MISSION STATEMENT: TO PROVIDE A SAFE, HEALTHFUL AND SOUND ECONOMIC ENVIRONMENT, PROGRESSIVELY ENHANCING OUR QUALITY OF LIFE

COUNCIL MEETING AGENDA
CITY COUNCIL – CITY OF ONTARIO OREGON
TUESDAY, SEPTEMBER 19, 2017, 7:00 PM, MT

Pursuant to the Public Meetings Laws and Rules within the Oregon Revised Statutes, the City Council has the authority, ability, and standing to take action on any items on the Agenda, or add items to the Agenda, during the Study Session or Regular Meeting, as long as all public meeting notice requirements have been met.

1) CALL TO ORDER

Roll Call: Tessa Winebarger _____ Dan Capron _____ Marty Justus _____ Ramon Palomo _____
Betty Carter _____ Norm Crume _____ Mayor Ron Verini _____

2) PLEDGE OF ALLEGIANCE

This Agenda was posted on Friday, September 15, 2017. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website at www.ontariooregon.org.

3) MOTION TO ADOPT THE AGENDA

4) PUBLIC COMMENTS Citizens may address the Council; however, Council may not be able to provide an immediate answer or response. Our of respect to the Council and others in attendance, please limit your comment to three (3) minutes. Please state your name and city of residence for the record.

5) CONSENT AGENDA

A) Minutes of 08-15-2017

6) OLD BUSINESS

A) Ordinance #2729-2017: Sales Tax Ordinance First Reading

7) NEW BUSINESS

A) Resolution 2017-132: A Resolution Adopting a Supplemental Budget for General Fund Unanticipated Revenues

B) COAR Grant Agreement for the airport runway lights capital improvement project.

8) HAND-OUTS/DISCUSSION ITEMS

A) July to August 2017 Check Register

9) CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

10) EXECUTIVE SESSION

A) ORS 192.660(2)(e)

11) ADJOURN

The City Council may recess/adjourn to Executive Session under ORS 192.660(2) as follows: (a) Employment of Public Officers, Employees, or Agents; (b) Discipline of Public Officers, Employees, or Agents; (d) Labor Negotiations; (e) Real Property Transactions; (f) Exempt Public Records; (g) Trade Negotiations; (h) Litigation /Consult with Legal Counsel; (i) Performance Evaluation of Public Officers and Employees; (j) Trade Negotiations; and/or (l) Labor Negotiations.

AGENDA REPORT
CONSENT AGENDA
September 19, 2017

TO: Mayor and City Council

FROM: Tori Barnett, City Recorder

THROUGH: Adam J. Brown, City Manager

SUBJECT: MINUTES OF 08-15-2017

DATE: September 13, 2017

PROPOSED MOTION:

I MOVE THE CITY COUNCIL

SUMMARY:

BACKGROUND:

CURRENT SITUATION:

ANALYSIS:

A. **FINANCIAL**

B. **TIMING**

C. **POLICY/LEGAL**

ALTERNATIVES:

RECOMMENDATION:

Staff recommends

ATTACHMENTS:

1. 08-15-2017 Council Meeting Minutes

CITY COUNCIL MEETING MINUTES
August 15, 2017

The regular meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 7:00 p.m. on Tuesday, August 15, 2017, in the Council Chambers of City Hall. Council members present were Ronald Verini, Norm Crume, Tessa Winebarger, Dan Capron, Betty Carter, Ramon Palomo, and Marty Justus.

Members of staff present were Adam Brown, Tori Barnett, Terry Leighton, Larry Sullivan, Kari Ott, Dan Cummings, Anita Zink, Cliff Leeper, and Betsy Roberts.

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

Marty Justus led everyone in the Pledge of Allegiance.

AGENDA

Adam Brown, City Manager, added a draft ordinance regarding the 1% tax to the action listed under 8B.

