CITY COUNCIL MEETING MINUTES
June 25, 2024

The scheduled meeting of the Ontario City Council was called to order by Council President John Kirby at 6:00 p.m. on Tuesday, June 25, 2024, in the Council Chambers of City Hall. Council members present were Penny Bakefelt, Susann Mills, John Kirby, Ken Hart, and Sam Baker. Debbie Folden and Eddie Melendrez were excused.

Members of staff present were Dan Cummings, Tori Barnett, Corinna Hysell, Clint Benson, Kari Ott, Casey Mordhorst, Marshall Pierce, Al Haun, Michael Iwai, Tatiana Burgess, and Andy Wood.

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

AGENDA

This Agenda was posted June 21, 2024. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

HART moved, BAKEFELT seconded, **TO ADOPT THE AGENDA AS PRESENTED.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

CONSENT AGENDA

BAKER moved, BAKEFELT seconded, **TO ADOPT THE CONSENT AGENDA, WHICH CONSISTED OF APPROVAL OF COUNCIL MEETING MINUTES OF JUNE 11, 2024.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

PUBLIC COMMENTS

Janine Guaspari, Ontario, stated: *I'm here today just to bring up the problem of stray animals within Ontario. I do live out in the country. I see many stray dogs. I don't know if they're dumped and there's cats specifically, I've taken it upon myself to fix them, the cats, out of my own dime, too, and it's not cheap, just because I want to not have them reproduce and cause a bigger problem. The fact that we don't have like a Human Society here in Ontario is a real big issue, and the Feral Cat Project, they're just slammed and full of cats all the time, and the adoption process, fostering, all that is, you know, they're inundated with that. I don't know what the city can do, but it is a problem, and there should be fines for dumping, I would think. I came from Boise, moved here in, oh three years ago, and I've noticed that it's quite different here, so, anyway, that's my issue.*

Marc Berg, Ontario, stated: *Good evening. My name's Marc. I'm a resident here in Ontario. I also, full disclosure, I'm on the city Parks Committee and volunteer with the Kiwanis Club. I understand that tonight you have discussion on the dog area in the parks. We just wanted you guys to know that the Kiwanis Club is more than willing to help out, whatever you guys decide. Dan's been great to work with, as far as committees. Understand that if it's a zoning issue, if it's a code issue, you know, if that's something that you guys would have to deal with. We'd love to think that there's a solution to having some of these amenities that people like to have, and like to use, but at the same time, if they get abused, the city has the right to choose what they are going to do with some of these things that people can use as a privilege. There is plans through Kiwanis, you know, just there's Lanterman Park had the dog area. Based on observations and discussions it's popular and spoken highly of. We haven't seen a lot of issues other than people driving on the grass to conveniently drop their dogs off in the park. In our master plan, we do have an idea for a dog park in Beck-Kiwanis in the northeast corner. But again, we defer to whatever the city decides to do because we've put in a plan to keep it there,* *but until there's a solution to a health hazard, we totally understand. Just keep in mind there's lots of different solutions. If it is financial, you know, we're pursing different state and federal grants for different projects. We have over on Sunset Drive, a 10-acre city lot that has, right now, a water tank and not much else. If the solution would be a separate dedicated dog area, where people would typically be going to for playgrounds, but just for dogs, and please consider there's got to be a solution, so people aren't having to clean up other people's dog poop, and that Jacobs and their crew don't have to be cleaning up after other people's dogs. We just appreciate all you do, and know that Kiwanis is willing to back up whatever you guys decide. Thank you.*

Councilor Kirby informed Mr. Berg if he was willing to stick around, the dog park was on the agenda under discussion items.

<u>Jeannie Schmidt, Ontario,</u> stated: *My name is Jeannie Schmidt, and I would like to address, again, the problem with abandoned animals. So, I know you guys used to have a contract with Ani-Care, but I understand that that's not valid anymore. Am I right?*

Mr. Cummings stated that was correct. They moved to Nyssa, and currently the city did not have a contract with them. The city had been attempting to negotiate one. Ani-Care had the same problem. They had too many animals themselves.

Ms. Schmidt: *Okay. Well, I know my neighbor, she told me that one of her relatives just took it over, so I thought I would go talk to them, but I didn't know what your guy's position was on it, and I didn't want to speak out of turn. So, I would also like to ask, or say, so when somebody calls the authorities and says that they've found an abandoned animal, and it's in really bad shape, and, you know, could somebody pick it up and they get told, well, just leave it, or let it go. That's, I mean, that's, that's not a fair thing to do, in my opinion, to the animal, because it's not their fault. So I'm hoping that, maybe, you guys could like a committee together to discuss that, to maybe come up with some sort of solution, and maybe, example, the city could get like a grant that would help people once a month, get their animals altered and better priced, or provide transportation to get the animals altered, or perhaps, you know, even with Ani-Care you said was really full, so if they get so many maybe the city could provide transportation to other shelters for these animals. I mean, because, it's such a problem out here. It just amazes me and I do volunteer at OCP, and I see the atrocities that people inflict on these cats because people think of them that they're just a nuisance, and most of the cats are very nice, and they're adoptable, which is, you know, what they try to do, but people are poisoning them, they are slamming them, stomping on them, I mean the stuff that we see come through there is just horrific, so I would just like to ask, you know, the Council please consider making a committee that can try to come up with answers and maybe we could do fundraising or something. I know I've got some neighbors that have some pull that, you know, might be able to get some financing in to help with something, but I just don't' even know where to start. So that is what I'd like to ask.*

Councilor Hart asked Ms. Schmidt if she was in the city or in the county.

