 Coastline Equipment Company
 2000 E Overland Road
 Meridian, ID 83642
 Phone: 208-888-3337
 Mobile: 208-870-4968
 patrick.hargan@coastlineequipment.com

Sourcewell (Formerly NJPA) Contract #032515-JDC. Machine
List Price: \$232,133 Less 39% <\$90,532> Sourcewell Contract
Discount.

Quote Id: 19935031
Created On: 26 June 2019
Last Modified On: 27 June 2019
Expiration Date: 31 October 2019

Sourcewell Governmental PiggyBack Bid Price: \$141,601

Dealer Provided/Add Items:

Factory Freight: \$6,000
Machine Pre-Delivery Inspection: \$1,450
Sourcewell Admin Fee: \$497
84 Month/5,000 Hour Extended Powertrain/Hydraulic Warranty:
\$2,819

Price Complete, Delivered to Ontario, Oregon: \$152,367

Equipment Summary	Selling Price	Qty	Extended
JOHN DEERE 524L WHEEL LOADER	\$ 152,367.00 X	1 =	\$ 152,367.00

Equipment Total \$ 152,367.00

Trade In Summary	Qty	Each	Extended
1997 JOHN DEERE 444HXT - DW444HX562382	1	\$ 24,000.00	\$ 24,000.00
PayOff			\$ 0.00
Total Trade Allowance			\$ 24,000.00

Trade In Total \$ 24,000.00

Quote Summary

Equipment Total	\$ 152,367.00
Trade In	\$ (24,000.00)
SubTotal	\$ 128,367.00
Total	\$ 128,367.00
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 128,367.00

Salesperson : X _____

Accepted By : X _____

Selling Equipment

Quote Id: 19935031

Customer: CITY OF ONTARIO PUBLIC WORKS SHOP

JOHN DEERE 524L WHEEL LOADER

Hours:

Stock Number:

Code	Description	Qty
7570DW	524L WHEEL LOADER	1
Standard Options - Per Unit		
170C	JDLink Ultimate 5 Year Subscription	1
0924	John Deere PowerTech Engine	1
1010	Standard Wheel Loader	1
1110	5-Speed Powershift Transmission	1
1215	130 amp Alternator	1
1310	Flat Black Curved Stack	1
1430	Engine Air Intake System with Centrifugal Precleaner	1
1520	Automatic Reversing Hydraulic Fan	1
1610	Standard Fuel Filter with Water Separator and Standard Fuel Fill	1
1910	Premium Cab	1
1945	7 inch Monitor with Dedicated Rear Camera Display	1
1970	Hydrau Hydraulic Fluid	1
2010	Standard Z-BAR	1
2120	Steering Wheel Only	1
2240	Premium Seat, Heated and Ventilated with Heavy Duty Air Suspension	1
2360	Joystick Controls	1
2402	Two Function Hydraulics	1
2510	Ride Control	1
2605	English Decals and Manuals	1
2730	30 Amp Converter	1
2890	No Payload Scale without Cycle Counter	1
3046	Front Hydraulically Locking Differential and Rear Conventional Differential Axles	1
3120	Manual Axle Differential Lock	1
4932	No Brand Preference	1
5530	Standard Front Fenders	1
5610	Left Side Steps Only	1
5840	No Fork Frame	1
5940	No Tines	1

Selling Equipment

Quote Id: 19935031**Customer:** CITY OF ONTARIO PUBLIC WORKS SHOP

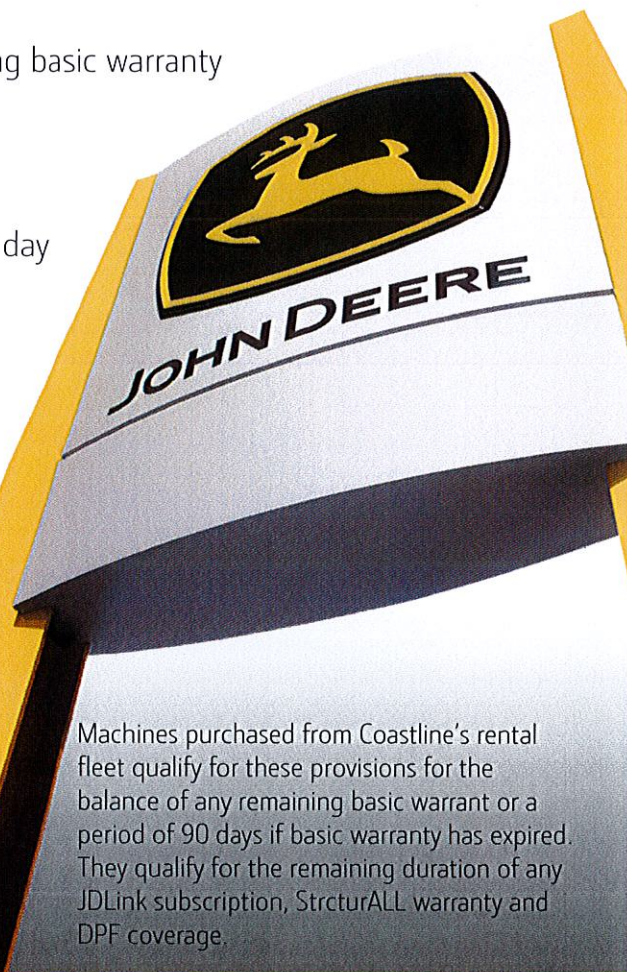
7120	Halogen Work and Drive Lights	1
8220	Rear Hitch and Counterweight	1
8240	Rear Camera	1
8275	Strobe Beacon with Left Beacon Bracket	1
8350	Remote Powered and Heated Exterior Mirrors	1
8370	Premium AM/FM/Weather Band (WB) with Bluetooth, Remote Aux and Remote USB Port	1
8450	Cab with Air A/C Charge	1
8560	Hydraulic Coupler - JRB 416 Pattern	1
8860	Bolt-on Cutting Edge	1
8910	3.0 Cu. Yd. Bucket (Coupler only)	1
9015	Engine Block Heater	1
9043	Environmental Drains and Sampling Ports	1
9055	Throttle Lock	1
9065	Axle Oil Cooling and Filtration	1
9140	Fire Extinguisher	1
9240	Engine Compartment Light	1
9410	Transmission and Bottom Guards	1
9525	Slow Moving Vehicle (SMV) Emblem	1
9707	20.5R25 1 STAR L2 NO BRAND PREFERRED RADIAL TIRES WITH 3 PC RIMS	1

COASTLINE *Equipment*

Included with the purchase of any new or rental
John Deere/Hitachi Construction & Forestry
machine:



- Full Machine Basic Warranty for 12 months, unlimited hours or remaining balance
- Pre-delivery inspection and customized set-up by Factory Certified Technicians
- Delivery walk-around with the customer by Factory Certified Salesmen
- Machine loaner for extended downtime during basic warranty
- Four hour guaranteed response time for inoperable machine
- No travel time or mileage charges for warrantable repairs during basic warranty
- Warranty repairs performed by Factory Certified Technicians
- Genuine John Deere parts and fluids provided for the first scheduled service
- CounterParts Promise – the part is in stock or its free the next day
- 25 point machine inspection prior to Basic warranty expiration
- Optional customized Maintenance agreements
- Optional customized extended warranties
- Available on machines equipped with JDLink:
 - Five year JDLink™ Ultimate subscription
 - Preventative Maintenance interval monitoring
 - Machine Health Alert notifications
 - Remote Diagnostics and Programming
 - Periodic machine performance review upon customer request
- StructurALL Warranty for three years / 10000 hours, whichever occurs first.
- Diesel Particulate Filter (DPF) coverage for five years / 10000 hours, whichever occurs first



Machines purchased from Coastline's rental fleet qualify for these provisions for the balance of any remaining basic warrant or a period of 90 days if basic warranty has expired. They qualify for the remaining duration of any JDLink subscription, StructurALL warranty and DPF coverage.

Long Beach, CA 562.272.7400

Bakersfield, CA 661.399.3600 Oxnard, CA 805.485.2106 Santa Ana, CA 714.265.5500 Santa Maria, CA 805.922.8329

Sylmar, CA 818.890.3353 Jerome, ID 208.324.2900 McCall, ID 208.634.3903 Meridian, ID 208.888.3337

Elko, NV 775.777.7070 Las Vegas, NV 702.399.2700

www.coastlineequipment.com

The Part is IN STOCK or It's FREE!!

COASTLINE
Equipment

That's the CounterParts Promise from Coastline Equipment and it's the strongest parts-availability promise in the industry.

There are the times when next-morning parts-availability just isn't good enough! Coastline Equipment has the part you need in-stock so you can get back to work... now!

Downtime is a lot less threatening with the Coastline CounterParts program! Coastline Equipment has set a new benchmark for parts-availability. We have defined a must-have list of parts.

We promise you, if your Coastline branch does not have the part IN STOCK when you order it, it will be there the next day, and it will be Free!

The CounterParts promise applies to a list of specific parts that include:

- Parts that have put your machine down, but that can be installed in two hours or less, such as hydraulic hoses, starters, alternators, water pumps, turbochargers, injectors, relays, solenoids, switches, and relief valves.
- Parts you need for routine maintenance such as fluids, filters, lubricants, adhesives, and batteries.
- Wear parts such as bucket teeth and cutting edges. Every new machine bought or rented from Coastline

Equipment is covered by the **CounterParts promise!** *This promise covers the machine for three years from the first sale or RPO with no limitation on hours and is available only through Coastline Equipment.*

The CounterParts Promise:

- Applies to new and rental fleet machines purchased from Coastline Equipment.
- Is valid only at the selling location.
- Begins on the date of sale or first RPO occurring on or after September 1, 2008.
- Extends for three years with no limit on hours.
- Covers the original purchaser only and is not transferable.
- Covers a specific list of parts.
- May be discontinued for future machine sales without notice.

Coastline Equipment will supply you with the list.

COUNTER PARTS MODELS

210L-210LEP Landscape Loaders
310-710 K & L Backhoe Loaders
450-1050K Crawler Dozers
605K-755K Crawler Loaders
244K-844KII 4WD Loaders

670G-872G Motorgraders
250DII-460E ADTs
75-870GLC Excavators
312-332 E & G Skidsteers
315-333 E & G CTLs
17-60G Compact Excavators

The CounterParts promise isn't about giving away free parts. It is about making sure that the parts you expect to be in stock will be in stock where they will do you the most good... at Coastline Equipment. At Coastline we take seriously our responsibility to provide our customers with the best parts availability in the construction equipment business.

www.coastlineequipment.com

COUNTERPARTS

LONG BEACH (HQ)
6188 Paramount Blvd.
Long Beach, CA 90805
(562) 242-7400

BAKERSFIELD
4252 Saco Road
Bakersfield, CA 93308
(661) 399-3600

OXNARD
1930 E. Lockwood St.
Oxnard, CA 93036
(805) 485-2106

SANTA ANA
3216 Westminster Ave.
Santa Ana, CA 92703
(714) 265-5500

SANTA MARIA
1950 Roemer Place
Santa Maria, CA 92703
(805) 922-8329

SYLMAR
12435 Foothill Blvd.
Sylmar, CA 91342
(818) 890-3353

JEROME
26 East 300 South
Jerome, ID 83338
(208) 324-2900

MCCALL
13886 Highway 55
McCall, ID 83638
(208) 634-3903

MERIDIAN
2000 E. Overland Rd.
Meridian, ID 83642
(208) 888-3337

ELKO
645 Romeo Way
Elko, NV 89801
(775) 777-7070

LAS VEGAS
3540 N. 5th St.
N. Las Vegas, NV 89032
(702) 399-2700



**AGENDA REPORT
NEW BUSINESS
July 16, 2019**

To: Mayor and City Council

FROM: Betsy Roberts, City Engineer

THROUGH: Adam J. Brown, City Manager

SUBJECT: **RESOLUTION 2019-126: PROPOSED ACTION ON MURRAYSMITH TASK ORDER FOR MIXING ZONE STUDY**

DATE: July 9, 2019

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION 2019-126: A RESOLUTION TO INCREASE THE MIXING ZONE STUDY BUDGET BY \$21,000 AND TO APPROVE THE TASK ORDER FOR DEVELOPMENT OF THE MIXING ZONE STUDY BY MURRAYSMITH INC. FOR UP TO \$86,000.

SUMMARY:

Murraysmith Inc. (formerly MSA) is part of the city's on-call engineering services group. To meet the city's new National Pollutant Discharge Elimination System (NPDES) Permit, the city is required to develop a Mixing Zone Design and Construction Plan and to develop a Mixing Zone Study this fiscal year. A Task Order to do that work is attached. Because the estimate is more than budgeted, a resolution to amend the budget is also included.

BACKGROUND:

In 2013, MSA was selected for to provide engineering services on the city's On-Call Services list. MSA has provided the city with various on-call engineering services to date, most notably being the Water System Audit, and the Water Treatment Plant Chemical Feed Project. In 2015, the Department of Environmental Quality (DEQ) required the City of Ontario to conduct a Mixing Zone study. This type of study evaluates the adequacy of mixing at the city's Wastewater effluent outfall. Public Works requested letters of qualification from three of the firms listed on the On-Call list. Through an evaluation process, MSA was selected to conduct the Mixing Zone Study at that time. However, the DEQ reached back out to the city shortly after the process and asked the city to wait until the NPDES permitting process was complete. The permit is complete and the requirement for the study is once again being required by the DEQ.

CURRENT SITUATION:

MSA is now Murraysmith Inc. Murraysmith was selected to do the Mixing Zone Study in 2015, and Public Works staff supports that selection today. The Mixing Zone Study will include a field investigation of the Snake River which requires divers to inspect the river intake at the Water Treatment Plant as well as the outfall at the WWTP. Data will then be collected through numerous sensors on the boat which will be analyzed and used to model the system. The final recommendations for outfall improvements and optimization will be outlined in a report made available to the city and ODEQ.

ANALYSIS:

- A. **STRATEGIC PLAN** The Mixing Zone Study supports the Growth, Desirability and Beautification strategic priorities. Evaluating and improving the city's outfall system to meet the requirements of the NPDES enhance water quality in the Snake River, is certainly a natural feature to be celebrated within the city limits. A river with good water quality within the limits of a city increases the desirability of the area.
- B. **FINANCIAL** Currently \$65,000 has been set aside in the capital improvements budget for the Mixing Zone Study. This amount was based on the original budget developed in 2015. Murraysmith recently updated their estimated budget to perform the work. The cost to perform the work increased in this update due to the DEQ requiring a higher level of analysis than initially anticipated for the river field work. In addition, the DEQ is requesting a separate plan, not originally identified (the Design and Construction Plan). While this is not a significant effort, it just adds one more element to the work product that continues to push the level of effort up. The total cost to perform the Mixing Zone Study will be billed on a time and materials basis with a total estimated budget of \$79,470. This is an additional \$14,470 that is needed for Murraysmith to perform the work. Public Works recommends budgeting an additional 10% to have contingency funds available; this results in a total budget request of \$86,000 (rounded). A resolution to amend the budget is attached with this Staff Report; the amendment is for \$21,000.
- C. **TIMING** It is crucial that the agreement for On- Call Services and the Mixing Zone Study are approved. Without the Study the WWTP could become out of compliance with the NPDES permit. Performing the Study and implementing recommendations now will prevent compliance issues in the future. Timing is also critical because river work is very seasonal and needs to be done late summer.
- D. **POLICY/LEGAL** This item requires Council approval before the City Manager can sign on behalf of the city.

ALTERNATIVES:

- A. If the Task Order for Murraysmith is approved and the Mixing Zone Study can progress, the WWTP risk of being out of compliance of the NPDES permit is reduced.

B. If the Task Order for the Mixing Zone Study is rejected, there could be costly consequences in the future. The WWTP could not meet the NPDES permit requirements, causing out of compliance wastewater to flow into the river. Fines and other restrictions could occur from ODEQ if this were to happen.

RECOMMENDATION:

Staff recommends that the City Council approve Resolution 2019-126 for additional budget and the Task Order for Murraysmith for the Mixing Zone Study.

ATTACHMENTS:

1. Task Order - Mixing Improvements Phase 1
2. RES 2019-126_CC_MURRAYSMITH MIXING ZONE STUDY_07 2019 (1)

TASK ORDER

OUTFALL MIXING IMPROVEMENTS – PHASE 1

CITY OF ONTARIO, OREGON

This Scope is for professional services between Murraysmith, Inc. (Murraysmith) and the City of Ontario, Oregon (City) for the analysis and conceptual design of improvements to the wastewater treatment plant's (WWTP's) effluent outfall. The services provided under this scope will be completed under the current Continuing Professional Engineering Service agreement (July 2019) and will be the joint work product of Murraysmith and MixZon, Inc. MixZon is a subconsultant to Murraysmith.

Background

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This task order is for the completion of the ODEQ required Level 2 Mixing Zone Study, conceptual outfall design/optimization, and summary memorandum (Phase 1). Once ODEQ has reviewed and approved the mixing zone study and conceptual outfall modifications, Murraysmith will prepare an additional task order (Phase 2) for the development of contract documents and permitting for the bidding and construction of the proposed improvements. Depending on the City's preferences, a third task order (Phase 3) may also be developed for the administration and oversight of the construction activities.

Scope of Services

The Phase 1 services are divided into the following major tasks:

- Task 1.0 - Project Management/Kick-Off/Document Review
- Task 2.0 – Marine Hydrographic Survey & Outfall Inspection
- Task 3.0 – Outfall Improvements and Optimization Study
- Task 4.0 – Mixing Zone Modeling and Analysis of Final Design
- Task 5.0 – Final Report
- Task 6.0 – Regulatory Assistance

Task 1.0 - Project Management/Kick-Off/Document Review

The purpose of this task is to provide management of the project team, schedule and budget. Included in this task are monthly invoicing, budget and schedule review, updates, team meetings and general administrative tasks. As project manager, Craig Anderson will lead communication with the City and the team throughout the duration of the project.

This task also includes:

- Project kick-off meeting
- Development of work activity plans and schedules
- Review of all available documentation, blueprints, design documents, permits and field data from past studies, reports, and publicly available literature/documents related to the WWTP.

Assumptions

- The City will provide Murraysmith with the outfall design documents, Level 1 Mixing Zone Study with associated modeling data, WWTP Permit Renewal and Reasonable Potential Analysis documentation, and the last 2 years of WWTP effluent flow and load data.
- The kick-off meeting will be held immediately prior to the initiation of the field work in Task 2.0.

Deliverables

- Monthly invoices and project updates to the City
- Kick-Off Meeting bulleted summary

Task 2.0 – Marine Hydrographic Survey & Outfall Inspection

A detailed marine hydrographic survey in the Snake River in the vicinity of the City's WWTP discharge will be completed. The survey will help determine the optimal location in the river where maximum mixing can likely be achieved to aid in the design of outfall modifications. A boat mounted with the following sensors will be used to measure and collect detailed bathymetric, ambient velocity and water quality data:

- Acoustic Doppler Current Profiler (ADCP) - RDI/Teledyne Workhorse Rio Grande 1200Khz (ZedHed- Shallow Water)
- Differential Global Positioning System (DGPS) - Trimble AG114 - Survey Grade with sub-meter accuracy.

- Boat depth sounder
- MixZon Data Acquisition System (MDAS) - Customized data acquisition system and software
- Applied Sciences Micro-CTD multi-sensor probe - Conductivity, temperature, depth, salinity, turbidity, fluorescence measurements

Ambient conditions vary depending on the time of year. To protect receiving waters, ODEQ considers critical flow statistics and measurements during low flows as well as “off-design” conditions when allocating a Regulatory Mixing Zone (RMZ). “Off-design” conditions are discharge and stream conditions that are not typically associated with low flow conditions but may be important when evaluating a discharge and associated mixing zone. Information about ambient receiving water conditions under low flow and for discharge periods which are critical to mixing zone modeling in accordance with ODEQ internal management directive (IMD) guidelines will be collected. These conditions include:

- Critical ambient low flow statistics (1Q10, 7Q10)
- Receiving water body cross-sectional profile (width and depth)
- Ambient velocity profile near the outfall location
- Ambient density, temperature, and salinity profile
- Manning’s roughness coefficient

Detailed site data is required to provide adequate input into the mixing zone model and interpretation of simulation model results.

At the same time as the hydrographic study, an inspection of the existing submerged outfall will be performed to determine the condition, end termination (assumed flange) and bolt configuration for installing/retrofitting the outfall with a new design. A certified dive team will be used to assess the physical condition of the submerged outfall.

Assumptions

- A modeled mixing zone analysis is included. A field dye tracer study test is not included.

Task 3.0 – Outfall Improvements and Optimization Study

Data from the marine hydrographic survey will be used to determine modification(s) needed to the existing structure and/or the optimal location for siting a proposed multiport diffuser outfall where maximum mixing can likely be achieved. Optimal modifications to be made or a new design will be proposed based on site conditions and minimum dilution requirements and mixing performance required. An alternate outfall location, if needed, will be determined based on inputs from the City, ODEQ, the U.S Army Corps of Engineers (ACOE), and any other regulatory authorities and parties involved in the project, taking into consideration property boundaries, construction issues, river and fish navigation, etc.

Once a suitable design option for the proposed outfall is selected, the outfall/multiport diffuser design and optimization can be completed using CORMIX v11.0 and CorHyd v11.0 models. The work will begin based on a dilution target and the regulatory mixing zone dimensions allowed by ODEQ.

CorHyd v4.0, the internal diffuser hydraulics design tool, will be used to calculate line source properties and required head for the proposed multiport diffuser design. This tool can also be used to specify duckbill check valves, if needed, for the diffuser. The duckbill valves give a performance advantage by keeping port velocity high over a range of discharge flow rates.

An iterative design optimization process is proposed, using CORMIX for mixing zone water quality modeling and CorHyd diffuser line source hydraulic modeling. CORMIX modeling will be performed to optimize any dilution for a line source. CorHyd will be used to determine the head requirements and to verify a uniform line source discharge for the proposed diffuser. The design will be optimized for port exit velocities that cause the individual plumes from each port to merge by the end of the near-field and minimize the potential for scouring the riverbed. The design process will evaluate several designs to obtain an optimized design for the project site.

Both fanned diffuser designs and duckbill check valves at the discharge ports will be analyzed to optimize mixing and limit acceleration zones caused by large multiport diffuser structures. This analysis will be done over a range of discharge flowrates.

Assumptions

- Murraysmith will endeavor to achieve the target dilution ratio that is agreed to in Task 6.0 with the outfall modifications proposed. However, due to regulatory and or physical mixing zone constraints, there is no guarantee this is possible.

Task 4.0 – Mixing Zone Modeling and Analysis of Final Design

The CORMIX v9.0 Mixing Zone Model will be used for mixing zone modeling and dilution analysis of the effluent discharge. CORMIX will be used because it complies with all ODEQ model requirements and has multiport diffuser design tools.

Mixing zone modeling and analysis will be performed in accordance with ODEQ IMD guidelines. The work will include the following:

Outfall and RMZ Characterization: A description of the existing/proposed outfall structure/geometry and RMZ will be provided based on available data from past studies, reports and discussions with ODEQ and WWTP staff. Murraysmith proposes to analyze any data from previous permits, studies, construction drawings, and site/dive inspection or any other available data to characterize the discharge source for subsequent mixing zone modeling.

Discharge Characteristics: Will include information on source conditions (discharge flow, temperature, conductivity and/or salinity, density, pollutant constituent concentrations, etc.) to

sufficiently document and characterize the mixing zone dilution based on discharge records to be provided by the City. Discharge flow statistics will be computed for modeling critical conditions in accordance with ODEQ guidelines.

Environmental Mapping: Environmental mapping is used to characterize and map specific habitats, critical resources areas, and other beneficial uses within the segment of the water body receiving the discharge. This information will be used to evaluate the potential environmental impact of the discharge and make decisions about the allowable size and placement of an RMZ. While this information can be provided as a narrative, physically mapping key pieces of information provides for a reference that is easy to visualize and understand. Environmental mapping may have both spatial and narrative descriptions.

Murraysmith will provide a Geographic Information System (GIS) map delineating the following areas within or near the mixing zone in accordance with ODEQ IMD guidelines:

Known commercial or recreational shellfish areas.

- Fish spawning/rearing habitat.
- Cold water refugia for fish (e.g., cold water tributaries).
- Physical structures expected to attract fish (e.g., piers, irrigation intakes, outfalls, woody debris).
- Public access areas such as boat ramps or public beaches/swimming.
- Drinking water intakes upstream or downstream of the outfall within ½ mile.
- Other National Pollutant Discharge Elimination System (NPDES) discharges upstream and downstream within ½ mile.
- If applicable, description of threatened and endangered species presence, habitat, and migration pathways.
- 303(d) listed water bodies.

Mixing Zone Modeling: A modeling effort using CORMIX v9.0 Mixing Zone Model, the same model version currently licensed to ODEQ, will be performed according to the procedures listed in the ODEQ IMD and based on ODEQ guidance for this project for conducting mixing zone studies. This work will address issues of near-field boundary attachments, discharge instability, and plume boundary interaction as outlined in the IMD. Adjustments and/or calibrations of the model to ensure reasonable model performance with site and critical flow conditions will be made as necessary. Model sensitivity studies will be conducted to evaluate a likely range of discharge and ambient conditions that will characterize reasonable worst-case conditions for mixing. Considerations for “off-design” conditions including but not limited to outfall physical condition, high and low ambient flows, and variation in discharge mass flux will be made. The analysis will

include temperature as a water quality parameter of concern and address any associated issues in accordance with the ODEQ guidelines.

Task 5.0 – Final Report

Murraysmith will provide a draft mixing zone study report that covers the Task 1.0 through 4.0 work for review by the City and ODEQ. Any comments/questions/concerns from the City and ODEQ will be responded to and the report revised accordingly, if required.

Deliverables

- Draft Report (in Adobe PDF format)
- Final Report (in Adobe PDF format)

Task 6.0 – Regulatory Support

In order to ensure that permitting does not delay outfall modification construction, Murraysmith will initiate preliminary conversations with the pertinent regulatory agencies to brief them on the project and define permitting requirements. Oregon Department of State Lands (DSL) will be contacted to determine the extent of modifications that can be performed without requiring modifications to the existing outfall lease. ACOE will be contacted to verify Nationwide 404 Permit applicability and required submittals and timeframe.

Most importantly for this first phase of work, Murraysmith will work with ODEQ to make sure that the dilution ratios targeted in the conceptual design of the outfall modifications are well defined and agreed to.

Assumptions

- Regulatory coordination is assumed to be limited to ODEQ, ACOE, and DSL. Per previous conversations with ODEQ, coordination with similar agencies from the state of Idaho are assumed to not be necessary.
- Preliminary discussions with regulatory agencies will assume that no riverbed changes will be needed and the modifications will be classified as “maintenance”. Therefore, the outfall modifications can be conducted under the ACOE Nationwide 404 Permit. It is assumed that preparation and submittal of a Biological Assessment will not be required.

Deliverables

- Draft regulatory coordination memoranda (in Adobe PDF format)
- Final regulatory coordination memoranda (in Adobe PDF format)

Budget

The work provided in this Scope of Work will be billed on a time and materials basis with a total estimated budget of \$79,470 which shall not be exceeded without prior written authorization from the City.

When any budget has been increased or follow-on work contracted, Murraysmith's excess costs expended prior to such an increase will be allowable to the same extent as if such costs had been incurred after the approved increase.

Time of Performance

Assuming a Notice to Proceed in July, the delivery of the Task 5.0 Report to ODEQ is anticipated in November. Murraysmith will make every effort to complete the work in a timely manner; however, it is agreed that Murraysmith cannot be responsible for delays occasioned by factors beyond its control, nor by factors that could not reasonably have been foreseen at the time this scope was executed.

Task Order Authorization

The parties hereto have caused this Task Order to be executed by their respectively authorized officers or representatives.

CITY OF ONTARIO, OR

Date: _____

By: _____

Name: _____

Title: _____

MURRAYSMITH, INC.

Date: _____

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TASK ORDER

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Task Order Authorization

The parties hereto have caused this Task Order to be executed by their respectively authorized officers or representatives.

CITY OF ONTARIO, OR

Date: _____

By: _____

Name: _____

Title: _____

MURRAYSMITH, INC.

Date: JULY 5, 2019

By: 

Name: CRAIG B ANDERSON

Title: PRINCIPAL ENGINEER



RESOLUTION 2019-126

A RESOLUTION TO INCREASE THE MIXING ZONE STUDY BUDGET BY \$21,000 AND TO APPROVE THE TASK ORDER FOR DEVELOPMENT OF THE MIXING ZONE STUDY BY MURRAYSMITH, INC. FOR UP TO \$86,000

- WHEREAS,** The City of Ontario is required by Oregon DEQ to conduct a mixing zone study; and
- WHEREAS,** Murraysmith Inc. (formerly MSA) was selected in 2015 to perform the mixing zone study, but Oregon DEQ requested the project be put on hold until the NPDES permit was issued; and
- WHEREAS,** The Ontario City Council desires to approve the task order for development of the mixing zone study by Murraysmith, Inc. for the mixing zone study; and
- WHEREAS,** The increase in cost between 2015 and the current year was under-budgeted so an additional \$21,000 is required; and
- WHEREAS,** The City desires to modify the 2019-2020 Sewer Fund budget in order to fund the project.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council to approve the following adjustments to the fiscal year 2019-2020 budget:

Line Item	Item Description	FY 19-20 Budget	Amount of Change	Adjusted Budget
SEWER FUND				
110-165-628905	Mixing Zone Study	\$60,000	\$21,000	\$81,000
110-165-871000	Contingency	\$3,446,569	(\$21,000)	\$3,425,569

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the Common Council City Council of the City of Ontario this ____ day of _____, 2019, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this ____ day of _____, 2019.

Riley J. Hill, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder



**AGENDA REPORT
NEW BUSINESS
July 16, 2019**

To: Mayor and City Council

FROM: Kari Ott, Finance Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: BID AWARD: POLICE CAR LEASE PURCHASE

DATE: July 11, 2019

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE A FIVE-YEAR CAPITAL LEASE WITH EMERGENCY RESPONDER SERVICES, INC. FOR FIVE FULLY EQUIPPED DODGE CHARGERS.

SUMMARY:

An aging fleet of police cars required the city to budget for a lease of five (5) cars for a five-year period.

BACKGROUND:

The Ontario Police Department has an aging police car fleet due to prior year budget cuts. Repairs on these cars have been pretty extensive and the city has gone over budget in police car repairs and maintenance in the last few years.

The 2019-2020 budget was approved with a payment for the first year of a five year lease for five police cars.

CURRENT SITUATION:

The Ontario Police Department asked three different companies for bids on police cars. The city received two bids back and White Cloud Communications chose not to bid on the project.

A careful review was performed on the two bids received and it was determined that Emergency Responder Services, Inc. (ERS) was the low bidder and staff would like to proceed and order the police cars.

ANALYSIS:

- A. **STRATEGIC PLAN** These new vehicles will help the police department have reliable vehicles in order to do their jobs as expected by the community. A strong police force will help make Ontario a desirable place to live.
- B. **FINANCIAL** The 2019 budget approved a lease payment of \$39,086 per year for five years. This includes making the first payment up front to save interest costs. ERS has assured up that the lease will be within budget.

The interest rate given by ERS is 4.45%.

- C. **TIMING** After ordering the cars they are approximately three months out before delivery. The quicker this police car lease to own is approved, the better.
- D. **POLICY/LEGAL** The City Council is required to approve the bid and lease from ERS before an agreement can be entered into.

ALTERNATIVES:

The City Council could decide not to approve the police car lease. This may result in much higher repair costs than seen previously.

RECOMMENDATION:

Staff recommends the City Council approve the purchase of five fully equipped Dodge Chargers on a five-year lease purchase program from ERS.

ATTACHMENTS:

- 1. ERS bid
- 2. BME bid



ERS
Emergency Responder Services, Inc
1204 6th St North
Nampa, ID 83687

Estimate

Date	Estimate #
6/14/2019	M0066

Estimate Prepared For:

ONTARIO POLICE DEPARTMENT
444 SW 4TH ST
ONTARIO, OR 97914

Questions?

Please refer to your Estimate # when calling
your ERS Sales Representative.

Your rep can be reached on location at
Ph: (208) 362-1741 or Fx: (208) 562-1318

Thank you for considering us!

To see more ways we can serve you, please
visit our website:

www.ERSINC-NW.COM

THIS IS NOT A BILL. All Estimates are valid for a period of 30 days.
After 30 days, please re-confirm as all pricing is subject to change. If any changes
are necessary, final figures will be available prior to the onset of signing.
Please do not hesitate to contact us should you have any further needs.

Customer Reference #

Item	Description	Rate	Qty	Total
	LEASE RATES ON (5) 2019/2020 DODGE CHARGERS W/ EQUIPMENT AND LABOR \$184,136.25			
	\$49,890.00 A YEAR ON 4 YEAR LEASE-TO-OWN			
	\$40,976.00 A YEAR ON 5 YEAR LEASE-TO-OWN			
	\$35,048.00 A YEAR ON 6 YEAR LEASE-TO-OWN			
	\$30,827.00 A YEAR ON 7 YEAR LEASE-TO-OWN			
Total				\$0.00



ERS
Emergency Responder Services, Inc
1204 6th St North
Nampa, ID 83687

Estimate

Date	Estimate #
5/21/2019	M0061

Estimate Prepared For:

ONTARIO POLICE DEPARTMENT
444 SW 4TH ST
ONTARIO, OR 97914

Questions?

Please refer to your Estimate # when calling your ERS Sales Representative.

