CITY COUNCIL MEETING MINUTES
October 22, 2024

The scheduled meeting of the Ontario City Council was called to order by Mayor Deborah Folden at 6:00 p.m. on Tuesday, October 22, 2024, in the Council Chambers of City Hall. Council members present were Deborah Folden, Susann Mills, Ken Hart, John Kirby, Eddie Melendrez, Sam Baker, and Penny Bakefelt.

Staff present were Dan Cummings, Tori Barnett, Corinna Hysell, Clint Benson, Jason Cooper, Tatiana Burgess, Casey Mordhorst, Marshall Pierce, Kari Ott, and Andy Wood.

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

AGENDA

This Agenda was posted October 18, 2024. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

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

CONSENT AGENDA

KIRBY moved, BAKER seconded, **TO ADOPT THE CONSENT AGENDA, WHICH CONSISTED OF THE COUNCIL MEETING MINUTES OF SEPTEMBER 24, 2024, AND OCTOBER 8, 2024.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

PUBLIC COMMENTS

Kristy Rodriguez Willard, Ontario, stated: *Good evening Madam Mayor and members of the Council. My name is Kristy Rodriguez Willard. I am the Executive Director of the Housing Authority of Malheur and Harney County. I just wanted to give you all a brief update as to how things are progressing with HB5019 funds that we have received into the county, as well as SB5511 and SB5713, I believe is what it is, don't quote me on that. Just want to let you know we're progressively moving strong, as far as utilizing all of the funds. The funds are to be spent by the 30th of June, 2025. We are to, our goal was to rapidly rehouse 34 individuals that are experiencing homelessness or at risk of homelessness, that are currently living out in the streets in Malheur County. Right now our goal is almost, we're almost at our goal, and we're not even near the 30th of June of 2025. So we've had 18 folks that have actually moved out of our Turnkey Project, and that's families with children. We also, Community in Action also has a 9-bed that we're working with them, and they are transitioning folks out into permanent housing, so we actually have 18 that have now moved into permanent housing where they have their own home and we're no longer assisting them. They are either paying rent on their own, or they are receiving some type or form of subsidy. And then we have 5 that are actually moving out of Project Turnkey this week. So, within the next couple days, and they are, they've all found permanent housing. So the program's working, and I just want to let you guys know that I know that we still see folks that are homeless out in the street, but we can only do so much, and so this is just a step towards the right direction, where we're trying to assist those, but we've definitely exceeded our numbers as far as people that are permanently housed now. We anticipated that one is great, but having 24 people that are now living in their own place to call home without any type of permanent assistance from the state, is fantastic. So, I just wanted to give you guys an update and let you guys know that we're working towards, we're working towards* *helping these individuals out. I don't see that this funding is going to end, so I'm hoping that this whole, this funding will continue into the 25-27 legislation when we're going to "...", so thank you.*

Councilor Bakefelt voiced kudos to Kristy for doing a great job.

Councilor Melendrez thanked Kristy for all the work she was doing, along with Community in Action. He thought when they worked together, solutions could be brought to the city. For example, the unhoused site where they had shown support with the trash bin. He really appreciated that. If there was anything he could do to support their work, he was there for them. The updates put a human factor to their work and helped everyone see the work they were doing.

<u>Jack Lester, Ontario, stated:</u> *Good evening. I am a current resident of the Turnkey Project that Kristy said. It has helped. I also work there as a monitor. I monitor the grounds, make sure that people aren't meandering around and causing issues with each other in any part of that facility. I am soon to be in my own home, as well, through help with them and Community in Action. My wife and I are on the way to home ownership as well. We've got three children, and we moved back this last November, so it's been almost a year. Could not find a place to live. It was pretty bad. But, with her help and Community in Action, we are, we're on the right path. It's been a long battle, but it's a very eye-opening one at the same time, as to what's going on. So, I'm thankful for it. I just wanted to let you guys know, and I'm here on her behalf, and Project Turnkey, and it's great. It really is.*

Councilor Melendrez thanked Mr. Lester for sharing his story. It helped them see there were people benefiting from the program.

OLD BUSINESS

Ontario Sanitary Rate Increase

Travis Williams, District Manager, OSS, presented.