Ms. Schmidt: *I'm in the city. I'm right by the hospital. Yeah, so I see animals dumped at the park sometimes, too. Okay, thank you.*

NEW BUSINESS

<u>**Amendment #8: Approval of Operations Management International, Inc., (Jacobs) Contract**</u>
Casey Mordhorst, Public Works Director, presented.

Amendment #8 covered the Fiscal Year starting from July 1, 2024, to June 30, 2025. This amendment was asking for a 4.75% increase to the base contract between the City of Ontario and Operations Management International Inc., (Jacobs) to operate the City of Ontario's Public Works Department. The formula increase was calculated at 6.20%; however, the increase negotiated was less than the contract formula increase. In this amendment, chemical and electrical base fees were increased from the previous year by 4.75%. Both chemical and electrical budgets were changing to rebateable. If the funds in the budget were not used, the city would receive the funds back. If they exceeded the base fee, the city would be invoiced for the overages. Staff was working with the City Manager and Finance Director to change this in the contract. Jacobs would provide a monthly summary of the expenditures to the City Manager for review.

Operations Management International Inc. (Jacobs) was contracted to operate and maintain the City's Public Works Department beginning July 1, 2014. Annually, the increase was based on the CPI and ECI and negotiated with the City Manager. The annual increase varied from year to year. The contract annual increase could not exceed 5% and typically had been lower. With the cost of inflation that was seen in all areas, they were asking for a 4.75% increase this year.

Inflation had driven costs extremely high. Each year the annual increase varied with the CPI and ECI. This year, the CPI was 6.40% and the escalation formula came out to a 6.20% increase. The contract limited the annual increase to a maximum of 5%. Jacobs was asking for a 4.75% increase for Fiscal Year 24-25, July 1, 2024, to June 30, 2025.

In changing the chemical and electrical budgets to be a rebateable budget, the city would get any unused funds back at the end of each fiscal year. Any costs above the base fee set in the amendment would be invoiced to the city to pay. Each year, the base fees would increase by the previous year's contract increase. The City Manager would receive a summary of each budget monthly for chemical and electrical budgets, same as the repair budget.

The proposed 4.75% increase had been factored into the city's budget and had been approved by the Budget Committee and adopted by the City Council. Staff worked with both the City Manager and the Finance Director prior to the city budgeting process to ensure this was added. The increase would begin July 1, 2024, and go through June 30, 2025. If the increase was not approved, negotiations would take place to see where services could be reduced or eliminated to stay within budget.

Annually, Jacobs would provide an amendment to the contract for any increase or modifications made to the original contract between Operations Management International Inc., (Jacobs) and the City of Ontario.

Councilor Hart verified this amount was budgeted.

Ms. Ott stated it was.

Councilor Baker asked the amount of increase Jacobs requested.

Mr. Mordhorst stated it was 4.75%.

HART moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE CONTRACT AMENDMENT #8 WITH OPERATIONS MANAGEMENT INTERNATIONAL INC.(JACOBS) FOR THE 24 THRU JUNE 30, 2025, AND APPROVE THE CITY MANAGER TO SIGN.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

Resolution #2024-112: Supplemental Budget; End of Year Cleanup
Kari Ott, Finance Director, presented.

At the time the 2023-2024 budget was approved, there were some items that were unknown. Since these items are now known, a budget resolution was necessary to prevent over expenditures in various departments. The following items needed to be adjusted within the budget to prevent over expenditures of budget appropriations:

- Liability insurance costs came in higher than expected
- Technology equipment costs were higher
- Administration salaries had an incorrect calculation, as discussed at the budget meetings
- There were unexpected grants
- Building revenues were much higher than budgeted, so an adjustment needs to be made for the 12% state assessment

- TOT revenues were higher than expected
- There were some carryover projects

An additional $3,383,962 (mostly grant funds) would be appropriated and the remaining budget changes were transfers between items already appropriated.

Per Oregon Local Budget Law, the proposed resolution must be approved on or before June 30, 2024, and a formal resolution approved by the City Council was required to expend funds per ORS 294. If the Council took no action, this would cause budget over expenditures.

Councilor Hart asked if the city had made the final PERS payment.

Ms. Ott stated she planned to have a discussion regarding PERS during the Financial Report later on the Agenda, or it could be done now.

Councilor Hart stated that in looking at the contingency, where they had budgeted $844K, and now were being asked to reduce that down to $450K, so that would leave only $394K. Please explain that.

Ms. Ott stated the city's beginning balance had actually come in quite a bit higher, but it was more for ease. Overall the contingency that was budgeted for 2024-2025 would still come in okay. It was more to not have to do a supplemental budget hearing, so overall ease of a resolution.