Your rep can be reached on location at
Ph: (208) 362-1741 or Fx: (208) 562-1318

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Item	Description	Rate	Qty	Total
VEHICLE	(5) 2019 DODGE CHARGER SLICKTOP 2019 DODGE CHARGER, V8 HEMI --BLACK EXTERIOR --DRIVER SIDE SPOTLIGHT, HALOGEN --FULL SIZE SPARE TIRE --AWD	23,956.00	3	71,868.00
DOC FEE	ERS DOCUMENT SERVICE FEE FRONT OF VEHICLE AND WINDSHIELD	100.00	3	300.00
FN-0811D	FENIEX FUSION INTERIOR VISOR LIGHT, DUAL COLOR, 8-MODULE. 2011+ DODGE CHARGER	599.00	3	1,797.00
SAP003RB	ERS ULTRA THIN LED WARNING LIGHT, 12-LED DUAL COLOR. RED/BLUE (GRILLE LIGHT)	79.00	6	474.00
S-2009	FENIEX TRITON 100W SIREN SPEAKER, 124dB.	155.00	3	465.00
SAK37	WHELEN SIREN SPEAKER MOUNTING BRACKET. FOR THE 2011+ DODGE CHARGER	39.00	3	117.00
SSFPOS	WHELEN HEADLIGHT/GRILLE LIGHT FLASHER, SOLID-STATE, 2 OUTLET, 160 WATTS PER OUTLET, 7-FLASH PATTERNS, FOR POSITIVE SWITCHING HEADLIGHTS	70.00	3	210.00
SHIPPING LABOR	SHIPPING AND HANDLING LABOR/INSTALLATION SIDE OF VEHICLE	30.00 78.00	3 33	90.00 2,574.00
LHR-61-RB	ERS LOW PROFILE LED HIDE-A-WAY, RED/BLUE (FRONT AND REAR SIDE BUMPER)	70.00	12	840.00
BEZEL RLH-BE-B	ERS BLACK BEZEL FOR THE HIDE-A-WAY LED. INCLUDES GASKET	9.00	12	108.00
SAP003RB	ERS ULTRA THIN LED WARNING LIGHT, 12-LED DUAL COLOR. RED/BLUE (SIDE WINDOW)	79.00	6	474.00
LL-41 BRACKET ENT2B3J	ERS "L" BRACKET SOUNDOFF SIGNAL INTERSECTOR LED UNDER MIRROR LIGHT, RED/BLUE	15.00 199.00	6 6	90.00 1,194.00
GRAPHICS SHIPPING LABOR	GRAPHICS SHIPPING AND HANDLING LABOR/INSTALLATION REAR OF VEHICLE	350.00 30.00 78.00	3 3 33	1,050.00 90.00 2,574.00
FN-2811D	FENIEX FUSION REAR INTERIOR LIGHTBAR, DUAL COLOR, 2011+ DODGE CHARGER	659.00	3	1,977.00
Total				



ERS
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1204 6th St North
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Item	Description	Rate	Qty	Total
SAP002RB	ERS ULTRA THIN WARNING LIGHT, 6-LED, SPLIT COLOR. RED/BLUE (REAR TRUNK LID)	70.00	6	420.00
SAP003RB	ERS ULTRA THIN LED WARNING LIGHT, 12-LED DUAL COLOR. RED/BLUE (EXTERIOR TRUNK LID)	79.00	6	474.00
FS2600-S	D AND R ELECTRONICS TAILLIGHT AND REVERSE LIGHT FLASHER. INCLUDES BLACKOUT OPTION	65.00	3	195.00
SHIPPING	SHIPPING AND HANDLING	15.00	3	45.00
LABOR	LABOR/INSTALLATION	78.00	24	1,872.00
436486	TRUNK LID OF VEHICLE			
	LARSEN NMOKHFUD VEHICLE ROOF MOUNT	25.00	3	75.00
	ANTENNA 0-6000 MHz, 3/4" MOUNT, NO CONNECTOR			
MISC	DUAL BAND RADIO ANTENNA	95.00	3	285.00
SHIPPING	SHIPPING AND HANDLING	10.00	3	30.00
LABOR	LABOR/INSTALLATION	78.00	3	234.00
	OFFICER AREA OF VEHICLE			
MISC	KENWOOD RADIO, VHF (DEPARTMENT SUPPLIED)	0.00	3	0.00
MISC	KENWOOD RADIO, UHF (DEPARTMENT SUPPLIED)	0.00	3	0.00
C-4200-DL	FENIEX 4200 CONTROLLER. 18-PROGRAMMABLE BUTTONS, THREE POSITION SLIDER SWITCH. BACK LIT LEDS AND RELAY BOX W/ 20 OUTLETS AND 3 RJ45 PORTS FOR USE W/ FUSION LIGHTBAR AND STORM PRO SIRENS.	399.00	3	1,197.00
C-4014	FENIEX STORM PRO 100W REMOTE SIREN. COMES WITH MICROPHONE AND 20 PLUS TONES SUCH AS WAIL, YELP, PHASER, MECH SIREN AND HORN	165.00	3	495.00
425-6636	JOTTO DESK DODGE CHARGER CONSOLE. EACH CONSOLE COMES STANDARD WITH DUAL ABS CUP HOLDER AND 16" OF FACEPLATES	379.00	3	1,137.00
425-6260	JOTTO DESK ARMREST-CONSOLE SIDE MOUNT	65.00	3	195.00
BR-930-WP	ERS TRIPLE OUTLET PLUGS, 12V	30.00	3	90.00
RAM-201U-D	RAM MOUNT DOUBLE SOCKET ARM	42.00	3	126.00
RAM-202U	RAM MOUNT ROUND PLATE W/ BALL	14.00	6	84.00
RAM-HOL-UN11U	RAM MOUNT X-GRIP UNIVERSAL HOLDER FOR 12" TABLETS	80.00	3	240.00

Total



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Item	Description	Rate	Qty	Total
RAP-TAB-KEY1-...	RAM MOUNT KEYBOARD ACCESSORY FOR TABLETS W/ RAM ROTO-VIEW	59.00	3	177.00
RAM-KEY1-BT	RAM BLUETOOTH KEYBOARD	31.00	3	93.00
MISC	L3 IN-CAR VIDEO SYSTEM (DEPARTMENT SUPPLIED)	0.00	3	0.00
MMSU-11	INNOVATIVE PRODUCTS MAGNETIC MIC CLIP	39.95	9	359.55
GK10342UHKSV...	SETINA DUAL WEAPON MOUNT SYSTEM W/ (2) UNIVERSAL XL LOCKS, HANDCUFF KEY OVERRIDE	399.00	3	1,197.00
SHIPPING	SHIPPING AND HANDLING	100.00	3	300.00
LABOR	LABOR/INSTALLATION	78.00	36	2,808.00
PK1125CGR11	PRISONER AREA OF VEHICLE SETINA 10XL-C PRISONER PARTITION W/ UNCOATED POLYCARBONATE SLIDER WINDOW AND EXPANDED METAL BARRIER. INCLUDES LOWER PANELS. 2011+ DODGE CHARGER	699.00	3	2,097.00
QK0634CGR11	SETINA FULL REPLACEMENT TRANSPORT SEAT. TPO PLASTIC W/ CENTER PULL SEAR BELT SYSTEM. 2015+ DODGE CHARGER	699.00	3	2,097.00
WK0513CGR11	SETINA WINDOW BARRIERS, STEEL, VERTICAL. 2011+ DODGE CHARGER	199.00	3	597.00
DK0100CGR11	SETINA TPO DOOR PANEL S, BLACK PLASTIC. INSTALLS OVER OEM DOOR PANELS. FOR THE 2011+ DODGE CHARGER	215.00	3	645.00
PL-RWO	BROOKINGS LED DOME LIGHT, RED/WHITE (PRISONER LIGHT)	65.00	3	195.00
SHIPPING	SHIPPING AND HANDLING	150.00	3	450.00
LABOR	LABOR/INSTALLATION	78.00	24	1,872.00
932-0014B	TRUNK AREA OF VEHICLE D & R ELECTRONICS DRIVER SIDE ELECTRONICS COMPARTMENT W/ LOCK. 2011+ DODGE CHARGER	190.00	3	570.00
932-0014A	ELECTRONICS COMPARTMENT W/ LOCK. 2011+ DODGE CHARGER	190.00	3	570.00
PRG-CHARGER	POWER GUARDIAN DISTRIBUTION PANEL W/ TIMER SYSTEM. 2011+ DODGE CHARGER	725.00	3	2,175.00
MISC PARTS & ...	MISC PARTS & MATERIALS	150.00	3	450.00
SHIPPING	SHIPPING AND HANDLING	50.00	3	150.00

Total



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Item	Description	Rate	Qty	Total
LABOR	LABOR/INSTALLATION	78.00	15	1,170.00
VEHICLE	LIGHTBAR 2019 DODGE CHARGER, V8 HEMI --BLACK EXTERIOR --DRIVER SIDE SPOTLIGHT, HALOGEN --FULL SIZE SPARE TIRE --AWD	23,956.00	2	47,912.00
DOC FEE	ERS DOCUMENT SERVICE FEE FRONT OF VEHICLE	100.00	2	200.00
SAP003RB	ERS ULTRA THIN LED WARNING LIGHT, 12-LED DUAL COLOR. RED/BLUE (GRILLE LIGHT)	79.00	4	316.00
S-2009	FENIEX TRITON 100W SIREN SPEAKER, 124dB.	155.00	2	310.00
SAK37	WHELEN SIREN SPEAKER MOUNTING BRACKET. FOR THE 2011+ DODGE CHARGER	39.00	2	78.00
SSFPOS	WHELEN HEADLIGHT/GRILLE LIGHT FLASHER, SOLID-STATE, 2 OUTLET, 160 WATTS PER OUTLET, 7-FLASH PATTERNS, FOR POSITIVE SWITCHING HEADLIGHTS	70.00	2	140.00
SHIPPING	SHIPPING AND HANDLING	20.00	2	40.00
LABOR	LABOR/INSTALLATION SIDE OF VEHICLE	78.00	18	1,404.00
LHR-61-RB	ERS LOW PROFILE LED HIDE-A-WAY, RED/BLUE (FRONT AND REAR SIDE BUMPER)	70.00	8	560.00
BEZEL RLH-BE-B	ERS BLACK BEZEL FOR THE HIDE-A-WAY LED. INCLUDES GASKET	9.00	8	72.00
LHR-61-RB	ERS LOW PROFILE LED HIDE-A-WAY, RED/BLUE (SIDE MIRROR LIGHT)	70.00	2	140.00
BEZEL RLH-BE-B	ERS BLACK BEZEL FOR THE HIDE-A-WAY LED. INCLUDES GASKET	9.00	2	18.00
GRAPHICS	GRAPHICS	350.00	2	700.00
SHIPPING	SHIPPING AND HANDLING	15.00	2	30.00
LABOR	LABOR/INSTALLATION REAR OF VEHICLE	78.00	20	1,560.00
SAP003RB	ERS ULTRA THIN LED WARNING LIGHT, 12-LED DUAL COLOR. RED/BLUE (EXTERIOR TRUNK LID)	79.00	4	316.00
SAP002RB	ERS ULTRA THIN WARNING LIGHT, 6-LED, SPLIT COLOR. RED/BLUE (REAR TRUNK LID)	70.00	4	280.00
Total				



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Item	Description	Rate	Qty	Total
FS2600-S	D AND R ELECTRONICS TAILLIGHT AND REVERSE LIGHT FLASHER. INCLUDES BLACKOUT OPTION	65.00	2	130.00
SHIPPING	SHIPPING AND HANDLING	15.00	2	30.00
LABOR	LABOR/INSTALLATION	78.00	10	780.00
CERIDIAN DUO ...	ROOF AND TRUNK LID OF VEHICLE			
436486	WHELEN CERIDIAN LED DUO COLOR LIGHTBAR, 48". INCLUDES SUPER TAKEDOWN AND DIRECTIONAL STICK. INCLUDES HOOK KIT	1,399.00	2	2,798.00
	LARSEN NMOKHFUD VEHICLE ROOF MOUNT	25.00	2	50.00
	ANTENNA 0-6000 MHz, 3/4" MOUNT, NO CONNECTOR			
MISC	DUAL BAND RADIO ANTENNA	95.00	2	190.00
SHIPPING	SHIPPING AND HANDLING	10.00	2	20.00
LABOR	LABOR/INSTALLATION	78.00	10	780.00
	OFFICER AREA OF VEHICLE			
MISC	KENWOOD NX-5800K 45 WATT UHF RADIO. 450 MHz	799.00	2	1,598.00
MISC	KENWOOD NX-5700K 50 WATT VHF RADIO. 136-174 MHz	899.00	2	1,798.00
MISC	RADIO PROGRAMMING	75.00	4	300.00
C-4200-DL	FENIEX 4200 CONTROLLER. 18-PROGRAMMABLE BUTTONS, THREE POSITION SLIDER SWITCH. BACK LIT LEDS AND RELAY BOX W/ 20 OUTLETS AND 3 RJ45 PORTS FOR USE W/ FUSION LIGHTBAR AND STORM PRO SIRENS.	399.00	2	798.00
C-4014	FENIEX STORM PRO 100W REMOTE SIREN. COMES WITH MICROPHONE AND 20 PLUS TONES SUCH AS WAIL, YELP, PHASER, MECH SIREN AND HORN	165.00	2	330.00
425-6636	JOTTO DESK DODGE CHARGER CONSOLE. EACH CONSOLE COMES STANDARD WITH DUAL ABS CUP HOLDER AND 16" OF FACEPLATES	379.00	2	758.00
425-6260	JOTTO DESK ARMREST-CONSOLE SIDE MOUNT	65.00	2	130.00
BR-930-WP	ERS TRIPLE OUTLET PLUGS, 12V	30.00	2	60.00
RAM-201U-D	RAM MOUNT DOUBLE SOCKET ARM	42.00	2	84.00
RAM-202U	RAM MOUNT ROUND PLATE W/ BALL	14.00	4	56.00
RAM-HOL-UN11U	RAM MOUNT X-GRIP UNIVERSAL HOLDER FOR 12" TABLETS	80.00	2	160.00
Total				



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Item	Description	Rate	Qty	Total
RAP-TAB-KEY1-...	RAM MOUNT KEYBOARD ACCESSORY FOR TABLETS W/ RAM ROTO-VIEW	59.00	2	118.00
RAM-KEY1-BT	RAM BLUETOOTH KEYBOARD	31.00	2	62.00
MISC	L3 IN-CAR VIDEO SYSTEM (DEPARTMENT SUPPLIED)	0.00	2	0.00
MMSU-11	INNOVATIVE PRODUCTS MAGNETIC MIC CLIP	39.95	6	239.70
GK10342UHKSV...	SETINA DUAL WEAPON MOUNT SYSTEM W/ (2) UNIVERSAL XL LOCKS, HANDCUFF KEY OVERRIDE	399.00	2	798.00
SHIPPING	SHIPPING AND HANDLING	100.00	2	200.00
LABOR	LABOR/INSTALLATION	78.00	24	1,872.00
PK1125CGR11	PRISONER AREA OF VEHICLE SETINA 10XL-C PRISONER PARTITION W/ UNCOATED POLYCARBONATE SLIDER WINDOW AND EXPANDED METAL BARRIER. INCLUDES LOWER PANELS. 2011+ DODGE CHARGER	699.00	2	1,398.00
QK0634CGR11	SETINA FULL REPLACEMENT TRANSPORT SEAT. TPO PLASTIC W/ CENTER PULL SEAR BELT SYSTEM. 2015+ DODGE CHARGER	699.00	2	1,398.00
WK0513CGR11	SETINA WINDOW BARRIERS, STEEL, VERTICAL. 2011+ DODGE CHARGER	199.00	2	398.00
DK0100CGR11	SETINA TPO DOOR PANEL S, BLACK PLASTIC. INSTALLS OVER OEM DOOR PANELS. FOR THE 2011+ DODGE CHARGER	215.00	2	430.00
PL-RWO	BROOKINGS LED DOME LIGHT, RED/WHITE (PRISONER LIGHT)	65.00	2	130.00
SHIPPING	SHIPPING AND HANDLING	150.00	2	300.00
LABOR	LABOR/INSTALLATION	78.00	16	1,248.00
932-0014A	TRUNK AREA OF VEHICLE D & R ELECTRONICS DRIVER SIDE ELECTRONICS COMPARTMENT W/ LOCK. 2011+ DODGE CHARGER	190.00	2	380.00
PRG-CHARGER	POWER GUARDIAN DISTRIBUTION PANEL W/ TIMER SYSTEM. 2011+ DODGE CHARGER	725.00	2	1,450.00
MISC PARTS & ...	MISC PARTS & MATERIALS	150.00	2	300.00
SHIPPING	SHIPPING AND HANDLING	50.00	2	100.00
LABOR	LABOR/INSTALLATION	78.00	10	780.00
DISCOUNT	TRADE-IN ON 2012 CHEVROLET TAHOE	-3,850.00		-3,850.00

Total

\$184,136.25

HINCKLEASE

2305 S. Presidents Dr., Suite F
Salt Lake City, Utah 84120
(801) 433-4578
lamont@hincklease.com



TO Lt. Jason Cooper
Ontario Police Department

Ontario, OR

VEHICLE LEASE QUOTE

File #	Quote Prepared For:	Contact Phone #	Date		Payment does not include Tax, License or Registration Fees. First payment due at signing. Origination fee of \$149 (one time fee per vehicle).
64	Troy Trussel/Jason Cooper		7/12/2019	Includes Delivery to BME Boise	

QTY	VEHICLE DESCRIPTION	ACQUISITION COST	EQUIPMENT COST	DOWN PAYMENT	TOTAL ACQUISITION	RESIDUAL	TERM	ANNUAL MILES	MONTHLY PAYMENT	ANNUAL PAYMENT
5	2019 Dodge Charger AWD Pursuit	\$ 121,975.00	\$ 65,522.67	\$ -	\$ 187,497.67	\$ 1.00	60	N/A	\$ 3,652.50	\$ 43,830.00
	(\$24,395.00/vehicle)									\$ -
										\$ -
										\$ -
										\$ -
										\$ -

Quotation prepared by: _____

This is a quotation for vehicle lease pricing. All quotes are based on current best pricing available at the time. Hincklease will attempt to obtain best available fleet or government pricing and will include all factory incentives and rebates as part of the customer acquisition cost.

THANK YOU FOR THE OPPORTUNITY TO EARN YOUR BUSINESS

Quote



BOISE

MOBILE EQUIPMENT

Communications Solutions &

Emergency Vehicle Upfitting Division

4242 S. Eagleson, Boise, Id 83705

Toll Free: 1-800-445-8342 | Local: 208-972-5300

www.BMEupfit.com | www.BMEcomm.com

Quote # Dodge Charger

RFQ #

Date: July 10, 2019

Prepared By: Troy Trussell

Bill To: Ontario Police Department
444 SW 4th St.
Ontario, OR 97914

Contact Name: Jason Cooper

Title: Lieutenant

Primary Phone: 541-881-3217

Dispatch 541-473-5125

Mobile Phone:

Fax:

email: jason.cooper@ontariooregon.org

Ship To: Ontario Police Department
444 SW 4th St.
Ontario, OR 97914

Terms: Net 30

Dodge Charger

Line #	Part Number	Description	Qty	Unit Cost	Ext. Price
Section 1 - Light/Siren Package					
	IH2RBRB	WHELEN: Liberty II 50" Lightbar with Takedowns and Alley Lights	2	\$ 1,571.00	\$ 3,142.00
	ISFL358	WHELEN: Dodge Charger, 2018-2019, Eight Lamps, Upper Front Two Piece Unit, Individual	3	\$ 735.00	\$ 2,205.00
	CCSRN36	WHELEN: Whelen CenCom Sapphire™ Series Light/Siren Control	5	\$ 610.00	\$ 3,050.00
	SA315P	WHELEN: Projector Series Siren Speaker	5	\$ 174.00	\$ 870.00
	SAK37	WHELEN: Projector Series Siren Bracket - Dodge Charger 2011-2019	5	Included	\$ -

Section 2 - Perimeter Lighting

	IWTRAYW8	WHELEN: 8 Lamp Tray, WeCan®, Choose 8 SOLO™, DUO™ or TRIO™ Lighthoods and Veh	3	\$ 792.00	\$ 2,376.00
	IS358	WHELEN: Dodge Charger, 2011-2019, Lower Rear Housing for Eight or Ten Modules, No	3	Included	\$ -
	LSVBKT35	WHELEN: Dodge Charger, 2011-2019, Under-the-Side View Mirror Mount for Two LINS	5	\$ 23.00	\$ 115.00
	LINSV2R	WHELEN: V-Series™, Combination 180° Warning and Puddle Light with Scan-Lock™ Flas	5	\$ 155.00	\$ 775.00
	LINSV2B	WHELEN: V-Series™, Combination 180° Warning and Puddle Light with Scan-Lock™ Flas	5	\$ 155.00	\$ 775.00
	VTX609J	WHELEN: Vertex Series Super-LED Lighthouse - SPLIT RED/BLUE 4 corners of cars	20	\$ 72.00	\$ 1,440.00
	IONJ	WHELEN: ION Series Super-LED Lighthouse - Split RED/BLUE Inside Grill	10	\$ 82.00	\$ 820.00
	IONJ	WHELEN: ION Series Super-LED Lighthouse - Split RED/BLUE 3/4 Glass on Slicktop	6	\$ 82.00	\$ 492.00
	IONJ	WHELEN: ION Series Super-LED Lighthouse - Split RED/BLUE Trunk	10	\$ 82.00	\$ 820.00
	X335CL-0002+189	UNITY: 6" Post-Mount LED Spot Light w/ Black Housing w/installation kit	5	\$ 82.00	\$ 410.00

Section 3 - Console/Interior

	C-VS-1800-CHRG-2	HAVIS: Vehicle Specific 18" Console for 2016-2019 Dodge Charger Pursuit with 12.1" Scr	5	\$ 512.00	\$ 2,560.00
	C-FP-xx	HAVIS: Necessary Faceplates to fill Console	5	Included	\$ -
	C-CUP2-I	HAVIS: Dual Cup Holder - Horizontal Internal Mount, 4" MS	5	\$ 45.42	\$ 227.10
	C-ARM-103	HAVIS: Side-Mount Armrest, 9.5" Pad, Adjustable Height	5	\$ 65.00	\$ 325.00
	11014	WAYTEK: Dual 2.1A USB Charger & 20A Power Receptacle - 12/24VDC	5	\$ 26.69	\$ 133.45
	MAG	MAGNETIC MIC: Magnetic Mic Conversion Kit	10	\$ 33.00	\$ 330.00
	ECVDMTLAL00	SOUNDOFF: Dome Light -White LED w/ Red LED Night Light - Prisoner Containment Lig	10	\$ 64.00	\$ 640.00
	RAM	RAM: Mount for Ipad	5	\$ 275.00	\$ 1,375.00
	PK1130CGR11	SETINA: Xtra Legroom Partition - #10XL Coated Polycarbonate w/Sliding Window	5	\$ 710.00	\$ 3,550.00
	WK0594CGR11	SETINA: Window Barrier S Polycarbonate	5	\$ 199.00	\$ 995.00
	DK0100CGR11	SETINA: Door Panel S TPO Plastic Black - Installs over OEM Door Panels	5	\$ 215.00	\$ 1,075.00
	QK0634CGR11	SETINA: Full Replacement Transport Seat TPO Plastic with Center Pull Seat Belt System	5	\$ 700.00	\$ 3,500.00
	1082-E	BLAC-RAC- Vertical, Electronic Release w/ Delay	5	\$ 479.00	\$ 2,395.00
	25010	BLAC-RAC- T-Channel Extrusion, 10" w/ end caps	5	\$ 31.75	\$ 158.75
	TK-5720	KENWOOD: VHF, P25 Conventional 50 w mobile radio	2	\$ 1,099.00	\$ 2,198.00
	KES-5	KENWOOD: 40 Watt Speaker	4	\$ 39.00	\$ 156.00
	NX-3820HGK-TR	KENWOOD: UHF,45w Display Mobile Radio (Replaces discontinued TK-8180)	2	\$ 676.00	\$ 1,352.00

Section 4 - Customer Supplied Equipment

	CSE	Customer Supplied Equipment - Radio's Kenwood	3	\$	-	\$	-
	CSE	Customer Supplied Equipment - L3 Camera System	5	\$	-	\$	-

Section 5 - Electrical

	CG-X	HAVIS: Chargeguard Select w/ LED Indicators, Programmable Timer	5	\$	99.00	\$	495.00
	BS5026	BLUE SEA Systems 5026 ST Blade Fuse Block, 12 Circuits with Negative Bus and Cover	5	\$	99.00	\$	495.00
	SMC-NC	PCTEL: NMO Style Vehicle Roof Mount Kit - 3/4", Stainless Steel, 17' Cable, w/o Connec	15	\$	25.80	\$	387.00
	C150-450CS	LAIRD: Dual Band Antenna UHF/VHF 2 dB gain on VHF/5 dB gain on UHF	5	\$	75.00	\$	375.00

Section 6 - Dodge Charger AWD

	Dodge	2019 Dodge Charger AWD Pursuit	5	\$	24,395.00	\$	121,975.00
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Notes:

Your signature on this sales order represents an offer to purchase the products/services listed above which, if accepted by BME, will become a purchase contract with terms and conditions as shown. I/We understand and accept the terms and conditions of this sales order and affirm there are no agreements, terms or conditions related to this transaction other than those stated herein.

Equipment Total	\$161,987.30
Shop Supplies	\$4,859.62
Installation / Labor	\$23,535.00
Travel Charges	
Shipping	\$775.00
Sales Tax	Exempt

QUOTE TOTAL \$191,156.92

AUTHORIZED PURCHASER

DATE

PURCHASE
ORDER NUMBER

Troy Trussell

BME REPRESENTATIVE

07/10/19

DATE

All Quotes Valid for 30 Days Unless Otherwise Stated



**AGENDA REPORT
PUBLIC HEARING
July 16, 2019**

To: Mayor and City Council

FROM: Dan Cummings, Community Development Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: **ORDINANCE # 2756-2019: AN ORDINANCE PROCLAIMING THE ANNEXATION AND REZONING OF CERTAIN TERRITORY TO THE CITY OF ONTARIO, BEING A PARCEL WITHIN THE NE1/4 SECTION 8, TOWNSHIP 18 SOUTH RANGE 47 EAST, W.M.; AND WITHDRAWING SAID TERRITORY FROM THE ONTARIO RURAL FIRE PROTECTION DISTRICT 7-302 AND THE ONTARIO RURAL ROAD ASSESSMENT DISTRICT NO. 3, ON FIRST READING BY TITLE ONLY**

DATE: July 11, 2019

PROPOSED MOTION:

A. APPROVAL:

I MOVE THE CITY COUNCIL ACCEPTS THE FINDS OF FACTS AND RECOMMENDATION OF THE PLANNING COMMISSION ON PLANNING ACTION 2019-04-34AZ AND APPROVE ORDINANCE #2756-2019 AN ORDINANCE PROCLAIMING THE ANNEXATION AND REZONING OF CERTAIN TERRITORY TO THE CITY OF ONTARIO, BEING A PARCEL WITHIN THE NE1/4 SECTION 8, TOWNSHIP 18 SOUTH RANGE 47 EAST, W.M.; AND WITHDRAWING SAID TERRITORY FROM THE ONTARIO RURAL FIRE PROTECTION DISTRICT 7-302 AND THE ONTARIO RURAL ROAD ASSESSMENT DISTRICT NO. 3 ON FIRST READING BY TITLE ONLY.

B. DENIAL:

I MOVE THAT THE CITY COUNCIL DENY THE REQUEST FOR ANNEXATION AND REZONE OF THE SUBJECT PROPERTY AS SET FORTH IN ACTION 2019-04-34AZ AND ORDINANCE #2756-2019, BASED ON THE FOLLOWING REASONS AND FINDS OF FACTS: (STATE REASONS AND FINDINGS)

SUMMARY:

The applicant owns a parcel of land, known as 18S4708, tax lot 1500. The applicants wish to annex and rezone the property into the city for further development of the property and to connect to city sanitary sewer and water as they further develop the property to its fullest potential. This application, if approved, will result in the annexation of 3.81 acres plus the right of way for Sunset Drive and SW 7th Place, into the city and a rezone of the property from

Urban Growth Area Residential (UGA RS-50) to City Single Family Residential (RS-50).

BACKGROUND:

This request for annexation and rezone needs a recommendation for approval or rejection from the Planning Commission to the City Council. The Ontario Municipal Code (OMC) designates the Planning Commission as the decision making body for a request for rezone, without City Council participation. The OMC designates the City Council as the decision making body for a request for annexation, without Planning Commission participation. State Law requires an ordinance be adopted by the local governing body to accomplish a rezone. The city's governing body is the City Council, and they are the only body that may adopt an ordinance; therefore, a request for rezone should go before the Council for a final decision. Staff feels that the best procedure is consistency with State Law; therefore, this matter needs a recommendation from the Planning Commission, and then will be forwarded to the City Council for their decision.

On July 8, 2019, at a Public Hearing the Planning Commission heard testimony on Planning Action 2019-04-34AZ and made a motion to approve the findings of facts as presented and sent a recommendation for the City Council to approve the request for annexation into the city and rezone the property from UGA Residential to City Single Family Residential (RS-50).

CURRENT SITUATION:

The proposed development must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance it is considered to be consistent with the Comprehensive Plan.

A. *Rezone*

1. Section 10B-20-30 REQUIRED FINDINGS, DECISION CRITERIA. In preparing findings to support a quasi-judicial zoning map amendment decision, the following findings shall be addressed except when alternatives are set forth or where a required findings clearly does not apply to the current action:

a. The zoning map amendment is in conformance with statewide planning goals and guidelines.

b. The zoning map amendment is in conformity with the acknowledged comprehensive plan.

c. The applicant has demonstrated a mistake or error in the original zone designation or the applicant has demonstrated a change in physical, social or market conditions generally affecting the area which make the proposed change appropriate.

- d. A public need is demonstrated for this zoning at this location and is not the granting of a special privilege for a single property or small group of properties.*
- e. The property effected by the change is adequate in size and shape to facilitate its use and development as permitted under the new zoning classification.*
- f. The property effected by the proposed change of zone is properly related to streets and public facilities and with services adequate to meet the demands of the uses allowed in the new zone.*
- g. The proposed zoning map change will not result in adverse effects upon surrounding properties or surrounding uses from dust, noise, vibration, odor, heat, glare, lighting, or discharges into the air, water or land.*

Findings of fact based on the answers and information given in the application (see applicant's narrative) made a part hereof:

- a. The City of Ontario Municipal Code Implements policies contained in the City of Ontario Comprehensive Plan, which conforms to the Statewide Planning Goals; if a proposed rezone meets all criteria and standards contained in the OMC, the request will be consistent with Comprehensive Plan Policies and therefore conform to the Statewide Planning Goals.
- b. The subject properties are currently zoned UGA Residential (with a city designation of RS-50) and the request is to rezone to the companion City RS-50 (Single Family Residential) Zone that is compatible to the High Density Residential properties to the West and South. The requested zone allows basically the same use as the UGA zone, and is reflected in the Comprehensive Plan. No Comprehensive Plan amendment is necessary for this rezone; therefore, the proposal is consistent with, and conforms to, the Comprehensive Plan.
- c. The applicants have requested annexation into the City of Ontario concurrent with the request for rezone; a City Zone must be applied to the property once within City Limits. The existing zone is not a mistake, and there is no need to demonstrate a change in conditions in the surrounding area; the change in zone is necessary and appropriate.
- d. This request is legally necessary due to the annexation of the property; granting of this request is not a special privilege and no public need has to be demonstrated. That being said, the applicant wants to improve the property and there is a need for improving and redeveloping this area as the applicant wishes to do. Affordable housing is needed throughout the country and the planned development is to provide a

subdivision to help fill that need.

e. The subject property is adequate in size and shape for the proposed use to be rezoned from UGA Residential to City RS-50 Single Family Residential, as the property is large enough to provide for a minimum of 12 single family parcels as well as required streets and infrastructure.

f. The property owner of tax lot 1500 proposes future development and is requesting annexation and rezoning for timely redevelopment of the property in the near future. The applicant has indicated that City Sewer and Water mains will be extended to the site. Applicant will connect existing building and future structures to these services. City fire and police services will be available upon annexation for the property.

No additional right of way appears to be required for this action and any that may need to be dedicated will be handled during the Subdivision process for this property.

City streets, including curb, gutter, sidewalks and public utilities will be constructed prior to Final Plat approval and recording, along the street frontage of this property as per City development codes.

g. Uses allowed by the current zone are basically identical to the proposed zone. No significant difference in allowed uses will occur as a result of the rezone. Requirements in the OMC applicable to uses in the Single Family Residential zone will ensure that impacts from dust, noise, vibration, odor, heat, glare, lighting, or discharges into the air, water or land are minimized.

Conclusion: The proposed rezone is consistent with all applicable criteria and standards.

B. Annexation:

1. *10B-45-10 INITIATION OF ACTION. When a person, authorized by statute, wishes to extend the city's boundaries, an application on forms supplied by the city shall be filed with the Planning Director and which include: annexation consent forms, by the property owners, and by tenants if required by law or court decision; request for a change in zoning map designation, or plan change if required; request for other quasi-judicial action if required; fees, and other exhibits and requirements for a quasi-judicial action as set forth in this Title. All land use actions associated with the annexation shall be consolidated, as feasible, and one fee paid.*

2. *Oregon Revised Statute 222.125: Annexation by consent of all owners of*

land and majority of electors; proclamation of annexation. The legislative body of a city need not call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing otherwise required under ORS 222.120 when all of the owners of land in that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation.

Findings based on the answers and information given in the application made a part hereof:

1. The applicants have paid the fees and provided the proper application with signatures.
2. The property is annexable because it lies inside the Urban Growth Boundary and is contiguous with current city limits along all four sides of the property.
3. The property is currently zoned for Residential use in the Urban Growth Area; the requested zone, City Single Family Residential (RS-50), is consistent with contiguous property.
4. Findings from preceding sections of this report are herein included by this reference. A change to the comprehensive plan map or text is not necessary to annex the property, and the annexation of the property is consistent with all applicable Comprehensive Plan Policies.
5. Annexation would benefit the city by increasing tax revenue, and, by providing much needed residential housing building sites.

Conclusion: All criteria and standards applicable to a request for annexation have been met. The property may be annexed.