CRUME moved, PALOMO seconded, to **ADOPT THE AGENDA AS AMENDED.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

PUBLIC COMMENT

Christian Espinoza, Pioneer Road, Ontario, stated: *I'm only just catching up on this, and not really set to speak at this time, with regards to your sales tax initiative because I haven't had a lot of opportunities to prepare anything. I don't know what stage the proposed tax is, as far as, does this mean you are considering it, or has it been passed, and you just necessarily need to read it again?*

Mayor Verini stated they were considering it.

Mr. Espinoza: *Okay, so my comments would go towards that. And, with regards to that, just would state that while there are other alternatives on the table that could generate revenue, or to say as opposed to a sales tax, I think that you should consider those options, chief among those being the option with the dispensaries here in Ontario with regard to basically approving them and taxing them. My question for the Council, or it's a rhetorical question, more or less, is does everybody on this Council reasonably believe that the people in Ontario, every single one of these people, are actually going to the dispensaries to get their marijuana? Doing otherwise is a crime, and so, not having those dispensaries available to the people here in the City of Ontario, basically, these individuals area committing crimes every day because they don't have access to a legal way of obtaining their recreational marijuana, and also their medical marijuana. Without legal means of getting it, the law's there that says it's okay; the legal means of obtaining it is an issue. I'm kind of looking towards that, and also, the financial benefits that other communities in the State of Oregon see with regards to raising revenue in their towns through the taxation of marijuana use. I'm urging the Council to consider that question with regards to any decision they make on the dispensaries and on the sales tax in general. Thank you.*

Jenifer Levi, Pioneer Road, Ontario, stated: *I moved here and started a business called Levi's Hardwood[?] Store Owners, me and my sister…..and we are just worried about the sales tax. We are a small business, we don't make much, we sell plant nutrition to farmers and I feel like the sales tax might hurt our business, and also other small businesses in the area whose customers from Idaho come to Ontario particularly to buy things, might just stay in Idaho to buy there. It's not as big of a sales tax, but it is going to make prices go up for everybody and all businesses. That's all I want to say.*

CONSENT AGENDA

CARTER moved, WINEBARGER seconded, to **ADOPT CONSENT AGENDA (A) MINUTES OF REGULAR MEETING OF JULY 18, 2017**. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

PRESENTATION

Public Works Annual Report
Cliff Leeper, Public Works Director, and Betsy Roberts, City Engineer, presented. *[Report attached]*

NEW BUSINESS

Resolution #2017-128: $8 Monthly Transportation Utility Fee for the Ontario Municipal Street Sytem; and
Resolution #2017-129: Classifying Certain Fees and Charges as not Subject to Limintations of Article IX, Section 11b, of the Oregon Constitution
Kari Ott, Finance Director, presented.

The Street Fund did not currently have a large enough revenue source to pay for the annual street maintenance. The original proposed 2017-2018 budget given to the Budget Committee had some crack fill dollars appropriated, but no funding for chip sealing. The chip sealing had also been cut from the 2016-2017 budget. The City Council and Budget Committee recognized the need for a funding mechanism to finance the pavement preservation and maintenance of the city's street system. At the recommendation of the City Manager, during the May 2017 Budget Hearings, the Budget Committee approved the implementation of an $8 Transportation Utility Fee on each utility bill in the 2017-2018 budget.

To impose a Transportation Utility Fee, the city was required to create an ordinance, approve two different resolutions, allow public comment, and publish notice in the newspaper. Those documents would do the following:

- The ordinance created Title 8, Chapter 17 of the Ontario Municipal Code which allowed the city to adopt the TUF and set up the parameters. The Council approved Ordinance #2725-2017 on July 6, 2017.
- Resolution 2017-128 set the TUF as a monthly $8 fee to each billing unit. The resolution also certified that a chance for public comment was given.
- Resolution 2017-129 classified the TUF as not subject to Measure 5 limitations. It also certified that a publication would be published in the newspaper to give notice of the adoption of this resolution.

