CITY COUNCIL MEETING MINUTES
November 22, 2022

The scheduled meeting of the Ontario City Council was called to order by Mayor Riley Hill at 6:00 p.m. on Tuesday, November 22, 2022, in the Council Chambers of City Hall. Council members present were John Kirby, Riley Hill, Michael Braden, Ken Hart, Susann Mills, and Sam Baker. Eddie Melendrez was excused.

Members of staff present were Dan Cummings, Tori Barnett, Clint Benson, Justin Zysk, Kari Ott, Michael Iwai, Casey Mordhorst, and Paul Woods.

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

Mayor Hill led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on November 18, 2022. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

KIRBY moved, MILLS seconded, **TO ADOPT THE AGENDA AS PRESENTED.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

LOCAL CONTRACT REVIEW BOARD

Sole Source Purchase Request: Advanced Control Systems for Programmable Logic Controller and SCADA Upgrades for Water System
Paul Woods, City Engineer, presented.

The PLCs for all six wells and the East and West Side Booster Stations were scheduled for replacement in this fiscal year as part of the Capital Improvement Plan due to age and unsupported components. Replacement of the PLCs also required upgrading the SCADA system for each PLC. The city entered into a contract with ACS in 2013 to provide PLC and SCADA services for city infrastructure and has administered the SCADA program since that date. The CIP budget for this project was $100,000. The sole source purchase request for the PLC replacement and SCADA programming was for $95,338.21. The requested funds were within the city's prior-approved annual budget, including this CIP item for PLC and SCADA programming from the Water Fund. If the purchase request was denied or deferred, it could comprise the operability of the drinking water system.

HART moved, BAKER seconded, **THE COUNCIL APPROVE THE SOLE SOURCE PURCHASE REQUEST FOR ADVANCED CONTROL SYSTEMS FOR PLC AND SCADA UPGRADES FOR THE CITY'S WATER SYSTEM IN THE AMOUNT OF $95,338.21.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

PUBLIC COMMENT

Danny Dominquez, Ontario High School Soccer Coach, introduced his players in attendance, who had just won the 2022 4A State Championship: Bryan Alejandro; Pablo Ponce; Aidin Cornell; Nikolaz Ramirez; Riker Brent; Carlos Rodriguez; Juan Garcia; Efrain Juarez; Kyler Ramos; Hayden David; Martin Benites; Hugo Mendoza; Jamis Gonzalez; and Jasied Chavez. Everyone congratulated the team on their win.

CONSENT AGENDA

KIRBY moved, MILLS seconded, **TO ADOPT THE CONSENT AGENDA, WHICH INCLUDED MAYBERRY HOUSING INCENTIVE 2022-1: DIRTY GIRL CONSTRUCTION; MAYBERRY HOUSING INCENTIVE 2022-2: DIRTY GIRL CONSTRUCTION; MAYBERRY HOUSING INCENTIVE 2022-3: DIRTY GIRL CONSTRUCTION; AND MAYBERRY HOUSING INCENTIVE 2022-4: DIRTY GIRL CONSTRUCTION;.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

OLD BUSINESS

Proposed Grant Planning Document

Dan Cummings, City Manager, presented.

Brent Merchant and Will Hoing, Merchant McIntyre, provided an overview of the proposal.

Councilor Kirby stated it was his understanding with the first motion, was stating the city was going to pursue grants; whereas the second motion, on the next action, would be specific to Merchant McIntyre.

Mr. Cummings stated no, this action stood alone. The first motion was adopting the grant report as written.

Councilor Kirby stated it gave them a direction to move after specific grants.

Mr. Cummings stated that was correct.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL TO INSTRUCT STAFF TO PURSUE THE GRANTS IN THE PLANNING DOCUMENT PER THE ATTACHMENT TO THIS REPORT.** Roll call vote: Mills-yes; Baker-no; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 5/1/1.

Professional Services Contract: Grant Writers

Dan Cummings, City Manager, presented.

Councilor Hart asked where the funds were taken from for this contract.

Kari Ott, Finance Director, stated they were taken from General Fund.