A request for annexation and rezone of property may be recommended for approval or denial by the Planning Commission to the City Council if all applicable decision criteria and standards are found to be met, or are able to be met through appropriate conditions of approval. In this case, findings must be made by the Planning Commission that the specific criteria are either met, able to be met through conditions of approval, or not met; options and discussion are provided under “**Findings:**” and “**Conclusion:**” for each criterion. **All** of the criteria and standards must be met in order for the request to be recommended for approval.

CONDITIONS OF APPROVAL:

1. The approval of the annexation and rezone granted herein is valid for a period of one year from the date the decision of the Council is final; that final decision date shall be the date of expiration of the 21-day period for appeal to LUBA as required by Oregon

Revised Statute and as noted in the Notice of Decision for this request at it Public Hearing.

2. The owner shall connect both existing single family dwellings on the property to City Sewer and Water and properly disconnect the existing homes from the well water and septic system as per City, County and State regulations.
3. The owner will sign a lien causing any unpaid Utility bill to be a lien against the property.
4. The Public improvement for the remainder of the property shall be developed as part of the planned Subdivision of the property.

ANALYSIS:

- A. **STRATEGIC PLAN** This action meets three of the goals of the City Council Strategic Plan for providing more Desirable home lots to enhances the Lifestyle of the community and add Growth to our city and tax base.
- B. **FINANCIAL** Annexation will benefit the city by increased tax revenue as well as provide much needed family housing lots.
- C. **TIMING** The owners of the property are wanting to develop the property into a single family housing subdivision connected to city services and is required to annex the property to be able to develop it. timing is very important to be able to get the project developed this year.
- D. **POLICY/LEGAL** The quasi-judicial Zoning Map amendment procedures are designed and authorized to adjust zone boundaries and create new zoning classifications on the official Zoning Map within areas on the land use plan indicated for the uses allowed by the map change. Such changes shall be in conformity with the land use goals of the state. The decision of the Planning Commission shall be the final decision of the city unless an appeal is filed as authorized by this Title. (LANGUAGE IN 10B-10-05 SUPERSEDES THIS LANGUAGE) WHICH IS: The ultimate decision-making authority for legislative actions and zone changes brought under the provisions of this Title shall rest with the City Council. Certain actions of the Planning Commission are in the form of a recommendation to the City Council. The land use actions for which the Commission provides only a recommendation to the Council are amendments of the comprehensive plan and zoning ordinances or ZoningMap.

ALTERNATIVES:

1. The Council could, by motion, based on public testimony or need for more clarification, refer this matter back to the Planning Commission.
2. Table and continue this item to a future date certain meeting, to obtain clarification on issues raised at this Public Hearing

RECOMMENDATION:

Staff recommends that the City Council accept the Recommendation and Conditions of Approval from the Planning Commission on Planning Action 2019-04-34AZ and approve Ordinance #2756-2019.

ATTACHMENTS:

1. Ord #2756-2019



ORDINANCE #2756-2019

AN ORDINANCE PROCLAIMING THE ANNEXATION AND REZONING OF CERTAIN TERRITORY TO THE CITY OF ONTARIO, BEING A PARCEL WITHIN THE NE1/4 SECTION 8, TOWNSHIP 18 SOUTH RANGE 47 EAST, W.M.; AND WITHDRAWING SAID TERRITORY FROM THE ONTARIO RURAL FIRE PROTECTION DISTRICT 7-302 AND THE ONTARIO RURAL ROAD ASSESSMENT DISTRICT NO. 3.

- WHEREAS,** There has been submitted to the City of Ontario by Chelsey and Andrea Warrington, a written request for annexation and rezoning to the City signed by 100% of the owners of land within the affected territory to be annexed; and
- WHEREAS,** All of the owners of land in that territory have consented in writing to the annexation of their land in the territory and have filed a statement of their consent with the legislative body of the City; and
- WHEREAS,** The City Charter does not expressly require the City to submit a proposal of annexation of territory to the electors of the City; and
- WHEREAS,** All the owners have requested the lands to be rezoned from UGA Residential to City Single Family Residential (RS-50); and
- WHEREAS,** The City desires to withdraw the land to be annexed from the ONTARIO RURAL FIRE PROTECTION DISTRICT 7-302, pursuant to ORS 222.120(5) and has received assent from the Districts to do so;
- WHEREAS,** The City desires to withdraw the land to be annexed from the ONTARIO RURAL ROAD ASSESSMENT DISTRICT No. 3, pursuant to ORS 222.120(5) and has received assent from the Districts to do so;

NOW THEREFORE, THE CITY OF ONTARIO ORDAINS AS FOLLOWS:

1. Annexation Area. The following contiguous territory be and the same is hereby annexed: The property legally described and mapped in the attached Exhibits "A" and "B" respectively.
2. Rezoning. That based on the Planning Commission findings and recommendation in Planning Action 2019-04-34AZ, the lands as shown and described in the attached Exhibits "A" and "B" be rezoned from UGA Residential to City Single Family Residential (RS-50).
3. Withdrawing above described area from Ontario Rural Fire Protection District 7-302. The Common Council of the City of Ontario deems it in the best interest of the public of the City of Ontario and hereby declares that the real property described hereinabove is withdrawn from the Ontario Rural fire Protection District No. 7-302 on the effective date of this annexation pursuant to ORS 222.120(5).

4. Withdrawing above described area from Ontario Rural Road Assessment District No. 3. The Common Council of the City of Ontario deems it in the best interest of the public of the City of Ontario and hereby declares that the real property described hereinabove is withdrawn from the Ontario Rural Road Assessment District No. 3 on the effective date of this annexation pursuant to ORS 222.120(5).
5. Record. The City Planner shall submit to the Oregon Secretary of State (1) a copy of this Ordinance, (2) a copy of the statement of consent of the landowner in the territory annexed; and (3) Shall send a description by metes and bounds, or legal subdivision, and a map depicting the new boundaries of the City within 10 days of the effective date of annexation to the Malheur County Assessor, Malheur County Clerk and the State Department of Revenue.

PASSED AND ADOPTED by the Common Council of the City of Ontario this _____ day of _____, 2019 by the following vote:

AYES:

NAYS:

ABSENT:

APPROVED by the Mayor this _____ day of _____, 2019.

ATTEST:

Riley J. Hill, Mayor

Tori Barnett, MMC, City Recorder

Exhibit "A"

Property Description for Annexation/Rezone

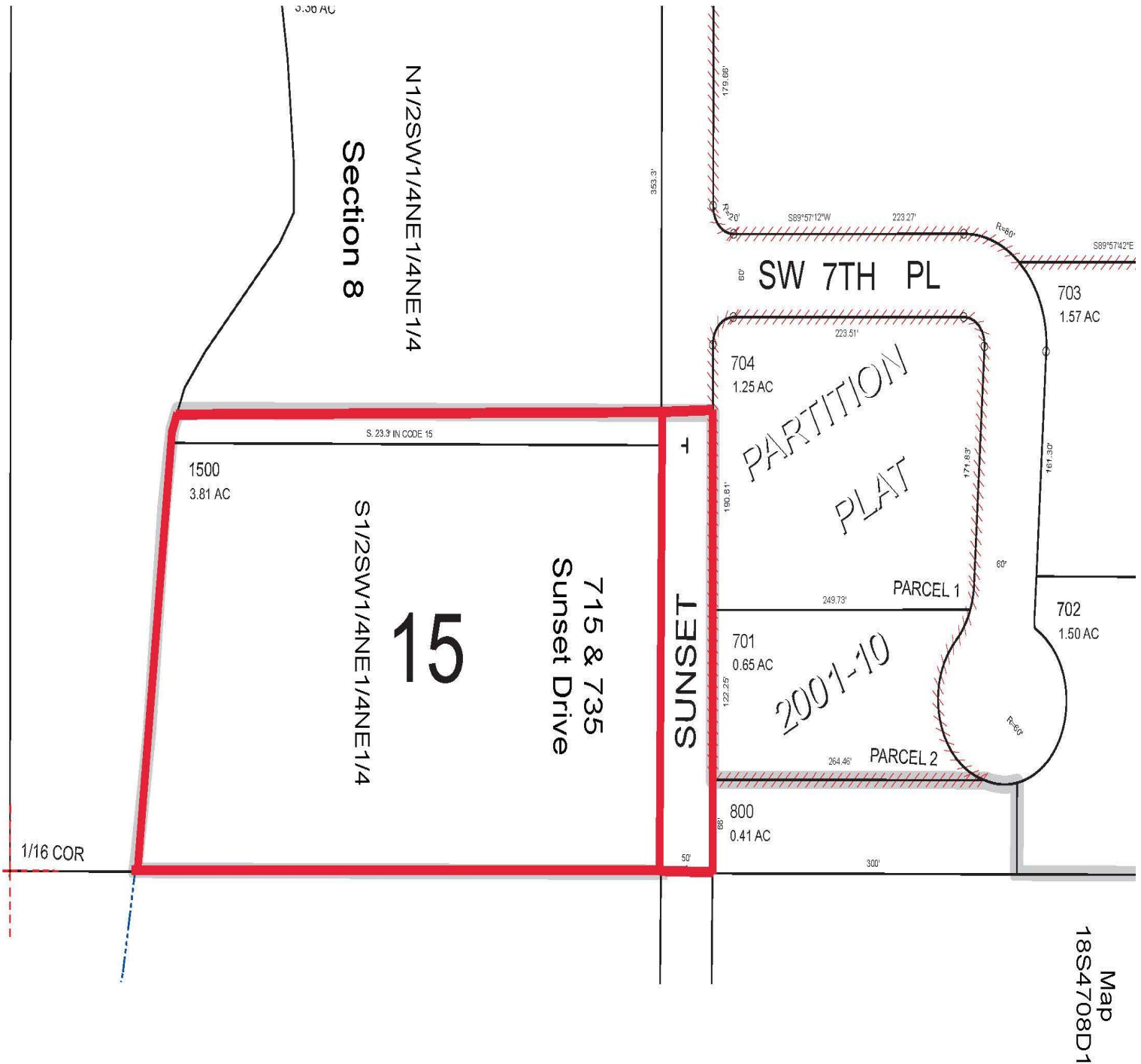
City Action No. 2019-04-34AZ

Land as described in Warrantee Deed 2019-1381 described as being in Malheur County Oregon, in Twp. 18 S., R. 47 E., W.M., Section 8: All that portion of the S1/2SW1/4NE1/4NE1/4 lying East of the Lateral Canal of the Owyhee Ditch Company. EXCEPTING therefrom the North 23.3 feet thereof. TOGETHER WITH the the Right of Way of Sunset Drive and SW 7th Place adjacent to the above described property See Exhibit "B".

END OF DESCRIPTION

Exhibit "B"
Subject property

MAP 18S4708 D1 Tax Lot 1500





**AGENDA REPORT
PUBLIC HEARING
July 16, 2019**

To: Mayor and City Council

FROM: Dan Cummings, Community Development Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: **ORDINANCE #2757-2019: AN ORDINANCE PROCLAIMING THE ANNEXATION AND REZONING OF CERTAIN TERRITORY TO THE CITY OF ONTARIO, BEING A PARCEL WITHIN THE SE1/4 SECTION 33 AND THE SW1/4 SECTION 33 OF TOWNSHIP 17 SOUTH, RANGE 47 EAST, AND THE NW1/4 SECTION 4 AND NE1/4 SECTION 5 OF TOWNSHIP 18 SOUTH, RANGE 47 EAST, W.M., ON FIRST READING BY TITLE ONLY**

DATE: July 11, 2019

PROPOSED MOTION:

APPROVAL:

I MOVE THE CITY COUNCIL ACCEPTS THE FINDS OF FACTS AND RECOMMENDATION OF THE PLANNING COMMISSION ON PLANNING ACTION 2019-05-41AZ AND APPROVE ORDINANCE #2757-2019, AN ORDINANCE PROCLAIMING THE ANNEXATION AND REZONING OF CERTAIN TERRITORY TO THE CITY OF ONTARIO, BEING A PARCEL WITHIN THE SE1/4 SECTION 33 AND THE SW1/4 SECTION 33 OF TOWNSHIP 17 SOUTH RANGE 47 EAST, AND THE NW1/4 SECTION 4 AND NE1/4 SECTION 5 OF TOWNSHIP 18 SOUTH, RANGE 47 EAST, W.M ON FIRST READING BY TITLE ONLY.

DENIAL:

I MOVE THAT THE CITY COUNCIL DENY THE REQUEST FOR ANNEXATION AND REZONE OF THE SUBJECT PROPERTY AS SET FORTH IN PLANNING ACTION 2019-05-41AZ AND ORDINANCE #2757-2019, BASED ON THE FOLLOWING REASONS AND FINDS OF FACTS: (STATE REASONS AND FINDINGS)

SUMMARY:

The applicant owns parcels of land, known as 17S4732DD, Tax lot 800, 801, 802, 803 & 804. The applicants wish to annex and rezone the property into the city for further development of the property and to connect to city sanitary sewer and water as they further develop the

property to its fullest potential. This application, if approved, will result in the annexation of 9.67 Acres plus the right of way for N. Verde Drive Drive and Olds Ferry Highway (Yturri Beltline), into the city and a rezone of the property from Urban Growth Area Residential (UGA RS-50) to City Light Industrial (I-1).

BACKGROUND:

This request for annexation and rezone needs a recommendation for approval or rejection from the Planning Commission to the City Council. The Ontario Municipal Code (OMC) designates the Planning Commission as the decision making body for a request for rezone, without City Council participation. The OMC designates the City Council as the decision making body for a request for annexation, without Planning Commission participation. State Law requires an Ordinance be adopted by the local governing body to accomplish a rezone. The city's governing body is the City Council, and they are the only body that may adopt an Ordinance; therefore, a request for rezone should go before the Council for a final decision. Staff feels that the best procedure is consistency with State Law; therefore, this matter needs a recommendation from the Planning Commission, and then will be forwarded to the City Council for their decision.

A request for annexation and rezone of property may be recommended for approval or denial by the Planning Commission to the City Council if all applicable decision criteria and standards are found to be met, or are able to be met through appropriate conditions of approval. In this case, findings must be made by the Planning Commission that the specific criteria are either met, able to be met through conditions of approval, or not met; options and discussion are provided under "Findings:" and "Conclusion:" for each criterion. All of the criteria and standards must be met in order for the request to be recommended for approval.

On July 8, 2019, at a Public Hearing the Planning Commission heard testimony on Planning Action 2019-05-41AZ and made a motion to approve the findings of facts as presented and sent a recommendation for the City Council to approve the request for annexation into the city and rezone the property from UGA Residential to City Light Industrial (I-1).

CURRENT SITUATION:

The proposed development must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance it is considered to be consistent with the Comprehensive Plan.

Rezone:

The Applicant submitted a detailed Narrative (See attachment "Curtis Zone Change Application Narrative") addressing all the required findings of facts and decision criteria meeting the rezoning requirements of Title 10B-20-30 and Annexation title 10B-45-10.

Rezoning Conclusion: The proposed rezone is consistent with all applicable criteria and standards as stated in attached Narrative.

Annexation:

1. 10B-45-10 INITIATION OF ACTION. When a person, authorized by statute, wishes to extend the city's boundaries, an application on forms supplied by the city shall be filed with the Planning Director and which include: annexation consent forms, by the property owners, and by tenants if required by law or court decision; request for a change in zoning map designation, or plan change if required; request for other quasi-judicial action if required; fees, and other exhibits and requirements for a quasi-judicial action as set forth in this Title. All land use actions associated with the annexation shall be consolidated, as feasible, and one fee paid.
2. Oregon Revised Statute 222.125: Annexation by consent of all owners of land and majority of electors; proclamation of annexation. The legislative body of a city need not call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing otherwise required under ORS 222.120 when all of the owners of land in that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation.

Findings based on the answers and information given in the Application Narrative made a part hereof:

1. The applicants have paid the fees and provided the proper application with signatures.
2. The property is annexable because it lies inside the Urban Growth Boundary and is contiguous with current city limits by annexing in adjacent Public Right of Way.
3. The property is currently zoned for Residential use in the Urban Growth Area; the requested zone, City Light Industrial (I-1), is consistent with contiguous property and findings as per attached Narrative.
4. Findings from preceding sections of this report and attached Narrative are herein included by this reference. A change to the comprehensive plan map or text is not necessary to annex the property, and the annexation of the property is consistent with all applicable Comprehensive Plan Policies.

5. Annexation would benefit the city by increasing tax revenue, and, by providing much needed residential housing building sites.

Conclusion: All criteria and standards applicable to a request for annexation have been met. The property may be annexed.

A request for annexation and rezone of property may be recommended for approval or denial by the Planning Commission to the City Council if all applicable decision criteria and standards are found to be met, or are able to be met through appropriate conditions of approval. In this case, findings must be made by the Planning Commission that the specific criteria are either met, able to be met through conditions of approval, or not met; options and discussion are provided under "Findings:" and "Conclusion:" for each criterion. All of the criteria and standards must be met in order for the request to be recommended for approval. On July 8, 2019 the Planning Commission approved the findings of facts as submitted and made a recommendation to the City Council to Approve the Annexation and Rezoning of the properties under Planning Action 2019-05-41Az.

CONDITIONS OF APPROVAL:

1. The approval of the annexation and rezone granted herein is valid for a period of one year from the date the decision of the Council is final; that final decision date shall be the date of expiration of the 21-day period for appeal to LUBA as required by Oregon Revised Statute and as noted in the Notice of Decision for this request at it Public Hearing.
2. The owner will sign a lien causing any unpaid Utility bill to be a lien against the property once connected to city sewer and water.

ANALYSIS:

- A. **STRATEGIC PLAN** This action is consistent with the City Council Strategic Plan by providing Desirable Industrial lands allowing new Growth to the City of Ontario.
- B. **FINANCIAL** Annexation will benefit the city by increased tax revenue as well as provide needed industrial lands to promote new jobs.
- C. **TIMING** This annexation and rezoning is a much needed action as one of the last pieces of Light Industrial lands within the City Limits is currently under development

in this area proving the need for more dirt ready industrial lands.

- D. **POLICY/LEGAL** The quasi-judicial Zoning Map amendment procedures are designed and authorized to adjust zone boundaries and create new zoning classifications on the official Zoning Map within areas on the land use plan indicated for the uses allowed by the map change. Such changes shall be in conformity with the land use goals of the state. The decision of the Planning Commission shall be the final decision of the city unless an appeal is filed as authorized by this Title. (LANGUAGE IN 10B-10-05 SUPERSEDES THIS LANGUAGE) WHICH IS: The ultimate decision-making authority for legislative actions and zone changes brought under the provisions of this Title shall rest with the City Council. Certain actions of the Planning Commission are in the form of a recommendation to the City Council. The land use actions for which the Commission provides only a recommendation to the Council are amendments of the comprehensive plan and zoning ordinances or Zoning Map.

ALTERNATIVES:

1. The Council could, by motion, based on public testimony or need for more clarification, refer this matter back to the Planning Commission.
2. Table and continue this item to a future date certain meeting, to obtain clarification on issues raised at this Public Hearing

RECOMMENDATION:

Staff recommends that the City Council accepts the recommendation and Conditions of Approval from the Planning Commission on Planning Action 2019-05-41AZ and approve Ordinance #2757-2019.

ATTACHMENTS:

1. Curtis Zone Change Application Narrative
2. Ord #2757-2019

Curtis Zone Change Application Narrative

Prepared by Winterbrook Planning
Submitted August 10, 2018



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b.	The zoning map amendment is in conformity with the acknowledged comprehensive plan. 12	
c.	The applicant has demonstrated a mistake or error in the original zone designation or the applicant has demonstrated a change in physical, social or market conditions generally affecting the area which make the proposed change appropriate.	18
d.	A public need is demonstrated for this zoning at this location and is not the granting of a special privilege for a single property or small group of properties.	19
e.	The property affected by the change is adequate in size and shape to facilitate its use and development as permitted under the new zoning classification.	19
f.	The property affected by the proposed change of zone is properly related to streets and public facilities and with services adequate to meet the demands of the uses allowed in the new zone	19
g.	The proposed zoning map change will not result in adverse effects upon surrounding properties or surrounding uses from dust, noise, vibration, odor, heat, glare, lighting, or discharges into the air, water or land.	20
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I. GENERAL INFORMATION:

PROPOSAL: This consolidated land use application has two parts:

1. Amend the Ontario Comprehensive Plan / Zoning Map from the Malheur County UGA Residential to City Light Industrial (O-I1);
2. Annex the vacant 9.7-acre site (and adjacent street right-of-way) to the city of Ontario.

Appendix A includes the signed non-revocable annexation agreement and the legal description prepared by Community Development Director Dan Cummings for the properties to be annexed.

PROPERTY OWNER: Linda and Gordon Curtis, 1015 N. Verde Drive, Ontario, Oregon 97914.

PROPOSED USE: The owners anticipate that the property will be used for indoor or outdoor storage – much like the light industrial site across Yturri Beltline.

SUBJECT PROPERTY: The proposed zone change is for **Tax Lots 800 and 801** (17S 47E Map 32DD).



Tax lot numbers are shown in the upper left-hand corner on the map to the left. The two tax lots have about 9.7 acres and are located west of N. Verde Drive.

The “cherry stem” annexation would also include N. Verde Drive and Malheur Drive right-of-way to provide contiguity with the existing Ontario City Limit to the south.

Both tax lots were divided by the Oregon Department of Transportation (ODOT) to facilitate the construction the Yturri Memorial Beltline and rerouting and widening of the N. Verde Drive access to the Beltline.

II. SUMMARY & BACKGROUND INFORMATION:

Figure 1 Site Location and Zoning



Proposed Comprehensive / Zoning Map Amendment

As shown on **Figure 1**, Tax Lots 800 and 801 (tax lot numbers are shown on the aerial photo) are located west of N. Verde Drive and are now zoned in Malheur County as UGA Residential (red speckles). As shown on **Figure 3** (p. 14 of this narrative), most of Tax Lot 801 is within the 100-year floodplain.

- Except for the Curtis' property, land abutting the intersection of Yturri Beltline and N. Verde Drive is zoned for light industrial (blue speckles) or employment (yellow and aqua-marine speckles) rather than residential uses (red speckles).
- The applicant proposes to rezone their two tax lots to City Light Industrial (O-I1 – blue speckles), consistent with the light industrial zoning of properties to the north and south, and with employment zoning (yellow and green speckles) further to the north and to the east.

Surrounding Land Use and Zoning

Except for the subject tax lots (800 and 801), land near the intersection of Yturri Beltline and N. Verde Drive is zoned for employment uses.

- North: The two tax lots properties directly north of Tax Lots 800 and 801 are zoned UGA Light Industrial (O-I1+). Land further to the north is zoned for Employment (E5).
- South: The seven tax lots directly south of and across Yturri Beltline are also zoned O-I1+ and currently being used as a storage yard. Land to the southeast (south of Malheur Drive) is zoned Residential.
- East: The two tax lots directly east of Tax Lots 800 and 801 are zoned for Employment (E2). Land to the southeast (across Yturri Beltline) is also zoned for Employment (E5).
- West: Land to the west, along Erlebach Way is zoned UGA Residential.

Malheur Drive Vacation

Malheur Drive west of N. Verde Drive and south of Yturri Beltline is in the process of being vacated. A small (0.29 acres) portion of Tax Lot 800 abuts Malheur Drive – and has access from N. Verde Drive. At the request of Community Development Director Dan Cummings, this portion of Malheur Drive will also be annexed to the City. If the vacation request is approved, Malheur Drive ownership would revert to property owners to the north and south – which would allow the vacated street to be use for employment purposes.

Linda and Gordon Curtis intend to deed the southern (0.29 acre) portion of Tax Lot 800 to Ty Curtis, who owns the storage yard served by Malheur Drive – south of Yturri Beltline. If the Malheur Drive vacation is approved, the vacated street and the 0.29-acre portion of Tax Lot 800 will be rezoned O-I1, which will allow expansion of this existing Light Industrial use.

III. APPLICABLE CRITERIA AND STANDARDS:

Annexations must meet the statutory requirements of **ORS 222** and are subject to the procedural requirements of the Ontario – Malheur County Urban Growth Management Agreement (UGMA). Zone changes must meet the requirements of **Section 10-20-30** of the Ontario Zoning Ordinance (OZO), including applicable Comprehensive Plan policies, Statewide Planning Goals and Administrative Rules.

A. Annexation

1. Joint Management Agreement Requirements

The City of Ontario and Malheur County Joint Growth Management Agreement (GMA) requires review and comment by a “Joint Technical Review Committee” (JTRC) prior to the preparation of staff reports or administrative decisions.

- 4) *A Joint Technical Review Committee (JTRC) shall be established by the City and the County to coordinate land use decisions in the UGA and URA.*
 - a) *At a minimum, the JTRC will consist of representatives from the planning and public works staffs of the City and the County. In addition, other representatives may participate as appropriate, including, but not limited to, the County Sanitarian, County Assessor, public safety officials, economic development officials and representatives from special districts such as school districts or irrigation districts.*

The chair of individual meetings shall be the Planning Director from the jurisdiction with lead authority for the issues under review.

b) The JTRC shall review all land use applications prior to the preparation of a staff report or administrative decision. The purpose of this review is to identify and agree on applicable policies and development standards and specific issues to be addressed by the applicant. This review may occur prior to the submission of an application, similar to a pre-application conference.

Findings: The JTRC will review this application narrative and make a recommendation regarding this application.

2. Statutory Requirements

1. *10B-45-10 INITIATION OF ACTION. When a person, authorized by statute, wishes to extend the city's boundaries, an application on forms supplied by the city shall be filed with the Planning Director and which include: annexation consent forms, by the property owners, and by tenants if required by law or court decision; request for a change in zoning map designation, or plan change if required; request for other quasi-judicial action if required; fees, and other exhibits and requirements for a quasi-judicial action as set forth in this Title. All land use actions associated with the annexation shall be consolidated, as feasible, and one fee paid.*
2. *Oregon Revised Statute 222.125: Annexation by consent of all owners of land and majority of electors; proclamation of annexation. The legislative body of a city need not call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing otherwise required under ORS 222.120 when all of the owners of land in that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation.*

Findings: Appendix A includes a nonrevocable annexation agreement signed by the property owners and a “metes and bounds” description of the property to be annexed. The applicants appreciate the assistance provided by Community Development Director Dan Cummings in preparing this description.

The property is annexable because it (a) lies inside the Urban Growth Boundary, (b) can be provided immediately with sanitary sewer and water improvements; and (c) with inclusion of N Verde and N Malheur Drive street rights-of-way is contiguous with the current city limits.

Conclusion: All criteria and standards applicable to a request for annexation have been met; the property may be annexed.

B. Comp Plan / Zoning Map Amendment Criteria

Section 10B-20-30 REQUIRED FINDINGS, DECISION CRITERIA. In preparing findings to support a quasi-judicial zoning map amendment decision, the following findings shall be addressed except when alternatives are set forth or where a required finding clearly does not apply to the current action:

- a. The zoning map amendment is in conformance with statewide planning goals and guidelines.*

Findings: Statewide Planning Goals 1 (Citizen Involvement), 2 (Land Use Planning), 7 (Natural Hazards), 9 (Economic Development), 10 (Housing), 11 (Public Facilities and Services), 12 (Transportation) and 14 (Urbanization) are applicable to this zone change application.

Statewide Planning Goals 3 (Agricultural Lands), 4 (Forest Lands), 5 (Natural Resources), 6 (Air, Land and Water Resource Quality), 8 (Park and Recreational Needs), 13 (Energy Conservation), 15 (Willamette River Greenway), and 16-19 (Coastal Goals) are not applicable to or will have no significant impacts from the proposed zone change.

Statewide Planning Goal 1 requires that the city provide opportunities for public comment on quasi-judicial land use decisions. Goal 2 will be met because the public hearings before the Planning Commission and City Council for this zone change will be duly notified in accordance with Ontario Zoning Ordinance **Section 10A-47-110 – Public Hearings**.

Conclusion: The application will be consistent with Goal 1 (Citizen Involvement) provided that public notice is properly given and that members of the public be given the opportunity to comment on this proposal through the planning commission and city council public hearing processes.

Statewide Planning Goal 2 requires coordination among governmental agencies, an adequate factual basis for decision-making, and consistency with the Ontario Comprehensive Plan.

- Goal 2 is met because city staff provided 35-day notice of the initial public hearing to the Department of Land Conservation and Development.
- City staff coordinated with Malheur County staff as required by the Growth Management Agreement.
- The zone change application will be reviewed by the Ontario JTRC (Joint Technical Review Committee) along with the annexation application.
- This application narrative provides an adequate factual basis for approval of the proposed zone change.
- As documented below, the zoning map amendment is consistent with the acknowledged Ontario Comprehensive Plan.

Statewide Planning Goal 7 requires that cities identify potential natural hazards and adopt measure to ensure public safety.

Most of Tax Lot 801 is within the 100-year floodplain. Development of land within the floodplain will be subject to Ontario Zoning Ordinance **Section 10A-47-110**, which requires that non-residential development be flood-proofed or that the habitable floor of buildings be constructed at least one foot above the base flood level as determined by the Federal Emergency Management Agency (FEMA).

Conclusion: Goal 7 (Natural Hazards) is met because land within the floodplain is subject to regulations to protect life and property within the 100-year floodplain.

Goal 9 requires that cities provide sufficient suitable land for planned economic development consistent with the Ontario Comprehensive Plan.

- The Ontario Economic Opportunities Analysis (2006) identifies industrial and commercial land need.
- The Ontario Comprehensive Plan (Table 14-4) compares land need with buildable land supply and identifies a 21.5-acre shortage of industrial land within the Ontario UGB.
- The proposal is to rezone approximately 9.7 acres of land to Light Industrial (O-I1) of which about 5 acres is considered “buildable”; the remainder is considered “unbuildable” for planning purposes because it is located within the 100-year floodplain.
- This decision will reduce the industrial land deficit from 21.5 buildable acres to 16.5 buildable acres.

Conclusion: The proposed zone change is consistent with Goal 9 (Economic Development) because it will reduce the deficit of industrial land within the Ontario UGA.

Statewide Planning Goal 10 requires that cities provide sufficient buildable residential land to meet identified housing needs.

- The Ontario Comprehensive Plan (Section 10-10-3 Residential Buildable Lands Supply) concludes that the UGB has sufficient buildable land to meet the City’s 20-year land need. As discussed under Goal 14, land within the 100-year floodplain is not considered buildable.
- The Ontario Comprehensive Plan (Table 14-4) identifies a surplus of 35 buildable residential acres within the Ontario UGB.
- The subject property has a generalized UGA Residential plan/zone designation – meaning that the site potentially could have one of several city zoning districts when the land is annexed to the City.
- The proposal is rezone approximately 9.7 acres from UGA Residential to City Light Industrial. Approximately 4.7 acres are outside the 100-year floodplain and are considered buildable for planning purposes.
- The rezone will reduce the *surplus* residential buildable land supply from 35 buildable acres to approximately 30 buildable acres.

- There have been no zone changes involving vacant, buildable residential land since the comprehensive plan was amended in 2006-07.
- Population growth has been considerably lower than projected in the Residential Land Needs Analysis and Comprehensive Plan, meaning that less land will be needed for housing over the next 20 years than projected in these documents.¹

Conclusion: The proposed zone change is consistent with Goal 10 (Housing) because there is a surplus of residential land within the Ontario UGB.

Statewide Planning Goal 11 requires that public facilities be available and adequate to serve planned land uses.

- Based on discussions with Community Development Director Cummings, and as shown Figure 4, sanitary sewer and water lines are located in the abutting N. Verde Street right-of-way and are adequate to serve proposed industrial uses on the site.
- These services will be available upon annexation to the City.
- The property owner will be responsible for on-site retention of stormwater runoff resulting from proposed development.

Conclusion: The proposed zone change is consistent with Goal 11.

Statewide Planning Goal 12 requires that the zone change not have a significant adverse impact on transportation facilities that serve the site.

As shown on Figure 2 below, this site is accessed from N. Verde Drive (a major collector street) via the Yturri Beltline (an arterial street). The Verde Drive / Yturri Beltline intersection has been recently reconstructed, with left- and right-turn refuge lanes and a traffic signal. This intersection currently operates at LOS D or better during the morning and peak hour periods – which is consistent with the standard set forth in the Ontario Comprehensive Plan.

The existing zoning allows residential development at up to 8 dwelling units per net buildable acre. Assuming 20% of the 12.7-acre site will be devoted to streets, the reasonable worst-case scenario for residential development of this site would be 62 single-family dwelling units – or about 620 vehicle trips per day. Many of these trips would occur during the morning and evening peak hours.

¹ Ontario's 2007 Residential Land Needs Analysis was based on a 2027 UGB population projection of 13,451 (Comprehensive Plan, Table 14-1).

- Actual population growth has fallen far short of this projection. PSU's 2016 population estimate for the urban growth area is 12,552. Since 2000, Ontario's population has increased by 272 – at an average annual growth rate of less than 0.1%.
- In 2015, state law changed to require cities to rely on UGB population projections provided by Portland State University's Center for Population Research.
- Ontario's 2035 coordinated population projection (12,763) is considerably less than that 2027 population projection adopted as part of the Comprehensive Plan in 2007.

Thus, for Statewide Planning Goal 10 purposes, Ontario has more than an adequate supply of buildable residential land within its existing UGB to meet 20-year growth needs.

The owners propose to use the site for outdoor storage – in part because the northern half of the site is within the 100-year floodplain. However, because the site will have sanitary sewer and water service, it could be used more intensively for indoor, individual storage units. The site could reasonably accommodate about 500 individual storage units.

Figure 2 Yturri Beltline | N. Verde Drive Intersection Configuration



We used the ITE Trip Generation Manual (Tenth Edition) to determine the relative impact on daily and peak-hour trips. As shown on Table 1 below, 100 storage units generate about 18 daily trips; 500 units would generate about 80 daily trips.

This amounts to about 13% of the daily vehicle trips that would be generated by a single-family subdivision with 62 units. Because tenants visit their units more often on week-ends and tend to avoid peak hour trips, the estimated number of morning peak hour trips is low (15), and the estimated evening peak hour trips is only slightly higher (25). Thus, the traffic impacts from the reasonable worst-case light industrial scenario are considerably less than the impacts that would result from Low Density Residential development on this site. For this reason, the proposed zone change will not have a significant impact on major streets or intersections serving the site.