Mr. Williams stated he was there to request a 4% price increase for services. He had previously sent Mr. Cumings a letter regarding this, with a price sheet attached, showing what that increase would be for all levels of business. If approved, the effective date of the increase would be December 1, 2024. It basically equated to about 95¢ for the most frequently utilized service, which was residential trash service with recycling.

Councilor Kirby asked about the availability of dumpsters, and did they have the necessary equipment to move and place them in the appropriate place.

Mr. Williams stated yes, they had the equipment, and they had just received their second order of dumpsters, so there was currently every size available, plastics and metal containers.

Councilor Kirby asked for an update on the transfer station.

Mr. Williams stated they had been in discussions on the best way to move forward on reopening that to the public. It was currently being used for their cardboard that was baled and sent out. They were not currently doing public dumping, which was partly due to staffing issues. However, they were working on a plan to get that reopened for the public. It would be a different building, but in the same location.

Councilor Kirby verified the rates being presented would be applicable to that as well.

Mr. Williams stated yes. It would be by the pound.

Councilor Kirby asked if they had any timeline for opening that.

Mr. Williams stated he didn't want to say a hard date because they couldn't commit to a date specific, but possibly the middle of next year.

Councilor Bakefelt stated with regard to yard debris pick up, she couldn't recall the date this year....

Mr. Williams stated it was November 21st, the Thursday prior to Thanksgiving.

Councilor Bakefelt asked if there was a reason it wasn't done later. Sometimes all the leaves had not fallen.

Mr. Williams stated traditionally that was the last time leaves would fall, but it seemed like it was getting later. That might be something taken into account in the future, maybe extending that later into the year. He saw no issues with extending it, but it could not be changed for this year.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL APPROVE THE 4% SOLID WASTE RATE INCREASE REQUESTED BY ONTARIO SANITARY SERVICE INC., FOR BOTH COMMERCIAL AND RESIDENTIAL SERVICES AS ALLOWED BY CONTRACT**. Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

NEW BUSINESS

Airport Hangar Sales: 331 Echo and 326 Foxtrot

Andy Wood, Airport Manager, presented.

Current owner Kevin Berg wanted to sell Hangars 331 Echo and 326 Foxtrot to Nathan Morgan, an airline pilot waiting to use the facilities at the Ontario Airport. They just needed approval from the Council to conclude the transaction.

Councilor Hart asked if there were any other hangars currently available at the airport.

Mr. Wood stated there were two hangars that had spare space allocation for aircraft. One was a gentleman who had sold his plane and was in the process of acquiring another one. The other was Nathan Morgan, who had one plane to go in the hangar, and Mr. Wood had referred three sub-lessees to him to fill that spot. There was currently a waiting list of about 15.

Councilor Hart stated these hangars were being passed around, but there was a waiting list, so if you didn't know someone, you'd never get a chance to get a hangar. Why were they being assigned? Did they own those?

Mr. Cummings stated the city owned the land, and leased the ground to the people owned the building. The city was only approving a lease to a new person.

Councilor Hart confirmed it was a private sale between two hangar owners.

Mr. Cummings stated that was correct. The city was only approving the person making the purchase.

KIRBY moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE THE SALE OF HANGAR 331 ECHO AND 326 FOXTROT TO NATHAN MORGAN**. Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

Airport Commercial Ground Lease Template: Aeronautical Use Improvements

Andy Wood, Airport Manager, presented.

The city was working to improve the Ontario Airport, which sometimes required that leases met the need to protect the airport and city in ensuring that all rules and regulations were being met, as well as conforming to the city agreement with FAA, who had made substantial monetary investments in the Ontario Airport. In the past, the city has had to spend quite a bit on attorney fees to enforce city regulations and FAA rules and therefore required a new, stronger Lease Agreement to be created to protect the city and taxpayers.

Staff, the City Attorney, and the Airport Committee worked on new templates for ground leases for both noncommercial and commercial lease agreements. The noncommercial lease had already been approved, and now the commercial lease needed to be finalized. It reflected the same changes as were now in the noncommercial lease with the addition of the commercial requirements. The editable template was created by the City Attorney.

