CITY COUNCIL MEETING MINUTES
December 13, 2022

The scheduled meeting of the Ontario City Council was called to order by Mayor Riley Hill at 6:00 p.m. on Tuesday, December 13, 2022, in the Council Chambers of City Hall. Council members present were John Kirby, Riley Hill, Michael Braden, Ken Hart, Susann Mills, Sam Baker, and Eddie Melendrez.

Members of staff present were Dan Cummings, Tori Barnett, Corinna Hysell, Clint Benson, Justin Zysk, Kari Ott, Michael Iwai, Andy Wood, and Al Haun.

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 December 9, 2022. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

Mr. Cummings asked to add item 9C, a discussion on a proposed solar project.

KIRBY moved, BAKER seconded, **TO ADOPT THE AGENDA AS AMENDED.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

CONSENT AGENDA

KIRBY moved, MILLS seconded, **TO ADOPT THE CONSENT AGENDA, WHICH INCLUDED COUNCIL MEETING MINUTES OF NOVEMBER 8, 2022; AND COUNCIL MEETING MINUTES OF NOVEMBER 22, 2022.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

OLD BUSINESS

Professional Services Contract: Grant Writers
Dan Cummings, City Manager, presented.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL TO APPROVE THE NEW ONE-YEAR CONTRACT WITH MERCHANT MCINTYRE AS PER THE ATTACHED CONTRACT FROM DECEMBER 1, 2022, TO NOVEMBER 30, 2023, AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT.** Roll call vote: Mills-yes; Baker-no; Kirby-yes; Hart-no; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 5/2/1.

Airport Master Plan
Neal Fraser, JUB, presented.

MILLS moved, MELENDREZ seconded, **THE CITY COUNCIL TO APPROVE THE AIRPORT MASTER PLAN AS PRESENTED.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

Marijuana Funding Shortfall
Kari Ott, Finance Director, presented.

HART moved, KIRBY seconded, **THE CITY COUNCIL ACCEPT THE STAFF RECOMMENDATIONS FOR CUTS IN THE CURRENT BUDGET OF $348,705 AND ASK STAFF TO FIND ANY OTHER REDUCTIONS TO MAKE UP FUTURE SHORTFALLS, AND THAT THE COUNCIL INSTRUCT STAFF TO PAY BEFORE THE END OF THE CALENDAR YEAR PERS DOWN BY $2,047,378.** No vote.

Councilor Hart stated this was not quite what staff recommended. Instead of the $1,750,000, he was suggesting they pay $1,250,000 from the current budget, but then also pay the Public Works portion and the prior year's carryover. Adding all that, the city owed $10M, and if the city did another $2M, that got the city down to $8M for future Council's to wrestle with. It would require staff to find some other – and maybe Ameresco was an option – but it got the city closer, and it freed up some PERS money to help with the shortfall.

Ms. Ott stated that would give $111,235 for staff to find for cutting.

Councilor Hart stated correct, with the caveat that the $2M needed to go out the door before the end of the calendar year. Was that doable? Some revenue was in the future, but the city had carry-over.

Ms. Ott stated yes, it could be done. The only potential would be if there was less funds moving forward. That would be the risk.

Mayor Hill verified the action included staff's recommendation for cutting costs of $348,705, plus paying out an additional $1,250,000 of PERS money on top of what staff was already recommending.

Councilor Hart stated $1,250,000 from the current budget, and $148,000 from the Public Works portion, and $648,000 leftover from last year that hadn't been paid.

Ms. Ott verified it would reduce the current budget by $500,000 for PERS.

Councilor Hart stated that was correct, and to have that paid before the end of the calendar year.

Councilor Braden appreciated the motion, but he wanted to confirm the Council was going with most of staff's cuts, but the motion was that staff was directed to find another $110K from the projects that could be cut, so the two balance, between project and funded vs. the PERS money going out.

Councilor Hart stated yes. There were other projects listed that might not come to fruition, and they might hear more from Ameresco, which strengthened the City Manager's hand in those discussions for pulling back.