As noted in the discussion of the Transportation element of the Ontario Comprehensive Plan below, the Ontario Zoning Ordinance does not require a transportation impact analysis (TIS) for projects that generate fewer the 600 daily trips. Thus, a TIS *would* be required for residential development of the subject properties but *would not* be required for light industrial development

on this site (because many fewer trips would be generated under the reasonable worst-case scenario).

Table 1 Trip Generation Calculations for Personal Storage Units

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1e

TRIP GENERATION CALCULATIONS

Land Use: Mini-Warehouse
Land Use Code: 151
Setting/Location: General Urban/Suburban
Variable: Storage Units (100s)
Variable Value: 2.5

AM PEAK HOUR				PM PEAK HOUR			
<i>Trip Rate:</i> 1.39				<i>Trip Rate:</i> 1.95			
	Enter	Exit	Total		Enter	Exit	Total
Directional Distribution	51%	49%		Directional Distribution	50%	50%	
Trip Ends	2	1	3	Trip Ends	3	2	5

WEEKDAY				SATURDAY			
<i>Trip Rate:</i> 17.96				<i>Trip Rate:</i> 16.29			
	Enter	Exit	Total		Enter	Exit	Total
Directional Distribution	50%	50%		Directional Distribution	50%	50%	
Trip Ends	22	22	44	Trip Ends	20	20	40

Source: TRIP GENERATION, Tenth Edition

Conclusion: The proposed zone change will not significantly impact a state highway or major streets in Ontario; therefore, the proposal will not violate Goal 12 (Transportation).

Statewide Planning Goal 14 requires that urban development be confined within urban growth boundaries and that cities and counties coordinate development within their shared UGB. The proposed annexation will occur within the Ontario UGB and, as demonstrated in the Goal 2 discussion above, development review will be fully coordinated with Malheur County staff based on a mutually adopted growth management agreement.

As documented in the Goal 9 and 10 findings, the zone change will create a closer correlation between residential and employment land need and supply within the UGB by: (a) reducing the existing deficit of buildable² light industrial land from 21.5 to approximately 16.5 acres; while (b) reducing the surplus of buildable residential land from 35 to about 30 acres.

Conclusion: The proposed zone change is consistent with Goal 14 (Urbanization).

Overall Statewide Planning Goal Conclusion: The proposed zone change is consistent with applicable statewide planning goals based on the factual evidence and analysis presented above.

b. The zoning map amendment is in conformity with the acknowledged comprehensive plan.

Findings: The Ontario Comprehensive Plan includes several policies that support the proposed zone change and no policies that are directly opposed to the proposed zone change. Each relevant policy is quoted in *italic font* below followed by findings explaining how the proposal addresses the policy.

Citizen Involvement Policies (10-1-5)

5) The Ontario City Planning Commission shall act as the committee for citizen involvement.

6) The Council may of its own choice, or may upon the recommendation of the Commission, appoint such ad hoc citizen or agency committees, task forces, or other citizen or agency committees, task forces, or other advisory groups as are necessary to accomplish the planning needs of the community.

7) The Planning Director shall be responsible for assuring that adequate publicity and information is available to the public and parties affected by planning related actions of the City. The Planning Director shall maintain contact with agencies that may have an interest in planning related actions.

Findings: The Ontario Planning Commission will be making a recommendation to the City Council on this matter. Public hearings before both bodies will be required. The Planning Director will prepare the staff report to both bodies which will be available at least seven days before publicly-noticed hearings. These policies will be met.

² Ontario Comprehensive Plan Policy 10-7-4 – Flooding and Steep Slope Hazard Policies, land is not considered “buildable” for long-range planning purposes if it is located within the 100-year floodplain.

Land Use Planning Policies (10-2-4 through 10-2-5)

- 4. The land use planning process shall be utilized to assure an adequate supply of land, properly serviced, for the various residential, commercial, industrial, recreational and institutional needs of the community.*
- 5. Land use planning decisions, particularly quasi-judicial actions shall be in harmony with the policies adopted in this document.*
- 3. New development shall not be scattered and disjointed so as to increase the costs of supplying services and facilities.*
- 4. Utility extension policies shall be designed and administered so as to enforce compact development. Urban type development shall be discouraged on land that cannot be efficiently supplied with municipal utilities at the time of occupancy.*

Findings: The proposed zone change from UGA Residential to City Light Industrial will redress an existing imbalance between land need and supply within the Ontario UGB. As documented above and in Table 14-4, there is currently a surplus of residential land and a deficit of industrial land within the UGB. The remainder of this document demonstrates that the proposed zone change is in harmony with applicable comprehensive plan policies.

As discussed under Statewide Planning Goal 11 above, sewer and water lines are in the N. Verde Drive right-of-way adjacent to the site. N. Verde Drive and its intersection with the Yturri Beltline have been reconstructed to meet city design standards, including left- and right-turn lanes and a traffic signal. Thus, the site can be served efficiently when and if development occurs on the site.

Residential and Industrial Land Use Policies (10-2-6 and 10-2-8)

- 1. Residential areas shall be planned so they do not intrude into industrial areas or predominantly commercial areas.*
- 1. Industrial areas shall be protected from encroachment by incompatible land uses.*
- 2. The land use plan shall designate industrial sites of a variety of sizes to provide ample space for new industries, expansion of existing industries, and to provide for competition in the industrial land market.*
- 3. Industrial sites shall be functionally related to existing or proposed transportation systems. Access through residential areas shall be avoided.*
- 4. Industrial sites shall be grouped to facilitate service by utilities and public safety services.*
- 5. Industrial developments shall provide design features or buffers that protect adjacent non-industrial properties from adverse effects.*
- 7. The lands most suitable for industry shall be protected from intrusion of residential uses.*

Findings: Tax Lots 800 and 801 are currently zoned for residential use - but abut industrial land on three sides. Thus, these two tax lots “intrude” into an existing industrial area, which is inconsistent with Residential Policy 1 and Industrial Policies 1 and 7 above. If the subject properties remained residentially-zoned, traffic from nearby industrial development to the north

and east would need to pass by these two lots to reach Yturri Beltline, which would be inconsistent with Industrial Policy 3 above.

If this zone change is approved Tax Lots 800 and 801 will provide suitable industrial land that is “functionally related to the proposed transportation system” because it has direct access to a major collector (N. Verde Drive) and an arterial (Yturri Beltline) street. As documented above, these industrial sites abut city sewer and water lines that serve nearby industrial land and development. Thus, this zone change is consistent with Industrial Policies 2-4 above.

As documented in the introduction to this narrative, the subject properties (Tax Lots 800 and 801) are now zoned in Malheur County as UGA Residential. Except for the Curtis’ property, all land abutting the intersection of Yturri Beltline and N. Verde Drive is zoned for employment rather than residential uses. Changing the zoning from residential to light industrial is consistent with Industrial Policy 4, which calls for grouping of industrial sites to facilitate service by utilities.

Zoning land on both sides of N. Verde Drive for industrial/employment uses will reduce the length of the borders separating industrial from residential land, which means that less area needs to be buffered to protect adjacent residential land.

In summary, the Curtis residentially-zoned properties extend into an area that is zoned for industrial/employment use. Changing the zoning from residential to industrial meets Residential and Industrial Land Use Policies by (a) reducing conflicts between these two uses, (b) facilitating the provision of sewer and water service to the area, and (c) utilizing adjacent collector and arterial streets (N. Verde Drive and the Yturri Beltline) for employment purposes.

Flooding and Steep Slope Hazard Policies (10-7-4)

1. The City recognizes that land within the 100-year floodplain has been inappropriately designated for urban uses in the past, resulting in the loss of flood storage capacity and potential hazards to life and property. The City, therefore, is committed to working with Malheur County to avoid this mistake in the future. a. The City will not propose future UGB expansions for residential, commercial or industrial uses within the flood hazard zones (100-year floodplains) of the Snake or Malheur Rivers. b. Industrial land within the 100-year floodplain is not considered suitable for meeting the City's long-term employment needs. c. Residential land within the 100-year floodplain is not considered buildable for residential purposes. d. The City will actively pursue the creation of a flood storage and wetland mitigation bank on public land, to compensate for the loss of flood storage capacity and wetland values resulting from urban development within floodplain areas.

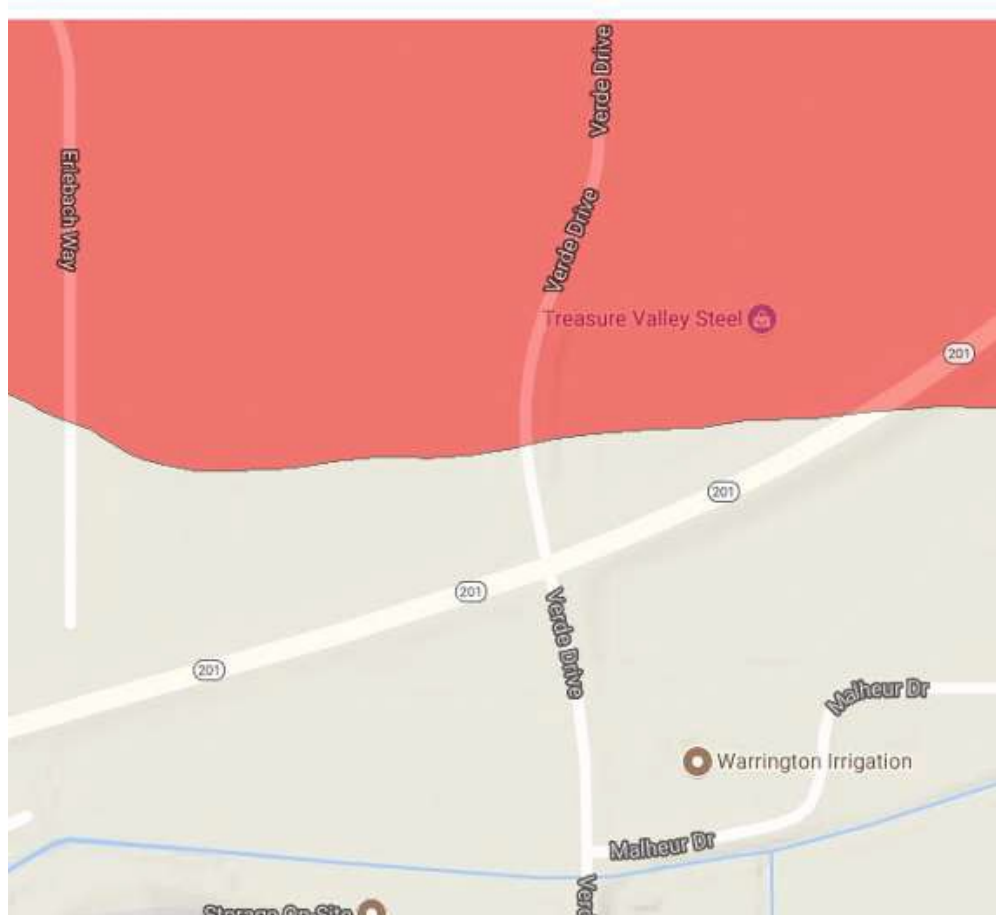
2. The City, in cooperation with State and Federal agencies, shall continue to collect and refine information bearing on the delineation of areas of potential flooding.3. The City shall continue to maintain and enforce development regulations designed to protect life and property from flooding.

3. The City shall continue to maintain and enforce development regulations designed to protect life and property from flooding.

Findings: The 100-year floodplain in relation to Tax Lots 800 and 801 is shown in Figure 3 below. For purposes of calculating the buildable land supply, land within the 100-year floodplain is not considered “buildable”. However, development on industrial land within the floodplain may occur on a limited basis consistent with Ontario Zoning Ordinance Section 10A-47-110 – Nonresidential Construction.

The northern portion of the property (including Tax Lot 800) is within the floodplain and will be subject to Ontario Zoning Ordinance Section 10A-47-110 – Nonresidential Construction. This section requires that non-residential development either be flood-proofed or that habitable floor areas be constructed at least one foot above the base flood elevation, as determined by a licensed engineer.

Figure 3 Location of Floodplain in Relation to Subject Properties



Conclusion: Consistent with Goal 7 (Natural Hazards), the northern portion of the Curtis property that is within the 100-year floodplain will be subject to review for compliance with Ontario Zoning Ordinance provisions related to floodplain hazard mitigation.

Public Facilities Policies (10-11-5)

3) Parcels of land outside the City limits shall not be annexed if the uses anticipated in those areas would jeopardize the availability and efficiency of facilities to areas already within the City boundaries.

5) Information regarding system and line capacities shall be among the considerations used in making immediate and long range land use decisions. The capital improvement program and land use policies shall assure that all facilities will be efficiently utilized.

8) Development proposals for industrial or commercial uses shall include descriptions of water and sewer requirements. Provisions for financing shall be developed in accordance with the City's ordinances and policies.

Findings: Based on discussions with CD Director Cummings, sanitary sewer and water lines are in the abutting N. Verde Drive right-of-way and are adequate to serve proposed industrial uses on the site. These services will be available upon annexation to the City.

No development is proposed at this time. If sanitary sewer and water service are necessary to support a specific light industrial development proposal in the future, the developer will need to describe water and sewer requirements for the project and pay City connection fees.

Conclusion: The proposed zone change is consistent with applicable public facilities policies because sanitary sewer and water lines are immediately available to serve the site.

Transportation Policies (10-12-4)

1) Establish a transportation system that can accommodate a wide variety of travel modes and minimizes the reliance on any one single mode of travel.

2) Properly plan transportation infrastructure to meet the level of service set for each type of facility.

3) Maintain a level of service standard of LOS D or better for signalized intersections and a level of service of LOS E at unsignalized intersections if the intersection does not meet the most current Manual of Uniform Traffic Control Devices (MUTCD) signal warrants. If the intersection meets signal warrants, then the level of service standard for the unsignalized intersection shall be LOS D. At least two MUTCD signal warrants shall be met prior to consideration of signalization. A traffic study shall be conducted to analyze the potential installation of a signal that includes average daily traffic counts by hour on all intersection approaches, a signal warrant analysis based on the most recent MUTCD, and any other factors identified by a traffic engineer deemed as a factor for signalization such as poor sight distance, vehicle travel speed, and intersection geometric conditions.

For Oregon Department of Transportation (ODOT) facilities, the City of Ontario shall defer to ODOT mobility standards described in the most recent version of the Oregon Highway Plan.

4) Develop a local street plan to preserve future rights-of-way for future streets and to maintain adequate local circulation in a manner consistent with Ontario's existing street grid system.

5) Require developments to construct their accesses consistent with the local street plan.

6) *Develop an access management policy for the local arterial system and direct commercial development access to local streets wherever possible.*

Findings: This site is accessed from N. Verde Drive (a major collector street) via the Yturri Beltline (an arterial street). The Verde Drive / Yturri Beltline intersection has been recently reconstructed, with left- and right-turn refuge lanes and a traffic signal. This intersection currently operates at LOS D or better during the morning and peak hour periods.

At this point, the owners propose to use the site for outdoor storage – in part because the northern half of the site is within the 100-year floodplain. However, because the site will have sanitary sewer and water service, it could be used more intensively for indoor, individual storage units. The site could reasonably accommodate about 500 individual storage units.

We used the ITE Trip Generation Manual (Tenth Edition) to determine the relative impact on daily and peak-hour trips. As shown on the following page, 100 storage units generate about 18 daily trips; 500 units would generate about 80 daily trips. This amounts to about 13% of the trips that would be generated by a single-family subdivision with 62 units. Because tenants visit their units more often on week-ends and tend to avoid peak hour trips, the estimated number of morning peak hour trips is low (15), and the estimated evening peak hour trips is slightly higher (25).

If a proposed light industrial use will generate more than 600 daily trips (which is extremely unlikely on this 9.7-acre site), the developer will need to prepare a transportation impact statement as required by the Ontario Zoning Ordinance Section 10C.25-06.002.³

Conclusion: The proposed zone change is consistent with applicable Goal12 transportation policies because light industrial development typically has relatively low trip generation (compared with urban residential development) and the site is well-served by N. Verde Drive (a major collector) and Yturri Beltline (an arterial).

³ **10C-25.06.002 - When a Transportation Impact Analysis is Required.** *A TIA shall be required when: a) A proposed development generates 600 or more daily trip ends or 100 or more hourly trip ends, as defined by the Institute of Transportation Engineers (ITE), Trip Generation Manual or trip generation studies of comparable uses prepared by an engineer. b) The development is expected to impact intersections that are currently operating at the upper limits of the acceptable range of level of service during the peak operating hour. c) The development is expected to significantly impact adjacent roadways and intersections that have previously been identified as high crash locations or areas that contain a high concentration of pedestrians or bicyclists such as school zones.*

Urbanization – Comparison of Land Need and Supply (10-14-6)

As noted in the Goal 14 discussion above, the Ontario UGB has a shortage of industrial land and a surplus of residential land. Comprehensive Plan Table 14-4 compares land use need and supply within the Ontario UGB.

Table 14-4: Ontario Land Need and Supply 2006-2026 (Revised 2013)

Generalized Land Use	Buildable Acres		
	Need	Supply	Surplus (Deficit)
Commercial	242.9	254.1	(11.2)
Industrial	485.8	507.3	(21.5)
Rail-Dependent Industrial	245.0	250.0	(5.0)
Public Facility	114.9	184.0	(69.1)
Residential	627.9	593.4	34.5
TOTAL	1,716.5	1,788.8	(72.3)

Conclusion: The proposed zoning change from Residential (which has a surplus of 34.5 acres) and Industrial (which has a deficit of 21.5 acres) is consistent with Goal 14 because it will result in a more balanced relationship between land need and supply as set forth in Table 14-4.

c. The applicant has demonstrated a mistake or error in the original zone designation or the applicant has demonstrated a change in physical, social or market conditions generally affecting the area which make the proposed change appropriate.

Findings: The two properties have been zoned for residential use since 2007 and have not developed for that purpose. The property owners have no interest in developing the property for residential use and believe that the highest and best use of the properties is Light Industrial.

As documented in the Goal 14 above, population growth has not occurred as rapidly as predicted in 2007. There is correspondingly less demand for residential land within the UGB – especially at this location, which is well-suited for industrial development. By rezoning the subject properties from residential to light industrial, these tax lots are more likely be used for employment purposes. If additional employment comes to the community, residential development is likely to follow.

d. A public need is demonstrated for this zoning at this location and is not the granting of a special privilege for a single property or small group of properties.

Findings: Public need is determined by demonstrating compliance with the publicly-adopted comprehensive plan. In this narrative, the applicant has shown that there is a deficit of industrial land and a surplus of residential land based on **Table 14-4** of the comprehensive plan.

According to **Table 9-2** of the Ontario Comprehensive Plan, there are only 4.9 acres of buildable Light Industrial (I1) land (outside the floodplain) available for development within the entire UGB. Rezoning an additional 5 acres will provide more choice for this type of industrial development.

The applicant has also shown that the two properties are better suited for industrial use than residential use, based on Residential and Industrial Land Use Policies (10-2-6 and 10-2-8).

Conclusion: For the above reason, there is a public need for the proposed zone change at this location.

e. The property affected by the change is adequate in size and shape to facilitate its use and development as permitted under the new zoning classification.

Findings: The two tax lots are rectangularly shaped and large enough by themselves, or combined, to accommodate a variety of industrial / storage uses. As shown on Table 9-2, each of two tax lots are larger than any other vacant I1 properties within in the City.⁴

f. The property affected by the proposed change of zone is properly related to streets and public facilities and with services adequate to meet the demands of the uses allowed in the new zone.

Findings: As shown on Figure 4 sanitary sewer (green) and water (blue) lines are located within the N. Verde Drive right-of-way adjacent to site. Community Development Director Cummings has confirmed that these lines have adequate capacity and pressure to serve the subject properties. The property owners will need to pay City connection fees to connect to sewer and water lines constructed below N. Verde Drive.

The properties are extremely well-served by transportation facilities: the site has direct access to N. Verde Drive, a major collector street that connects with Yturri Beltline immediately to the south. Because there will be no significant impacts on these facilities from the “worst case” development scenario for these properties, no transportation improvements are necessary to serve the site.

⁴ A large area north of the site is zoned UGA I1. However, this area is entirely within the floodplain, lacks sewer and water service and does not have direct access to Yturri Beltline.

Figure 4 Sewer and Water Lines Serving Subject Properties



g. The proposed zoning map change will not result in adverse effects upon surrounding properties or surrounding uses from dust, noise, vibration, odor, heat, glare, lighting, or discharges into the air, water or land.

Findings: As documented above, overall the proposed zoning change will reduce conflicts between industrial and residential development for properties served by N Verde Drive. Although the specific light industrial use for the properties is unknown, the owners believe that there is a market for storage of personal property (e.g., RVs, boats, etc.) on the site.

Any external impacts from the development and light industrial use of the site must meet City performance standards related to mitigation of impacts from dust, noise, vibration, odor, heat. Glare, lighting or discharges into the air, water or land, as set forth in the Ontario Zoning Ordinance, **Section 10A-39.30 Performance Standards**⁵ as well as Oregon Department of Environmental Quality environmental standards.

The Ontario Zoning Ordinance includes provisions for buffering of planned light industrial development and existing residential development (in this case the large lot homes fronting N Erlebach Way). The deep tax lots provide sufficient space to provide buffers between existing residential development and future light industrial development of the subject properties.

⁵ **10A-39-30 - PERFORMANCE STANDARDS.**

*Each structure or use permitted of right or conditionally in the I-1 Zone shall meet the following performance standards: 1. **Physical appearance.** With the exception of gasoline pumps, all operations other than pickups and deliveries shall be carried on within an enclosed building, provided that new materials or equipment in operable condition may be stored in the open, and normal daily wastes may be stored in containers not in the building when such containers are not readily visible from a public street. The provisions of this paragraph shall not be construed to prohibit the display of merchandise or vehicles, farm machinery, trailers, manufactured homes or similar equipment in operable condition when in association with a permitted use. The required front yard shall be landscaped to the standards set forth under Miscellaneous Provisions of this Title. 2. **Fire hazard.** No operation shall be established which fails to meet the fire code which is adopted into the Ontario City Code and any applicable State or Federal codes. This provision shall not be construed to prohibit the use of normal heating fuels, motor fuels and welding gases when handled in accordance with applicable codes. 3. **Noise.** No operation shall be carried on which creates noise in excess of the normal traffic noise of the adjacent street at the time of daily peak hour traffic volume. Noise volume generated by the use shall be measured at any property line. The comparable traffic noise shall be measured at the property line adjacent to the street. All noises shall be muffled so as not to be objectionable due to intermittence, beat frequency or shrillness. 4. **Sewage and liquid waste.** All operations shall comply with Title 8, Ontario City Code and any applicable regulations of State or Federal agencies responsible for pollution control. No wastes of a chemical, organic or radioactive nature shall be injected or buried in the ground or stored in the open on the surface except in approved containers. 5. **Smoke, particulate matter and gasses.** No use shall be established which fails to meet the air quality regulations of the Oregon Department of Environmental Quality pertaining to emissions of smoke, particulate matter, fugitive dust, gasses and other air contaminants. 6. **Odor.** The emission odors that are generally agreed to be obnoxious to any considerable number of persons is prohibited. Observations shall be made at the property line of the establishment generating the odors. As a general guide to classification of odor, it is deemed that odors of putrefaction, hydrogen sulfide, fermentation and rendering processes, are objectionable while odors associated with baking, coffee roasting or nut roasting are normally not considered obnoxious. 7. **Vibrations.** All machines shall be mounted so as to minimize vibration and in no case shall such vibration be perceptible, without the use of instruments, at the property line. The use of steam or broad hammers are [is] not permitted in this zone. 8. **Glare and heat.** All glare and heat producing operations, such as welding arcs and open furnaces, shall be shielded so that they are not visible from the property line and surfaces near the glare source shall be of a type which will minimize the reflection of such glare beyond the property line. No heat from equipment or furnaces shall raise the temperature of materials or ambient air at the property line more than three degrees Fahrenheit. 9. **Dust.** All surfaces used in the operation of the use shall be paved with a dust free surface. 10. **Interpretation.** Whenever it cannot be decided by reasonable observation that a performance standard is being met, it shall be the responsibility of the operator of the use to supply evidence or engineering data to support the contention that a standard is being met. The standards are designed, except where referring to other codes, to be judged by ordinary human senses and not by the minute detail of scientific quality instruments.*

D. Overall Conclusion:

- **The proposed zone change makes sense for two primary reasons: first, it will be consistent with the pattern of existing light industrial / employment zoning and development at the intersection of N. Verde Drive and Yturri Beltline, and second, it will provide a better balance between land use need and supply, as expressed in Table 14-4 of the Ontario Comprehensive plan.**
- **Annexation to the city of Ontario is justified because sanitary sewer and water services are readily available and are adequate to serve the site, and the reconstructed intersection at N. Verde Drive and Yturri Beltline can safely and efficiently accommodate potential traffic from increased employment opportunities in this area.**



ORDINANCE #2757-2019

AN ORDINANCE PROCLAIMING THE ANNEXATION AND REZONING OF CERTAIN TERRITORY TO THE CITY OF ONTARIO, BEING A PARCEL WITHIN THE SE1/4 SECTION 33 AND THE SW1/4 SECTION 33 OF TOWNSHIP 17 SOUTH RANGE 47 EAST, AND THE NW1/4 SECTION 4 AND NE1/4 SECTION 5 OF TOWNSHIP 18 SOUTH, RANGE 47 EAST, W.M.

WHEREAS, There has been submitted to the City of Ontario a written request for annexation and rezoning to the City signed by 100% of the owners of land within the affected territory to be annexed; and

WHEREAS, All of the owners of land in that territory have consented in writing to the annexation of their land in the territory and have filed a statement of their consent with the legislative body of the City; and

WHEREAS, The State of Oregon and the County of Malheur recognize that adjacent right of ways and lands used for public streets, roads and highways are necessary to be annexed and rezone to match adjacent lands and have agreed to the annexation of their right of ways and lands used for facilities for said streets, road and highways; and

WHEREAS, The City Charter does not expressly require the City to submit a proposal of annexation of territory to the electors of the City; and

WHEREAS, All the owners have requested the lands to be rezoned from UGA Residential to City Light Industrial (I-1); and

NOW THEREFORE, THE CITY OF ONTARIO ORDAINS AS FOLLOWS:

1. Annexation Area. The following contiguous territory be and the same is hereby annexed: The property legally described and mapped in the attached Exhibits "A", "B" and "C" respectively.
2. Rezoning. That based on the Planning Commission findings and recommendation in Planning Action 2019-05-41AZ, the lands as shown and described in the attached Exhibits "A", "B" and "C" be rezoned from UGA Residential to City Light Industrial (I-1).
3. Not withdrawing above described area from Ontario Rural Fire Protection District 7-302 and Ontario Rural Road Assessment District No. 3. The Common Council of the City of Ontario deems it in the best interest of the public of the City of Ontario and hereby declares that the real property described hereinabove will not be withdrawn from the Ontario Rural fire Protection District No. 7-302 or the Ontario Rural Road Assessment District No. 3, until such time as the property is developed and city water fire protection and fire hydrants are constructed and until such time as Verde Drive is developed to City standards.
4. Record. The City Planner shall submit to the Oregon Secretary of State (1) a copy of this Ordinance, (2) a copy of the statement of consent of the landowner in the territory annexed;

and (3) Shall send a description by metes and bounds, or legal subdivision, and a map depicting the new boundaries of the City within 10 days of the effective date of annexation to the Malheur County Assessor, Malheur County Clerk and the State Department of Revenue.

PASSED AND ADOPTED by the Common Council of the City of Ontario this _____ day of _____, 2019 by the following vote:

AYES:

NAYS:

ABSENT:

APPROVED by the Mayor this _____ day of _____, 2019.

ATTEST:

Riley J. Hill, Mayor

Tori Barnett, MMC, City Recorder

Exhibit "A"

City Action No. 2019-05-41AZ

Annexation Description
Curtis / Malheur County/ State of Oregon

Land in Malheur County Oregon, in Sections 32 & 33 of Township 17 South, Range 47 East and Section 4 and 5 of Township 18 South, Range 47 East, W.M., being Parcel 1 and 2 of Partition Plat 95-20 recorded under Instrument No. 95-7197 TOGETHER WITH, City, County and State Right of Ways, all being described as follows:

Commencing at the Section corner common to said Sections 4, 5, 32 and 33, said corner also being the Southeast corner of said Partition Plat 95-20; Thence south coincident with the line common to said sections 4 and 5, 30 feet to a point on the south right of way of Malheur Drive; Thence east coincident with said south right of way line, a distance of 30 feet to a point on the east right of way line of Verde Drive and the Point of Beginning; Thence north coincident with said east right of way line of Verde Drive, to its intersection with the north boundary of said Partition Plat 95-20 extended easterly; Thence west, coincident with said extended north boundary, 30 feet to the Northeast corner of said Partition Plat 95-20; Thence continuing coincident with said north line to the Northwest corner of said Partition Plat 95-20; Thence south coincident with the West boundary of said Partition Plat 95-20, to the SW corner of said Partition Plat, said point also being on the centerline of Malheur Drive; Thence continuing south along the extension of said West boundary line to its intersection with the south right of way line of the relocated Olds Ferry Highway (Yturri Beltline); Thence Northeasterly coincident with said south right of way, to its intersection with the said south right of way of Malheur Drive; Thence east coincident with said south right of way of Malheur Drive to its intersection with the westerly right of way of Verde Drive: Thence southerly coincident with said westerly right of way of Verde Drive to its intersection with the existing City of Ontario city limits; Thence east coincident with said city limits line and the extension thereof, a distance of 60 feet to the easterly boundary of said Verde Drive; Thence northerly coincident with said easterly right of way of Verde Drive to its intersection with the said south right of way of Malheur Drive; Thence east coincident with said south right of way line to the Point of Beginning.

End of Description.

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

**OREGON
JAN. 21, 1988
DANNY K. CUMMINGS
2316**

RENEWS: 12/31/2020

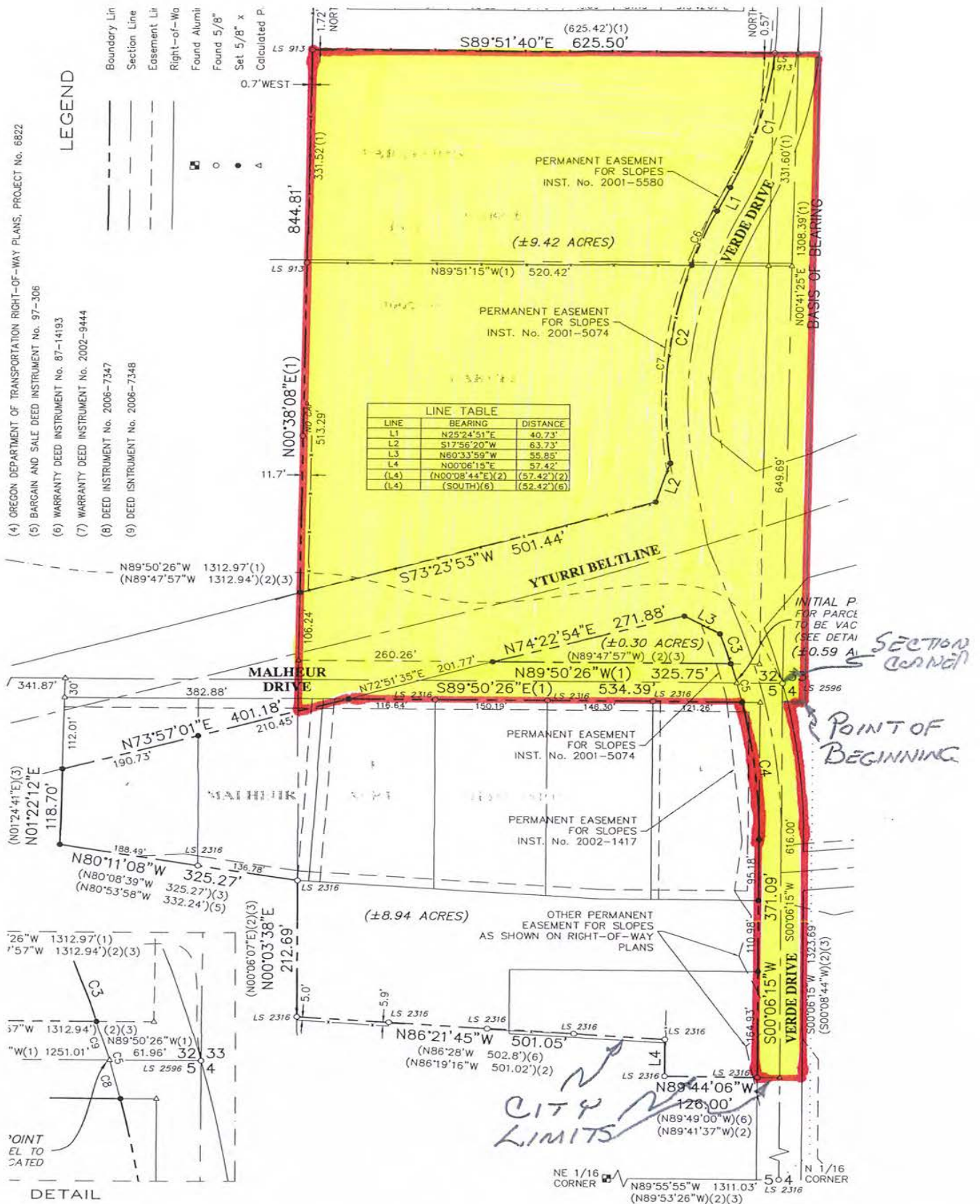
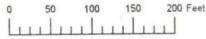


Exhibit "C"

Subject property

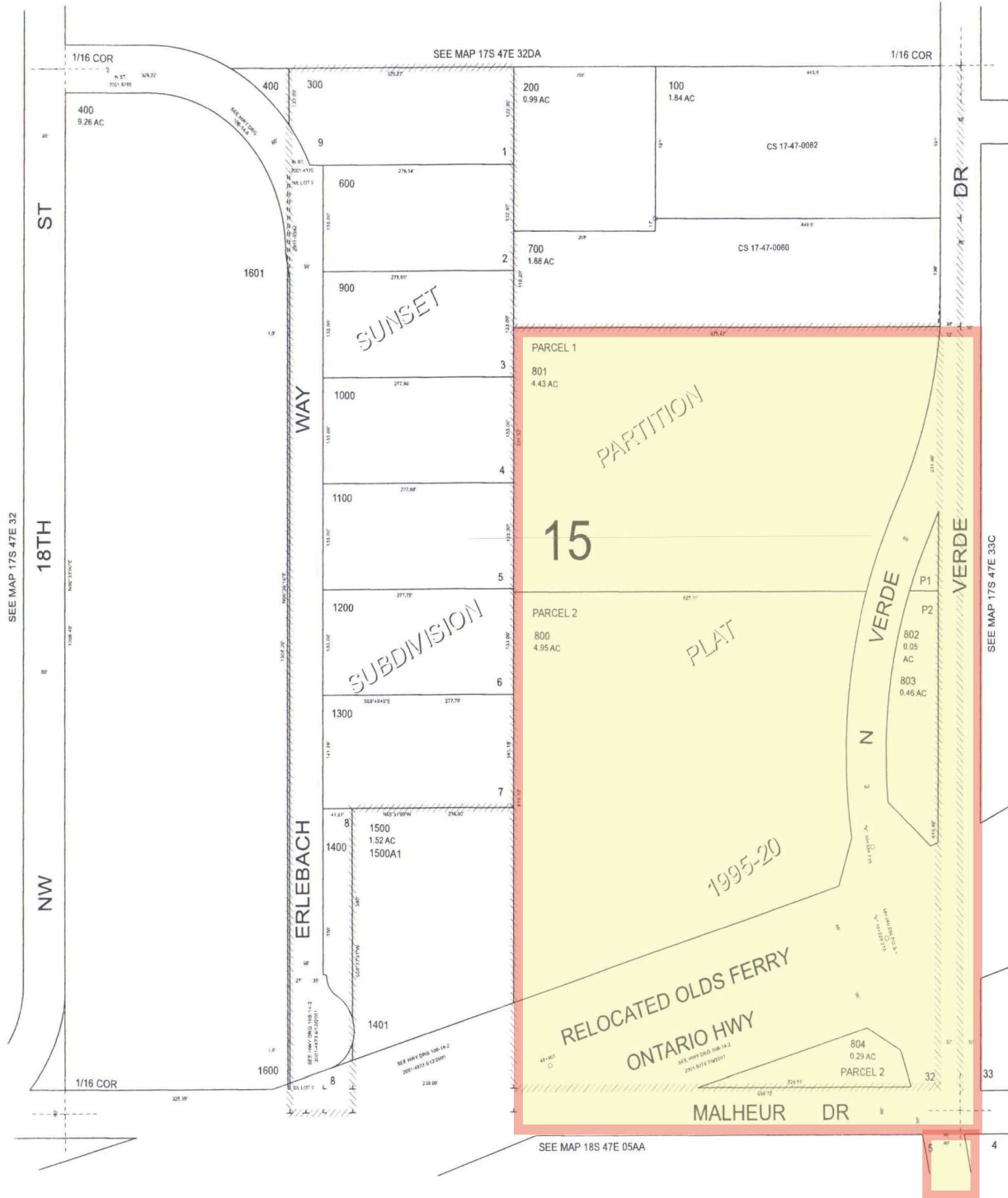
THIS MAP WAS PREPARED FOR
ASSESSMENT PURPOSE ONLY



S.E. 1/4 S.E. 1/4 SEC. 32 T. 17S. R. 47E. W.M.
MALHEUR COUNTY
1" = 100'

17S47E32D7

Cancelled
500



Revised: MA
08/07/2018

17S47E32D7



**AGENDA REPORT
PUBLIC HEARING
July 16, 2019**

To: Mayor and City Council

FROM: Dan Cummings, Community Development Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: **RESOLUTION #2019-127: A RESOLUTION DECLARING A PORTION OF THE MALHEUR RIVER FARM AS SURPLUS AND NOT NEEDED FOR PUBLIC USE AND APPROVING THE SALE OF THE PROPERTY**

DATE: July 12, 2019

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE RESOLUTION #2019-127, A RESOLUTION DECLARING A PORTION OF THE LAND KNOWN AS THE MALHEUR RIVER FARM AS SURPLUS AND SALE OF THE LAND TO KENNETH RULE.