KIRBY moved, MILLS seconded, **THE CITY COUNCIL APPROVE THE COMMERCIAL LEASE AGREEMENT TEMPLATE TO BE USED FOR ALL FUTURE NEW AND RENEWAL GROUND LEASES AND COMMERCIAL BUSINESSES.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

<u>Ontario Municipal Airport BLM Way: Gate and East Fence</u>
Dan Cummings, City Manager, presented, along with Andy Wood, Airport Manager.

During the Budget Committee meetings, they put $150k into the budget for this proposed fencing. This was the fencing and gate to support the BLM SEAT Base. Staff was applying for a ConnectOregon Grant. The Budget Committee suggested moving the $150k, and placing it into Contingency until the city received the grant or not, at which time they could come back to Council. *[He referenced a printout of all the projects he'd provided to them that evening.]* This went through the SEACT that he sat on, and they had given presentations, including one by Toby Epler, the city's airport engineer. The city was bumped up the list to #16. The list before them was the projects that were awarded by the final committee, who was the TRC, Transportation Committee. The city's grant was approved. Since the city had that grant, they also applied for a COAR grant to cover the required matching funds of the previous grant, for the $40,500 because that was a 10% match. If the city received that grant, it would leave a maximum due of $4,500. Currently, with this grant, he had already put 66% of that into the BLM Lease Project, so they would be paying the $29,700, leaving a maximum of $15,300 for the city to cover. As previously stated, there was the $150k that had been placed in Contingency, as well as the $93k in the economic fund, which could be used for the $15,300, and also the economic fund of the Stelling Property. But, if everything worked out, and the city received the COAR grant, then both the city and BLM won because that would reduce the amount owed to $4,500, and BLM would pay 100% of that. The remainder of theirs would stay in their project, and there would be zero cost to the city for the fencing. Worse case as it currently stood, if the city did not receive the COAR grant, the city would be responsible for the $15,300. Staff needed commitment for the grant, or it would be lost, which they really didn't want to do. But, they continued to hope for the COAR grant, which would mean the city had zero cost for the fencing project.

The BLM Project was extremely valuable to the city, and the fencing was something that was really needed. The existing ground lease with BLM, once built, basically gave the city a return of around $40-50k a year, every year. Over the full 30-year run, the city would receive $1.8M, plus the city would own the building. If BLM wanted to remain after that, the city would then negotiate a lease that BLM would pay to the city. Overall, this was a win-win for the city. Even if the city had to pay the $15,300, it was a good investment.

Councilor Bakefelt asked when they thought they'd hear about the other grant.

Mr. Wood stated it would close on October 25th, so they'd probably hear mid-November.

Mr. Cummings stated if the city did not do the fencing project, the ConnectOregon Grant would be returned and awarded to someone else.

KIRBY moved, BAKEFELT seconded, **THE CITY COUNCIL APPROVE THE ONTARIO MUNICIPAL AIRPORT BLM WAY GATE AND EAST FENCE PROJECT ESTIMATE FOR $150,00.00, WITH THE ODOT CONNECTOREGON GRANT AT 70% $105,000.00 AND THE CITY OF ONTARIO MATCHING FUND AT 30% EQUALING $45,000.00 AND THE MAYOR AND CITY MANAGER TO SIGN ODOT CONNECTOREGON GRANT AGREEMENT AND ALL RELEVANT DOCUMENTATION FOR THE ONTARIO MUNICIPAL AIRPORT BLM WAY GATE AND EAST FENCE.** Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

DEPARTMENT HEAD UPDATE

Finance: Monthly Report (August, 2024)
Kari Ott, Finance Director, presented.

The city had their audit a few weeks ago, and she believed it went well, based on what the auditors told her. She had some things to finish up, then the auditors did as well, and they hoped to have it all wrapped up end of December.

Last fiscal year, because the audit was pretty well wrapped up, she still had to make one adjustment for property taxes. She looked at where the city ended compared to what had been budgeted for 24-25. Using rough figures, the city budgeted just over $3.3M, and the city was coming out at least $1M higher. There were three large factors that affected that: 1) the marijuana tax came in substantially higher than budgeted. That was because when the budget was done, there were still two payments outstanding, so they had budgeted conservatively; 2] the Idaho Power Franchise Fee came in about $300k higher. They had budgeted higher for that in this current fiscal year due to an increase in rates; and 3] the city had planned on paying the new union contract before the end of the fiscal year, which had not happened, so that had not been deducted yet. Those three factors made a huge difference.