Councilor Braden asked if the Council was directing staff to come back to Council and present the $110K cuts and where they were from?

Councilor Hart stated the city needed to get another quarterly payment from marijuana. At this point, Council was giving a general acceptance of the cuts, and looked to staff to make any further determinations. Staff didn't have to come back before Council for that.

Mr. Cummings stated staff would come back to share with the Council where the additional $110K was cut.

Mayor Hill stated the city budgeted $1,750,000 of marijuana money to go towards PERS, and the city was giving $1,250,000, but $500,000 was begin cut from that.

Ms. Ott stated there was also still $148,000 that had been budgeted, and still planned to pay.

Mayor Hill stated for everyone's understanding, he wanted a form for the general public and staff that could be followed better. It wasn't currently in a form that was easily understandable.

HART moved, KIRBY seconded, **THE CITY COUNCIL ACCEPT THE STAFF RECOMMENDATIONS FOR CUTS IN THE CURRENT BUDGET OF $348,705 AND ASK STAFF TO FIND ANY OTHER REDUCTIONS TO MAKE UP FUTURE SHORTFALLS, AND THAT THE COUNCIL INSTRUCT STAFF TO PAY BEFORE THE END OF THE CALENDAR YEAR PERS DOWN BY $2,047,378.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

NEW BUSINESS

Resolution #2022-148: Abstract of Votes – November 8, 2022 General Election

HART moved, MILLS seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2022-148, A RESOLUTION ADOPTING THE ABSTRACT OF VOTES FOR THE NOVEMBER 8, 2022, GENERAL ELECTION.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

Resolution #2022-149: Supplemental Budget for Carryover Projects

Kari Ott, Finance Director, presented.

HART moved, KIRBY seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2022-149: A SUPPLEMENTAL BUDGET TO APPROPRIATE FUNDS FOR CARRYOVER PROJECTS, 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-yes; Hill-yes. Motion carried 7/0/0.

Resolution #2022-150: Support LC-1465 (Ontario Community Recreation Center)

MELENDREZ moved, MILLS seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2022-150 A RESOLUTION IN SUPPORT OF LC-1465. No vote.**

HART moved, KIRBY seconded, TO AMEND THE MOTION

MELENDREZ moved, MILLS seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2022-150 A RESOLUTION IN SUPPORT OF LC-1465.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

Resolution #2022-151: Amend #2022-133, Tater Tot Ad Hoc Committee; Add Alternate Position

BAKER moved, MILLS seconded, **THE CITY COUNCIL TO APPROVE RESOLUTION #2022-151, A RESOLUTION AMENDING RESOLUTION #2022-133 ADDING AN ALTERNATE MEMBER POSITION TO THE TATER TOT AD HOC COMMITTEE.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

DEPARTMENT HEAD UPDATES

Finance: Monthly Update November 2022

Kari Ott, Finance Director, presented.

Fire & Rescue: Quarterly Report

Clint Benson, Fire Chief, presented.

DISCUSSION ITEMS

Airport Storage Unit Update: Leavitt, Dillon

Dan Cummings, City Manager, stated this was an update. One of the storage units at the golf course had been rented to the Leavitts, who had gotten behind. The city entered into an agreement to write off the larger portion of the agreement once they got caught up and paid an additional $500. At that point, the slate was wiped out. Following some meeting with the Leavitts, and a check had been received by the city paying off the debt in full. They vacated the area in October and their agreement was closed. Council also directed staff to negotiate a month-to-month contract with R&R Promotions (Ron and Ronda Dillon). That agreement was in place, and the first month's rent had been paid.

EOCIL Update

Mike Iwai, Police Chief, stated he and the City Manager had met with organizations that worked with the unhoused population. He would be the city liaison until the city went a different direction. He had met with EOCIL, who provided a tour of their facility. However, he was still confused on how the wraparound services, who dictated who was performing the services to get the desired outcomes everyone wanted to see. Councilor Hart had several questions he wanted addressed to the Council.

1. When our officers encountered someone with possible behavioral, health, or addiction issues, were they reaching out to either Origins or Lifeways for crisis intervention?