SUMMARY:

The city has been approached by Kenneth Rule to purchase (Letter of Intent attached) a portion of land that he currently has an easement on from the City of Ontario for the drain fields for his homes on Tax lot 300 on Assessor's map 17S4732BB. The existing easement is described and shown in attached "Existing Easement" and the area that Mr. Rule is proposing to purchase is shown in attached Exhibit "A".

BACKGROUND:

The city no longer uses this portion of the farm to apply the waste water effluent application as all the effluent is now pumped up to the city farm known as the "Skyline Farm" and the area in question no longer is required to have a buffer area as this farm is now irrigated from water out of the Malheur River water rights.

In 1992 when the city was upgrading the sewer lagoons, the city had to acquire some property in order to apply the sewer effluent during the summer. On the property the city acquired was a house the city did not need, located along Foothill Drive. In 1998 the city decided to surplus the house and sell it. When the city began to get appraisals on it, it appeared that it would be difficult to partition the property due to land use regulations and get very much out of it, so the city entered into an agreement with Ken Rule, who lived next to the house, to do a property line adjustment and he would purchase the house from the city. In order to use the

house, under DEQ regulations, the sewer/septic drain field was going to have to be replaced. At the time the city structured the agreement, Mr. Rule was granted a sewer drain field on some of the city's property of approximately 10 feet. Before Mr. Rule could get the drain field changed, however, DEQ regulations regarding the location for septic drain fields changed, and Mr. Rule needed a larger area and needed to move it farther away from the well currently existing on his property. At that time Mr. Rule requested an additional 40 feet of easement area adjacent to his property in order to locate the septic drain field. The forty feet Mr. Rule requested was a buffer area for the effluent spray operations so it could not be used for anything else and could not be sold to him as fee title. Therefore on December 4, 2000, the City Council approved the easement as shown and described in attachment "Existing Easement" to this report.

As the city property is part of the land that was previously used for applying the effluent from the Wastewater Treatment Plant and part of the city's Public Works system, staff is presented this action to the Public Works Committee. Staff asked for a recommendation for approval to have the land declared as surplus, and then selling the property to Mr. and Mrs. Rule, as they were the only adjacent property owner that had any benefit and need for the property. The Public Works Committee sent a recommendation to the City Council to approve the action, but with the reservation of an easement for irrigation water overspray onto the property proposed for sale.

CURRENT SITUATION:

On February 22, 2019, Ken Rule sent a Letter of Intent to purchase the area of land that he currently has a easement on, as well as a letter from a broker giving an estimate of the fair market value of this piece of land (attached).

Staff presented the offer to the City Council in an executive session and the consensus from the Council was to have staff bring this back as a formal action.

ANALYSIS:

- A. **STRATEGIC PLAN** This is in step with the City Council Strategic Plan of Lifestyle by working with community neighbors to enhance the quality of life to its citizens and neighbors.
- B. **FINANCIAL** Not only does this put some revenue back into the Sewer Fund, but also put land no longer needed by the city back on the tax roll.
- C. **TIMING** This action is needed to finalize the sale of this property, but would still require a property line adjustment through the county, as well as recording the deeds.
- D. **POLICY/LEGAL** This action is authorized under ORS 221.725, ORS 27.300 and ORS 271.310.

ALTERNATIVES:

The city could opt to not to sell this property and just continue with the easement.

RECOMMENDATION:

Staff recommends that the City Council approve Resolution #2019-127.

ATTACHMENTS:

1. Existing Easement
2. RESOLUTION EXHIBIT A
3. Rule Letter of Intent
4. Fair Market Value Estimate
5. Reso #2019-127 Surplus Property_Rule

INSTRUMENT NO. 2000 - 8845
Page 1 of 2 Pages

Inst. No. 2000-8845

I certify that the within instrument of writing was received for record on the 27 day of December, 2000 at 2:00 O'clock P. M. FEE \$26

STATE OF OREGON, County of Malheur

DEBORAH R. DeLONG

County Clerk

EASEMENT

By: Angela V. Trotter Deputy

KNOW ALL MEN BY THESE PRESENTS that the CITY OF ONTARIO, OREGON, an Oregon Municipal Corporation, hereinafter called Grantor, for good and valuable consideration paid to it from, KENNETH RULE and CAROL RULE, hereinafter called Grantee, has bargained, sold and by these presents does grant, bargain, sell and convey unto the Grantee and its successors and assigns, a perpetual easement over and across the following described property to construct or reconstruct, maintain, inspect, operate, protect, repair, replace, alter or remove a septic drain field to serve two single family residential units, over the following described real property:

LAND LYING WITHIN THE FOLLOWING DESCRIBED PARCEL:

Malheur County, Oregon

Beginning at a No. 5 Rebar with a yellow plastic cap marked PLS 699 which is the Southeast property corner as shown on Map of Survey No. 17-47-0215, said Rebar being S61°12'17"E, 636.53 feet from a brass cap monument which is the witness corner being 25.00 feet S of the NW corner of Section 32, T17S, R47E, WM, is a 60 foot wide easement being perpendicular and parallel to the southerly and westerly property lines described as follows for the purpose of sanitation drain field(s);

Thence, S71°28'07"W, 114.84 feet to a pipe;

Thence, S70°53'55"W, 265.42 feet to a No. 5 Rebar with a yellow plastic cap marked PLS 699;

Thence, N16°00'34"W, 80.35 feet to a No. 5 Rebar with a yellow plastic cap marked PLS 699 to the Southwest property corner as shown on Map of Survey No. 17-4-0215.

Together with all rights of ingress and egress necessary or convenient for the full rights and complete use, occupation and enjoyment of the rights and easements hereby granted.

The Grantor herein agrees not to build, create or construct, or permit to be built, created or constructed, any obstruction, building, engineer works or other structures over or that would interfere with said drain field, or Grantee's rights hereunder.

In consideration hereof, Grantee, his heirs, successors and assigns agree to substantially control all weeds, including dodder and noxious weeds, growing in or around the easement area, including but not limited to such weeds growing in, along and around ditches, drains, and fences in a good and husband-like manner.

IN WITNESS WHEREOF the parties hereunto have set their hands and seals this
4th day of December, 2000.

Grantor: CITY OF ONTARIO

ATTEST:

By LeRoy Cammack
Mayor LeRoy Cammack


Tori Ankrum, City Recorder

Grantee: Kenneth Rule
Kenneth Rule

Carol Rule
Carol Rule

STATE OF OREGON)
County of Malheur) ss.

The foregoing instrument was acknowledged before me this 13th day of December, 2000, by LeRoy Cammack, Mayor of the City of Ontario, Oregon.



Shannon C. Aguiar
Notary Public for Oregon.

[illegible]

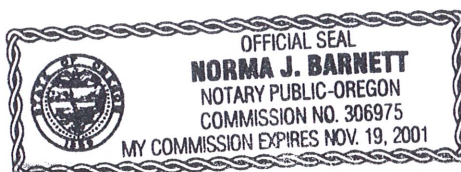
The foregoing instrument was acknowledged before me this 15th day of December, 2000, by Kenneth Rule.



Shannon C. Aguilar
Notary Public for Oregon.

[illegible]

The foregoing instrument was acknowledged before me this 14th day of December, 2000, by Carol Rule.



Norma J. Barnett
Notary Public for Oregon.

EASEMENT

Return to - Kenneth and Carol Rule
Tayes to - 497 Foothill Dr
Ontario, Or 97914

Exhibit "A"

KEN RULE PROPERTY
CITY OF ONTARIO / NORTH OREGON PROPERTIES, LLC
Tax Lot 300 Map 17S4732BB
within NW1/4NW1/4 Section 32,
Township 17 S., Range 47 E., W.M.,
Malheur County, Oregon



Letter of Intent to Purchase Land

February 22, 2019

To Whom It May Concern,

The purpose of this letter is to express our interest to purchase the subject property listed below. This letter sets forth some of the basic terms under which Seller and Buyer would be interested in entering into a Real Estate Purchase Agreement. This letter is not contractually binding on the parties it is a letter of interest and intent only.

Seller Information:

City of Ontario Oregon
444 SW 4th Street Ontario OR 97914

Buyer Information:

Kenneth and Carol Rule
497 Foothill Drive Ontario OR 97914
541-889-6007

Subject Property:

Situated in the County of Malheur State of Oregon a parcel of land in the NW1/4 of the NW1/4 of map 17S4732BB tax lot 100. Approximately .78 acres

Terms of Purchase:

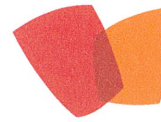
Cash offer of \$3,000.00 buyer will pay for survey and move the fence.

Included with this letter is a Brokers Price Opinion from Tom Phillips Agency. I look forward to hearing from you.

Thank you,



Ken Rule



Tom Phillips Agency

2/20/2016

To whom it may concern,

I was asked by Ken Rule to do an estimate of value on a parcel of land in the Nw1/4 Of the NW ¼ of map 17S4732BB tax lot 100 belonging to the City Of Ontario, Oregon. The parcel is approx. .7/8 acres Now located on the property are two Septic easements for tax lot 300. Looking at the MLS and going back over one year I can find no comparable. Of any sales of like kind property. There appears to be no building rights on the property nor does it appear based on current County regulations that a home could be built on the property. Based on this information my opinion of value would be approx. \$2,500.

Best Regards,

TE Phillips

Tom Phillips, GRI, PRINCIPAL/DESIGNATED BROKER
Bachelors of Agriculture
Boar Certified Land Consultant

190 SW 4th Av
Ontario Oregon 97914
541-889-8401 office
541-881-9501 mobile
541-889-8510 fax
tom@tomphillipsagency.com
www.tomphillipsagency.com



RESOLUTION #2019-127

A RESOLUTION OF THE ONTARIO CITY COUNCIL DECLARING CERTAIN REAL PROPERTY KNOWN AS THE MALHEUR RIVER FARM AS SURPLUS AND NOT NEEDED FOR PUBLIC USE AND APPROVING THE SALE OF SAID REAL PROPERTY

- WHEREAS,** ORS 221.725, ORS 271.300 and 271.310 permits the City of Ontario, through a Public Hearing and action by the City Council, to declare land surplus and sell real property which is not needed for public use; and
- WHEREAS,** The City Council has reviewed and determined that the land currently owned by the City of Ontario being approximately 0.78 acres as shown on attached Exhibit "A" made a part hereof is not needed for public use; and
- WHEREAS,** The proper notice of the proposed sale has been published and a public hearing concerning the proposed sale has been held in compliance with ORS 221.725; and
- WHEREAS,** Kenneth Rule has made an offer to purchase said lands for a price of \$3,000.00 plus pay for all the surveying costs, documentation recording costs and fence moving costs; and
- WHEREAS,** The City Council has determined that the fair market value for the subject property is THREE THOUSAND THREE HUNDRED DOLLARS (\$3,300.00) per acre; and
- WHEREAS,** Kenneth Rule's offer to purchase said lands for a price of THREE THOUSAND DOLLARS \$3,000.00 for 0.78 acres calculates to a price of \$3,846.15 per acre costs, plus surveying and documentation recording fees; and
- WHEREAS,** The City Council has determined that it is in the public interest to retain certain water over spray easement rights over the subject property for farming practices on the city remaining property.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council declares the real property owned by the City of Ontario as shown on attached Exhibit "A" is not needed for public use and is hereby declared surplus pursuant to ORS 271.310.

NOW THEREFORE, BE IT FURTHER RESOLVED by the Ontario City Council IN ACCORDANCE WITH ORS 221.725, ORS 271.300 AND ORS 271.310, approves the sale of the real property currently owned by the City of Ontario as shown on Exhibit "A" being approximately 0.78 acres for the sum of THREE THOUSAND DOLLAR (\$3,000.00) to Kenneth Rule and Kenneth Rule will pay all other costs

associated with this sale including all Surveying costs and document recording fee to complete this sale, subject to reservation of an easement for the over spraying of irrigation water from the remaining city owned property. Further, that the City Manager, Adam Brown, is hereby authorized to sign all documents necessary and appropriate to complete the sale and transfer of the property.

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this 16th day of July, 2019, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this 16th day of July, 2019.

Riley J. Hill, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder

Exhibit "A"

KEN RULE PROPERTY
CITY OF OREGON / NORTH OREGON PROPERTIES, LLC
Tax Lot 300 Map 17S4732BB
within NW1/4NW1/4 Section 32,
Township 17 S., Range 47 E., W.M.,
Malheur County, Oregon





**AGENDA REPORT
PUBLIC HEARING
July 16, 2019**

To: Mayor and City Council

FROM: Larry Sullivan, City Attorney

THROUGH: Adam J. Brown, City Manager

SUBJECT: SALE OF 71.13 ACRES OF STELLING PROPERTY TO SNJ ONLINE, LLC

DATE: July 12, 2019

PROPOSED MOTION:

I MOVE THAT THE CITY COUNCIL APPROVE THE SALE OF 71.13 ACRES OF REAL PROPERTY KNOWN AS THE STELLING PROPERTY, OWNED BY THE CITY OF ONTARIO AND LOCATED IN ASSESSOR'S MAP NO. 18S4705, TAX LOT 3604, TO SNJ ONLINE, LLC OR ITS ASSIGNEE FOR A SALE PRICE OF \$1,251,800 CASH, AND AUTHORIZE THE MAYOR AND CITY MANAGER TO SIGN ANY DOCUMENTS NECESSARY TO COMPLETE THE SALE.

SUMMARY:

There is a real property sale pending for 71.13 acres of City property, commonly known as the Stelling Property, to SNJ Online LLC for \$1,251,800, with a closing date of no later than July 31, 2019. Prior to formal approval of the sale, the City Council must conduct a public hearing under ORS 221.725 to give information to the public about the terms of the sale and allow public comment about the sale.

BACKGROUND:

The Stelling Property originally consisted of a total of approximately 85.45 acres, which was purchased by the City on August 26, 1993, for a total purchase price of \$115,000, or \$1,346 per acre. The Stelling Property has been for sale by the City since November 6, 2006, when the Council passed Resolution No. 2006-138, declaring the Stelling Property to be surplus property and offering it for sale for \$20,000 per acre. Between 2009 and 2013, the City entered into a series preliminary sale contracts with CDH Consulting to sell 72.74 acres of the Stelling Property as a data center for \$20,000 an acre. Before that sale fell through, the City collected over \$200,000 in nonrefundable deposits. On May 5, 2014, the City Council passed Resolution 2014-115 continuing the Stelling Property's status as surplus property, withdrawing the \$20,000 sale price for the Stelling Property, and directing staff to develop a marketing plan for the Stelling Property, along with a new sale price. No formal action was taken by the Council after that date to set a new sale price.

On December 10, 2018, SNJ Online LLC made a purchase offer to purchase 62.59 acres of the Stelling Property for \$1,251,800 cash. After a City Council executive session, the City Manager made a counter offer accepting that sale price but altering other terms of the offer. During negotiations over the City's counter offer, City staff pointed out to representatives of SNJ Online LLC that the remaining acres of the Stelling Property actually consisted of 71.13 acres, of which 8.54 acres were not capable of being developed, and that any sale should include those additional acres. Staff told the buyer's representative that the City would still accept the same purchase price of \$1,251,800 for the sale, even though a sale of 71.13 acres at \$20,000 per acre would be more than \$1,251,800. SNJ Online LLC did not accept the counter offer.

On June 17, 2019, SNJ Online made a second offer to the City for the purchase of the 71.13 acres of the Stelling Property for the same sale price as the first offer. Following an executive session with the City Council on June 18, 2019, the City Manager signed a counter offer on June 19, 2019, to change some of the language in the offer but accept the sale price. The counter offer reserved final City approval of the sale until after a public hearing was conducted under ORS 221.725. SNJ Online LLC accepted the counter offer on June 26, 2019. SNJ Online has paid \$10,000 as earnest money, which SNJ Online is authorized to withdraw if it cancels the sale prior to July 26, 2019. The earnest money will become nonrefundable on that date.

SNJ Online LLC is an Oregon limited liability company. According to its Articles of Organization, its members consist of Stephen Meland and Jeremy Breton. In its purchase offer, SNJ Online LLC reserves the right to assign its rights to a different purchaser on or before the closing date.

CURRENT SITUATION:

Although the Stelling Property has been for sale since 2006, interest among buyers to purchase the Stelling Property has been extremely limited. The City has never developed a formal marketing plan for Stelling Property after withdrawing the \$20,000 per acre price in 2014. Because of Resolution 2014-115, the City is no longer bound to accept a sale price of \$20,000 per acre. The SNJ Online LLC offer is equal to approximately \$17,599 per acre.

The Malheur County Assessor's website places a market value of \$1,533,610 on the 62.59 useable acres of the Stelling Property, which is equal to approximately \$24,502 per acre. On July 12, 2019, a staff member in the Assessor's Office informed the City Attorney that the market value calculation was incorrect, and it should be approximately \$920,170 instead.

ANALYSIS:

- A. **STRATEGIC PLAN** This sale would meet the City Council Strategic Plan putting the land back on the tax roll and allowing Growth to the community as well as add city revenue funds to aid in the Beautification of Ontario, enhancing the Lifestyle of the community making Ontario a more Desirable place to live.

- B. **FINANCIAL** Because the SNJ Online purchase offer is a cash offer, a sale of the Stelling Property for the \$1,251,800 would be immediately payable to the City on the closing date, less closing costs.
- C. **TIMING** Because the sale is scheduled to close by the end of July, 2019, the City Council must make a formal decision to approve or disapprove the sale before that date or authorize staff to attempt to negotiate an extension of the closing date if the Council wants to obtain more information before making a formal decision.
- D. **POLICY/LEGAL** Under ORS 221.725, the City Council must accept public input before proceeding with the proposed sale to SNJ Online LLC. The City has completed all other steps legally required to proceed with the sale. Because the City's counter offer was contingent on conducting the public hearing under ORS 221.725 before formally approving the sale, there would be no negative legal consequences to the City if the Council decides not proceed with the sale.

ALTERNATIVES:

1. Move to table a decision on proceeding with the sale. If the Council selects this alternative, staff recommends authorizing the City Manager to attempt to negotiate an extension of the July 31, 2019, closing date.
2. Disapprove the sale of the Stelling Property to SNJ Online LLC.

RECOMMENDATION:

Staff recommends that the City Council approve the sale of the Stelling Property to SNJ Online LLC on the terms set forth in the City's counter offer, unless the Council receives information during the public hearing on July 16, 2019, which causes the Council to decide not to proceed with the sale.

ATTACHMENTS:

1. Accepted Counter Offer 6.26.2019
2. Meland Offer 06.17.2019

SELLER'S COUNTER OFFER No. 1

This is a Counter Offer to the SNJ Online, LLC, Vacant Land Real Estate Sale Agreement ("Sale Agreement") dated June 17, 2019.

Seller: City of Ontario, Oregon

Buyer: SNJ Online, LLC

AGREEMENT TO SELL: Seller agrees to sell the real property upon the terms and conditions set forth in the Sale Agreement except as modified as follows:

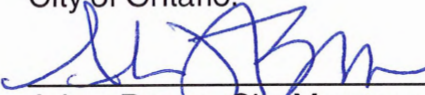
1. The earnest money of \$10,000 shall become non-refundable 30 days after the Buyer accepts the Seller's Counter Offer.
2. Seller makes no representations as to irrigation or agricultural water rights.
3. The Sale Agreement shall not be subject to the contingencies set forth in the Addendum to the Sale Agreement.
4. The Sale Agreement shall be subject to the public hearing requirements of ORS 221.725 before Seller's City Council formally approves the sale. Seller shall schedule the public hearing prior to the closing date.
5. Prior to the closing date, Seller shall reasonably cooperate with Buyer in providing Buyer with relevant documents in Seller's possession about the real property, including the following:
 - a. ingress and egress access to the real property;
 - b. City of Ontario water and sewer access to the real property; and
 - c. Water right permits issued by the Oregon Water Resources Department for the real property, and any use by Seller of water on the real property for irrigation purposes.
6. If Buyer wants to discuss with Seller the suitability of the real property for any uses planned by Buyer, the City of Ontario shall conduct a Preliminary Design Advisory Committee (PDAC) Meeting under Section 10B-04-15(1) of the City Zoning Title. Prior to the PDAC Meeting, Buyer must provide City of Ontario representatives with information about Buyer's proposed uses of the real property in sufficient detail to allow those

representatives to reasonably address the suitability of the real property for those uses under the Ontario Municipal Code and Zoning Title. Any opinions expressed by City of Ontario representatives as to the suitability of the real property for Buyer's proposed uses are not binding on Seller. Buyer shall be solely responsible to determine whether the real property is suitable for Buyer's development plans and Buyer's intended uses of the real property.

7. At closing, the real property shall be sold to Buyer in "AS IS" condition, with no warranties other than as to the condition of Seller's title to the real property as disclosed in the title report to be provided to Buyer under paragraph 7, "Title Insurance", in the Sale Agreement.

All remaining terms and conditions of the Sale Agreement not otherwise modified are approved and accepted by Seller. Time is of the essence. This Seller's Counter Offer shall expire on Wednesday, June 26, 2019, at 5:00 p.m. MDT ("the Counter Offer Deadline"), if not accepted with that time. This Seller's Counter Offer may be accepted only in writing. Earnest money distributable to Seller pursuant to the Sale Agreement shall be disbursed to Seller, after deduction of any title insurance and escrow cancellation charges.

City of Ontario:


Adam Brown, City Manager

Date: 6-19-19



6/26/2019 4:55:50 PM MDT
Buyers Acceptance

06/26/2019

Date:



OREGON REAL ESTATE INITIAL AGENCY DISCLOSURE PAMPHLET OAR 863-015-215 (4)

This pamphlet describes the legal obligations of real estate agents in Oregon. Real estate agents and Principal Brokers are required to provide this information to you when they first meet you.

This pamphlet is informational only. Neither the pamphlet nor its delivery to you may be interpreted as evidence of intent to create an agency relationship between you and an agent or Principal Broker.

Real Estate Agency Relationships

An "agency" relationship is a voluntary legal relationship in which a licensed real estate agent or Principal Broker agrees to act on behalf of a buyer or a seller (the "client") in a real estate transaction.

Oregon law provides for three types of agency relationships between real estate agents and their clients:

Seller's Agent - Represents the seller only;

Buyer's Agent - Represents the buyer only;

Disclosed Limited Agent - Represents both the buyer and seller, or multiple buyers who want to purchase the same property. This can be done only with the written permission of both clients.

The actual agency relationships between the seller, buyer and their agents in a real estate transaction must be acknowledged at the time an offer to purchase is made. Please read this pamphlet carefully before entering into an agency relationship with a real estate agent.

Definition of "Confidential Information"

Generally, agents must maintain confidential information about their clients. "Confidential information" is information communicated to the agent or the agent's Principal Broker by the buyer or seller of one to four residential units regarding the real property transaction, including but not limited to price, terms, financial qualifications or motivation to buy or sell. "Confidential information" does not mean information that:

- a. The buyer instructs the agent or the agent's Principal Broker to disclose about the buyer to the seller, or the seller instructs the agent or the agent's Principal Broker to disclose about the seller to the buyer; and
- b. The agent or the agent's Principal Broker knows or should know failure to disclose would constitute fraudulent representation.

Duties and Responsibilities of Seller's Agent

Under a written listing agreement to sell property, an agent represents only the seller unless the seller agrees in writing to allow the agent to also represent the buyer. An agent who represents only the seller owes the following affirmative duties to the seller, the other parties and the other parties' agents involved in a real estate transaction:

1. To deal honestly and in good faith;
2. To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
3. To disclose material facts known by the agent and not apparent or readily ascertainable to a party;

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A Seller's Agent owes the seller the following affirmative duties;

1. To exercise reasonable care and diligence;
2. To account in a timely manner for money and property received from or on behalf of the seller;
3. To be loyal to the seller by not taking action that is adverse or detrimental to the seller's interest in a transaction;
4. To disclose in a timely manner to the seller any conflict of interest, existing or contemplated;
5. To advise the seller to seek expert advice on matters related to the transactions that are beyond the agent's expertise;
6. To maintain confidential information from or about the seller except under subpoena or court order, even after termination of the agency relationship; and
7. Unless agreed otherwise in writing, to make a continuous, good faith effort to find a buyer for the property, except that a Seller's Agent is not required to seek additional offers to purchase the property while the property is subject to a contract for sale.

None of the above affirmative duties of an agent may be waived, except #7. The affirmative duty listed in #7 can only be waived by written agreement between seller and agent.

Under Oregon law, a Seller's Agent may show properties owned by another seller to a prospective buyer and may list competing properties for sale without breaching any affirmative duty to the seller.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of Buyer's Agent

An agent, other than the Seller's Agent, may agree to act as the Buyer's Agent only. The Buyer's Agent is not representing the seller, even if the Buyer's Agent is receiving compensation for services rendered, either in full or in part, from the seller or through the Seller's Agent.

An agent who represents only the buyer owes the following affirmative duties to the buyer, the other parties and the other parties' agents involved in a real estate transaction:

1. To deal honestly and in good faith;
2. To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
3. To disclose material facts known by the agent and not apparent or readily ascertainable to a party.

A Buyer's Agent owes the buyer the following affirmative duties:

1. To exercise reasonable care and diligence;
2. To account in a timely manner for money and property received from or on behalf of the buyer;
3. To be loyal to the buyer by not taking action that is adverse or detrimental to the buyer's interest in a transaction;
4. To disclose in a timely manner to the buyer any conflict of interest, existing or contemplated;
5. To advise the buyer to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
6. To maintain confidential information from or about the buyer except under subpoena or court order, even after termination of the agency relationship; and
7. Unless agreed otherwise in writing, to make a continuous, good faith effort to find property for the buyer, except that a buyer's agent is not required to seek additional properties for the buyer while the buyer is subject to a contract for purchase.

None of these affirmative duties of an agent may be waived, except #7. The affirmative duty listed in #7 can only be waived by written agreement between buyer and agent.

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Under Oregon law, a Buyer's Agent may show properties in which the buyer is interested to other prospective buyers without breaching an affirmative duty to the buyer.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of an Agent Who Represents More than One Client in a Transaction

One agent may represent both the seller and the buyer in the same transaction, or multiple buyers who want to purchase the same property, only under a written "Disclosed Limited Agency Agreement" signed by the seller and buyer(s).

Disclosed Limited Agents have the following duties to their clients:

1. To the seller, the duties listed above for a seller's agent; and
2. To the buyer, the duties listed above for a buyer's agent;
3. To both buyer and seller, except with express written permission of the respective person, the duty not to disclose to the other person:
 - a. That the seller will accept a price lower or terms less favorable than the listing price or terms;
 - b. That the buyer will pay a price greater or terms more favorable than the offering price or terms; or
 - c. Confidential information as defined above.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise.

When different agents associated with the same Principal Broker (a real estate agent who supervises other agents) establish agency relationships with different parties to the same transaction, only the Principal Broker will act as a Disclosed Limited Agent for both buyer and seller. If applicable, see Disclosed Limited Agency Agreement for identification of Disclosed Limited Agent. The other agents continue to represent only the party with whom the agents have already established an agency relationship unless all parties agree otherwise in writing. The Principal Broker and agents representing either seller or buyer shall owe the following duties to the seller and buyer:

1. To disclose a conflict of interest in writing to all parties;
2. To take no action that is adverse or detrimental to either party's interest in the transaction; and
3. To obey the lawful instruction of both parties.

No matter whom they represent, an agent must disclose information the agent knows or should know that failure to disclose would constitute fraudulent misrepresentation.

You are encouraged to discuss the above information with the agent delivering this pamphlet to you. If you intend for that agent, or any other Oregon agent, to represent you as a Seller's Agent, Buyer's Agent, or Disclosed Limited Agent, you should have a specific discussion with the agent about the nature and scope of the agency relationship. Whether you are a buyer or seller, you cannot make an agent your agent without the agent's knowledge and consent, and an agent cannot make you their client without your knowledge and consent.

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VACANT LAND - BUYER ADVISORY

1 *The following Advisory is intended to briefly address some of the practical and legal issues that can arise in the purchase of*
 2 *vacant land. What follows is a summary of a few of the more important issues - however, it is by no means exhaustive. Your real*
 3 *estate agent is not an expert in water law, zoning, environmental issues, easements, etc. and you should secure your own*
 4 *independent expert(s) when purchasing vacant land. Caveat: This Advisory is not intended to be a complete summary of all*
 5 *issues, does not constitute legal advice, and should not be relied upon in lieu of securing legal advice from one or more experts.*

6 **As a part of your due diligence in making a decision to purchase vacant land, you may wish to consider**
 7 **contacting neighbors and local officials in order to learn about the subject property as well as any**
 8 **neighborhood issues or concerns.**

9 **1. VACANT LAND DISCLOSURE ADDENDUM (OREF 019) (the "Addendum"):** This form is available for sellers to complete and
 10 deliver to potential buyers of vacant land. Although Oregon law does not require this Addendum to be used, the OREF Vacant Land
 11 Sale Agreement (OREF 008) provides that sellers shall complete the Addendum, and deliver it to all buyers making a written offer of
 12 purchase. Unless expressly waived in writing, buyers shall have a right to revoke their offer by giving the seller written notice within five
 13 (5) business days following buyer's acknowledgment of delivery of a completed Addendum, as more fully explained in that form. A
 14 buyer's right to revoke their offer is similar to the statutory revocation process available in certain residential real estate transactions.
 15 Before making or accepting offers for the purchase of vacant land, buyers and sellers should familiarize themselves with the Vacant
 16 Land Sale Agreement (OREF 008) and Vacant Land Disclosure Addendum (OREF 019).