Councilor Hart stated in a side conversation he had with former Councilor Braden about the city's contingency dropping so much, and that came up in the budget discussions. He thought some of that was that the city had started artificially high, so while the contingency did decrease, it was because there was quite a bit of rollover. Was that correct?

Ms. Ott stated the contingency they were looking at of over $800K was public works funds. The contingency being talked about was in the general fund. So they were not touching the general fund contingency in this, so it wasn't going to affect that. However, there was some planned use of the fund balance for the first payments of things. But that was separate from this. The operating contingencies of the 105 and 110, of $800K and $1.3M, those were sewer and water funds. The carryover balances were high because of carryover projects that were not finished last year.

MILLS moved, HART seconded, **THE CITY COUNCIL APPROVE RESOLUTION #2024-112: A RESOLUTION TO ADOPT A SUPPLEMENTAL BUDGET TO RECOGNIZE UNEXPECTED REVENUES AND TO TRANSFER BUDGETED APPROPRIATIONS FOR UNEXPECTED ITEMS.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

Rural Board Contract Extension #2, Addendum #13
Clint Benson, Fire Chief, presented.

Members of the Ontario City Council and the Ontario Rural Fire Protection District (ORFPD) and staff have been in discussions regarding the agreement for fire protection. Extension #1 of Addendum #13 would expire June 30, 2024. Staff would like to extend the agreement for sixty days to finalize the agreement.

The ORFPD budgeted $425,000 in their Fiscal Year 24-25 budget to add living quarters to fire station #2. The Board requested a one-year extension to allow their accountant and legal representative to research the financial and legal consequences of investing funds in a facility they did not own. Staff was proposing a sixty-day extension to allow time for ORFPD fact finding and to continue negotiations with members of the City Council and Rural Board. The important partnership between the City of Ontario and the Ontario Rural Fire Protection District was consistent with the city's core value of providing superior quality service to its customers. Sharing personnel and equipment enhanced staff's capability to provide superior fire protection to both city and rural customers. The sixty-day extension would continue the existing agreement, Addendum #13, and associated payments to the city from the ORFPD, based on an annual amount of $207,313. Timing was important, due to Extension #1 of Addendum #13 expiring on June 30, 2024. An active agreement should remain in place to protect both parties' interests and to continue fire protection within the ORFPD boundaries.

The Council could choose not to extend the existing agreement. This option would terminate the agreement on June 30, 2024, leaving both OFR and ORFPD without an agreement, and, therefore, no obligation for ORFPD to continue fire protection within the established boundaries. Or, the Council could choose to modify the requested extension of 60 days, and propose a different time frame. This action would necessitate the requirement to take the new time frame back to ORFPD for discussion.

Councilor Kirby verified they were waiting for the study to be received by the city.

Chief Benson stated that was correct. The study was started, and the department was onboarded earlier that week, and it took around four months to complete. The department was providing data.

Councilor Hart asked that as Councilors Baker and Mills were involved in the discussion, was there an issue, did they believed 60 days was sufficient?

Councilor Baker stated they had already issued an extension, so another 60 days should be plenty.

Mr. Cummings agreed that 60 days should be sufficient.

BAKER moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE EXTENSION #2 OF ADDENDUM #13 TO THE AGREEMENT FOR FIRE SUPPRESSION AND OTHER SERVICES BETWEEN THE ONTARIO RURAL FIRE PROTECTION DISTRICT NUMBER 7-302 AND THE CITY OF ONTARIO.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

Non-Commercial Airport Lease Extension
Andy Wood, Airport Manager, presented.

The Ontario Airport Committee was requesting Council approval to extend the non- commercial leases set to expire prior to the completion of the new lease agreement document. The city was currently updating the Airport Ground Lease template to meet all current city, state, and FAA requirements, and staff wanted to extend leases that might expire prior to completion of the updated agreement. The lease extension would automatically expire at the time the new lease document was ready for signing. The Airport Committee has been reviewing the entire document, which was a completely new non-commercial lease agreement. Normally, only a clause was reviewed or updated at any given time, not the whole document; however, this was an unusual situation. At a regularly scheduled Airport Committee meeting, a motion was made to extend the deadline, and to hold a special meeting on June 13, 2024, to speed up the review process. It was hoped this would help with the timing of leases that were up for review in June and/or July.

There was the potential for this action to prevent future growth at the airport, or the possibility for some leaseholders to vacate the airport altogether. This could lead to an impact on revenues the airport received from hangar owners. Six leases were up for renewal in June, and two for July. Staff had been working on the lease agreement for 18 months, and the Airport Committee had been reviewing it for six months. The extension would give all parties time to review and sign. Some lease conditions required up to 30 days for review by the hangar owner. Council could elect to direct staff to keep the lawyer's original version with minor edits by the City Manager.

Councilor Kirby verified the word "non-commercial" was being removed from this action, and would read "airport" instead.

Mr. Cummings stated he'd like the motion to reflect the change by removing the word "non-commercial" with the word "airport".

Councilor Hart did not like the current motion as it presently read about the 60 days. It did not help with any negation when they were given additional time.