Staff expected the TUF to generate $364,800 to the Street Fund annually. The resolutions should be approved as soon as possible to start bringing revenue into the city to fund street maintenance.

The Council could take no action on this matter, but this would cause the chip sealing to be cut from the budget and also a larger transfer from the General Fund to fund Street Maintenance.

An alternate Resolution #2017-128 was provided, which included one additional Whereas clause, which read: *It is the intent of the City Council and recommendation of the Budget Committee that the Transportation utility Fee be eliminated if a sales tax is approved and collections begin.* It was at the discretion of the Council as to which resolution, if either, they wanted to enact.

CRUME moved, PALOMO seconded, **THAT THE CITY COUNCIL ADOPT RESOLUTION 2017-128, A RESOLUTION ESTABLISHING TRANSPORATION UTILITY FEES AND GOVERNANCE FOR USERS AND USE OF THE ONTARIO MUNICIPAL STREET SYSTEM, THAT INCLUDES THE WHEREAS CLAUSE STATING *"IT IS THE INTENT OF THE CITY COUNCIL AND RECOMMENDATION OF THE BUDGET COMMITTEE THAT THE TRANSPORTATION UTILITY FEE BE ELIMINATED IF A SALES TAX IS APPROVED AND COLLECTIONS BEGINS".*** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

WINEBARGER moved, CARTER seconded, **THAT THE CITY COUNCIL ADOPT RESOLUTION 2017-129, A RESOLUTION CLASSIFYING CERTAIN FEES AND CHARGES AS NOT SUBJECT TO LIMITATIONS OF ARTICLE IX, SECTION 11B, OF THE OREGON CONSTITUTION.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2017-130: Establish Fees for Solar Eclipse Activities
Adam Brown, City Manager, presented.

With approval by Council, the city will charge fees for certain recreational activities related to the solar eclipse.
The City Council and the Airport Committee discussed opening the airport for overnight camping on the former golf course. Additionally, at the last Airport Committee meeting, the Committee discussed accepting reservations for accommodating fly-in traffic.

Based on comparisons within our community and with neighboring communities in the path of totality for the eclipse, staff is proposing charging the following fees for camping at the former Ontario Golf Course: $200 for RV's; $100 for tents; $25 for each extra vehicle; and $25 for day use per vehicle.

For parking of airplanes, staff agreed, in concept, to a 1/3 Fixed Based Operator (FBO) and 2/3 city split of the revenue generated by planes landing at the airport. The FBO will collect fees and have people on the ground assisting with the parking of planes. Based on comparisons with other airports within the state and areas hosting eclipse guests, staff was proposing the following rates on the airport property for fly-in reservations and parking: $50 for a day fly-in; and $150 for overnight.

Since these revenues would be generated on airport property, any revenue above and beyond what was incurred by expenses would go to the Airport Fund and could be used toward a future capital project or ongoing expenses at the discretion and future choice of the City Council.

This would generate some minimal revenue for which the city could offset any costs associated with the solar eclipse. When staff had a better idea of the revenue generated, we will return to the Council for budget and appropriation.

The idea has been discussed with both the City Council and Airport Committee at prior meetings. This would be the last opportunity for the City Council to approve fees prior to the eclipse.

The passage of a fee was subject to ORS 294. 160(1) which provided: *"The governing body of a city, county or other unit of local government shall provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated."*

Without Council approval, the city would not be able to charge for recreational activities occurring at the airport during the solar eclipse weekend.

CARTER moved, JUSTUS seconded, **THAT THE CITY COUNCIL APPROVE RESOLUTION #2017-130, A RESOLUTION AUTHORIZING THE CITY TO CHARGE FEES FOR RECREATIONAL ACTIVITIES ASSOCIATED WITH THE 2017 SOLAR ECLIPSE.** Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

HAND-OUTS/DISCUSSION ITEMS

Monthly Stats: Public Works Department *[Report attached]*

Procedure for Enactment of Sales Tax Ordinance
Adam Brown, City Manager, presented.