17 **2. BOUNDARIES, ENCROACHMENTS AND FENCES:** Vacant land consisting of acreage may have been surveyed at some
 18 point in time. If so, the buyer should review the survey and if there are any questions or concerns, they should be reviewed by an
 19 expert. Encroachments (i.e., where other property or structures cross over a boundary line) are not uncommon with large parcels of
 20 land. Buyers cannot necessarily rely upon the location of a fence (especially an old fence) as representing the legally described
 21 boundary line contained in the deed. If in doubt, the buyer should consider having a new survey before finalizing the purchase.
 22 Continuous occupancy of land can give rise to certain legal rights to the occupant, so it is important that this issue be discussed with
 23 the seller and anyone else familiar with the history of the property. (Note: An owner's policy of title insurance does not insure the
 24 buyer against legal claims of ownership or use arising in third parties over the lapse of time.)

25 **3. ACCESS AND EASEMENTS:** Is there legal access into and out of the property to a public road or highway? If the access is
 26 privately owned by a third party, is there legal access allowed by an easement or other legal means? Is it in writing, and has it been
 27 recorded? Has the easement been surveyed? Is the survey recorded? Sometimes private access roads allow others to use them
 28 as well. If so, the buyer should make sure they know the exact location of the easement, that it is legally described in writing, and
 29 that the obligations for sharing the cost of maintenance, repair, insurance and other related expenses are covered. The buyer
 30 should make sure that the purpose of the easement is clearly defined and that it is adequate to meet the buyer's intended purpose.
 31 Are there any limitations on use of the easement? Does it appear that there are any unauthorized users of any private access
 32 roads? If so, those unauthorized users could acquire certain legal rights by continuous use over a long period of time.

33 **4. ZONING, ENVIRONMENTAL, CONSERVATION, GOVERNMENTAL LIMITATIONS, DEED RESTRICTIONS, ETC.:** Buyers
 34 should make sure that there are no public or private limitations or restrictions that will interfere with Buyer's intended use of the
 35 property. Buyers should verify the zoning, visit the local building department, and review all recorded limitations and use
 36 restrictions. This is where an expert land use consultant can become very important.

37 **5. SOIL CONDITIONS, BURIED UNDERGROUND STORAGE TANKS, CONTAMINATION:** Some vacant land can contain fill
 38 dirt or debris that will need to be removed, depending upon the Buyer's intended use. Prior use of the land is important to know.
 39 Are there any potential contaminants, underground storage or fuel tanks (abandoned or not) located on the property? Have any
 40 environmental studies been performed? If not, should one or more studies be made a condition of purchase? Use of a good soils
 41 engineering and environmental consulting companies may be appropriate before purchase.

42 **6. WATER RIGHTS, SOURCES, WELLS:** Buyers should not purchase vacant land unless and until they have thoroughly satisfied
 43 themselves that they are aware of all sources of water for irrigation and potable drinking water, and that the owner has established and
 44 properly registered all necessary water rights. If there are one or more wells used for domestic water purposes upon acceptance of an offer
 45 to purchase the land, the seller must have the well(s) tested for certain contaminants, such as bacteria, coliform, arsenic, etc. [See, ORS

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Buyer Initials		Date	06/17/2019
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46 448.271 (Transfer of Property that includes Well) and OAR 333-061-0325 (as in "Oregon Administrative Rules") (Well Testing)) **ORS**
 47 **448.271 only applies to wells that have been made operational to supply groundwater for domestic purposes. Capped domestic wells on**
 48 **unimproved lots are not required to be tested. (See <https://public.health.oregon.gov/HealthyEnvironments/DrinkingWater/Rules/Documents/61-0305.pdf>).**
 49 Water flow of all operating wells should be tested. Buyers should confirm whether all work to construct, alter, abandon or convert a well has
 50 been properly permitted. For more information, buyers should check with the Oregon Water Resources Commission and the Water
 51 Resources Department. (See also, ORS Chapter 537.)

52 **7. FLOODING, DRAINAGE, NATURAL DISASTERS:** Does the property lie in a floodplain or floodway? Has the buyer reviewed
 53 a floodplain map? Has the buyer spoken to the local jurisdiction regarding any history of flooding? Is the land near a river or other
 54 body of water? Have there been any natural or manmade disasters affecting the land, including settling or shifting ground? Is the
 55 property located within a drainage district? Are there any drainage easements? Have easements been recorded on the public
 56 record? A close review of the preliminary title report will tell the buyer what documents have been recorded on the property. If there
 57 is a legal right affecting use of the property, it should be recorded and appear on the preliminary title report.

58 **8. SPECIAL ASSESSMENT BASED ON USE:** Is the property specially assessed due to its current use (e.g., farm, forest or
 59 other)? If buyer intends to continue that use and take the benefit of the current tax deferral, he/she should carefully verify before
 60 closing that the property is not in danger of disqualification for the deferral or that buyer's intended use will not jeopardize its current
 61 tax status. Loss of a special assessment status could result in a recapture of the prior deferred taxes.

62 **9. UTILITIES:** Are public utility services available, such as sewer, water, electricity, and telephone service? If so, the buyer should
 63 determine where all underground utilities are located. If there are any private utilities on the land, how old are they, and what condition are
 64 they in? Have repairs ever been necessary, and if so, are there any records? Was all work permitted where required? Has a percolation
 65 test ever been performed on the property? What about the location and condition of any drainfields, septic or other sewage systems?
 66 Where appropriate, identifying the location, type and condition/repair of the private utilities should be made a condition of purchase.

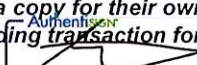
67 **10. PRIOR AND EXISTING USE OF THE PROPERTY:** What is the buyer's intended use for the property, e.g., the raising of crops
 68 or cattle? Has the land ever been put to that use before? If so, has the use ever been changed? Is the buyer's intended use
 69 restricted or limited in any way? Is the land located near any industrial or commercial facilities or operations that may have an
 70 environmental impact on the property (e.g. sound, odor, vibration, or contamination, under, or above the ground)? If there are any
 71 abandoned structures on the property, will they have to be removed because of prior drug manufacture or for other reasons, such
 72 as attractive nuisances for trespassers or children?

73 **11. VERIFICATION OF APPROVED USES:** Prior to purchasing vacant property, buyers should verify all approved uses. If
 74 residential construction is intended, will fire protection be available? Vacant property can be subject to certain land use laws. Prior
 75 to purchase buyers should: (a) Check with the appropriate city or county planning department to verify that the property is a lawfully
 76 established lot or parcel; (b) Verify that the approved uses are consistent with buyer's intended use; and (c) Inquire about the rights
 77 of neighboring property owners, if any.

78 **12. CONCLUSION.** Buyers of vacant land have a responsibility to perform their own due diligence in order to ensure that their intended
 79 use is legally permissible and economically feasible. Land use laws, zoning and other regulations can change, and buyers should be sure
 80 to find out if any such changes might be enacted in the future that could negatively impact their intended use. This includes checking with
 81 the appropriate governmental agencies, departments, and planners, and possibly hiring an independent expert.

82 ACKNOWLEDGEMENT

83 **The undersigned Buyer(s) acknowledge that they (a) have read and understand this Advisory; (b) have been provided**
 84 **with a copy for their own files; and (c) are aware that the use of one or more experts is recommended before entering into**
 85 **a binding transaction for the purchase of vacant land.**

86 Buyer  Date 06/17/2019
 SNJ Online By Steve Meland

Buyer  Date 06/17/2019
 SNJ Online by Jeremy Breton

87 Buyer's Agent Martin Justus Buyer's Agent's Firm Four Star Real Estate

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Sale Agreement # ORS 06152019 MJ

FINAL AGENCY ACKNOWLEDGMENT

1 Both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and hereby acknowledge and consent
2 to the following agency relationships in this transaction:

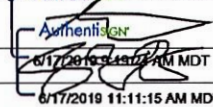
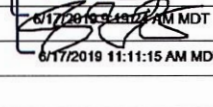
3 Martin Justus (Name of Buyer's Agent(s)*), Oregon Lic. # 201104009
4 of Four Star Real Estate (Name of Real Estate Firm(s)*)
5 Buyer's Agent's Office Address 241-SW 3rd Ave, Ontario, OR 97914, Company Lic. # 201221817
6 Phone (541)889-8801 Fax (541)889-8806 E-mail Martyj@4starrealestatetv.com
7 is/are the agent of (check one): ☒ Buyer exclusively ("Buyer Agency"). ☐ Both Buyer and Seller ("Disclosed Limited Agency").

8 (Name of Seller's Agent(s)*), Oregon Lic. # _____
9 of _____ (Name of Real Estate Firm(s)*)
10 Seller's Agent's Office Address _____, Company Lic. # _____
11 Phone _____ Fax _____ E-mail _____
12 is/are the agent of (check one): ☐ Seller exclusively ("Seller Agency"). ☐ Both Buyer and Seller ("Disclosed Limited Agency").

13 *If Buyer's and/or Seller's Agents and/or Firms are co-selling or co-listing in this transaction, all Agents and Firm names should be
14 disclosed above. For directions on how to look up license numbers: <https://oreg.elicense.irondata.com/Lookup/LicenseLookup.aspx>

15 If both parties are each represented by one or more Agent in the same Real Estate Firm, and Agents are supervised by the same principal broker
16 in that Real Estate Firm, Buyer and Seller acknowledge that said principal broker shall become the disclosed limited agent for both Buyer and
17 Seller as more fully explained in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and Agent(s).

18 Buyer shall sign this acknowledgment at the time of signing this Agreement before submission to Seller. Seller shall sign this acknowledgment at the time this
19 Agreement is first submitted to Seller, even if this Agreement will be rejected or a counter offer will be made. Seller's signature to this Final Agency
20 Acknowledgment shall not constitute acceptance of this Agreement or any terms therein.

21 Buyer		Print <u>SNJ Online By Steve Meland</u>	Date <u>06/17/2019</u>	←
22 Buyer		Print <u>SNJ Online by Jeremy Breton</u>	Date <u>06/17/2019</u>	←
23 Seller		Print <u>City of Ontario</u>	Date _____	←
24 Seller		Print _____	Date _____	←

VACANT LAND REAL ESTATE SALE AGREEMENT

25 THIS AGREEMENT IS INTENDED TO BE A LEGAL AND BINDING CONTRACT. IF IT IS NOT UNDERSTOOD, SEEK COMPETENT LEGAL
26 ADVICE BEFORE SIGNING. FOR AN EXPLANATION OF THE PRINTED TERMS AND PROVISIONS IN THIS FORM REGARDING TIMING,
27 NOTICE, BINDING EFFECT, ETC., SELLER AND BUYER ARE ENCOURAGED TO CLOSELY REVIEW SECTION 23 (DEFINITIONS AND
28 INSTRUCTIONS SECTION).

29 1. PRICE/PROPERTY DESCRIPTION: Buyer (print name(s)) SNJ Online By Steve Meland, SNJ Online by Jeremy Breton

30 offers to purchase from Seller (print name(s)) City of Ontario

31 the following described real property (hereinafter "the Property") situated in the State of Oregon, County of Malheur,
32 and commonly known or identified as (insert street address, city, zip code, tax identification number, lot/block description, etc.)
33 TBD Tax Lot 3604, Ontario, OR 97914
34 Tax Lot 3604 Map# 18S4705

35 (Buyer and Seller agree that if it is not provided herein, a complete legal description as provided by the title insurance company in accordance with
36 Section 7, below, shall, where necessary, be used for purposes of legal identification and conveyance of title.)

37 for the Purchase Price (in U.S. currency) of _____ A \$ 1,251,800.00

38 on the following terms: Earnest money herein receipted for _____ B \$ 10,000.00

39 on _____, as additional earnest money, the sum of _____ C \$ _____

40 at or before Closing, the balance of down payment _____ D \$ _____

41 at Closing and upon delivery of ☒ DEED ☐ CONTRACT the balance of the Purchase Price _____ E \$ 1,241,800.00

42 shall be paid as agreed in Financing Section of the Agreement. (Lines B, C, D and E should equal Line A)

Buyer Initials [Signature] / [Signature] Date 06/17/2019

Seller Initials _____ / _____ Date _____

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FINANCING

2. BALANCE OF PURCHASE PRICE. (Select A or B)

A. ☒ This is an all cash transaction. Buyer to provide verification ("Verification") of readily available funds as follows (select only one):
☐ Buyer has attached a copy of the Verification with the submission of this Agreement to Seller ☐ Buyer will provide Seller with the Verification within _____ business days (five [5] if not filled in) after this Agreement has been signed and accepted; or ☐ Other (Describe): _____

Seller may notify Buyer, in writing, of Seller's unconditional disapproval of the Verification within _____ business days (two [2] if not filled in) ("Disapproval Period") following its receipt by Seller. Provided, however, such disapproval must be objectively reasonable. Upon such disapproval, all earnest money deposits shall be promptly refunded to Buyer and this transaction shall be terminated. **If Seller fails to provide Buyer with written unconditional disapproval of the Verification by 5:00 p.m. of the last day of the Disapproval Period, Seller shall be deemed to have approved the Verification.** If Buyer fails to submit a Verification within a time frame selected above, unless the parties agree otherwise in writing, all earnest money deposits shall be promptly refunded and this transaction shall be terminated.

B. ☐ Balance of Purchase Price to be financed through one of the following Loan Programs (Select only one): ☐ Conventional;
☐ Other (Describe): _____ (hereinafter "Loan Program"). Buyer agrees to seek financing through a lending institution or mortgage broker (hereinafter collectively referred to as "Lender") participating in the Loan Program selected above.

C. Pre-Approval Letter. ☐ Buyer has attached a copy of a Pre-Approval Letter from Buyer's Lender or mortgage broker; ☐ Buyer does not have a Pre-Approval Letter at the time of making this offer; ☐ Buyer agrees to secure a Pre-Approval Letter and provide a copy to Seller as follows: _____

3.1 FINANCING CONTINGENCIES. If Buyer is financing any portion of the Purchase Price, this transaction is subject to the following financing contingencies: (1) Buyer and the Property to qualify for the loan from Lender; (2) Lender's appraisal shall not be less than the Purchase Price; and, (3) Other (Describe): _____

Except as otherwise provided herein, all Financing Contingencies are solely for Buyer's benefit and may be waived by Buyer in writing at any time.

3.2 FAILURE OF FINANCING CONTINGENCIES. If Buyer receives actual notification from Lender that any Financing Contingencies identified above have failed or otherwise cannot occur, Buyer shall promptly notify Seller, and the parties shall have _____ business days (two [2] if not filled in) following the date of Buyer's notification to Seller to either (a) Terminate this transaction by signing a **Termination Agreement (OREF 057)** and/or such other similar form as may be provided by Escrow; or (b) Reach a written mutual agreement upon such price and terms that will permit this transaction to continue. Neither Seller nor Buyer is required under the preceding provision (b) to reach such agreement. If (a) or (b) fail to occur within the time period identified in this Section 3.2, this transaction shall be automatically terminated and all earnest money shall be promptly refunded to Buyer. Buyer understands that upon termination of this transaction, Seller shall have the right to immediately place the Property back on the market for sale upon any price and terms as Seller determines, in Seller's sole discretion.

3.3 BUYER REPRESENTATION REGARDING FINANCING: Buyer makes the following representations to Seller: (1) Buyer's completed loan application, as hereinafter defined, shall be submitted to the Lender that provided the Pre-Approval Letter, a copy of which has been delivered to Seller, or will be, pursuant to Section 3.2, above.

(2) Buyer shall submit to Buyer's Lender a completed loan application for purchase of the Property not later than _____ business days (three [3] if not filled in) following the date Buyer and Seller have signed and accepted this Agreement. A "completed loan application" shall include the following information: (i) Buyer's name(s); (ii) Buyer's income(s); (iii) Buyer's social security number(s); (iv) the Property address; (v) an estimate of the value of the Property; and (vi) the loan amount sought.

(3) Buyer agrees that if Buyer intends to proceed with the loan transaction, Buyer will so notify Lender within _____ business days (three [3] if not filled in - but not to exceed ten [10]) in such form as required by said Lender, following Buyer's receipt of Lender's Loan Estimate. Upon request, Buyer shall promptly notify Seller of the date of Buyer's signed notice of intent to proceed with the loan.

(4) Buyer will thereafter complete all paperwork requested by the Lender in a timely manner, and exercise best efforts (including payment of all application, appraisal and processing fees, where applicable) to obtain the loan.

(5) Buyer understands and agrees that Buyer may not replace the Lender or Loan Program already selected, without Seller's written consent, which may be withheld in Seller's sole discretion.

(6) Following submission of the loan application, Buyer agrees to keep Seller promptly informed of all material non-confidential developments regarding Buyer's financing and the time of Closing.

(7) Buyer shall make a good faith effort to secure the ordering of the Lender's appraisal no later than expiration of the Inspection Period at Section 10 of this Agreement, (or Section 1 of the **OREF 058 Professional Inspection Addendum** if used).

Buyer Initials

Date 06/17/2019

Seller Initials _____ / _____

Date _____

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(8) Buyer currently has liquid and available funds for the earnest money deposit and down payment sufficient to Close the transaction described herein and is not relying upon any contingent source of funds (e.g., from loans, gifts, sale or closing of other property, 401K disbursements, etc.), except as follows (*describe*): **none**

(9) Buyer authorizes Buyer's Lender to provide non-confidential information to Buyer's and Seller's Agents regarding Buyer's loan application status.

4.1 INSURANCE: Buyer is encouraged to promptly verify the availability and cost of property/casualty/fire insurance that will be secured for the Property. Additionally, lenders may require proof of property/casualty/fire insurance as a condition of the loan.

4.2 FLOOD INSURANCE; ELEVATION CERTIFICATE: If the Property is located in a designated flood zone, flood insurance may be required as a condition of a new loan. Buyer is encouraged to promptly verify the need, availability, and cost of flood insurance, if applicable. An Elevation Certificate ("EC") is the document used by the federal National Flood Insurance Program ("NFIP") to determine the difference in elevation between a home or building, and the base flood elevation ("BFE"), which is a computed elevation to which floodwater is anticipated to rise during certain floods. The amount of the flood insurance premium for a particular property is based upon the EC. Not all properties in flood zones require an EC, depending upon when they were constructed. ECs must be prepared and certified by a land surveyor, engineer, or architect who is authorized by the local jurisdiction to certify elevation information. The costs and fees for an EC may range from a few hundred dollars to over a thousand. **If the Property requires an EC, it will need to be obtained prior to receiving a flood insurance quote. Additionally, lenders may require an EC as a condition of loan approval. For more information, go to the following link: <http://www.fema.gov/base-flood-elevation>**

5. SELLER-CARRIED FINANCING (E.G., LAND SALE CONTRACT/TRUST DEED/MORTGAGE/OPTION AGREEMENTS, RENT-TO-OWN, ETC.): Notice to Buyer and Seller: If this transaction involves a land sale contract, trust deed, mortgage, option, or lease-to-own agreement (hereinafter a "Seller Carried Transaction"), Oregon law requires that, unless exempted, individuals offering or negotiating the terms must hold a mortgage loan originator ("MLO") license. Your real estate agent is not qualified to provide these services or to advise you in this regard. Legal advice is strongly recommended. Oregon law exempts the following individuals from the MLO licensing law: (a) Those who offer or negotiate terms of a residential mortgage loan with or on behalf of their spouse, child, sibling, parent, grandparent, grandchild or a relative in a similar relationship created by law, marriage or adoption; (b) Those who sell their primary residence they currently or previously lived in; and (c) Individuals who sell up to three (3) non-primary residences during any 12-month period. (Note: One may not hold more than eight residential mortgage loans at one time.) If this is a Seller-Carried Transaction, and one or more of the preceding exemptions apply, Buyer and Seller agree as follows (select only one):

☐ (a) Secure separate legal counsel to negotiate and draft the necessary documents; or

☐ (b) Employ an MLO to do so; or

☐ (c) Use the **OREF 033 Seller-Carried Transaction Addendum** and related forms.

Seller and Buyer agree that regardless of whether (a), (b), or (c) is selected, they will reach a signed written agreement upon the terms and conditions of such financing (e.g. down payment, interest rate, amortization, term, payment dates, late fees, balloon dates, etc.) within ___ business days (ten [10] if not filled in) commencing on the next immediate business day following the date they have signed and accepted this Sale Agreement ("Negotiation of Terms Period"). Upon failure of Buyer and Seller to reach agreement by 5:00 p.m. on the last day of the Negotiation of Terms Period, or such other times as may be agreed upon in writing, all earnest money deposits shall be refunded to Buyer and this transaction shall be automatically terminated. **Caveat: Buyer's and Seller's Agents are not authorized to render advice on these matters. Buyer and Seller are advised to secure competent legal advice while engaged in a Seller-Carried Transaction.**

6. ADDITIONAL FINANCING PROVISIONS (e.g. Closing Costs): none

CONTINGENCIES

7. TITLE INSURANCE: When this Agreement is signed and accepted by Buyer and Seller, Seller will, at Seller's sole expense, promptly order from the title insurance company selected at Section 15 below, a preliminary title report and copies of all documents of record ("the Report and Documents of Record" for the Property, and furnish them to Buyer at Buyer's contact location as defined at Section 23.3 below. Unless otherwise provided herein, this transaction is subject to Buyer's review and approval of the Report and Documents of Record (**If, upon receipt, the Report and Documents of Record are not fully understood, Buyer should immediately contact the title insurance company for further information or seek competent legal advice**). **The Buyer's and Seller's Agents are not qualified to advise on specific legal or title issues.**) Upon receipt of the Report and Documents of Record Buyer shall have ___ business days (five [5] if not filled in) within which to notify Seller, in writing, of any

Buyer Initials [Signature] Date 06/17/2019

Seller Initials ___ / ___ Date ___

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142 matters disclosed in the Report and Documents of Record which is/are unacceptable ("the Objections"). Buyer's failure to timely object in writing,
143 shall constitute acceptance of the Report and/or Documents of Record. However, Buyer's failure to timely object shall not relieve Seller of the duty
144 to convey marketable title to the Property pursuant to Section 21, below. If, within _____ business days (five [5] if not filled in) following Seller's
145 receipt of the Objections, Seller fails to remove or correct the matters identified therein, or fails to give written assurances reasonably satisfactory to
146 Buyer, that they will be removed or corrected prior to Closing, all earnest money shall be promptly refunded to Buyer, and this transaction shall be
147 terminated. This contingency is solely for Buyer's benefit and may be waived by Buyer in writing. Within thirty (30) days after Closing, the title
148 insurance company shall furnish to Buyer, an owner's standard form policy of title insurance insuring marketable title in the Property to Buyer in the
149 amount of the Purchase Price, free and clear of the Objections, if any, and all other title exceptions agreed to be removed as part of this transaction.
150 *(Note: This Section 7 provides that Seller will pay for Buyer's standard owner's policy of title insurance. In some areas of the country,*
151 *such a payment might be regarded as a "seller concession." Under the TILA/RESPA Integrated Disclosure Rules ["The Rules"], there are*
152 *limitations, regulations and disclosure requirements on "seller concessions", unless the product or service paid for by the Seller was one*
153 *customarily paid by sellers in residential sales transactions. In Oregon, sellers customarily and routinely pay for their buyer's standard*
154 *owner's policy of title insurance. Accordingly, unless the terms of this Section 9 are modified in writing by Buyer and Seller, the parties*
155 *acknowledge, agree and so instruct Escrow, that in this transaction, Seller's payment of Buyer's standard owner's policy of title insurance*
156 *is not a "seller concession" under the Rules or any other federal law.)*

157 **8. INSPECTIONS/ENVIRONMENTAL HEALTH CONDITIONS:** The following list identifies some, but not all, environmental conditions that
158 may be found in and around all real property that may affect health: Asbestos, carbon monoxide, electric and magnetic fields,
159 formaldehyde, lead and other contaminants in drinking water and well water, lead based paint, mold and mildew, radon, and leaking
160 underground storage tanks. If Buyer has any concerns about these conditions or others, Buyer is encouraged to secure the services of a
161 licensed professional inspector, consultant, or health expert, for information and guidance. Neither the Buyer's nor Seller's Agents are
162 experts in environmental health hazards or conditions. Buyer understands that it is advisable to have a complete inspection of the
163 Property by qualified licensed professional(s), relating to such matters as soil condition/compaction/stability, environmental issues,
164 survey, zoning, availability of utilities, and suitability for Buyer's intended purpose. Neither the Buyer's nor Seller's Agents are qualified to
165 conduct such inspections and shall not be responsible to do so. For further details, Buyer is encouraged to review the Buyer Advisory at
166 <http://www.oregonrealtors.org/resources/membership-resources/buyer-seller-advisories> and the Oregon Public Health Division at
167 <http://public.health.oregon.gov/Pages/Home.aspx>

168 Check only one box below:

169 ☒ **LICENSED PROFESSIONAL INSPECTIONS:** At Buyer's expense, Buyer may have the Property and all elements and systems thereof inspected
170 by one or more licensed professionals of Buyer's choice. Provided, however, Buyer must specifically identify in this Agreement any desired
171 invasive inspections that may include testing or removal of any portion of the Property including, for example, radon and mold. Buyer understands
172 that Buyer is responsible for the restoration of the Property following any inspection(s)/test(s) performed by Buyer or on Buyer's behalf. Buyer shall
173 have 30 business days (ten [10] if not filled in), after the date Buyer and Seller have signed and accepted this Agreement (hereinafter "the
174 Inspection Period"), in which to complete all inspections and negotiations with Seller regarding any matters disclosed in any inspection report.
175 Buyer shall not provide all or any portion of the inspection reports to Seller unless requested by Seller. However, at any time during this
176 transaction, or promptly following termination, upon request by Seller, Buyer shall promptly provide a copy of such reports or portions of reports, as
177 requested. During the Inspection Period, Seller shall not be required to modify any terms of this Agreement already reached with Buyer. Unless a
178 written agreement has already been reached with Seller regarding Buyer's requested repairs, at any time during the Inspection Period, Buyer may
179 notify Seller, in writing, of Buyer's unconditional disapproval of the Property based on any inspection report(s), in which case, all earnest money
180 deposits shall be promptly refunded, and this transaction shall be terminated. If Buyer fails to provide Seller with written unconditional
181 disapproval of any inspection report(s) by 5:00 P.M. of the final day of the Inspection Period, Buyer shall be deemed to have accepted the
182 condition of the Property. Note that if, prior to expiration of the Inspection Period, written agreement is reached with Seller regarding
183 Buyer's requested repairs, the Inspection Period shall automatically terminate, unless the parties agree otherwise in writing.
184 Identify Invasive Inspections: Environmental Testing

185 ☐ **ALTERNATIVE INSPECTION PROCEDURES: OREF-058 PROFESSIONAL INSPECTION ADDENDUM**
186 ☐ **OTHER INSPECTION ADDENDUM** _____

187 ☐ **BUYER'S WAIVER OF INSPECTION CONTINGENCY:** Buyer represents to Seller and all Agents and Firms that Buyer is fully satisfied with the
188 condition of the Property and all elements and systems thereof and knowingly and voluntarily elects to waive the right to have any inspections performed
189 as a contingency to the Closing of the transaction. Buyer's election to waive the right of inspection is solely Buyer's decision and at Buyer's own risk.

190 **9.1 PRIVATE WELL:** Does the Property include a well that supplies or is intended to supply domestic water for household use? ☐ Yes ☒ No.
191 If the Property contains a private well, the **OREF 082 Private Well Addendum** will be attached to this Sale Agreement.

192 **9.2 SEPTIC/ONSITE SEWAGE SYSTEM:** Does the Property include a septic/onsite sewage system? ☐ Yes ☒ No If the Property contains a
193 septic/onsite sewage system, the **OREF 081 Septic/Onsite Sewage System Addendum** will be attached to this Sale Agreement.

Buyer Initials [Signature] Date 06/17/2019

Seller Initials _____ / _____ Date _____

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194 **10.1 SELLER PROPERTY DISCLOSURE LAW:** Buyer and Seller acknowledge that, subject to certain exclusions, Oregon's Seller Property Disclosure
195 Law (ORS 105.462 - 105.490) applies only to real property transactions improved with 1-to-4 family dwellings, and does not apply to transactions involving
196 vacant land.

197 **10.2 SELLER VACANT LAND DISCLOSURES:** Although not required by law, unless waived by Buyer in writing, Seller shall complete the OREF 019
198 Vacant Land Disclosure Addendum (the "Disclosure Addendum") for delivery to all prospective buyers making offers to purchase the Property. The
199 Disclosure Addendum addresses the current condition of the Property, and asks Seller to provide pertinent documents and information. Seller's answers
200 are based solely upon Seller's actual knowledge of the condition of the Property, without necessarily having performed any inspections or tests.
201 Notwithstanding receipt and review of Seller's completed Disclosure Addendum, Buyer is cautioned to exercise their own due diligence by using experts
202 and specialists of Buyer's choice. Neither Seller's nor Buyer's Agents are experts or specialists in vacant land. As more fully described in the Disclosure
203 Addendum, Buyer shall have a right to revoke their offer if timely given in writing to Seller within the defined Revocation Period, which shall
204 commence on the first business day following its date of delivery to Buyer. Unless waived below, until the Disclosure Addendum is delivered to
205 Buyer with all relevant documents and information, the Revocation Period does not commence. This means that a Buyer can revoke the
206 transaction at any time until said delivery and the Revocation Period has expired, or the time of closing, whichever first occurs.

207 **Buyer(s) to check one box below:**

208 ☒ Buyer's offer is conditioned upon receiving Seller's Vacant Land Disclosure Addendum within three business days following the date this Agreement is
209 signed and accepted by the parties. Buyer does not waive the right of revocation provided therein.

210 ☐ Buyer's offer is conditioned upon receiving Seller's Vacant Land Disclosure Addendum within three business days following the date this Agreement is
211 signed and accepted by the parties. Buyer expressly waives the right of revocation provided therein.

212 ☐ Buyer expressly waives the right to receive the Vacant Land Disclosure Addendum and all rights arising therefrom.

213 **SELLER REPRESENTATIONS**

214 **11. SELLER REPRESENTATIONS:** Subject to other written disclosures made by Seller as a part of this transaction, Seller makes the
215 following representations to Buyer:

216 (1) The Property is served by and/or connected to (*check all that apply*): ☐ a public sewer system; ☐ an onsite sewage system; ☐ a
217 public water system; ☐ a private well and/or shared well; ☐ other (e.g., surface springs, cistern, etc.) described: _____
218 ☒ none of the preceding.

219 (2) The Property will be in substantially its present condition at the time Buyer is entitled to possession.

220 (3) Seller has no notice of any liens or assessments to be levied against the Property.

221 (4) Seller has no notice from any governmental agency of a condemnation, environmental, zoning or similar proceeding, existing or
222 planned, which could detrimentally affect the use, development, or value of the Property.

223 (5) Seller knows of no material defects in or about the Property.

224 (6) Seller has no notice from any governmental agency of any violation of law relating to the Property.

225 (7) Seller has no knowledge of any of the following matters affecting the use or operation of the Property: (a) past or present non-
226 resource uses (e.g., cemeteries, landfills, dumps, etc.); (b) unrecorded access easements or agreements (e.g., for harvesting, fishing,
227 hunting, livestock movement and pasture, etc.); (c) state or federal agreements/requirements regarding crops, grazing, reforestation,
228 etc.; (d) supplier agreements, production processing commitments or other similar contracts.

229 (8) Well(s), water source(s), and/or water district resources have been adequate under Seller's current usage of the Property.

230 (9) Water rights (e.g., irrigation, agricultural), for not less than (Seller to complete) 62.59 acres, have been utilized and applied for
231 beneficial use within the last five (5) years and are current and shall be transferred to Buyer at Closing. Water rights may be subject to
232 certain conditions. Buyer should verify compliance with appropriate agency.

233 (10) Seller knows of no material discrepancies between visible lines of possession and use (such as existing fences, hedges, landscaping,
234 structures, driveways, and other such improvements) currently existing on the Property offered for sale and the legal description of the Property.

235 (11) Seller is not a "foreign person" under the Foreign Investment in Real Property Tax Act ("FIRPTA") as defined in this Agreement.

236 (12) Seller agrees to promptly notify Buyer if, prior to Closing, Seller receives actual notice of any event or condition that could result in
237 making any previously disclosed material information relating to the Property substantially misleading or incorrect.

238 These representations are made to the best of Seller's knowledge. Seller may have made no investigations. Exceptions to items (1)
239 through (12) are: None known (For more exceptions see Addendum _____).

240 Buyer acknowledges that the above representations are not warranties regarding the condition of the Property and are not a substitute for, nor in
241 lieu of, Buyer's own responsibility to conduct a thorough and complete independent investigation, including the use of professionals, where

Buyer Initials [Signature] / [Signature] Date 06/17/2019

Seller Initials _____ / _____ Date _____

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242 appropriate, regarding all material matters bearing on the condition of the Property, its value and its suitability for Buyer's intended use. Neither
 243 the Buyer's nor Seller's Agents shall be responsible for conducting any inspection or investigation of any aspects of the Property.

244 **12.1 SELLER ADVISORY: OREGON STATE TAX WITHHOLDING OBLIGATIONS:** Subject to certain exceptions, Escrow is required to withhold a
 245 portion of Seller's proceeds if Seller is a non-resident individual or corporation as defined under Oregon law. Buyer and Seller agree to cooperate
 246 with Escrow by executing and delivering any instrument, affidavit or statement as requested, and to perform any acts reasonable or necessary to
 247 carry out the provisions of Oregon law.

248 **12.2 SELLER/BUYER ADVISORY: FIRPTA TAX WITHHOLDING REQUIREMENT:** Seller and Buyer are advised that upon Closing, a Federal law, known
 249 as the Foreign Investment in Real Property Tax Act ("FIRPTA"), requires buyers to withhold a portion of a seller's proceeds if the real property is located within
 250 the United States and the seller is a "foreign person" who does not qualify for an exemption ("Withholding Requirement"). A "foreign person" includes a non-
 251 resident alien individual, foreign corporation, foreign partnership, foreign trust or a foreign estate. Generally, the following rules apply under FIRPTA:

252 (a) There is no Withholding Requirement, even if the seller is a "foreign person", if: (i) The purchase price of the property is not more than \$300,000; and (ii) The
 253 property will be occupied as a residence by a buyer who is an individual (or a member of his/her family) (iii) for at least 50% of the number of days (excluding
 254 days the property is vacant) it is used by such person during each of the first two 12-month periods following the date of closing;

255 (b) The Withholding Requirement will be ten percent (10%) of the purchase price when the seller is a "foreign person" and the purchase price is over
 256 \$300,000, but less than \$1,000,000, and (a)(ii) and (iii) above apply; and

257 (c) The Withholding Requirement will be fifteen percent (15%) of the purchase price when the seller is a "foreign person" and the purchase price is
 258 over \$1,000,000, or the purchase price is \$1,000,000 or less and Seller does not qualify for any of the exemptions in (a) or (b) above.