HART moved, No second. **THE CITY COUNCIL APPROVE THE CITY MANAGER TO EXTEND THE AIRPORT LEASES EXPIRING IN THE SECOND AND THIRD QUARTERS OF 2024 FOR 30 DAYS TO ALLOW SUFFICIENT TIME TO REVIEW AND ISSUE NEW AIRPORT LEASES.** Motion died for lack of second.

HART moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE THE CITY MANAGER TO EXTEND AIRPORT LEASES EXPIRING IN THE SECOND AND THIRD QUARTERS OF 2024 FOR 60 DAYS TO ALLOW SUFFICIENT TIME TO REVIEW AND ISSUE NEW AIRPORT LEASES.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

Councilor Bakefelt asked Mr. Wood if he anticipated the 60 days would be adequate to complete the process.

Mr. Wood stated it should be fine.

Councilor Baker asked Mr. Wood if they would be charged more money.

Mr. Wood stated he was trying to.

Councilor Hart read a section from the staff report prepared by staff, and he assumed there was a typo. It read: *Timing - Six leases are up for renewal in June, and two for July. Staff has been working on the lease agreement for 18 months, and the Airport Committee has been reviewing it for six months. The extension will give all parties time to review and sign.* He asked Mr. Cummings if that was accurate?

Mr. Cummings stated the reason for the 18 months was the city had been working with the City Attorney for 18 months to get it approved by Silverhawk. This was the same document that had been approved by Council to be used for Silverhawk. After, staff submitted to the Airport Committee for the past 8 months a template as the basis for all new leases. He had been very disappointed in the Committee because at the last meeting, they showed up with no written comments, nothing for him to work with, but stating they did not like the template and would not be signing it. The Committee then held a special meeting, where they requested that Mr. Cummings not attend, which was out of the norm. To calm everyone, he did not attend. He did stress to the Committee that the city had spent a large sum of funds on the City Attorney to compose the template. He also told them it was the same document that had been used by the City Attorney for nine other airports. Also, the city's airport Engineer told them at that meeting that was the new norm. Because of the issues Ontario had in the past, the attorney's needed it clearly written to uphold it, to avoid spending money bumping heads. He did meet with the Airport Manager and the Airport Committee Chair that day, stressing the same issues. He believed it became clearer, finally, that the majority of the Committee was spending too much time looking at the template. As he said, he did not attend the special meeting, but felt the meeting he held that morning went well. He reaffirmed to the members that this document did not really include anything that wasn't in all the other leases, the ones they currently had. The old ones were just not worded well enough, according to legalese. He stressed that they wanted the hangars to look nice and stay maintained. For example, if the lease only included what the committee wanted in it, the definition of "maintained" could be viewed differently by each one of them. They might think just pulling a few weeds, or painting something, was all they needed to do. But, the city's attorney was going to disagree, and indicate that the lease read that it would be maintained and kept up to a set of standards, to avoid having run down things. The lease went from three pages to around fifteen or twenty. Following that mornings meeting, he did have some minor changes he was going to incorporate in, and he wanted time to present it to the Committee, seeking a recommendation to bring it before Council. That was the real basis for the extension.

Councilor Bakefelt stated, in her estimation, that when this started, some of the them had various contracts that had changed over the years, and some had had a small document which had now increased to a fifteen pager, which had a lot of details. The hangar owners out there had been there a long time, so there was confusion as to why all this new language had been added. She believed the meeting held that morning cleared up a lot of that miscommunication.

Councilor Kirby stated as the liaison to the Committee, and it was a bit frustrating because Mr. Cummings was the City Manager. The Council could approve or disapprove what he brought before Council; however, the Airport Committee hadn't wanted to negotiate with him. There had been three Councilors who attended the special meeting – he, Councilor Bakefelt, and Councilor Mills – who just listened and then reported to Mr. Cummings. This was going to be a formal arrangement, because the FAA was non-forgiving. Some of the pilots were talking about Caldwell or Nampa, how they could drive around freely to hangars, but they shouldn't be doing that. That was not allowed by FAA rules, and it was not allowed in the Ontario lease.

Mr. Cummings stated he had shared the FAA rules with the attendees from that morning's meeting. He told them that what they were trying to do was have the city put in their lease that they had permission to park, and they argued that they needed five minutes to do "whatever" and he told them that any amount of time, when FAA said no, and the city had it different in their document, the city risked liability. He was not willing to do that. Secondly, if the FAA saw that in the lease, they would have cause to pull funding, and request repaying of the $11M back they'd already given the city because the city was not following the rules established and agreed to by the city. He was not going to put the city at risk. It was already in the current lease, but was just not as well written, or as clear.

Councilor Kirby stated there had been good input overall from the Committee. They met the first Monday each month, here at City Hall, so the next one would be July 1st, if anyone wanted to attend.

Mr. Cummings stated he had been asked that day if he could have that done today so they could post it tomorrow for the meeting on the 1st, but he was unable to meet that request. He did not want to rush through it, which was another reason for the extension. So this would not be addressed at the July 1st meeting.