Councilor Kirby asked when the police union contract was accepted, would that be a retroactive payment back into last year, but booked in the current year?

Ms. Ott stated that was correct, because they city hadn't owed it as of June 30th because no agreement had been reached by that date. It would go retroactively back to January, so she'd have to prepare a budget resolution for that. The best thing to do was adjust the beginning balance to pay that additional cost.

Councilor Hart stated during the Budget Committee meetings, they had discussed delaying the PERS payment until they had more information, which they now had. Had she heard anything more on the matching funds from the state, any more clarity?

Ms. Ott stated yes. She had some emails about that process, where surveys had been sent out. They were attempting to get that done for next year, this calendar year, so she was hopeful that would hit in this fiscal year, but at this point, there was nothing set in stone. They were continuing to work on the process, which had been shared through various emails through PERS and employer emails.

Councilor Hart confirmed that it wouldn't happen this calendar year.

Ms. Ott stated no, it would not this *calendar* year, but it could happen this *fiscal* year.

Councilor Hart stated they had talked about the possibility of actually paying down some of that in this calendar year.

Ms. Ott stated they also discussed coming back in December, before anything changed. They could do that, and by then, she hoped, she'd have more information on the actual state program and the timing. The new rates for PERS had been released for the next biennium, and if it wasn't for the city's paydowns, the city would have been paying over 55% in PERS for employees.

Mr. Cummings stated the plans were to be discussed at the last meeting in December, to provide Council an update. This Council made the decision with the money, and hopefully they'd be able to make a decision as to how they wanted to proceed.

Councilor Hart stated there were two meetings scheduled, but assumed they'd just have one in December because of the conflict with Christmas.

Mr. Cummings stated that was possible.

Ms. Barnett reminded them that the second meeting in December was currently scheduled for Christmas Eve.

Many stated they would not be attending that meeting.

Mr. Cummings stated it appeared there would only be one meeting in December.

Councilor Baker asked if the city had paid PERS down this year? There had been money earmarked for that.

Ms. Ott stated no. That had been discussed in June of the last fiscal year, about paying it down, but because there was a new program coming through…again…like they had before with the 25% match of the paydown, they discussed waiting until December to make this year's payment, as well as last year's. To see if they were going to make that then, or wait and make that later to match that program. That's why no payment had been submitted yet.

Councilor Baker just wanted to make sure it didn't slip through the cracks as he believed they needed to get that paid down as much as possible without shorting the city on the other side.

Ms. Ott agreed, which was why it was going to be back before the Council in December. She'd be looking for a decision at that time as to paying it then, or wait for….she was hoping by then she'd have more definitive information on when the program was going to begin, and she'd be able to provide information to them to make the best decision. She knew the matching program wouldn't be ready by December, but hopefully by June.

Councilor Hart stated he'd like them to consider paying last year's in December, to not pay this year's, and wait for the match program. They might leave some money on the table, but the longer they kept rolling the money over and not paying it, people would start asking to spend it. Plus, some members of the Council would not be on the Council after December, one specifically since Sam wasn't running for reelection. They needed more information, and now they had it, except when they'd actually do a matching program. Did she recall how much had been budgeted for next year?

Councilor Bakefelt stated she'd like to know what they were leaving on the table.

Ms. Ott stated for the current fiscal year it was $356,480, budgeted in this current year. For last year, it was $498,689. That money was transferred into the PERS Reserve Fund, and was currently just sitting there. It would take a resolution to expend it.

Mr. Cummings stated current staff had no intention of asking for, or asking to use, those funds. Everyone wanted it paid off. Staff would not be coming after it, but he understood what Councilor Hart was saying.

Mayor Folden thanked Ms. Ott for the information, and for her work on the audit.

HAND-OUTS

Minutes
Airport 08-05-2024; County Court 09-09-2024, 09-18-2024, 09-25-2024, 10-02-2024

Check Register
September, 2024

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Hart praised Ms. Ott and her team. The Audit Committee had met with the auditors, who had high praise. They still remembered when the City of Ontario did not have clean audits, but had significant issues instead. It took a lot of hard work, and he voiced appreciation to her and her staff on continuing to keep Ontario clean.