259 **If FIRPTA applies (i.e. Seller is a foreign person), even if there is an exemption, Seller and Buyer must complete and sign the OREF 093 FIRPTA**
 260 **Addendum. If FIRPTA does not apply (i.e. seller is not a foreign person), then Seller shall, upon Buyer's request, complete, sign, and deliver to**
 261 **Buyer a FIRPTA Certification of Non Foreign Status ("the Certificate") prior to Closing. If Seller fails or refuses to complete, sign, or deliver the**
 262 **Certificate to Buyer prior to Closing, Seller understands and agrees that the Withholding Requirement shall apply to this transaction. Seller's and**
 263 **Buyer's Agents are not experts in FIRPTA and will not act as a transferor or transferee agent for purposes of the Withholding Requirement. If**
 264 **FIRPTA may apply in this transaction, Seller and Buyer should promptly consult their own experts familiar with the law and regulations. For**
 265 **further information, Seller and Buyer should go to: <https://www.irs.gov/individuals/international-taxpayers/firpta-withholding>**

266 **13. "AS-IS":** Except for Seller's express written agreements and written representations contained herein, and Seller's Property Disclosure, if
 267 any, Buyer is purchasing the Property "AS-IS," in its present condition and with all defects apparent or not apparent.

MISCELLANEOUS ITEMS

269 **14. ADDITIONAL PROVISIONS:** 1. see addendum 2. Buyer may transfer rights to this agreement to any company they may currently own
 270 or create.

For additional provisions, see Addendum _____.

CLOSING/ESCROW

275 **15. ESCROW:** This transaction shall be Closed at Malheur County Title Company ("Escrow"), a neutral escrow
 276 located in the State of Oregon. Costs of Escrow shall be shared equally between Buyer and Seller, unless otherwise provided herein. Unless otherwise
 277 provided herein, the parties agree as follows: Seller authorizes Listing Firm to order a preliminary title report and owner's title policy at Seller's expense and
 278 further authorizes Escrow to pay out of the cash proceeds of sale the expense of furnishing such policy, Seller's recording fees, Seller's Closing costs and any
 279 encumbrances on the Property payable by Seller on or before Closing. Buyer shall deposit with Escrow sufficient funds necessary to pay Buyer's recording
 280 fees, Buyer's Closing costs, and lender's fees, if any. Real estate fees, commissions or other compensation for professional real estate services provided by
 281 Buyer's or Seller's Agent's Firms shall be paid at Closing in accordance with the listing agreement, buyer service agreement or other written agreement for
 282 compensation.

283 **16. PRORATIONS:** Prorates for rents, current year's taxes, interest on assumed obligations, and other prepaid expenses attributable to the
 284 Property shall be as of: (check one) ☒ the Closing Date; ☐ date Buyer is entitled to possession; or ☐ _____.

285 **17. EARNEST MONEY DEPOSIT(S) AND BUYER INSTRUCTIONS:** When this Sale Agreement is signed and accepted by Buyer and Seller, the
 286 following instructions shall immediately apply to the handling of Buyer's earnest money deposit in the sum of \$ 10,000.00 ('the
 287 Deposit').

Buyer Initials [Signature]

Date 06/17/2019

Seller Initials _____ / _____

Date _____

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VACANT LAND REAL ESTATE SALE AGREEMENT- Page 6 of 10



Sale Agreement # **ORS 06152019 MJ**

17.1 The Deposit shall be payable by wire transfer or check and deposited within _____ (three [3] if not filled in) business days (the "Deposit Deadline") as follows (check all that apply):

- ☒ Directly with Escrow;
☐ Directly into Buyer's Agent's Firm's client trust account and remain there until disbursement at Closing; and/or
☐ Directly into Buyer's Agent's Firm's client trust account and thereafter deposit with Escrow/Title Company prior to Closing;
☐ As follows: _____

Caution: The Deposit, payable by whatever method selected by Buyer above, shall be placed with Escrow or Buyer's Agent's Firm's Client Trust account no later than 5:00 pm on the last day of the Deposit Deadline. The failure to do so may result in a breach of the Sale Agreement under **EARNEST MONEY REFUND TO BUYER/EARNEST MONEY PAYMENT TO SELLER** sections, below.

17.2 If an additional Deposit ("Additional Deposit") is to be paid, it shall be handled in accordance with the above-selected instructions, or (Describe):

17.3 Once the Deposit, and Additional Deposit, if any, is/are placed with Escrow, Seller's and Buyer's Agents and Firms shall have no further responsibility to Buyer or Seller regarding said funds.

18. EARNEST MONEY DEPOSIT INSTRUCTIONS TO ESCROW: Escrow is hereby instructed by Buyer and Seller as follows: (1) Upon your receipt of a copy of this Agreement marked "rejected" by Buyer's or Seller's Agents Firm's written advice that the offer is "rejected" by Seller, you are to refund all earnest money to Buyer; (2) Upon your receipt of a copy of this Agreement signed by Buyer and Seller set up an escrow account and proceed with Closing in accordance with the terms of this Agreement. If you determine that the transaction cannot be Closed for any reason (whether or not there is then a dispute between Buyer and Seller), you are to hold all earnest money deposits until you receive written instructions from Buyer and Seller, or a final ruling from a court or arbitrator, as to disposition of such deposits.

19.1 EARNEST MONEY REFUND TO BUYER: If (1) Seller does not approve this Agreement; or (2) Seller signs and accepts this Agreement but fails to furnish marketable title; or (3) Seller fails to complete this transaction in accordance with the material terms of this Agreement; or (4) any condition which Buyer has made an express contingency in this Agreement (and has not been otherwise waived) fails through no fault of Buyer, then all earnest money deposits shall be promptly refunded to Buyer. However, acceptance by Buyer of the refund shall not constitute a waiver of other legal remedies available to Buyer.

19.2 EARNEST MONEY PAYMENT TO SELLER: If Seller signs and accepts this Agreement and title is marketable; and (1) Buyer has materially misrepresented Buyer's financial status; or (2) Buyer's bank does not pay, when presented, any check given as earnest money or fails to timely make a wire transfer for Buyer's earnest money; or (3) Buyer fails to complete this transaction in accordance with the material terms of this Agreement, then all earnest money paid or agreed to be paid shall be paid to Seller as liquidated damages. The parties expressly agree that Seller's economic and non-economic damages arising from Buyer's failure to close this transaction in accordance with the terms of this Agreement would be difficult or impossible to ascertain with any certainty, and that said earnest money deposit(s) identified herein shall represent a binding liquidated sum, and that it is a fair, reasonable and appropriate pre-estimate of Seller's damages, and is not a penalty. **It is the intention of the parties that Seller's sole remedy against Buyer for Buyer's failure to close this transaction in accordance with the material terms of this Agreement shall be limited to the amount of earnest money paid or agreed to be paid herein. Seller's right to recover from Buyer any unpaid earnest money agreed to be paid herein shall be in accordance with the provisions of the Dispute Resolution Sections below.**

20.1 CLOSING: Closing shall occur on a date mutually agreed upon between Buyer and Seller, but in no event later than 07/31/2019 ("the Closing Deadline"). The terms "Closed", "Closing" or "Closing Date" shall mean when the deed or contract is recorded and funds are available to Seller. Buyer and Seller acknowledge that for Closing to occur by the Closing Deadline, it may be necessary to execute documents and deposit funds in Escrow prior to that date. Caveat: Section 5 requires three (3) days prior to the Closing Deadline if Escrow is to prepare a note and a deed of trust or mortgage.

20.2 THE CLOSING DISCLOSURE: If the Property will be used, or is expected to be used, as Buyer's primary residence, and lender financing is involved, pursuant to the federal TILA-RESPA Integrated Disclosure Rules ("TRID"), Buyer and Seller will each receive a federally-required document called a "Closing Disclosure", which, among other things, summarizes each party's closing costs. TRID requires that the Closing Disclosure must be received by a residential loan borrower at least three (3) business days prior to "consummation" of the transaction, which in most cases in Oregon will be the date on which Buyer signs the loan documents. Under certain circumstances, a change to the Closing Disclosure late in the transaction could result in a delay in Closing to comply with the three business day rule. **Such a delay beyond the Closing Deadline could result in termination of the transaction unless Seller and Buyer mutually agree to extend it.**

Buyer Initials [Signature] / [Signature] Date 06/17/2019

Seller Initials _____ / _____ Date _____

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VACANT LAND REAL ESTATE SALE AGREEMENT- Page 7 of 10



Sale Agreement # **ORS 06152019 MJ**

334 **20.3 NOTICE REGARDING TITLE INSURANCE COSTS:** The manner in which TRID requires title insurance costs to be disclosed differs from the
 335 actual costs that may be charged to the parties under Oregon law. In such instances, at Closing, Escrow may issue a separate statement showing
 336 the actual costs for an owner's policy of title insurance and, where applicable, the lender's policy of title insurance. ***Seller and Buyer are***
 337 ***encouraged to discuss this with Escrow prior to Closing.***

338 **21. DEED:** Seller shall convey marketable title to the Property by statutory warranty deed (or good and sufficient personal representative's or trustee's or
 339 similar legal fiduciary's deed, where applicable) free and clear of all liens of record, except property taxes that are a lien but not yet payable, zoning
 340 ordinances, building and use restrictions, reservations in federal patents, easements of record that affect the Property, covenants, conditions and restrictions
 341 of record, and those matters accepted by Buyer pursuant to Section 7. If Buyer's title will be held in the name of more than one person see Section 30
 342 regarding forms of co-ownership.

343 **22. POSSESSION:** Seller shall deliver possession of the Property to Buyer (*select one*):

344 (1) ☒ by 5:00 p.m. on Closing;

345 (2) ☐ by _____ a.m. ☐ p.m. _____ days after Closing;

346 (3) ☐ by _____ a.m. ☐ p.m. on the _____ day of _____, _____.

DEFINITIONS/INSTRUCTIONS

348 **23. DEFINITIONS/INSTRUCTIONS:** (1) All references in this Sale Agreement to "Agent" and "Firm" shall refer to Buyer's and Seller's real
 349 estate agents licensed in the State of Oregon and the respective real estate companies with which they are affiliated.

350 (2) Time is of the essence of this Agreement.

351 (3) Except as provided in Section 7, above, all written notices or documents, required or permitted under this Agreement to be delivered to Buyer or
 352 Seller may be delivered to their respective Agent with the same effect as if delivered to that Buyer or Seller. Upon opening of this transaction with the
 353 title company identified at Section 15, above, Buyer, Seller, and their respective Agents, where applicable, shall provide escrow with their preferred
 354 means of notification (e.g. email or text address, facsimile number, or mailing or personal delivery address, or other), which shall serve as the
 355 primary location for receipt of all notices or documents (hereinafter, "Contact Location")

356 (4) Agent(s) and Firm(s) identified in the Final Agency Acknowledgment Section above are not parties to this Agreement.

357 (5) A "business day" shall mean Monday through Friday, except recognized state and federal holidays.

358 (6) Unless Seller and Buyer expressly provide otherwise, the phrase "signed and accepted" in the printed text of this Sale Agreement, or any
 359 addendum or counteroffer, however designated (collectively, "the Agreement" or "the Sale Agreement"), shall mean the date and time that either the
 360 Seller and/or Buyer has/have: (a) Signed their acceptance of the Agreement received from the other party, or their Agents, and (b) Transmitted it to
 361 the sending party, or their Agent, either by manual delivery ("Manual Delivery"), or by facsimile or electronic mail/text (collectively, "Electronic
 362 Transmission"). When the Agreement is "signed and accepted" as defined herein, the Agreement becomes legally binding on Buyer and Seller, and
 363 neither has the ability to withdraw their offer or counteroffer, as the case may be.

364 (7) The sending of a signed acceptance of the Agreement via Electronic Transmission from one party, or their Agent, to the other party, or their
 365 Agent, shall have the same effect as Manual Delivery of the signed original. If the parties intend to use any other method for transmitting a signed
 366 offer or acceptance of the Agreement (such as regular mail, certified mail, or overnight delivery), they should so specify at Section 14 (Additional
 367 Provisions) of this Sale Agreement.

368 (8) Time calculated in days after the date Buyer and Seller have signed and accepted this Agreement shall start on the first full business day after
 369 the date they have signed and accepted it.

370 (9) This Agreement is binding upon the heirs, personal representatives, successors and assigns of Buyer and Seller. However, Buyer's rights
 371 under this Agreement or in the Property are not assignable without prior written consent of Seller.

372 (10) This Agreement may be signed in multiple legible counterparts with the same legal effect as if all parties signed the same document.

373 (11) Unless a different time is specified in the Agreement, all deadlines for performance, however designated, that are measured in business or
 374 calendar days, shall terminate as of 5:00 p.m. on the last day of that deadline, however designated.

375 **24. APPROVED USES:** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING
 376 STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT
 377 AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS
 378 DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE
 379 SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11,
 380 CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8,

Buyer Initials  Date 06/17/2019

Seller Initials _____ / _____ Date _____

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Tax Lot 3604 City



381 OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY
382 SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING
383 TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF
384 THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF
385 NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424,
386 OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

387 **25. IRC 1031 EXCHANGE:** In the event Buyer or Seller elects to complete an IRC 1031 exchange in this transaction, the other party agrees to cooperate with
388 them, and the accommodator, if any, in a manner necessary to complete the exchange, so long as it will not delay the Close of escrow or cause additional
389 expense or liability to the cooperating party. Unless otherwise provided herein, this provision shall not become a contingency to the Closing of this transaction.

390 **26. LEVY OF ADDITIONAL PROPERTY TAXES:** The Property: (check one) ☒ is ☐ is not specially assessed for property taxes (e.g., farm, forest or
391 other) in a way which may result in levy of additional taxes in the future. If it is specially assessed, Seller represents that the Property is current as to
392 income or other conditions required to preserve its deferred tax status. If, as a result of Buyer's actions or the Closing of this transaction, the Property
393 either is disqualified from special use assessment or loses its deferred property tax status, unless otherwise specifically provided in this Agreement,
394 Buyer shall be responsible for and shall pay when due, any deferred and/or additional taxes and interest that may be levied against the Property and
395 shall hold Seller completely harmless therefrom. However, if as a result of Seller's actions prior to Closing, the Property either is disqualified from its
396 entitlement to special use assessment or loses its deferred property tax status, Buyer may, at Buyer's sole option, promptly terminate this transaction and
397 receive a refund of all deposits paid by Buyer in anticipation of Closing; or Close this transaction and hold Seller responsible to pay into Escrow all
398 deferred and/or additional taxes and interest that may be levied or recaptured against the Property and shall hold Buyer completely harmless therefrom.
399 The preceding shall not be construed to limit Buyer's or Seller's available remedies or damages arising from a breach of this Section 26.

DISPUTE RESOLUTION

400 **27. FILING OF CLAIMS:** All claims, controversies and disputes between Seller, Buyer, Agents, and/or Firms, relating to the enforcement or
401 interpretation of this Sale Agreement (including those for rescission), as well as those relating to the validity or scope of the Sale Agreement, and all
402 matters concerning the jurisdiction of the arbitrator(s) and/or Arbitration Service of Portland, to hear and decide questions of arbitrability (hereinafter
403 collectively referred to as "Claims"), shall be exclusively resolved in accordance with the procedures set forth herein, which shall survive Closing or
404 earlier termination of this transaction. All Claims shall be governed exclusively by Oregon law, and venue shall be placed in the county where the
405 real property is situated. Filing a Claim for arbitration shall be treated the same as filing in court for purposes of meeting any applicable statutes of
406 limitation or statute of ultimate repose, and for purposes of filing a *lis pendens*. BY CONSENTING TO THE PROVISIONS HEREIN, BUYER AND SELLER
407 ACKNOWLEDGE THAT THEY ARE GIVING UP THE CONSTITUTIONAL RIGHT TO HAVE CLAIMS TRIED BY A JUDGE OR JURY IN STATE OR FEDERAL COURT,
408 INCLUDING ALL ISSUES RELATING TO THE ARBITRABILITY OF SAID CLAIMS.

409 **28. EXCLUSIONS:** The following shall not constitute Claims: (1) Any proceeding to enforce or interpret a mortgage, trust deed, land sale contract
410 or recorded construction lien; (2) A forcible entry and detainer action (eviction); (3) If the matter is exclusively between REALTORS® and is
411 otherwise required to be resolved under the Professional Standards Ethics and Arbitration provisions of the National Association of REALTORS®;
412 (4) If the matter relates to a commission or fee with an Agent or Firm, and the written listing, service or fee agreement with Buyer or Seller
413 contains a mandatory mediation and/or arbitration provision; and (5) Filing in court for the issuance of provisional process described under the
414 Oregon Rules of Civil Procedure, provided, however, such filing shall not constitute a waiver of the right or duty to utilize the dispute resolution
415 procedures described herein for the adjudication of any Claims.

416 **29.1 SMALL CLAIMS BETWEEN BUYER AND SELLER:** All Claims between Buyer and Seller that are within the jurisdiction of the Small
417 Claims Court of the county in which the property is located, shall be brought and decided there, in lieu of mediation, arbitration or litigation in any
418 other forum. Notwithstanding ORS 46.455(3), neither Buyer nor Seller shall have a right to request a jury trial and so remove the matter from the
419 Small Claims Department of the Circuit Court. A judgment in Small Claims Court is final and binding and there is no right of appeal.

420 **29.2 MEDIATION AND ARBITRATION BETWEEN BUYER AND SELLER:** If Buyer and/or Seller's Agent is a member of the National
421 Association of REALTORS®, all Claims shall be submitted to mediation in accordance with the procedures of the Home Seller/Home Buyer Dispute
422 Resolution System of the National Association of REALTORS® ("the System"). If an Agent is not a member of the National Association of
423 REALTORS®, or the System is not available through the Agent's Realtor® organization, then all Claims shall be submitted to mediation through the
424 program administered by Arbitration Service of Portland ("ASP"). All Claims that have not been resolved by mediation as described herein shall be
425 submitted to final and binding arbitration in accordance the then-existing rules of ASP. The prevailing party in any arbitration between Buyer and
426 Seller shall be entitled to recovery of all reasonable attorney fees, filing fees, costs, disbursements, and mediator and arbitrator fees. Provided,
427 however, a prevailing party shall not be entitled to any award of attorney fees unless it is first established to the satisfaction of the arbitrator(s) (or
428 judge, if applicable) that the prevailing party offered or agreed in writing to participate in mediation prior to, or promptly upon, the filing for arbitration.

429 **29.3 MEDIATION AND ARBITRATION INVOLVING AGENTS/FIRMS:** All Claims that include Agents or their Firms shall be resolved in accordance
430 with the mediation and arbitration process described in Section 28.3 above, and if applicable, the prevailing party shall be entitled to an award of
431 attorney fees, filing fees, cost, disbursements, and mediator and arbitrator fees, as provided therein.

Buyer Initials  Date 06/17/2019

Seller Initials _____ / _____ Date _____

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Sale Agreement # ORS 06152019 MJ

SIGNATURE INSTRUCTIONS

432

433 **30. OFFER TO PURCHASE:** Buyer offers to purchase the Property upon the terms and conditions set forth in this Agreement. Buyer
 434 acknowledges receipt of a completely filled in copy of this Agreement, which Buyer has fully read and understands. Buyer acknowledges that
 435 Buyer has not relied upon any oral or written statements, made by Seller or any Agents that are not expressly contained in this Agreement. Neither
 436 Seller nor any Agent(s) warrant the square footage of any structure or the size of any land being purchased. If square footage or land size
 437 is a material consideration, all structures and land should be measured by Buyer prior to signing, or should be made an express
 438 contingency in this Agreement.

439 Deed or contract shall be prepared in the name of SNJ ONLINE LLC or one of its Subsidiaries.

440 **Co-Ownership Note:** Buyer should secure advice from an expert or attorney regarding different forms of co-ownership and rights of survivorship.
 441 Agents are not qualified to provide advice on these issues. Once the form of ownership is determined, Buyer should promptly notify Escrow.

442 This offer shall automatically expire on (insert date) June 28, 2019 at 5 ☐ a.m. ☒ p.m., (the "Offer Deadline"), if not
 443 accepted by that time. Buyer may withdraw this offer before the Offer Deadline any time prior to Seller's transmission of signed acceptance. This
 444 offer may be accepted by Seller only in writing.

445 Buyer [Signature] Date 06/17/2019, _____ a.m. _____ p.m. ←
SNJ Online by Steven Meland

446 Buyer [Signature] Date 06/17/2019, _____ a.m. _____ p.m. ←
SNJ Online by Jeremy Breton

447 Address 241 SW 3rd Ave Ontario OR Zip 97914

448 Phone _____ Fax _____ E-mail steven@hotboxfarms.com

449 This offer was delivered/transmitted to Seller for signature on the _____ day of _____, at _____ a.m. ☐ p.m.
 450 By _____ (Agent(s) presenting offer).

451 **31. AGREEMENT TO SELL / ACKNOWLEDGEMENTS / DISPOSITION OF EARNST MONEY:** Seller accepts Buyer's offer. Seller acknowledges
 452 receipt of a completely filled-in copy of this Agreement, which Seller has fully read and understands. Seller acknowledges that Seller has not
 453 relied upon any oral or written statements of Buyer or of any Agent(s) that are not expressly contained in this Agreement.

454 Seller _____ Date _____, _____ a.m. _____ p.m. ←
City of Ontario

455 Seller _____ Date _____, _____ a.m. _____ p.m. ←

456 Address 444 SW 4th St Ontario OR Zip 97914

457 Phone _____ Fax _____ E-mail adam.brown@ontariooregon.org

458 **Note:** If delivery/transmission occurs after the Offer Deadline identified at Offer to Purchase Section, above, it will not become binding
 459 upon Seller and Buyer unless the parties agree to extend said Deadline by an Addendum, Counteroffer, or other writing, jointly signed by
 460 the parties. The parties' failure to do so shall be treated as a rejection under Seller's Rejection Section, below, and this transaction shall
 461 be automatically terminated.

462 **32. SELLER'S REJECTION/COUNTER OFFER (select only one):** ☐ Seller does not accept the above offer, but makes the attached counter offer;
 463 ☐ Seller rejects Buyer's offer.

464 Seller _____ Date _____, _____ a.m. _____ p.m. ←
City of Ontario

465 Seller _____ Date _____, _____ a.m. _____ p.m. ←

466 Address 444 SW 4th St Ontario OR Zip 97914

467 Phone _____ Fax _____ E-mail adam.brown@ontariooregon.org

468 **NO CHANGES OR ALTERATIONS ARE PERMITTED TO ANY PORTION OF THE PRE-PRINTED FORMAT OR TEXT OF THIS FORM. ANY**
 469 **SUCH PROPOSED CHANGES OR ALTERATIONS SHOULD BE MADE ON A SEPARATE DOCUMENT. CHANGES BY BUYER'S OR**
 470 **SELLER'S AGENT TO THE TERMS OR PROVISIONS ABOVE BUYER'S SIGNATURE SHOULD ALSO BE ON A SEPARATE DOCUMENT.**

Buyer Initials [Signature] [Signature] Date 06/17/2019

Seller Initials _____ / _____ Date _____

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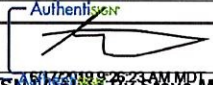
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VACANT LAND REAL ESTATE SALE AGREEMENT- Page 10 of 10



Sale Agreement # **ORS 06152019 MJ**
Addendum # **1**

ADDENDUM TO REAL ESTATE SALE AGREEMENT

- 1 This is an Addendum to: ☒ Real Estate Sale Agreement ☐ Seller's Counter Offer ☐ Buyer's Counter Offer
- 2 Buyer: **SNJ Online By Steve Meland, SNJ Online by Jeremy Breton**
- 3 Seller: **City of Ontario**
- 4 The real property described as: **TBD Tax Lot 3604, Ontario, OR 97914**
- 5 **SELLER AND BUYER HEREBY AGREE THE FOLLOWING SHALL BE A PART OF THE REAL ESTATE SALE AGREEMENT REFERENCED ABOVE.**
- 6 **OFFER TO PURCHASE REAL ESTATE**
- 7 **The total purchase price is SEVENTEEN THOUSAND AND FIVE HUNDRED NINETY EIGHT 76/100 DOLLARS (\$17,598.76) per acre, for a total**
- 8 **purchase price of ONE MILLION TWO HUNDRED FIFTY-ONE THOUSAND EIGHT HUNDRED AND 00/100 DOLLARS (\$1,251,800.00), to be**
- 9 **paid in cash upon closing. A total of 71.13 acres will be transferred at close.**
- 10 **All mineral rights and water rights appurtenant to the Property to be transferred to Buyer as part of this transaction.**
- 11 **Said offer is contingent on the following:**
- 12 **-Buyer obtaining ingress and egress access to the Property satisfactory to Buyer; and,**
- 13 **-Buyer obtaining water and sewer access to the Property satisfactory to Buyer; and,**
- 14 **-The Property being suitable for Buyer's development plans, including Buyer's ability to subdivide the property in the future, and to**
- 15 **conduct its operations suitable to its many business concerns.**
- 16 **Reece Hrizuk Attorney at Law is attorney of record for SNJ Online LLC.**
- 17 _____
- 18 _____
- 19 _____
- 20 _____
- 21 _____
- 22 _____
- 23 _____
- 24 _____
- 25 _____
- 26 _____
- 27 _____
- 28 _____
- 29 Buyer Signature  Date **06/17/2019**, _____ a.m. ____ p.m. ←
- 30 Buyer Signature  Date **06/17/2019**, _____ a.m. ____ p.m. ←
- 31 Seller Signature _____ Date _____, _____ a.m. ____ p.m. ←
- 32 Seller Signature **City of Ontario** Date _____, _____ a.m. ____ p.m. ←
- 33 Buyer's Agent **Martin Justus** Seller's Agent _____

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VACANT LAND DISCLOSURE ADDENDUM

Property Address **TBD Tax Lot 3604, Ontario, OR 97914**

INSTRUCTIONS TO THE SELLER

1 **THIS IS A VACANT LAND DISCLOSURE ADDENDUM ("DISCLOSURE ADDENDUM") MADE BY THE SELLER CONCERNING THE**
 2 **PROPERTY LOCATED AT** TBD Tax Lot 3604, Ontario, OR 97914 **(THE "PROPERTY"). THIS IS NOT**
 3 **A WARRANTY OF ANY KIND BY THE SELLER OR ANY AGENT OF THE SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR**
 4 **WARRANTIES THAT THE BUYER MAY WISH TO OBTAIN.**

5 Please complete the following form. Answer all the questions. If a question is not applicable to this Property, mark N/A. Please explain each "YES"
 6 answer in detail at Section VI below or on a separate page and attach pertinent documents and information. Please refer to the section and item
 7 of the question(s) when you provide your explanation(s). Please date and sign each page of this Disclosure Addendum and each attachment.
 8 SELLER(S) AUTHORIZE(S) ALL AGENTS TO PROVIDE A COPY OF THIS VACANT LAND DISCLOSURE ADDENDUM TO OTHER REAL
 9 ESTATE AGENTS AND PROSPECTIVE BUYERS OF THE PROPERTY.

NOTICE TO BUYER

- 10 A. Buyers have a duty to pay diligent attention to any material defects in or about the Property that are known to them or can become known
 11 by utilizing diligent attention and observation, and by employing competent experts. Your real estate agent is not responsible to conduct
 12 your due diligence, and may not render advice about property conditions or legal issues.
- 13 B. The disclosures set forth in this Disclosure Addendum and in any amendments thereto, are made only by the Seller and are not the
 14 representations of any financial institution that may have made or may make a loan pertaining to the Property, or that may have or take a
 15 security interest in the Property, or of any real estate agent engaged by the Seller or Buyer. A financial institution or real estate agent is not
 16 bound by and has no liability with respect to any representation, misrepresentation, omission, error or inaccuracy contained in another
 17 party's disclosure statement or any amendments thereto.

YES NO UNKNOWN N/A

I. TITLE

- 18 ☐ ☐ ☐ ☐ A.1 Is this Property a legal lot of record?
- 19 ☐ ☐ ☐ ☐ A.2 Is this Property subject to any of the following? ☐ first right of refusal ☐ option ☐ lease or rental
 20 agreement ☐ other listing ☐ life estate ☐ Timber Contracts
- 21 ☐ ☐ ☐ ☐ B. Are there any of the following? ☐ encroachments ☐ written or oral boundary or fencing agreements
 22 ☐ boundary disputes ☐ recent boundary changes.
- 23 ☐ ☐ ☐ ☐ C. Are there any of the following? ☐ rights of way ☐ easements (other than normal utility easements)
 24 ☐ access limitations ☐ written or oral agreements concerning the use or access to/from this property
- 25 ☐ ☐ ☐ ☐ D. Is there a ☐ written or ☐ oral agreement for joint maintenance of an easement?
- 26 ☐ ☐ ☐ ☐ E. Any sale, transfer or reservation of development, water or drainage rights?
- 27 ☐ ☐ ☐ ☐ F. Any sale, transfer or reservation of oil, gas, mineral rights, or timber rights?
- 28 ☐ ☐ ☐ ☐ G. Are you aware of any governmental study, survey, or notice that would affect this Property?
- 29 ☐ ☐ ☐ ☐ H. Are there any pending or existing assessments against this Property (other than real property taxes not yet due
 30 for the current year)?
- 31 I. What is the current zoning for the Property? _____
- 32 J. What is the current use of the Property? _____
- 33 ☐ ☐ ☐ ☐ K. Are you aware of any pending land use changes?

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

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VACANT LAND DISCLOSURE ADDENDUM

Property Address **TBD Tax Lot 3604, Ontario, OR 97914**

- 34 ☐ ☐ ☐ ☐ L. Is there a land survey for this Property? Survey Number (if known) _____
- 35 ☐ ☐ ☐ ☐ M. Is this Property subject to any recorded or unrecorded Covenants, Conditions, and Restrictions?
- 36 ☐ ☐ ☐ ☐ N. Are there any conservation, easements, or agreements?

YES NO UNKNOWN N/A

II. GENERAL INFORMATION

- 37 ☐ ☐ ☐ ☐ A. Have there been any settling, soil problems, standing water, flooding, or drainage problem on this Property?
- 38 ☐ ☐ ☐ ☐ B. Does the Property contain soil used to fill, build up, or level areas of the ground ("fill dirt")?
- 39 ☐ ☐ ☐ ☐ 1. If yes, does the fill dirt contain foreign materials (e.g. wood, rock, debris)?
- 40 ☐ ☐ ☐ ☐ 2. If yes, was the fill dirt compacted?
- 41 ☐ ☐ ☐ ☐ C. Has this Property been identified as "wetland", antiquities, dunes area, or other similar designation?
- 42 ☐ ☐ ☐ ☐ D. Is the Property in a designated flood or slide zone? FEMA Map # (if known) _____
- 43 ☐ ☐ ☐ ☐ E. Has there been major damage to this Property from fire, wind, flood, earth movement, or landslide?
- 44 ☐ ☐ ☐ ☐ F. Are you aware of any above ground or underground tanks used for any purpose (e.g., fuel, chemical, septic, abandoned tanks, etc.) currently or previously in use on the Property?
- 45 ☐ ☐ ☐ ☐ G. Are you aware of any hazardous material, toxic waste, or trash dumping on this Property?
- 46 ☐ ☐ ☐ ☐ H. Are there any structural improvements or personal property located on the Property that are included in this transaction? If "yes" list all items:
- 47 ☐ ☐ ☐ ☐
- 48 ☐ ☐ ☐ ☐
- 49 ☐ ☐ ☐ ☐
- 50 ☐ ☐ ☐ ☐ 1. Are there any defects or problems with any of these items? If "yes" describe all problems and defects:
- 51 ☐ ☐ ☐ ☐
- 52 ☐ ☐ ☐ ☐ I. Has this Property been used for the manufacture or distribution of illegal substances, excluding marijuana?
- 53 ☐ ☐ ☐ ☐ Note: Although marijuana has been legalized for medicinal and recreational use in Oregon, it remains a
- 54 ☐ ☐ ☐ ☐ "Controlled Substance" under Federal Law, and is illegal. See
- 55 ☐ ☐ ☐ ☐ <https://www.whitehouse.gov/ondcp/state-laws-related-to-marijuana>
- 56 ☐ ☐ ☐ ☐ J. Has this Property been used to legally grow marijuana for either medicinal or recreational use as permitted
- 57 ☐ ☐ ☐ ☐ under Oregon laws?

58 **BUYER MAY WISH TO INVESTIGATE FURTHER ANY OF THE ISSUES MENTIONED ABOVE.**

YES NO UNKNOWN N/A

III. WATER

- 59 ☐ ☐ ☐ ☐ A. Is there currently a domestic water supply for this Property?
- 60 ☐ ☐ ☐ ☐ 1. If "yes", from what source? ☐ public utility ☐ community water system ☐ private well
- 61 ☐ ☐ ☐ ☐ ☐ other (specify) _____
- 62 ☐ ☐ ☐ ☐ 2. If "no", is a permit required ☐ Yes ☐ No Has it been applied for? ☐ Yes ☐ No
- 63 ☐ ☐ ☐ ☐ B. If Property is currently supplied from a well:
- 64 ☐ ☐ ☐ ☐ 1. Is there more than one well serving the Property?
- 65 ☐ ☐ ☐ ☐ 2. Is (are) the well(s) located on the Property? (If No, attach explanation).