Councilor Hart asked if they had ceded authority to the Airport Committee to make these decisions. He was worried that it sounded like the Committee would decide what the contracts looked like.

Mr. Cummings said absolutely not. The establishing ordinance itself read that anything affecting the airport should be brought to the Airport Committee, who would provide a recommendation to the City Council.

Councilor Hart asked if Dan was invited to the next meeting, or was he still banished?

Mr. Cummings stated invited or not, he was attending. Legally, they could not have kept it out, but he was trying to work with them, so he agreed to not attend.

Councilor Hart asked if these leases would impact members of the Committee. Was there a financial interest, or an impact on the decision?

Mr. Cummings stated technically, not any current member of the Committee would be affected because all their leases were further out. Staff was not seeking to enforce this lease on anyone who had an existing one. They could make the ask, but they did not have to comply. He also kept reiterating that this lease was only a template, which had to be changed to fit each scenario, but the main boilerplate was going to remain the same. Also, the previous Council put a cap of 20 years maximum on a single lease. That came from the FAA in their regulations that the city did not exceed 20 years.

Councilor Hart asked for an approximate cost on what had been spent on the chemical cleanup resulting from an old lease that had not been properly vetted. The city had been exposed because of the "handshake" deal, so how much had the Ontario taxpayers spent because of that.

Mr. Cummings thought it was around $48K. That was just the city's share of the EPA fine for that operation not operating properly. That did not include the attorney bill.

Ms. Ott stated it was $48,707. 87.

Mr. Cummings stated that was something he'd tried to explain. If the city had a proper lease in place and a City Manager and Airport Manager paying attention out there, staff should have been telling that individual that he was in violation, and dealing with it sooner.

Councilor Bakefelt stated with that in mind, what processes were in place, or planned to be put in place, to monitor what was occurring at the airport, to ensure the city did not fall out of compliance.

Mr. Wood stated they had a spreadsheet that tracked everyone, which included contact information, their terms, their insurance coverage, and the date a notice for renewal would need to be issued.

Rewritten Motion:
HART moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE THE CITY MANAGER TO EXTEND AIRPORT LEASES EXPIRING IN THE SECOND AND THIRD QUARTERS OF 2024 FOR 60 DAYS TO ALLOW SUFFICIENT TIME TO REVIEW AND ISSUE NEW AIRPORT LEASES.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

PUBLIC HEARING

Ordinance #2826-2024: Request for Comprehensive Plan/Zoning Map Amendment and Rezone of a Parcel of Land Located at 1625 North Oregon Street; Owner: EDIRT, LLC, dba Edge Performance Sports
It being the date advertised for a public hearing on the matter stated above, the hearing was declared open. There were no objections to the city's jurisdiction to hear the action. No abstentions, ex-parte contact, or declarations of conflict of interest were stated.

Tatiana Burgess, Planning Director, presented.

The applicant owned a parcel of land, known as 17S47E33D, tax lots 3600 and 3700 and 17S47E33DD, tax lots 200, 300, and 900. The applicants wanted to rezone the property for further development of the property in addition to their existing facility, as well as for other outdoor sports events, as they further developed the property to its fullest potential. This application, if approved, would result in the rezoning of 22.07 acres, plus the adjacent right of way, and rezoning the property from City High Density, Multi-family (RM-10) and Heavy Industrial (I-2) to City General Commercial (C-2). The rezone also required a Comprehensive Plan and Map amendment. This request was for a Comprehensive Plan and Map amendment and rezone. The Ontario Municipal Code (OMC) designated the City Council as the decision-making body for plan amendments and rezones by ordinance. State law requires an ordinance to be adopted by the local governing body to accomplish a rezone. The city's governing body was the City Council, and they were the only body that could adopt an ordinance. The 35-day notice was posted to DLCD and public notice was sent out to affected property owners within the area required by law, as well as public agencies that might be affected by this action.

The property was zoned Heavy Industrial many years ago due to a gravel pit and concrete plant on the property, which required the Industrial Zone. The gravel pit and concrete plant had been gone for over 20 years, and the property had been vacant since, except for being used occasionally for a farm equipment auction site. History has shown that this area had a greater and better potential for use as a commercial property.

The Oregon Department of Transportation (ODOT) contacted the Planning Department with concerns about the potential increase in traffic volumes between the new and existing zones. The owner, planning staff, and the ODOT team worked together to find a solution that met everyone's needs and determined to put a trip cap of 3,050 total daily trips as a condition of approval which was based on the existing zones. The owner was agreeable to this condition.

Samuel Goldberg of the Fair Housing Council of Oregon emailed Dan Cummings, Community Development Director, about meeting State Goal 10 on housing capacity. Mr. Cummings responded to Mr. Goldberg's concern by providing clarification of how the finds in the report and the allowed multifamily housing allowed in the proposed C-2 zone met housing Goal 10. On April 29, 2024, Mr. Goldberg emailed Mr. Cummings stating that the supplemental findings of the C-2 zone were well argued, and they had no objections to the zone change. Both ODOT and Fair Housing correspondence were of record in the planning file 2024-02-04-CPAMD-RZ in the Planning Department at the City Community Development Center.