Councilor Hart stated he would be voting no because they would be using precious General Fund dollars, which were dollars that could fund a police officer or ordinance officers. He'd like to continue month to month, until the new Mayor and Council was seated, as this might be something the new Council decided they wanted to priorities funding for. He was impressed with the work done with a more targeted approach and providing a roadmap. It was a big help, and he appreciated it.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL TO DIRECT STAFF TO NEGOTIATE A NEW CONTRACT WITH MERCHANT MCINTYRE BASED ON A NEW PROPOSAL SUBMITTED BY MERCHANT MCINTYRE AND BRING THE NEW PROPOSAL AND PROPOSED CONTRACT BACK TO THE CITY COUNCIL AT THE DECEMBER 13, 2022, COUNCIL MEETING.** Roll call vote: Mills-yes; Baker-no; Kirby-yes; Hart-no; Braden-yes; Melendrez-out; Hill-yes. Motion carried 4/2/1.

Committee Appointment: Parks Committee
Justin Zysk, HR Manager, presented.

Councilor Hart stated as a Rotarian, he strongly supported Mr. Partin's application. He was very involved in the organization.

Council consensus to appoint Michael Partin to the vacancy on the Parks Committee, as the representative from the Rotary Club.

NEW BUSINESS

ODOT Master Grant Agreement: Fund Exchange Program
Paul Woods, City Engineer, presented.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL APPROVE THE MASTER GRANT AGREEMENT WITH THE OREGON DEPARTMENT OF TRANSPORTATION FOR THE FUND EXCHANGE PROGRAM AND AUTHORIZE THE MAYOR TO SIGN.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

ODOT Fund Exchange Request for Chip Seal Materials for Roadway Maintenance
Paul Woods, City Engineer, presented.

HART moved, KIRBY seconded, **THE CITY COUNCIL APPROVE THE USE OF ODOT FUND EXCHANGE DOLLARS FOR THE PURCHASE OF CHIP SEAL MATERIALS FOR STREET AND ROADWAY MAINTENANCE PRIOR TO THE END OF THE CALENDAR YEAR AND AUTHORIZE THE CITY MANAGER TO SIGN DOCUMENTS NEEDED TO COMPLETE THE ADMINISTRATIVE PROCESS.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

Engineering Design Services for Floc Mechanism Retrofit at the Water Plant
Paul Woods, City Engineer, presented.

KIRBY moved, MILLS seconded, **THE CITY COUNCIL TO APPROVE THE PROPOSED ENGINEERING TASK ORDER WITH CONSOR IN THE AMOUNT OF $223,250 AND AUTHORIZE THE MAYOR TO SIGN THE TASK ORDER AND NEW MASTER SERVICES AGREEMENT.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

Resolution #2022-146: Consenting to the Malheur County Ordinance on School Truancy
Dan Cummings, City Manager, presented.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL TO APPROVE RESOLUTION #2022-146, A RESOLUTION CONSENTING TO THE MALHEUR ORDINANCE ON MALHEUR COUNTY SCHOOL TRUANCY.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

Resolution #2022-147: J.R. Simplot Ore-Ida Plant Water Rate
Dan Cummings, City Manager, presented.

Mayor Hill stated Ore-Ida had been good for this community, and there was no reason to think they won't continue to be that good neighbor. He gave kudos to Dan for discovering this error, which should have been found five years ago, but was not. He thanked him for his efforts in getting this resolved.

Councilor Hart asked how the error was located.

Mr. Cummings stated he could not take all the credit. Public Works, Paul and Casey, all worked on it, and it was discovered in reviewing all those documents. Public Works deserved a lot of it.

Councilor Hart also thanked them for finding it, but what processes were now in place to ensure this type of thing did not happen again. It seemed they kept stumbling on things like this. A process was key. Make a mistake one time, okay, but to make it again, then shame on the city for not having a good process in place.

Mr. Cummings stated his agreement, and he had already initiated several new processes. The City Manager should be reviewing every contract and agreement and doing so all the time. Staff recognized that they needed to stay on top of those things. It was his understanding that Finance had been instructed by the previous City Manager and City Attorney to continue with the current contract, even though it had expired.

Ms. Ott stated the finance staff had been instructed to increase the old contract by the amount everyone else had been increased, the percentage amount, so that was what she had been told to do, and that's why it had been done that way. If they had been increased the same amount everyone else had been increased, it was just not up to rate because that's what they were told to do. That's why it was where it was. She knew they were paying a different rate as that contract, but she thought that was what they were supposed to be doing. That's why it was left that way.

Mayor Hill asked if there was now a system in place, last year they went thought a similar process with Fire Department and it was discovered that $93K a year shortfall. Now the city was not getting that $93K. Was there a place to review all contracts annually, to ensure they were being followed.