This had begun in August, 2016, when the review of expenditures and revenues had been researched. Revenue options had been received in September, resulting in a list of options. The sales tax was the only option that would address all the city's needs, expanding out across various departments, such as public safety, streets, and others.

The Council conducted an economic sensitivity study on the sales tax impact, and that study, among other things, indicated that a 1% sales tax would have some effect on purchasing power, but 73-79% of that income would come from non-city residents. At 1%, it was around $3-4M of revenue.

Following that, the Council reviewed and adopted the budget. In going through the budget, the Council was made aware of what would be next on the list for cutting, and the following year would be even more difficult. The list of items not cut this year, they'd have to go there, and beyond, next year, without additional revenues. The Council had proved they were able to do that, if that was the direction the citizens wanted them to take. They'd done it for the past ten years. All those cuts put them in a place they didn't want to be in.

Four public forums were held, two presentations at the Ontario Chamber of Commerce Forums, and multiple smaller business groups and service clubs.

In June, 2017, the Council requested that an ordinance be drafted, and that was before them that night. The discussion would now be about where to go forward from here. What was in the ordinance, or not in there, was based upon the direction of the Council given to the City Manager in June, at a 1% tax level, with the farmer's exemption for certain items, agriculturally based, and a licensed vehicle sale exemption. What was not in there was a small business exemption.

The first decision that needed to be made was if this was going to be a Council vote or a public vote. The process moving forward considered it as a Council vote. They needed to decide if they would be voting, or sending to a ballot. The soonest it could be on a ballot was May, 2018. If the Council voted on it, and it was challenged, it would also go on the May, 2018, ballot.

Mayor Verini stated in regards to Council vote vs. public vote, there had been a Council consensus to have it be a Council vote. Did they need a motion for that action, or would a consensus suffice?

Mr. Brown stated lacking any different direction, staff would proceed with a Council vote.

Larry Sullivan, City Attorney, stated the draft ordinance the Council was reviewing, assumed the sales tax was going to be implemented by the Council. If the consensus of the Council had been to refer it as a ballot measure, the document they'd be approving would look different.

Council consensus to continue as a Council vote. *[Unanimous 7/0/0]*

Mr. Brown stated they tried to be transparent in this process, as well as deliberate. There was an opinion in the packet from Mr. Sullivan, and he'd like to discuss a few sections. The procedure for enacting a sales tax ordinance was essentially the same as for the enactment of any other ordinance; therefore, it required two readings. The Council could pass it unanimously in a single reading, and waive the second reading. But, unless the ordinance was passed on an emergency basis, it would take 30 days following passage to become effective.

Council consensus was to have two readings of the ordinance. *[Unanimous 7/0/0]*

Mr. Brown stated this ordinance was subject to ORS 294.160(1), which provided: *The governing body of a city, county or other unit of local government shall provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated.* He interpreted the reference to a "fee" to include a sales tax imposed on retail sellers in the city limits. He proposed posting this data on the city's website, beginning tomorrow, to begin receiving public feedback/comments on it, as well as the Council's feedback over the next several weeks.

At the first reading, the Council would accept public comments, and the second reading the Council could simply vote. It would take 30 days for enacting, but it didn't mean they needed to begin assessing tax on that 30 days. The city needed to provide time to the people to change their systems. The proposed action was anticipated to begin January 1, 2018. The ordinance was written to reflect the first collection date would be the first quarter of 2018. Putting some dates to this action, staff could post it tomorrow; the first reading could be on the work session of September 7th, and the second reading on September 19th. Council could also push that back to one reading in September, and the second reading in October. If both readings were in September, it would become effective as early as October 19th, but no taxes would be assessed until January, 2018.

If the Council was so inclined, with the September ordinance, staff could prepare a resolution for the $1K technical assistance reimbursement for computer hardware and software updates for the calculation and collection of the tax.