A request for a Comprehensive Plan/Zoning Map Amendment and Rezone of a parcel of land being located at 1625 North Oregon Street was received by the title, and was given the title of ACTION 2024-02-04 CPAMD. If approved, the action would result in the rezoning of 22.07 acres of land from City High Density, Multi-family (RM-10) and Heavy Industrial (I-2) to City General Commercial (C-2). The applicant was Ryan Gentry, and the property owners were EDIRT, LLC, Ryan Gentry Member.

The proposed development had to 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 was found to be consistent with the zoning ordinance, it was considered to be consistent with the Comprehensive Plan. The Planning Commission hearing was held on June 10, 2024, and a recommendation was made to the City Council to approve the proposal.
The Applicant submitted a detailed narrative (Edge Performance Comprehensive Plan and Zone Change Staff Report) addressing all the required findings of facts and decision criteria meeting the rezoning requirements of Title 10B-20-30 and Statewide Planning Goals. The proposed rezone made sense for two primary reasons: first, it was consistent with the pattern of existing zoning and land use development in the vicinity, and second, it provided a better balance between land use need and supply, as per the Ontario Comprehensive plan.

<u>Conditions of Approval:</u>

- The owner was aware that any unpaid utility bill would be a lien against the property once connected to city sewer and water.
- The owners would make all the improvements to the site and public utility infrastructure as per city code, or sign a Deferred Improvement Agreement on records, as Instrument No. 95-816 at the time the city determined the improvements were needed as development occured.
- The owner must abide by all the conditions of the City of Ontario Municipal Code.
- To ensure that there would be no significant effect on city and state facilities from rezoning the 22.07-acre site, the following conditions of approval of the zone change approval would apply at the time of development of any new portion of the property:
  - There was a cap of 3,050 total daily trips on the 22.07-acre site; and
  - That a traffic letter or a TIA would be required pursuant to the Ontario Zoning Ordinance, Section 10C-25.06 Transportation Impact Study on any new building; and
  - The TIA would be submitted to the City of Ontario and the Oregon Department of Transportation for review as part of the required development application; nd
  - The city would not consider the development application to be complete and would not process the development application without the required letter or TIA.

This project fell under the Growth goal of the City Council's Strategic Plan, specifically allowing for rezoning of land to add growth and more tax base. It allowed for the development of the property. Development of the property would benefit the city by increased tax revenue, as well as provide needed commercial land to promote new jobs as well as recreational needs. This rezoning was the first step in the process of being able to develop the property and therefore there was a need to move forward as soon as possible to bring the needed development to the city. The proposed development had to 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 was consistent with the Comprehensive Plan. A rezone had to be done by an ordinance and the City Council was the final authority for approving a city ordinance.

The Council could table this action and continue this item to a certain future meeting date to obtain clarification on issues raised at this Public Hearing. Council could also deny the action by determining it was not in the best interest of the public to rezone this property.

The Hearing was opened for public testimony. Opponents: None. Proponents: None. There being no Proponent and no Opponent testimony, the Hearing was closed.

MILLS moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE THE FINDING OF FACTS AND THE RECOMMENDATION OF THE PLANNING COMMISSION FOR THE REZONE OF TAX LOT 3600 FROM CITY HIGH DENSITY, MULTI FAMILY ZONE (RM-10) TO CITY GENERAL COMMERCIAL ZONE (C-2) AND REZONE OF TAX LOTS 200, 300, 900, AND 3700 FROM CITY HEAVY INDUSTRIAL ZONE (I-2) TO CITY GENERAL COMMERCIAL ZONE (C-2) AS SET FORTH IN ACTION 2024-02-004CPAMD BASED ON THE INFORMATION, FINDINGS, AND CONCLUSIONS SET FORTH IN THIS REPORT.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

MILLS moved, BAKEFELT seconded, **THE CITY COUNCIL, IN ACCORDANCE WITH SECTION 8.2(2) OF THE CITY CHARTER, APPROVE ORDINANCE #2826-2024, AN ORDINANCE PROCLAIMING THE REZONE OF TAX LOT 3600 FROM CITY HIGH DENSITY, MULTI FAMILY ZONE (RM-10) TO CITY GENERAL COMMERCIAL ZONE (C-2) AND REZONE OF TAX LOTS 200, 300, 900, AND 3700 FROM CITY HEAVY INDUSTRIAL ZONE (I-2) TO CITY GENERAL COMMERCIAL ZONE (C-2) AS SET FORTH IN ACTION 2024-02-004CPAMD BASED ON THE INFORMATION, FINDINGS, AND CONCLUSIONS SET FORTH IN THIS REPORT, AT A SINGLE MEETING BY TITLE ONLY.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

MILLS moved, BAKEFELT seconded, **THE CITY COUNCIL, IN ACCORDANCE WITH SECTION 8.2(2) OF THE CITY CHARTER, APPROVE ORDINANCE #2826-2024, AN ORDINANCE PROCLAIMING THE REZONE OF TAX LOT 3600 FROM CITY HIGH DENSITY, MULTI FAMILY ZONE (RM-10) TO CITY GENERAL COMMERCIAL ZONE (C-2) AND REZONE OF TAX LOTS 200, 300, 900, AND 3700 FROM CITY HEAVY INDUSTRIAL ZONE (I-2) TO CITY GENERAL COMMERCIAL ZONE (C-2) AS SET FORTH IN ACTION 2024-02-004CPAMD BASED ON THE INFORMATION, FINDINGS, AND CONCLUSIONS SET FORTH IN THIS REPORT, AT A SINGLE MEETING BY TITLE ONLY.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

DEPARTMENT HEAD UPDATES

Community Development: Quarterly Report
Tatiana Burgess, Planning Director, presented.