Councilor Kirby gave a report on his trip to Osakasayama, Japan, the City of Ontario's Sister City. He and Councilor Hart, among others, had been in the delegation to travel to Osaka, representing Ontario. He hoped at the next meeting, they would be presenting a flag signed by 150 people who had attended the commemorative dinner. The relationship was healthy, they'd all be warmly received, better than well-fed, and were hauled all over the place. Osaka and Ontario were two unique cities, but he could see why the relationship worked. They craved what Ontario had, which was open space. No one owned a lawn mower, because there was no grass. The streets were so narrow that if an Ontario fire truck faced on-coming traffic, the truck wouldn't get to the fire. However, their fire training center was new and modern. They also took them to a reservoir, which they stated was something like nine centuries old, and had been rebuilt over the years. At one point, some of the bypasses were made by hollow trees. Also, crypts, or caskets, which had been made of stone, where placed at the end so they could move water around. The city had constructed a museum explaining all that. It was a wonderful trip and encouraged any of them to take part. The plane ticket was expensive, but once there, you'd stay with a host family, be well-fed, and transported everywhere around Southern Japan. His intention was to present the flag at the next meeting. He believed it would be displayed at the Cultural Center in a case the city had on that site.

Councilor Melendrez gave credit to Mr. Cummings and Mr. Wood for the work at the airport. He appreciated the way Mr. Cummings explained how the grant process worked.

Councilor Melendrez wanted to plant a seed with the Council about learning how the process worked for the Sister City Program, and if something could be set up in the future for a Sister City in Mexico. He believed the Mexican ties were as deep at the Japanese ties. He'd like to learn more about that. However, that could be a one-on-one conversation between him and Mr. Cummings, or an email, or with the entire Council.

Mr. Cummings stated the city had received a Safe Streets for All grant, and staff would be doing a Safety Action Plan to determine how to make the city streets safe. The final open house was October 30th, 4-7pm, at the Four Rivers Cultural Center. He asked the Council to pass that around the community. There were information boards set up already, hoping that people who saw it at the Cetner, would make plans to attend the meeting. He invited everyone to attend – it was open to anyone and everyone.

Mayor Folden stated she had seen it on Facebook, and shared it. She encouraged others to do the same.

EXECUTIVE SESSION

Executive Session: ORS 192.660(2)(d)

An executive session was called at 6:49 p.m. under provisions of ORS 192.660(2)(d) to provide a Labor Negotiation update. Representatives of the news media and designated staff would be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media were specifically directed not to report on any of the deliberations during the executive session. No decision could be made in executive session. At the end of the executive session, the Council would return to open session and welcome the audience back into the room. The Council reconvened into regular session at 7:03 p.m.

ACTION FOLLOWING EXECUTIVE SESSION

BAKEFELT moved, HART seconded, THE CITY COUNCIL APPROVE THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE ONTARIO POLICE ASSOCIATION AND THE CITY OF ONTARIO POLICE DEPARTMENT FOR THE PERIOD OF JANUARY 1, 2024, THROUGH DECEMBER 31, 2026, THAT IS BASED ON THE CITY WHAT IF MEDIATION PACKAGE PROPOSAL DATED OCTOBER 2, 2024, THAT THE GUILD (ASSOCIATION) VOTED AND RATIFIED THE CONTRACT ON OCTOBER 10, 2024, AND AUTHORIZE THE MAYOR AND CITY MANAGER TO SIGN THE FINAL VERSION UPON RECEIVING THE ASSOCIATION SIGNED ORIGINAL. Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

Councilor Kirby verified legal counsel had reviewed the document.

Mr. Cummings indicated yes; he'd worked with it all the way through.

Councilor Hart recognized those who attended the meetings for this issue, and thanked them for their effort.

Councilor Bakefelt stated she was pleased that the police department would be getting more resources for their officers. She wished it could be more because they earned it every day. She appreciated the patience of the officers, too, as they all went through the negotiation process. She also thanked all those involved during this process.

ADJOURN

KIRBY moved, MILLS seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Mills-yes; Baker-yes; Hart-yes; Bakefelt-yes; Melendrez-yes; Kirby-yes; Folden-yes. Motion carried 7/0/0.

ACCEPTED:

Deborah K. Folden

Deborah K. Folden, Mayor

ATTEST:

Tori Barnett

Tori Barnett, MMC, City Recorder