Council consensus to place the draft ordinance, with a cover indicating it was an *unapproved draft only*, on the city's website and Facebook. *[Unanimous 7/0/0]*

Councilor Crume asked if the draft placed on the website would show the $1K reimbursement.

Mr. Brown stated it was his understanding that the $1K reimbursement was a one-time rebate, so it didn't make sense to put it in the ordinance. He believed it could be done through a resolution.

Mr. Sullivan concurred. They could perhaps establish a committee to screen the applications, so the Council wouldn't have to be approving all of them.

Mayor Verini asked if they could put something along those lines with the ordinance, when it was put out on the website and Facebook.

Mr. Brown stated they could do a letter, stating the Council approved moving forward with the rebate program for technical assistance.

Council consensus was to provide up to $1K for software and/or hardware to assist with the calculation and collection of the 1% tax. *[Unanimous 7/0/0]*

Councilor Crume asked if it was legal, or possible, for example, if a business collected, in the first quarter, $1,500, and there was a receipt from Joe's Computer System for $892 to update the software, was it legal to subtract that charge out of the collected dollars?

Mr. Sullivan stated the money would have to flow into the city, and then a business would be issued a payback.

Mr. Brown stated they had previously discussed where the funds would go, and what was needed. As they classified those items, in terms of expenses, they were talking about a safe community, quality roads, and quality of life. There was a long wish list, more than the city could pay for, but those had been the expressed priorities of the Council over the past year.

Mayor Verini, with Council support, directed Mr. Brown to put the ordinance on the city's website and Facebook.

Councilor Justus asked that copies of the unapproved draft ordinance be provided to anyone who wanted a copy, especially those in the audience that evening.

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

Councilor Capron stated his thanks to Chief Kunz for the Citizen's on Patrol car. It looked great!

Councilor Capron stated he felt the Council needed to talk about the direction they would need to take the city if the sales tax failed. What decisions needed to be made, what cuts would have to be made, where they were going to head. Better information for those wondering. Some knew what they wanted to do, but maybe they needed to be told what they'd have to do. That needed to be a big discussion item with the Council.

Mayor Verini asked that the issue be placed on the next Agenda. Staff needed to provide some potential cuts.

Councilor Winebarger voiced her agreement with the car – looked great!

Councilor Winebarger stated Home Depot would be having a Safety Fair for the community, the first week-end of October, and the Ontario Fire and Police departments volunteered for that.

Councilor Crume stated the car for COP's wasn't new, just the decals! They had NOT purchased a new car.

Councilor Crume stated something that caught his attention was that Fruitland had a fire rating of three, but he had been told Ontario was a four, which was better, making the fire insurance cheaper. He called John Forsyth, who was out, but he also spoke with Mike Blackaby, asking what would happen if the city had to make cuts throughout the city, to where the Fire Department had less personnel or less equipment, where the city might drop to a three instead of a four, what would that mean financially? No answer yet, but believed that answer would be good to hear.

Terry Leighton, Fire Chief, stated Ontario was rated three, but Councilor Crume had it backwards. A four rating was worse, resulting in higher rates. The lower the number, the better the rates. The city was a three; the rural area was a four. Anything over five miles out past the station was rated eight. If fire personnel were eliminated, the city would go to a four or a five. The department had worked hard, prior to him coming on board, to get to that three. Losing personnel or equipment would drastically hurt them.

Mayor Verini stated when Mr. Brown compiled data from staff regarding the cuts, and how that would affect the departments, please include what the results might be if the department went to a four or a five.

Mr. Brown stated they could try. They had asked for that data a number of times, but no one had been able to get it to them. It was a one of the many ways of which it fell into a "pay here, or pay there".

Chief Leighton stated a huge factor was that most of their calls were medical. The department had a lot of overlapping calls, and they struggled to get to the calls. That four minutes was a critical life saving time. Losing personnel would be detrimental the community.

Councilor Crume asked for an outline on the department.