Finance: Monthly Report
Kari Ott, Finance Director, presented. Ms. Ott noted that it showed the property taxes were at 99.1% collected, so there was approximately $40K left to collect. For LGIP, the city had not received that statement yet for the month. On the marijuana tax dollars, the city was able to receive (not received yet) just over $700K for the quarter, so that put the city at just over $2.5M for the year, with one more payment to come. The city budgeted $2.5M, so the good news was that the city had more marijuana tax money than had been budgeted in FY 23-24. Any money received forward would be above budget.

Councilor Hart stated with regard to marijuana enforcement fund, $25,600 budgeted, $0 actual. He assumed the money had just not been moved yet.

Ms. Ott confirmed that was correct.

Councilor Hart asked about the operating transfers out; same thing?

Ms. Ott stated same thing. She just needed to make the entry. She always wanted to make sure all the funds had been received prior to making the transfer.

Ms. Ott stated with regard to PERS, the city had budgeted for FY 23-24 to pay $498,689. She had received an email that it was believed that in 2025 there was going to be another matching fund. Last time the city did that, they were able to get an additional 25% over what the contribution was. She suggested they consider that, to hold off that payment until next year. So combining the two payments, since they budgeted a total of $366,480 in FY 2024-25, that would total $865,169, and the match would be $213,792 that would come from the state that the city would not have to put it. It would go into the side account, reducing the PERS debt. The maximum amount they would match, and she had asked since the city had already used this program, could it be used again, and she was told yes. They matched about $300K, or 5% of the unfunded actuarial liability. In looking that up, the most current valuation was December 31, 2022, and that amount was $19M. So technically, they would match up to $960,747, approximately. To get that, the city would have to put in $3.8M; however, that was probably not feasible. It was her opinion, but up to Council direction, to carry over that PERS amount into that PERS side account fund, and pay it all in 2025 when the matching program was available.

Councilor Kirby verified it would be around this time, but in 2025, the city would pay two years to gain a 25% match.

Ms. Ott stated that was correct. That was her proposal. She'd just roll forward what was not spent this year into the same fund. The marijuana tax could also come in higher, so they could allocate some of that into PERS.

Councilor Hart stated when she said 2025, was that in early January.

Ms. Ott stated there was not exact timing yet. It was currently 2025. It could be January 2025, or December 2025. It was unknown.

Councilor Hart said it could then be a whole new fiscal year.

Ms. Ott agreed.

Councilor Hart stated his concern was that he didn't want to leave money on the table. So they wouldn't get any more clarity before….

Ms. Ott stated not before June 30th.

Councilor Hart stated it was a risk….

Ms. Ott stated her original plan was to tell them the marijuana money was coming in good, so make the payment before the end of the year. But then she received the email about the 25% program, so she questioned making the payment now.

Councilor Hart stated he'd be open to say the Council pass something like they would transfer this year's amount by January 15, 2025, unless the Council took action to not do that. That way, it was done, and it would take the Council having to reverse themselves. Ms. Ott might come back to Council and tell them it would be in May. Then the Council would be smart to wait a few more months. That way, they were sort of obligating the say, just in the year they were in now, they wanted to pay it, but they didn't want to lose the opportunity. Could they do that? It would be a new Council because of elections, but in the interim, could they state as a Council that was their intent, that it be paid in early January unless there was a reason, because of that match, that they not, not because it was spent on something else, or the majority of the Council could say there was an emergency, so they didn't want to spend it.

Ms. Ott stated they could recommend that now, and it would have to come before Council for a budget resolution anyway. With a new Council, she couldn't guarantee what would happen.

Councilor Hart stated they passed the budget. They told Ms. Ott to do it. That was one of those things that worried him a little – staff could say well Council budgeted it, but Council never told staff to pull the trigger. He was glad she brought this to Council asking if they wanted to pay it now, or hold it over.

Ms. Ott stated Council had asked staff to do that, which is why she brought this option forward. He was right – there was no guarantee about future Councils, and they'd have to do a budget resolution for next year.

Councilor Hart asked if they could do an amendment to the budget now?

Ms. Ott stated no, not until July 1st, from the new budget.

Councilor Kirby asked for a consensus from the Council that the City Manager and Finance Director prepare a document stating such that would come before the Council for a yay or nay in July.

Ms. Ott stated they could do that, but she still needed consensus on making the payment by June 30th or not. That's the first step she needed direction on. Did she cut the check or not?