   Answer: *Absolutely. A lot of the clientele they dealt with on a daily basis, specific to a crime or a crisis that was occurring, they oftentimes had a lot more intelligence that can be utilized to problem solve. Having said that, they could not be called out to respond to emergencies when there was a loud individual, so staff had to ensure they were safe, first, and then they would respond. But absolutely they were part of the discussion. Lifeway did a lot of the counseling for the folks in need, and the second ancillary duty they provided was a peer support option for law enforcement and fire. Technically, per statute, a peer support program had to come from the police agency and that had been his hang up in working with Lifeways, because it had to be organized by the department. That was important because if they were dealing with an officer that responded to, for example, and officer involved shooting, and Lifeways was now responding, was that a protected conversation? The department wanted to ensure that was a protected conversation moving forward. The individual he had been working with had now departed Lifeways, so Officer Hernandez had the primary responsibility, and he was in communication with him frequently. Of Origins, EOCIL, and Lifeways, the ones his department worked with the most, he'd say were the Lifeways personnel. Moving forward, he hoped that would change, and that the relationship would be seen as mutually beneficial for everyone.*

2. If the person does not want assistance services, was that being coordinated with the assistance of the city?

   Answer: *When they wanted wraparound services, the department was probably missing a lot. Staff was responding to calls, they didn't always carry brochures, each agency or organization had their own brochure, so he was sure a lot was being missed. However, it was posted on social media, and as he receive information, he shared it with the officers. He did believe they could do better at getting the information out. Part of the issue was how the department was currently structured. Council had heard him several times asking for needs, not wants. With personnel, there were some models that law enforcement had that he believed could be reviewed. The problem with the models was they required people, and more people required more funds. He considered sending a video to Council that was from the Bureau of Justice Administration (BJA). They had a few good processes in police departments they'd identified that worked around the unhoused, but it was program heavy and that meant there were funds, resources, and the people, all of which Ontario did not have.*

3. <u>If the person does not want assistance, what is the role of our officers and of the city at this point?</u>

 Answer: *If they don't want assistance, they're not going to get help. Staff still had to utilize their protocols like if they knew they were part of the system, meaning they were working with Lifeways or Origins, that became a secondary issue. The first issue to be dealt with was the crime and the reason the officers responded. If it was not a crime, those services were still utilized because it de-escalated and they could figure out what actually occurred, which he believed would be a different discussion. What his department dealt with on the street was not a question of not having the resources available. Did they need a behavioral health 24/7 facility capability? Absolutely. Did they need additional beds? Absolutely. But what they encountered daily were people that had no hope. If they had no hope, it became difficult to address their needs and to provide those services. He and the City Manager had participated in a meeting and the number of unhoused as of today was 340. He listened to presentations by BJA and a prior Chief from Sarasota PD, and they encountered an issue of unhoused of almost 1,200 unhoused people. That had been reduced to less than 125. How did they accomplish that? They utilized the wraparound services like Ontario house, but he was still trying to determine the funding stream. Ballot Measure 110 was on conversation, but there was the ongoing conversation of how cities could address the unhoused. There was confusion there. Some entities were stepping back, and assumed the city wanted some of their money. Secondarily, he wasn't worried about BM110, other than he wanted it acknowledged that it perpetuated the unhoused issue; the other part was the unhoused issue, not withstanding BM110. Sarasota had their City Attorney deeply involved in the model used, called Hot Teams. The Hot Teams were coordinated by law enforcement, not partnered with social services, and they figured out which folks wanted help. What made a significant difference was that eliminated the unhoused, their goal was to get them in housing. It was understood that they could be building a community of additional unintended consequences, but they wanted to get them housed. They were able to show through their stats that they had a minimal reduction in the unhoused, but for a very long period of time. They had been doing this since 2014. They focused on those who wanted to be housed, and if they were going to be housed, they had a program that would be followed that would provide the wraparound services. This was said with caution because the police officers, like Ontario's, knew the folks that were unhoused, but where were they going to go? Who had the best facility for them? There were several great organizations that could provide wraparound services, but how were they going to get them unhoused. That was the real issue. In the meeting that day, he didn't think the community realized how many unhoused folks right now were staying temporarily in hotels because there was no housing. That became Ontario's first big change – where were they going to put them. The program from Sarasota worked, but it required committed professionals from the social services side, to city government, to law enforcement, to fire, everyone working toward the goal. As told by the Commander and the City Attorney, they would not see the results quickly. How it worked was, asking "Sir, would you like help?" "Yes, I want help." Then they focused on him. "Ma'am, would you like help?" "No, I do not.". They kept track of that person, but were now moving on. They focused on those who wanted help.*