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

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VACANT LAND DISCLOSURE ADDENDUM

Property Address TBD Tax Lot 3604, Ontario, OR 97914

- | | | | | | |
|----|--------------------------|--------------------------|--------------------------|--------------------------|--|
| 66 | ☐ | ☐ | ☐ | ☐ | 3. Is (are) the well(s) shared? |
| 67 | ☐ | ☐ | ☐ | ☐ | a. Is there an oral or written agreement for a shared well? |
| 68 | ☐ | ☐ | ☐ | ☐ | b. Is there an easement (recorded or unrecorded) for access to and maintenance of a shared well? |
| 69 | ☐ | ☐ | ☐ | ☐ | 4. Is a copy of the well log(s) available? |
| 70 | ☐ | ☐ | ☐ | ☐ | 5. Well depth(s) is estimated to be _____ feet |
| 71 | ☐ | ☐ | ☐ | ☐ | 6. Well(s) supply approximately _____ gallons per minute (GPM) of water. |
| 72 | | | | | a. This figure is taken from ☐ well log ☐ a flow test of the well performed when _____ |
| 73 | | | | | and by whom _____ |
| 74 | ☐ | ☐ | ☐ | ☐ | 7. Is there a holding tank in addition to the pressure tank for the water system? |
| 75 | | | | | a. If "yes", what is the capacity of the tank? _____ gallons. |
| 76 | | | | | 8. Well is _____ years old. Pump type: ☐ submersible ☐ jet. Pump make _____ |
| 77 | | | | | Installed by _____ date _____ |
| 78 | | | | | Serviced by _____ date of last service _____ |
| 79 | ☐ | ☐ | ☐ | ☐ | 9. Are there any known problems with the water system? |
| 80 | ☐ | ☐ | ☐ | ☐ | 10. Have there been any repairs to the water system? |
| 81 | ☐ | ☐ | ☐ | ☐ | 11. Has a ☐ coliform bacteria ☐ nitrates ☐ arsenic or ☐ other water quality test been performed on |
| 82 | | | | | domestic water supply? If "yes", when _____ by whom _____ |
| 83 | ☐ | ☐ | ☐ | ☐ | C. Is there a water treatment system? If "yes", ☐ owned or ☐ leased? |
| 84 | | | | | 1. If "yes", for what purpose was the water treatment system installed? _____ |
| 85 | ☐ | ☐ | ☐ | ☐ | 2. Is the water treatment system in good working order? (If No, attach explanation). |
| 86 | ☐ | ☐ | ☐ | ☐ | D. Are there any abandoned wells on the Property? |
| 87 | ☐ | ☐ | ☐ | ☐ | E. Do you have other pertinent information regarding the water supply? If "yes", please attach an explanation. |
| 88 | ☐ | ☐ | ☐ | ☐ | F. Are there any irrigation wells? If "yes", how many? _____. |
| 89 | ☐ | ☐ | ☐ | ☐ | G. Are there water appropriation rights for this Property? |
| 90 | ☐ | ☐ | ☐ | ☐ | 1. Have the water rights been certified by the State of Oregon? |
| 91 | | | | | 2. To what body of water do the water rights pertain? _____ |
| 92 | ☐ | ☐ | ☐ | ☐ | 3. Have the water rights been used beneficially during the last five years? |
| 93 | ☐ | ☐ | ☐ | ☐ | H. Are any man-made ponds or bodies of water on this Property? |
| 94 | ☐ | ☐ | ☐ | ☐ | 1. If "yes", is there a permit? |

95 **BUYER SHOULD HAVE ANY NONPUBLIC WATER SOURCES TESTED FOR POTABILITY AND ADEQUACY OF SUPPLY.**

YES NO UNKNOWN N/A

IV. SEWAGE

- | | | | | | |
|----|--------------------------|--------------------------|--------------------------|--------------------------|---|
| 96 | ☐ | ☐ | ☐ | ☐ | A. Is sanitary sewer currently available to this Property? |
| 97 | | | | | 1. If "yes", where is the sewer line located? _____ |
| 98 | ☐ | ☐ | ☐ | ☐ | 2. If "no", will such service be available in the future? _____ |

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

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VACANT LAND DISCLOSURE ADDENDUM

Property Address TBD Tax Lot 3604, Ontario, OR 97914

- 99 ☐ ☐ ☐ ☐ B. Are you aware of any sanitary sewer proposed for this Property?
- 100 ☐ ☐ ☐ ☐ C. Is there a septic system on this Property?
- 101 1. If "yes", what type of system? ☐ standard ☐ cap fill ☐ sand filtration ☐ other _____
- 102 2. Last inspected by _____ date _____
- 103 *Please attach copies of the inspection report and invoice*
- 104 3. Date septic system was last pumped _____ by whom _____
- 105 ☐ ☐ ☐ ☐ 4. Any known problems or repairs? If "yes", please explain on attached sheet.
- 106 ☐ ☐ ☐ ☐ D. If a septic system will need to be installed, is there a current governmental approval for such a system?
- 107 1. If "yes", what type of system? ☐ standard ☐ cap fill ☐ sand filtration ☐ other _____
- 108 Date of approval _____
- 109 ☐ ☐ ☐ ☐ E. Is there an abandoned septic system on the Property? If "yes", where is it located? _____
- 110 **BUYER MAY WISH TO HAVE THE SEWAGE SYSTEM INSPECTED**

YES NO UNKNOWN N/A

V. DEED RESTRICTIONS, ASSOCIATIONS, COMMON FACILITIES, ETC

- 111 ☐ ☐ ☐ ☐ A. Are there CC&Rs?
- 112 ☐ ☐ ☐ ☐ B. Is there a Home or Unit Owners' Association?
- 113 1. If "yes" Who is the contact person? _____
- 114 contact information: _____
- 115 2. Monthly or annual dues _____ Assessments _____
- 116 ☐ ☐ ☐ ☐ C. Is this Property in an area with a neighborhood group or community organization?
- 117 1. If "yes", contact information _____
- 118 _____
- 119 ☐ ☐ ☐ ☐ D. Are there any features of this Property shared in common with adjoining landowners, such as a wall, fence, roof, road, or driveway for which use or maintenance responsibility may affect this Property?
- 120 _____
- 121 ☐ ☐ ☐ ☐ E. Are there any known disputes, irregularities, or other unsettled issues?
- 122 ☐ ☐ ☐ ☐ F. Are there any "common areas" (facilities such as a pool, recreation building, tennis court, walkway, etc.)?

YES NO UNKNOWN N/A

VI. OTHER CONDITIONS OR DEFECTS

- 123 ☐ ☐ ☐ ☐ A. Are you aware of any other condition, defect, feature, problem, material fact, or issue in its immediate vicinity, affecting the buyer's use and/or enjoyment of this Property?
- 124 _____

VII. DOCUMENTS AND EXPLANATIONS

- 125 Please list any attached documents, reports, explanations of "Yes" answers, or those questions indicating an explanation here:
- 126 _____
- 127 _____
- 128 _____
- 129 _____
- 130 _____
- 131 _____
- 132 _____
- 133 _____

[Attach Addendum if necessary.]

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

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VACANT LAND DISCLOSURE ADDENDUM

Property Address **TBD Tax Lot 3604, Ontario, OR 97914**

134 SELLER REPRESENTS TO BUYER THAT THE FOREGOING ANSWERS IN THIS VACANT LAND DISCLOSURE ADDENDUM, TOGETHER
135 WITH ALL INCLUDED DOCUMENTS AND INFORMATION, IF ANY, ARE COMPLETE AND CORRECT TO THE BEST OF SELLER'S ACTUAL
136 KNOWLEDGE, WITHOUT FURTHER INVESTIGATION OR TESTING.

137 Seller's Signature _____ Date _____, _____ a.m. ____ p.m. ←
City of Ontario

138 Seller's Signature _____ Date _____, _____ a.m. ____ p.m. ←

139 UNLESS PREVIOUSLY WAIVED BY BUYER IN WRITING, SELLER SHALL DELIVER A COPY OF THE COMPLETED VACANT LAND DISCLOSURE ADDENDUM TO ANY
140 BUYER MAKING A WRITTEN OFFER TO PURCHASE THE PROPERTY. BUYER SHALL HAVE THE ABSOLUTE RIGHT TO REVOKE THEIR OFFER, FOR ANY REASON
141 OR NO REASON, BY GIVING WRITTEN NOTICE TO SELLER WITHIN FIVE (5) BUSINESS DAYS FOLLOWING THE DATE OF SELLER'S DELIVERY OF THE DISCLOSURE
142 ADDENDUM TO BUYER (THE "REVOCATION PERIOD"). UNLESS PREVIOUSLY WAIVED IN WRITING, IF BUYER'S RIGHT OF REVOCATION IS NOT TIMELY
143 EXERCISED IN WRITING BY MIDNIGHT AT THE END OF THE LAST DAY OF THE REVOCATION PERIOD, IT SHALL AUTOMATICALLY EXPIRE. IN ALL EVENTS, SAID
144 RIGHT OF REVOCATION SHALL EXPIRE UPON CLOSING OF THE TRANSACTION.

145 ACKNOWLEDGMENT

146 THE UNDERSIGNED HEREBY ACKNOWLEDGE THE DUTY TO SIGN, DATE AND RETURN A COPY OF THIS PAGE OF THE ADDENDUM TO
147 SELLER OR SELLER'S AGENT PROMPTLY UPON RECEIPT FROM SELLER OR SELLER'S AGENT. A BAD FAITH REFUSAL TO DO SO
148 COULD JEOPARDIZE BUYER'S ABILITY TO EFFECTIVELY EXERCISE THEIR RIGHT OF REVOCATION.

149 Buyer's Signature _____ Date _____, _____ a.m. ____ p.m. ←
SNJ Online By Steve Meland

150 Buyer's Signature _____ Date _____, _____ a.m. ____ p.m. ←
SNJ Online by Jeremy Breton

151 Buyer's Agent Signature _____ Date _____, _____ a.m. ____ p.m. ←
Martin Justus

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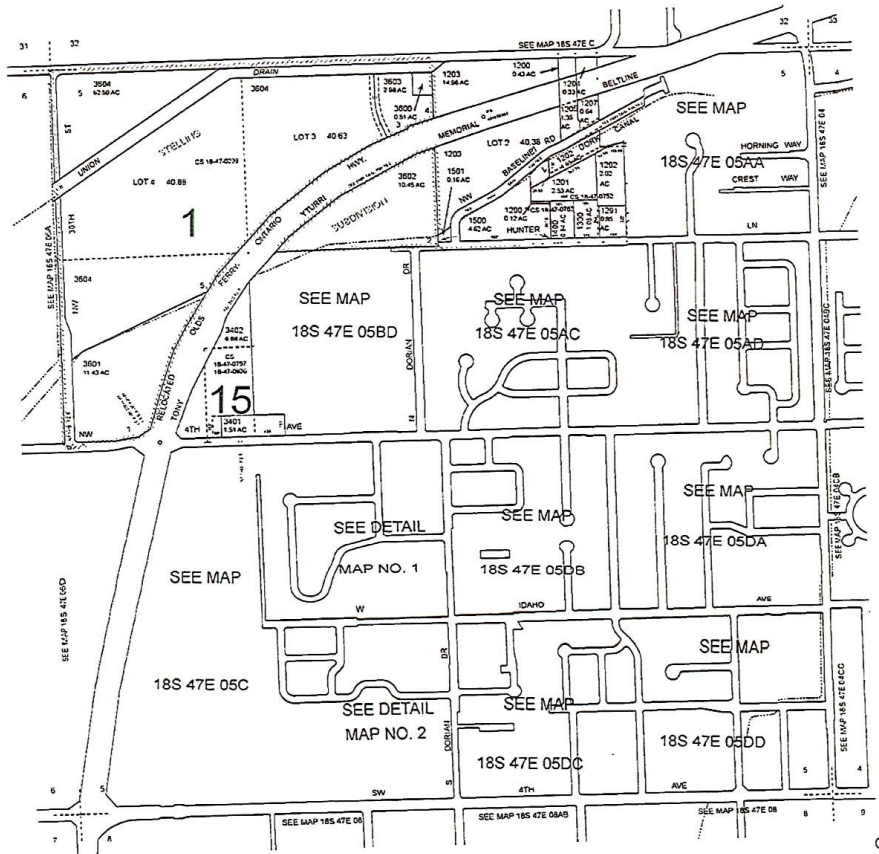
THIS MAP WAS PREPARED FOR
ASSESSMENT PURPOSE ONLY

0 200 400 600 Feet

SECTION 5 T.18S. R.47E. W.M.
MALHEUR COUNTY
1" = 400'

18S47E05
ONTARIO

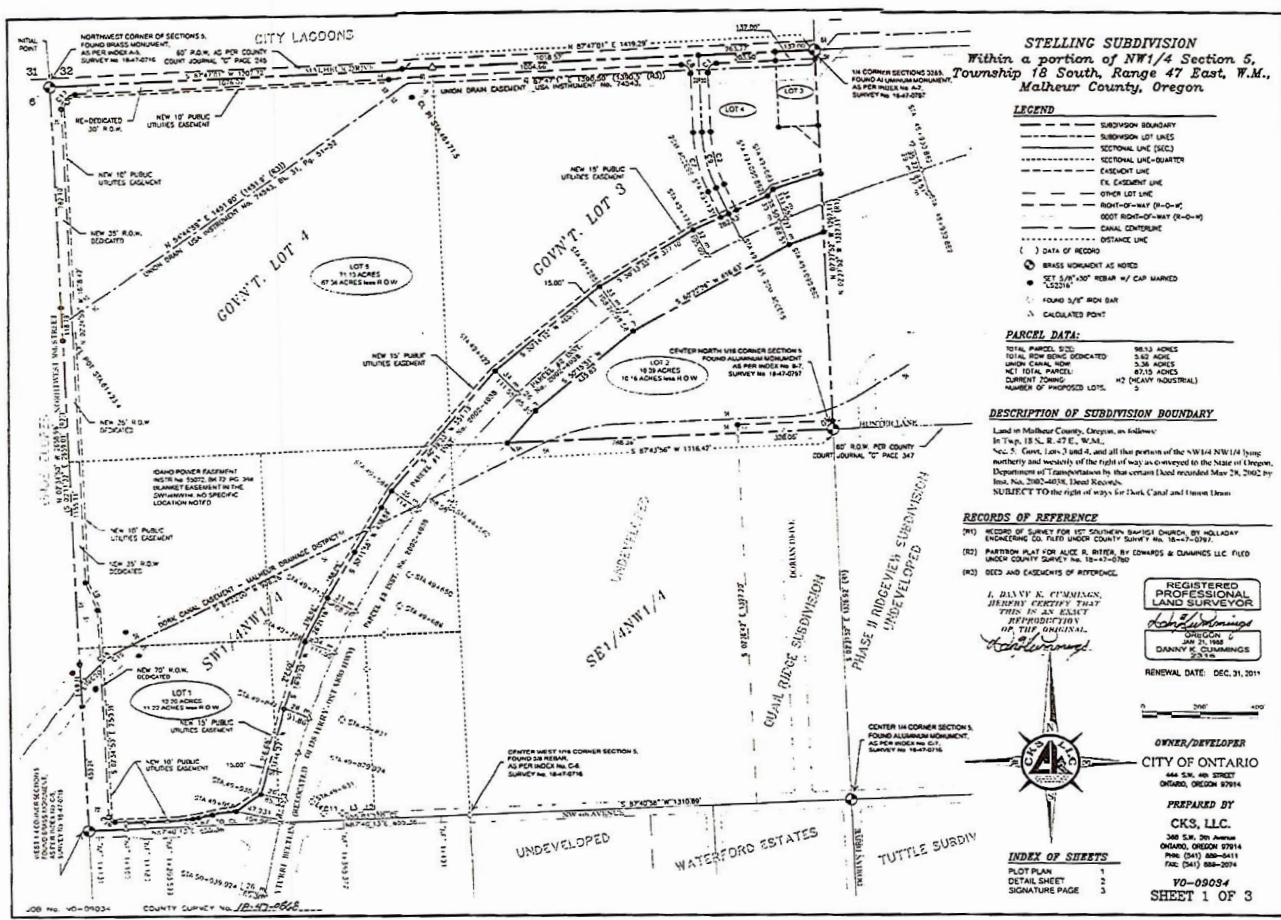
CANCELLED
100 THRU
1100
1208
1600 THRU
3222
3500
3700 THRU
11720



Revised: M
5/31/201

ONTARIO
18S47E05

Authentisign ID: 2020123-EM-1015-BROD-2A8B3D0549C



BUDGET COMMITTEE MEETING MINUTES ~ Annual Budget 2019-2020

April 25, 2019

The scheduled meeting of the City of Ontario Budget Committee was called to order at 6:01 p.m. in the Council Chambers of City Hall. Committee members present were Ken Hart, Mary Jo Evers, John Hall, Dan Capron, Norm Crume, Michael Braden, LeRoy Cammack, Judy Snyder, Ramon Palomo, David Armstrong, Freddy Rodriguez, Marty Justus, and Riley Hill. Darin Bell was excused.

Members of staff present were Adam Brown, City Manager, Kari Ott, Finance Director, Dan Cummings, Community Development Director, Jason Cooper, Interim Police Chief, Sheri Smith, Police Office Manager, Terry Leighton, Fire Chief, Tori Barnett, City Recorder, Betsy Roberts, City Engineer, Cliff Leeper, Public Works Director, Dan Beaubien, Airport Manager, Kellie Schmidt, Accounts Payable, and Corinna Hysell, Accounts Receivable.

This meeting was recorded and on file at City Hall.

Ken Hart led everyone in the Pledge of Allegiance.

Kari Ott presented the budget committee presentation. Ott presented the water fund, sewer fund, and PERS payments. (Handout)

There was a discussion on the presentation.

Mary Jo Evers moves, seconded by Marty Justus to use the recommendation by staff to fully fund the water, sewer, and storm water funds (handout). Motion passes 13-0-1.

Ott presented the street fund. (Handout)

Norm Crume asked about the SDC's and if there are any projects that we can use these fees. Dan Cummings said no, besides the corner by Hometown Motors. Betsy Roberts concurred. Michael Braden asked what the city would do with the old loader when the city gets a new loader. Brown stated it would go to a public action if it has any worth. Cliff Leeper concurred. Ken Hart asked about the street utility fee, and pointed out that if the 1% sales tax passed, that this would be eliminated, but the 1% did not pass. Hart continued by stating that now the marijuana passed the city would have a new revenue stream; Hart said we should pay the tax payer back. Dan Capron stated that there is still a 2 million 250 thousand dollar difference from what the city was going to get from the 1% sales tax, Capron said the city will still be short. Crume stated the promise was for the sales tax. Riley Hill stated that we need to build trust with the community, and we can always put the street utility fee back if the city needed it. Marty Justus stated he felt the fee should stay in place. There was a discussion on the street utility fee.

Norm Crume moves, seconded by Marty Justus to approve the street fund as presented. Motion failed. 5-8-1. (Nays: Hart, Evers, Hall, Braden, Snyder, Palomo, Rodriguez, Hill)

Riley Hill moves, seconded by John Hall to remove the \$356,410 street maintenance fee. Motion failed. 3-10-1. (Nays: Evers, Hall, Capron, Crume, Braden, Cammack, Snyder, Palomo Armstrong, Justus)

There was further discussion on the street utility fee; Brown stated maybe we could remove part of the fee. There was discussion on the street fund.

Dan Capron moves, seconded by Marty Justus to approve the street fund as presented. Motion passed. 9-4-1. (Nays: Hart, Evers, Snyder, Hill)

BREAK 7:00 p.m.-7:09 p.m.

Kari Ott continued presenting the budget. There was a discussion on the Recreation Department. Ott continued presenting the budget and the different changes in the different departments.

Riley Hill stated that he would suspect that the land line and the cell line bill that is in the House right now will pass and the city should be getting \$250,000. Hill asked why the city could not compromise and say if that passes, that \$250,000, then subsidize the General Fund up to the \$4.00 amount to bring that \$250,000 and return that to citizens. Hill stated that was a thought. Dan Capron asked Hill what he was saying is \$250,000 because that would be \$250,000 that the city would not have to spend for an officer. Hill stated that way the city could remove \$4.00 from water payers, and not cost the city.

There was a discussion on the playground match.

Norm Crume moves to approve the general fund as presented with two exceptions, one to increase the playground match from \$20,000 to \$30,000 and also if the land line fee is returned to the City from the State that that dollar amount to be reduced for the public fee in the public safety fee, for whatever that dollar amount is. MOTION DIED FOR LACK OF SECOND

There was a discussion on the motion. There was a discussion on the tennis courts and the bathroom rehab.

Michael Braden moves, seconded by David Armstrong to amend the general fund to increase the playground match from \$20,000 to \$30,000 out of contingency. Motion passes 13-0-1.

There was a discussion on the tennis courts.

Norm Crume moves, seconded by David Armstrong to accept the general fund as amended with exception being to eliminate the \$5.00 public safety fee if and when the State adopts the new land line service fees and the remainder of that to come from the contingency fund if needed. NO ROLL CALL TAKEN.

Michael Braden asked Kari Ott if she had any concerns about the timing of the flow of that 911 user fee revenue verse relieving the fee revenue on a monthly basis. Ott stated no, not once it comes in, the State will always be a quarter or two behind. Braden stated because the motion is if they approve it. Ott stated maybe to wait until the funds come in.

Michael Braden moves, NO SECOND MADE to amend the current motion to change from when approved to when funds are credited. Motion passes 13-0-1.

Norm Crume moves, seconded by David Armstrong to accept the general fund as amended with exception being to eliminate the \$5.00 public safety fee if and ~~when the State adopts~~ when funds are credited from the new land line service fees and the remainder of that to come from the contingency fund if needed. Motion passes 13-0-1.

Michael Braden moves, seconded by Norm Crume to approve ad valorem taxes at a rate of 4.8347 per thousand (taxes). Motion passes 13-0-1.

Michael Braden moves, seconded by Ramon Palomo to approve the receiving of the State funds as presented in 2019-2020. Motion passes 13-0-1.

Riley Hill moves, seconded by Norm Crume to send a letter to the legislator to support the 911 fees. Motion passes 13-0-1.

Norm Crume thanked the staff for all their hard work.

Dan Capron moves, seconded by Michael Braden to adjourn. All in favor.

Meeting Adjourned 7:40 pm

Accounts Payable

Checks by Date - Summary by Check Date

User: kari.ott
Printed: 7/10/2019 9:41 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	PRFED	PAYROLL TAXES	06/05/2019	212.36
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	06/05/2019	1.23
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	06/05/2019	35.32
ACH	PRPERS	OREGON PERS	06/05/2019	391.05
Total for 6/5/2019:				639.96
124759	005800	Action Medical, Inc.	06/07/2019	157.70
124760	&525	American Staffing, Inc.	06/07/2019	435.96
124761	037600	AT&T	06/07/2019	21.29
124762	130624	B & W Car Wash	06/07/2019	15.00
124763	130950	Cable One	06/07/2019	312.17
124764	626400	Campo & Poole Distributing, LLC	06/07/2019	4,306.94
124765	637828	Century Link Communications, LLC	06/07/2019	99.02
124766	364000	Clarion Inn	06/07/2019	69.62
124767	520400	Dorman's, Inc.	06/07/2019	48.00
124768	634311	Frazier Aviation, LLC	06/07/2019	425.00
124769	333852	Graphic Impressions	06/07/2019	102.35
124770	879384	John Hammond	06/07/2019	3,200.00
124771	360015	Home Depot Credit Services	06/07/2019	42.36
124772	&263	Jay Hartley Excavation	06/07/2019	34,891.68
124773	440000	L.N. Curtis and Sons	06/07/2019	484.50
124774	428200	League of Oregon Cities	06/07/2019	20.00
124775	879328	Malheur County GIS	06/07/2019	80.00
124776	879301	Net Assets Corporation	06/07/2019	372.00
124777	583401	State of Oregon Department of Environmer	06/07/2019	100,469.00
124778	879166	Pitney Bowes Global Financial Services, LI	06/07/2019	953.25
124779	642093	Red's Automotive Repair, Inc.	06/07/2019	1,168.95
124780	879145	Silver Signet, LLC	06/07/2019	71.00
124781	&357	Larry A. Sullivan	06/07/2019	3,050.00
124782	878931	Tire Factory of Ontario	06/07/2019	2,831.00
124783	788402	TransUnion Risk & Alternative Data Soluti	06/07/2019	140.25
124784	879379	Shalyn Unruh	06/07/2019	3,200.00
124785	862237	Western Systems	06/07/2019	69,111.60
124786	774001	Wtechlink	06/07/2019	300.00
124787	879389	The Parent of Mari Almaraz	06/07/2019	44.00
124788	UB*11643	DANIELLE BULLOCK	06/07/2019	9.00
124789	UB*11642	CHARLIE GILLESPIE	06/07/2019	114.98
124790	879386	Christine Hood	06/07/2019	50.00
124791	879387	Teresa Mairs	06/07/2019	383.33
124792	UB*11644	ASHLYN OLSEN	06/07/2019	68.65
124793	879385	Nelacey Porter	06/07/2019	50.00
124794	879388	Steven Romero	06/07/2019	190.00
124795	UB*11640	KASEY RUDELLE	06/07/2019	20.38
124796	UB*11641	COLE SAHLEEN	06/07/2019	67.03
124797	879263	Casey Walker	06/07/2019	125.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
			Total for 6/7/2019:	227,501.01
124798	130950	Cable One	06/11/2019	160.66
			Total for 6/11/2019:	160.66
124799	120497	Boys & Girls Club of the Western Treasure	06/17/2019	3,836.40
			Total for 6/17/2019:	3,836.40
124830	005000	A-1 Key & Lock	06/21/2019	36.00
124831	&525	American Staffing, Inc.	06/21/2019	1,469.13
124832	032000	Andrews Seed Co., Inc.	06/21/2019	183.78
124833	879130	Ani-Care Animal Shelter, Inc.	06/21/2019	1,370.08
124834	034240	Art's Service, Inc.	06/21/2019	75.00
124835	130624	B & W Car Wash	06/21/2019	15.00
124836	130950	Cable One	06/21/2019	63.75
124837	626400	Campo & Poole Distributing, LLC	06/21/2019	3,170.79
124838	144000	Cascade Natural Gas Corporation	06/21/2019	74.18
124839	637830	Century Link	06/21/2019	514.10
124840	878935	High Desert Towing & Recovery	06/21/2019	75.00
124841	436000	Lindsay Eco Water	06/21/2019	12.00
124842	441140	Looks Nu, Inc.	06/21/2019	220.00
124843	500400	Norco, Inc.	06/21/2019	248.00
124844	516494	State of Oregon Department of Transportati	06/21/2019	321.95
124845	878923	Oregon Volunteer Firefighters Association	06/21/2019	343.00
124846	528405	Oster Professional Group, LLC	06/21/2019	23,812.00
124847	626654	The Police and Sheriffs Press, Inc.	06/21/2019	65.47
124848	642093	Red's Automotive Repair, Inc.	06/21/2019	190.98
124849	368050	Robb Enterprises	06/21/2019	387.56
124850	666052	SAIF Corporation	06/21/2019	78,984.00
124851	879145	Silver Signet, LLC	06/21/2019	92.00
124852	879138	Stantec Consulting Services, Inc.	06/21/2019	10,966.29
124853	879146	Toshiba Financial Services	06/21/2019	1,721.89
124854	878957	Valli Information Systems, Inc.	06/21/2019	2,483.53
124855	879151	Waste-Pro	06/21/2019	30.00
124856	863995	White Cloud Communications-Boise, Inc.	06/21/2019	1,647.82
124857	878992	Wolfcom Enterprises	06/21/2019	1,235.00
124858	879391	The Parents of Mary & Ian Esplin	06/21/2019	84.00
124859	UB*11648	BENJEN LILLY	06/21/2019	17.87
124860	UB*11647	SUSAN MARLER	06/21/2019	132.58
124861	UB*11649	HERLINDA MARTINEZ \$	06/21/2019	59.33
124862	UB*11645	IRENE PETERSON	06/21/2019	20.78
124863	642080	Petty Cash	06/21/2019	232.17
124864	UB*11650	HADDEE REYNOLDS	06/21/2019	79.95
124865	UB*11646	ROBERT TRUNNELL@RETAIL	06/21/2019	237.59
124866	879390	Jordan Lewis Watts	06/21/2019	1,100.00
124867	832852	Wells Fargo Business Elite Card	06/21/2019	13,354.17
			Total for 6/21/2019:	145,126.74
124868	684622	Marcy Siriwardene	06/24/2019	178.06
			Total for 6/24/2019:	178.06

Check No	Vendor No	Vendor Name	Check Date	Check Amount
124869	879087	Adam Brown	06/27/2019	317.94
Total for 6/27/2019:				317.94
ACH	PRAFLAC	AMERICAN FAMILY LIFE ASSURANCE	06/28/2019	774.22
ACH	PRAMERF	AMERICAN FUNDS GROUP	06/28/2019	400.00
ACH	PRCCIS	E B S TRUST	06/28/2019	64,811.47
ACH	PRCOLONI	COLONIAL LIFE	06/28/2019	1,030.19
ACH	PRFED	PAYROLL TAXES	06/28/2019	63,721.42
ACH	PRNATW	NATIONWIDE RETIREMENT SOLUTION	06/28/2019	400.00
ACH	PRORJU	OREGON DEPARTMENT OF JUSTICE	06/28/2019	732.00
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	06/28/2019	256.76
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	06/28/2019	17,502.84
ACH	PROSGP	OREGON SAVINGS & GROWTH PLAN	06/28/2019	2,125.00
ACH	PRPERS	OREGON PERS	06/28/2019	76,420.70
ACH	PRFED	PAYROLL TAXES	06/28/2019	2,205.02
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	06/28/2019	1.10
ACH	PROSGP	OREGON SAVINGS & GROWTH PLAN	06/28/2019	13,109.33
ACH	PRPERS	OREGON PERS	06/28/2019	1,143.64
ACH	PRFED	PAYROLL TAXES	06/28/2019	367.84
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	06/28/2019	2.26
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	06/28/2019	7.64
ACH	PRPERS	OREGON PERS	06/28/2019	829.19
124870	879396	Burke Electric, Inc.	06/28/2019	5,711.00
124871	637830	Century Link	06/28/2019	714.27
124872	364000	Clarion Inn	06/28/2019	76.50
124873	UB*11653	CM COMPANY INC	06/28/2019	170.00
124874	UB*11652	GAUDENCIO HIERRO VAVALA\$	06/28/2019	186.69
124875	376000	Idaho Power	06/28/2019	5,361.24
124876	879395	Indian Valley Rural Fire District	06/28/2019	50.00
124877	382005	Interpath Laboratory, Inc.	06/28/2019	2,653.04
124878	&263	Jay Hartley Excavation	06/28/2019	15,108.32
124879	UB*11651	RANDALL JENSEN	06/28/2019	97.17
124880	420000	John Deere Financial	06/28/2019	31.85
124881	879394	Richard Navarrete	06/28/2019	250.00
124882	879392	Payette Printing Company	06/28/2019	167.77
124883	879393	PortaPros, LLC	06/28/2019	85.00
124884	879388	Steven Romero	06/28/2019	2,500.00
124885	686822	Sprint	06/28/2019	52.26
124886	788203	Treasure Valley Community College	06/28/2019	770.00
124887	842030	Warrington Construction	06/28/2019	7,385.75
124888	879007	Weidner Fire	06/28/2019	67,220.00
124889	PRICMA	I C M A RETIREMENT TRUST 457	06/28/2019	300.00
124890	PRLINC	LINCOLN NATIONAL LIFE INS CO	06/28/2019	350.00
124891	PRSFIRE	UMPQUA BANK	06/28/2019	360.00
Total for 6/28/2019:				355,441.48
124892	&525	American Staffing, Inc.	07/01/2019	1,476.39
124893	879399	CM Company, Inc.	07/01/2019	400.00
124894	879398	The Parents of Diego Cruz	07/01/2019	52.00
124895	879397	Duane Anderson Construction, LLC	07/01/2019	1,024.14
124896	&260	Four Rivers Cultural Center	07/01/2019	21,719.18
124897	457799	Malheur Drainage District	07/01/2019	3,075.34
124898	878978	National Hose Testing, Specialties, Inc.	07/01/2019	3,144.60
124899	539200	Ontario Area Chamber of Commerce	07/01/2019	17,174.24
124900	&317	Super 8 Hotel Ontario	07/01/2019	927.78

Check No	Vendor No	Vendor Name	Check Date	Check Amount
124901	288897	Verizon	07/01/2019	1,835.38
Total for 7/1/2019:				50,829.05
ACH	PRFED	PAYROLL TAXES	07/03/2019	45.98
ACH	PRORTAX2	OREGON DEPARTMENT OF REVENUE	07/03/2019	0.02
ACH	PROSGP	OREGON SAVINGS & GROWTH PLAN	07/03/2019	259.48
ACH	PRPERS	OREGON PERS	07/03/2019	103.65
Total for 7/3/2019:				409.13
124902	879270	Airport Windsock Corporation	07/05/2019	187.25
124903	&525	American Staffing, Inc.	07/05/2019	1,912.78
124904	130624	B & W Car Wash	07/05/2019	9.00
124905	626400	Campo & Poole Distributing, LLC	07/05/2019	3,818.17
124906	637828	Century Link Communications, LLC	07/05/2019	77.46
124907	520400	Dorman's, Inc.	07/05/2019	120.23
124908	308040	Fruitland Electric, Inc.	07/05/2019	5,544.18
124909	879191	Kristy's Custom Sewing	07/05/2019	12.00
124910	572000	Ontario Sanitary Service, Inc.	07/05/2019	313.06
124911	572210	Ontario School District 8C	07/05/2019	85.00
124912	642093	Red's Automotive Repair, Inc.	07/05/2019	419.44
124913	725000	Steve's Backhoe Service, Inc.	07/05/2019	3,000.00
124914	738002	Symbol Arts, LLC	07/05/2019	268.00
124915	878931	Tire Factory of Ontario	07/05/2019	74.00
124916	788402	TransUnion Risk & Alternative Data Soluti	07/05/2019	140.50
124917	879212	Uniforms 2 Gear	07/05/2019	194.26
124918	879007	Weidner Fire	07/05/2019	10,570.83
124919	863995	White Cloud Communications-Boise, Inc.	07/05/2019	1,632.82
Total for 7/5/2019:				28,378.98
Report Total (158 checks):				812,819.41