Mr. Cummings stated he had been working with HR on finding a program for tracking, but with Justin's upcoming departure, he would be working on that with the new HR person. He was also working with the City Attorney and all the city's franchise agreements were being reviewed and they were working on renewals. The Attorney had received a 98% response from the franchise holders. He'd also talked with staff with regard to it did not matter how good a client was, if someone got a month behind, he wanted to be told. He wanted to work with that person to discover the problem.

HART moved, KIRBY seconded, **THE CITY COUNCIL TO APPROVE RESOLUTION #2022-147, A RESOLUTION SETTING THE WATER RATE INCREASE FOR THE J.R. SIMPLOT ORE-IDA FACTORY IN ONTARIO, OREGON.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

Mayor Hill noted this was approximately $500K a year that the city was not receiving, so this was a good thing to get into place.

DISCUSSION ITEMS

Budget Constraints
Dan Cummings, City Manager, stated this was to deal with the shortfall the city had in the marijuana revenues. The revenue was about $500K less than expected. When this was brought to Council earlier, the Council asked to postpone it until after the elections. It's now after the election, so what did the Council want to do? Did they want

table this until the new Council took over, or did this current Council want to tackle it. If that was the choice, staff would come back with the information at the next meeting.

Mayor Hill stated he wanted to pay down the PERS budget; however, he did not know what the rest of the Council wanted to do.

Councilor Baker stated his agreement; he'd like to get it paid down more.

Councilor Hart stated he'd like the information presented to the Council at the next meeting, to at least get an opportunity to look at the numbers.

Ms. Ott stated, most likely, at the beginning of next month, she'd have more numbers regarding the disbursement.

Councilor Hart stated they'd have more information. If she could update the spreadsheet she had provided them as a handout, get it out or in the packet for a review prior to the meeting, that would help give an idea of what had been expended, what had not been expended. There was a poll in the Idaho Statesman about the view on medical marijuana, and a majority of Idahoans supported medical marijuana, and recreational marijuana was 48% opposed/41% supporting. There was going to be a day when the State of Idaho, that revenue in Ontario would be gone. They needed to be very smart in how they spent the remaining dollars. As the Mayor stated, paying down the PERS debt allowed them to free up operational funds, which were key to being able to hire staff, wherever needed. He'd like updated information at the December 13th meeting.

Mr. Cummings stated the plan was to have the updated document ready for the Council. Much of that money had been spent or earmarked for equipment or things like that, which were difficult to stop, so they might have to take a nibble out of the PERS payment or take chunks out of something else.

Mayor Hill stated the tendency was that when the money was there, the sin was to use it. The money was going to go away. If the city paid down PERS, it was shortsighted to nibble away at it, because everything the city paid down PERS, the $2M payment, gave back to the city about $225K more a year in operating capital.

Mr. Cummings stated everyone seemed to agree with that, but the document from staff would provide more insight of what could be lived without.

2023-2024 Budget Calendar

Dan Cummings, City Manager, stated the calendar was in their packet, and if the Council saw no major issues with it as proposed, staff would move forward with getting things moving forward following the dates listed.

Councilor Hart noted that on the list it showed April 25th, which was a Council meeting. Would the Budget Meting would replace that meeting?

Ms. Barnett stated that was correct.

Councilor Braden noted the shift to April 25-27th was six to seven weeks later than it had been the last few years. Was that good for the finance staff?

Ms. Ott stated it had been difficult for all department heads to get their numbers in by January, so this gave them another month and some wiggle room, so they felt they could do a better job.

DEPARTMENT HEAD UPDATES

Public Works: Quarterly Report July-Sep, 2022
Casey Mordhorst, Public Works Director, presented.

Finance: Monthly Report Oct 2022
Kari Ott, Finance Director, presented.

City Manager Report
Dan Cummings, City Manager, presented.

HAND OUTS

Check Register *(Attached)*
October, 2022

Councilor Hart questioned a check disbursed to Gresham Ford for $30K. Why was the city purchasing from them?

Mr. Cummings stated this was the Public Works vehicle that Council had approved, and staff had tried to buy local.

Mr. Mordhorst stated he obtained three quotes. Auto Ranch was usually selected as low bidder, but they stopped taking trade-ins due to availability of the new vehicles, so that pushed it back to Gresham Ford, who had a contract for a state contract for Ford pick-ups. If the city couldn't trade in, there was no local dealer that could compete with Gresham Ford.

Mr. Cummings stated staff tried from the beginning to keep it local, but it didn't always work out.

ADJOURN

HART moved, BAKER seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-out; Hill-yes. Motion carried 6/0/1.

ACCEPTED:

Riley J. Hill, Mayor

ATTEST

Tori Barnett, MMC, City Recorder