Mayor Hill asked how many of the 340 unhoused were families?

Chief Iwai stated he did not have the details on that. It had been challenging to get numbers, and he was glad to have the ongoing conversations. The numbers for emergency housing was online. He could also get transitional housing numbers. All services in Ontario – EOCIL, Origins, Lifeways, Community in Action – were trying to get folks into transitional housing. Those numbers were well kept. The chronic unhoused situation was something that he did not have numbers for.

Councilor Kirby asked if the Chief had any idea, of those 600+ people, how many might have mental health issues?

Chief Iwai stated the latest research he'd seen lately was out of California, the folks that they dealt with that were unhoused was 78% mental health and 75% substance abuse related, but they did not give a cumulative score, or who of those folks suffered from both. Substance abuse problems could make the behavioral side increase, and vice-versa.

Councilor Kirby stated Ontario had Lifeways who did mental health services for this region, but there was no area other than Bend that had a residential mental health facility.

Chief Iwai stated that was correct. The behavioral health – a BURN acronym – EOCIL, Lifeways, and Origins all fell under the behavioral model. They all provided some type of behavioral assistance. That was part of the confusion. Speaking candidly, because there was a lot of history between the organizations that provided those wraparound services and there was some overlap, at least when reading brochures and what was provided, many of them provided, in his opinion, the same thing. He wasn't sure what that looked like from the professional side. It would be good for an entity that was not an organization that relied on strictly grant funds and actually had a budget, such as DHS, to put together a forum. He wanted Community in Action to put the forum together, and he had been working with Barb (Higinbotham) to see if that could be done, but he didn't think that was going to be the best way moving forward because there were a lot of folks at the table who were suspicious of each other. If there was an entity from the outside putting this together, this forum would not just be educational for Council and city employees overall, but also beneficial to the community as a whole. He would like to get into the weeds regarding their funding streams and how they were meeting those objections and benchmarks, but even if didn't get that, he wanted to know how the organizations could really help the community. There were several organizations that provided a lot of services, and it looked like they were duplicate services.

<u>**Solar Project (Community Renewable Energy Program)**</u>

MOST OF MR. SHEEHY'S COMMENTS, AS HE WAS SPEAKING ON ZOOM, WERE FUZZY AND DROWNED OUT BY STATIC AND PAPER SHUFFLING, SO THE MAJORITY IS UNTRANSCRIBABLE. THE VERBIAGE BELOW IS WHAT COULD BE DECIPHERED FROM THE CORRUPTED SOUND.

Ryan Sheehy, Fleet Development, stated: *Hi everyone. Thanks for letting me speak. Almost a year ago, the Council helped with a resolution to apply for a grant for our solar projects in northwest Ontario..... to municipalities....we found out a month ago that....awarded $900K...and something that will certainly help us out...with that in mind, I spoke with an authority at the Department of Energy about three weeks ago and they're working through the performance agreement for this grant, and one of the things that they wanted addressed, was the partnering situation...establishing some form of documentation on how the funds would be used. The funds would be given from the Department of Energy directly to the applicant, which is the City of Ontario. At some point, the funds would be passed through to a solar project that was eligible cost. I put together a draft Memorandum of Understanding outlining some of the facts and what I think would be acceptable relationship and documentation of an agreement on how that would look. I sent that to Dan Cummings and hopefully you all get a chance to take a look at that....it might be something that would take some thought and legal review and we're open to any changes the city would like to see. I'll pause there for any questions.*

Mayor Hill stated in addition to the $20K grant funding fee and the discounts the city would receive, had that been calculated out to what that might be to the city?