Chief Leighton stated two of his three crews had three staff on shift, the other just two. They had to run with a minimum of two to respond with Rescue. Due to holidays, vacations, illness, etc., those three men on other shifts were rotated around. Whenever that "other" call came in, it could be five or six minutes before volunteers arrived at the station to cover those calls. Cutting personnel could mean only one on shift, leading to the wait for a second person to show up for every call before they could roll. Most recommendations were for more staff. Tying that in with TVP, when OFR responded, even on a just a regular cardiac arrest, only four people on the scene was very, very difficult, to be able to do all that needed to be done. If they started cutting people, they couldn't get the job done, and life expectancy dropped dramatically.

Councilor Crume asked if Chief Leighton had a rough guess of the medical calls they rolled on that were from the most extreme to low, for the importance of having those extra two personnel there.
Chief Leighton stated it would be a guess, but at least 60% were extremely critical. They responded often to Dorian Place and some other facilities like that. Also, due to our society becoming more obese, two people on an ambulance, sometimes two females, who were not as strong as men, could not lift an obese person.

Councilor Crume stated that was good to know. There had been a fair amount of people criticizing that Rescue One rolled all the time. That was good information to have.

Chief Leighton stated that question was asked all over the country.

Councilor Carter stated if they had to wait for someone to come in before they could roll, what would be the delay time?

Chief Leighton stated it depended. It was often greater during the day due to volunteers having other jobs. Currently, some of the retired staff would respond. So, the delay time could be from four to six minutes. Seems like a short time, but it was actually a long wait.

Councilor Winebarger stated Chief Leighton was being modest with the 60% figure. Working in the emergency room at the hospital, it was probably more like 70-75% for how many calls truly needed those extra hands. They might not all be life or death, but it was truly individuals who needed to be at the hospital, or who needed medical care.

Councilor Justus stated Revitalize Ontario had a successful downtown clean-up over the weekend. He thanked all those who had attended and helped out. The downtown area looked great.

Councilor Carter stated the WaterFest event was a week from Saturday at Lion's Park. All the proceeds would go towards the Aquatic Center. Everyone, please attend!

Councilor Palomo stated he'd had to work Saturday, but his kids had gone down and helped on the clean-up crew downtown. They were getting more involved in the community, and more into volunteering.

Councilor Palomo thanked the Police Department, the Fire Department, everyone who showed up to Oregon Human Development, for Farm Worker Appreciation Day August 6th. It was a first time event, and it was totally free for ag workers, farm workers. He had to work that day, but when he arrived, he was told that police officers and fire fighters had shown up in uniform, and interacted with the community members. In speaking with the attendees, he learned they were very impressed with the departments coming over, interacting, and playing with the kids. That was a great way to break down the barriers. Everyone appreciated it. They were already beginning to plan for next year's event.

EXECUTIVE SESSION

ORS 192.660(2)(d)
An executive session was called at 8:44 p.m. under provisions of ORS 192.660(1)(d) regarding Labor Negotiations. Council reconvened into regular session at 9:40 p.m.

Councilor Justus asked to receive the total financial impact of the potential changes in the contract.

ADJOURN

WINEBARGER moved, CARTER seconded, that the meeting be adjourned. Roll call vote: Crume-yes; Carter-yes; Palomo-yes; Justus-yes; Capron-yes; Winebarger-yes; Verini-yes. Motion carried 7/0/0.

ACCEPTED:

____
Ronald Verini, Mayor

ATTESTED:

____
Tori Barnett, MMC, City Recorder

AGENDA REPORT
OLD BUSINESS
September 19, 2017

TO: Mayor and City Council

FROM: Adam J. Brown, City Manager

THROUGH: Adam J. Brown, City Manager

SUBJECT: **ORDINANCE #2729-2017: SALES TAX ORDINANCE FIRST READING**

DATE: September 14, 2017

PROPOSED MOTION:

I MOVE THAT THE CITY COUNCIL READ, ACCEPT COMMENTS, AND ADOPT ORDINANCE #2729-2017, AN ORDINANCE ADDING CHAPTER 25 TO TITLE 3 OF THE ONTARIO CITY CODE TO ESTABLISH AND ENFORCE A 1% (ONE PERCENT) SALES TAX ON THE SALE OF RETAIL GOODS WITHIN THE CITY, AND TO CREATE EXEMPTIONS FROM THE TAX, ON FIRST READING BY TITLE ONLY.