Mr. Cummings stated what staff was saying was don't cut the check, roll the money over, it was still protected because it was budgeted to go to PERS, and it would be earmarked. The only thing they could not guarantee was that current staff and Council was saying that was earmarked and would stay in the PERS account. But they could not guarantee that with a new Council that they wouldn't do a budget resolution to spend the funds on something else. Current staff and Council was aware that money had been budgeted for the next year, and it would be kept in an account, and hopefully increase it by $200K+, if the state implemented that program.

Councilor Hart verified at the end of the year, the city would have a higher contingency, and in July, Ms. Ott would present a resolution to amend the budget to increase how much would be distributed to PERS.

Ms. Ott agreed. The ending fund balance would be higher.

Councilor Kirby stated there was consensus that she bring something to the Council in July.

Ms. Ott confirmed there would not be a payment made.

Councilor Bakefelt asked what interest would accrue by holding the money.

Ms. Ott asked if she meant the interest that accrued on the PERS? If so, it was amortized over the discount rate of 6.2% over 20 years. But an actuarial study was done every two years.

DISCUSSION ITEMS.

Dog Parks

Dan Cummings stated as a follow up from the previous meeting, this was to give the public time to comment on the issue. He had not received any comments. It was discussed at the last Parks Committee meeting and Marc Berg was at that meeting, as he represented the Kiwanis Club. The same discussion was held about people not cleaning up after their dogs, and creating a health hazard in the area. He hadn't noticed any comments on Facebook, either, but he didn't frequent that site, so if anyone had seen anything, please let him know. The issue was what to do about the dog parks. They all understood the health issues, especially the Lion's Club part, especially as it was set up next to the playground. The Committee basically left it up to the Council. Mr. Berg, of Kiwanis, said he was going to discuss with them to see if they wanted to take over the dog park at Eastside, and the new one planned for in Beck-Kiwanis Park, that they would guarantee the cleanup. As Council had heard from Mr. Berg that evening, he had led towards that, but he might not have full approval from his club to state they were going to spend the time and money to take care of that. From the Lion's Club side, as he was a Lion, they did not have enough people in that club to take on cleaning up the dog park at Lion's Park. Kiwanis said they might, but he didn't hear a real commitment from them saying they were financially able to do that. But, should anybody else be cleaning up? Anyone who used the dog park should be responsible for cleaning up after their own animals. Because of the health issues, the dog park had been closed for a while, and he had only received one email asking if the city had any plans to reopen, and he let her know there were none at this time, and provided the reason for the closure.

Councilor Hart asked if they closed it, would they remove…he liked the corner on the street as it provided some safety. Would they remove that corner section?

Councilor Baker asked if the fencing came from the airport.

Mr. Cummings stated that it was. If given the direction to close it, he would leave the fence around the corner, and remove the remainder. At Beck-Kiwanis, they used some fencing not to create a dog park, but to fence around the perimeter of the playground. He'd do the same with that corner section of fence at Lion's.

Request to Cancel August 13, 2024, Council Meeting: National Night Out Event
Councilor Bakefelt stated as they were aware, August 13th was National Night Out event, but also a City Council meeting. The NNO event involved a lot of city staff and some Council members, so she'd like to have them consider cancelling the meeting so everyone could attend and participate in the event. She invited the public to attend, everything was free, there were new activities, over 30 vendors, fire was going to do a junior course, The Gym was going to run an agility course, and the police department was going to conduct a bike rodeo, and there would be a dunk tank. It was running from 4-7pm at on the TVCC campus.

Councilor consensus to cancel the August 13, 2024, Council meeting.

HAND-OUTS

Minutes
County Court: 05/22/24, 05/29/24, 06/05/24
Airport: 05/06/2024

Check Register
May, 2024

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Hart suggested that in the future if it was hot like it was that night, and the air conditioner was not working, they should move to the training center.

Councilor Hart he said he'd like to have city staff spend some time looking at what it might take to do an Airort District. He had mentioned it in the past, and he wanted to offer solutions, not just concerns. It would take time and energy, and one Councilor should not direct staff to spend that time and energy, but he wanted it on the table. He did not know if others would support his idea, and it was unfortunate that Mayor Folden and Councilor Melendrez were not present to provide comment.

Councilor Bakefelt stated she thought it was a great idea. They needed to look at all options for being sustainable and affordable for the city.

Councilor Kirby stated they had attended the groundbreaking ceremony for the swimming pool, and they would be starting on demolishing the existing building. There were some concerns that they could damage some of the existing facilities during that time because of the large crane that would be required to remove the laminated beams. They mentioned the city's pledge, and the city had researched what the District was required to provide to the city prior to releasing those funds, but it appeared they had enough funds currently to begin the project. It was well done and well attended.

Councilor Hart asked if they were at the point where the city would be releasing the $250K?

Mr. Cummings stated no.

ADJOURN

BAKEFELT moved, HART seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-out; Kirby-yes; Folden-out. Motion carried 5/0/2.

ACCEPTED:

Deborah K. Folden
Deborah K. Folden, Mayor

ATTEST:

Tori Barnett
Tori Barnett, MMC, City Recorder