Mr. Sheehy: *I did. Thank you for bringing that up. That's probably the thing I'm most happy to speak to you all about. One of the businesses I'm also involved in is portable housing and one of the ways that you get that done is you work with non-profits and organizations, wherever your source of funds is, to compile capital into build a project like this. In this case, it's the city, so the city assists in passing through the grant funds minus a finding fee because of your cost and time. Obviously, we'll do the funding coordination as much as we possibly can, to lighten the load on your staff Mayor, but we'd like to offer that funding fee...the total grant funds need to go to eligible costs. When we make the first draw on those grant funds, with the invoice for eligible cost, we would then send the funding fee to the city. In addition, subscriptions when.....this......can have an anchor subscriber, and that anchor subscriber can subscribe up to 40% of the output. It turns out that the output of this solar project, essentially, it puts out enough energy to feed the equivalent of what the City of Ontario uses every year for its leaders, so about 40% of that , I looked at some of your usage for a couple....like the Malheur Drive area, different sewer plants, things like that, and came up with a couple meters that would make it a 40% anchor subscription and what we had proposed originally was the resolution to partner together on this grant application, but instead of the industry typical 5% discount for subscribers, we* *would, with this extra funding, be able to make the math work to provide a 10% discount to the city for those subscriptions and that works out to roughly $50K, probably a little more than $50K, but....side, and how much...we have each year....but at least $50K a year in savings. Those subscriptions are good for ten years, but the project itself we expect to be a 40-year lifetime on the project, and the city would keep those subscriptions going the whole time. So the math looks pretty good on the return on investment for the city.*

Mayor Hill stated at the next meeting the Council would be asked to approve the MOU, so ask questions now.

Mr. Cummings stated he had reviewed the draft MOU and found nothing wrong, but would the Council like it to go to the City Attorney for review?

Council consensus to submit the MOU to the City Attorney for review.

HAND OUTS

Department Stats for November *(Attached)*
Public Works; Fire & Rescue; Police; Code Enforcement

Minutes *(Attached)*
County Court 11/0/2022; 11/09/2022

EXECUTIVE SESSION(S)

ORS 192.660(2)(e) – Real Property
An executive session was called at 7:40 p.m. under provisions of ORS 192.660(2)(e) to discuss real property. The Council entered into a second executive session at 8:24 p.m.

ORS 192.660(2)(h) – Litigation, Current or Potential
An executive session was called at 8:24 p.m. under provisions of ORS 192.660(2)(h) to discuss current or potential litigation. The Council reconvened into regular session at 8:31 p.m.

ACTION FOLLOWING EXECUTIVE SESSION

MELENDREZ moved, MILLS seconded, **THE CITY COUNCIL APPROVE THE PURCHASE OF THE STATE PROPERTY KNOWN AS THE KENDELL ACRE GRAVEL PIT BEING TAX LOT 100 ON THE ASSESSOR'S MAP 18S4710D AND TAX LOT 200 ON THE ASSESSOR'S MAP 18S4710DA BEING APPROXIMATELY 34 ACRES IN THE AMOUNT OF $45,000 AND AUTHORIZE THE CITY MANAGER TO EXECUTE ALL DOCUMENTS REQUIRED TO COMPLETE THE PURCHASE.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

HART moved, BAKER seconded, **THAT THE COUNCIL GIVE AUTHORITY TO THE CITY MANAGER TO CONTINUE NEGOTIATIONS WITH THE BUREAU OF LAND MANAGEMENT ON THE RENTAL OF 10 ACRES OF AIRPORT PROPERTY.** Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

ADJOURN

BAKER moved, HART seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Mills-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

ACCEPTED:	**ATTEST**
Riley Hill	Tori Barnett
Riley J. Hill, Mayor	Tori Barnett, MMC, City Recorder