SUMMARY:

The City has studied a local sales tax over the past year both analytically and through community feedback. The City of Ontario faces extreme cutbacks in service if revenue changes are not made. A local sales tax that brings in 79% of the revenue from outside the community has been determined to be the most responsible solution for the Ontario community.

BACKGROUND:

The city began long term forecasting analysis (LTFA) of the city's finances in August of 2016. This included an analysis of historical revenues and expenditures and five-year forecasting of the same. Choices in expenditure reductions and revenue alternatives were reviewed and narrowed.

A local sales tax was selected for further investigation. Staff performed their own analysis and also received an unbiased third party economic study to determine the market sensitivity of a sales tax imposition. The report determined that 79% of the revenue will come from non-city residents. Some degree of business will be lost from the sales tax, but the city would retain a competitive advantage over our neighboring state Idaho.

Six public forums were hosted in the city between February and June of 2017 to gather public feedback. Written feedback was received from the in person meetings. Very little feedback has been submitted online or at the official City Council meetings.

While the City of Ontario is home to only 11,500 it serves a daily/weekly traffic of closer to 60,000. The econometric study substantiated this estimate showing a net inflow of retail business to Ontario of $491.6 million.

The Council requested that a draft ordinance be created. The ordinance was created, reviewed by legal council, and presented to the City Council in July of 2017. A follow up presentation was given to the City Council on August 15, 2017. The Council requested that the unapproved draft ordinance be put online for public comment and that readings be scheduled in September on the 7th and 19th of the month.

The first reading was postponed so that further revisions could be made on the draft ordinance.

CURRENT SITUATION:

The document is ready for reading by Council. Changes can be made during the reading from comments received by the public and requested changes from the City Council. This will be the first reading. A second reading should be scheduled for September 26, 2017 whereupon the Council may vote on the matter. The city must determine what services to cut if the measure does not pass.

A reimbursement of costs pertaining to updating of software and hardware for sales tax collection was requested by the City Council of up to $1,000. Resolution #2017-133 approving this reimbursement has been included with the draft ordinance. The reimbursement will only be given once revenues are collected.

Ontario citizens will have the right to request a referendum of the ordinance to ballot. If it is referred to ballot, it will be voted on in May of 2018. State law requires that all work cease on the approved ordinance until the ballot affirms or rejects the proposed measure. Even with Council approval, the voters will still have the opportunity to vote on the issue if they so choose.

ANALYSIS:

A. **FINANCIAL** It is estimated that the tax will generate approximately $3.7 million. The economic study provides a wide margin of revenue estimates based upon the actual elasticity.

   The revenue must first be used to maintain existing service levels which are short approximately $900,000 in the FY2018 General Fund budget. Secondly, they must be used to fill a shortage in the street fund of approximately $700,000 to keep the current service level. Additional services to be supplemented, according to the

Council's priorities, are law enforcement, fire and rescue, additional street services, recreation, and parks.

Without additional revenues the city will need to cut the General Fund by $900,000 and the Street Fund by $700,000. The General Fund services will include reduction in support services, and direct services in recreation, law enforcement, and fire and rescue.

Wait times for law enforcement will increase. Call times for fire and rescue services will most likely be longer. Recreation services may be cut entirely.

B. **TIMING** If approved, the earliest the tax should go into effect is January 1, 2018, which means the first collection would be in April.

   If the voters choose to have a referendum for the sales tax ordinance, the item will go to voters in May of 2018. All activity on the issue will cease until the matter is voted on by the public. A second reading is scheduled for September 26, 2017.

C. **POLICY/LEGAL** A sales tax has been implemented in two cities within Oregon and most recently across the state with the passage of House Bill 2017. The City Council must read the item twice prior to approval.

ALTERNATIVES:

The City Council can either vote on the measure themselves or refer it directly to ballot. The referendum process is built in to the law so residents can decide to vote on the ordinance if they so choose. Council and staff respect the process and are ready to proceed either way. If the voters choose the referendum process, collections will not begin until July 1, 2018 at the earliest if approved by voters in May.

RECOMMENDATION:

Staff recommends the City Council read the draft ordinance, accept comments, and approve the first reading.

ATTACHMENTS:

1. Sales Tax Ordinance Procedure
2. Draft Ordinance
3. Resolution #2017-133

Memorandum

To: **Adam Brown and Ontario City Council Members**

From: **Larry Sullivan, Ontario City Attorney**

Re: **Procedure for Enactment of Sales Tax Ordinance**

Date: **August 9, 2017**

As has been discussed with the Council, a sales tax may be imposed by the City of Ontario by the enactment of an ordinance by the City Council under its home rule authority. No election is required. The procedure for enacting a sales tax ordinance is essentially the same as for the enactment of any other ordinance. That procedure appears in Chapter VIII of the City Charter. That procedure includes presentation to the Council of the ordinance on two separate occasions for two readings, unless the Council passes the ordinance unanimously in a single reading and waives a second reading. Unless the ordinance is passed on an emergency basis, it will go into effect 30 days after passage.

The passage of a sales tax ordinance is probably subject to ORS 294. 160(1), which provides:

> The governing body of a city, county or other unit of local government shall provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated.

I interpret the reference to a "fee" to include a sales tax imposed on retail sellers in the city limits.

Compliance with ORS 294.160(1) requires the City Council to take oral or written comments from interested persons but does not establish a formal procedure for giving notice of that opportunity. No advertised formal public hearing is necessary as long as the Council includes the sales tax ordinance as an agenda item during a public meeting and allows for public comments during the meeting.

Other the other hand, there is nothing improper about advertising a formal public hearing to take comments on a sales tax ordinance if the Council chose to do so.

ORDINANCE #2729-2017

AN ORDINANCE ADDING CHAPTER 25 TO TITLE 3 OF THE ONTARIO CITY CODE TO ESTABLISH AND ENFORCE A 1% (ONE PERCENT) SALES TAX ON THE SALE OF RETAIL GOODS WITHIN THE CITY, AND TO CREATE EXEMPTIONS FROM THE TAX

WHEREAS, The City of Ontario's primary source of General Fund revenue is real property taxes subject to limitations imposed by the Oregon Constitution; and

WHEREAS, The cost of providing essential services to City residents has increased significantly over the years due to a variety of factors over which the City has little or no control; and

WHEREAS, To stay within its budget, the City has been forced in many cases to gradually reduce services and to eliminate programs, such as the Aquatic Center and the municipal golf course, which enhance the quality of life of City residents; and

WHEREAS, Budget projections show that, in the 2018-2019 budget year and thereafter, the cost of providing services funded through the General Fund will require significant reductions in essential services, including in the areas of public safety, road maintenance, and recreation; and

WHEREAS, The City is a regional shopping hub for the western Treasure Valley of Idaho and Oregon; and

WHEREAS, A substantial percentage of the City's budget is used to provide services and amenities to retail shoppers, the majority of whom are nonresidents who currently contribute little or nothing to the City's tax base; and

WHEREAS, The Ontario City Council finds that the imposition of a 1% sales tax will not have a long-term negative impact on retail businesses in Ontario and will generate enough revenue for the City to maintain a reasonable level of essential services for the foreseeable future; and

WHEREAS, The Ontario City Council has thoroughly explored alternative sources of revenue and finds that there are no other sources which will provide sufficient stable revenue without imposing a substantial financial burden on City residents and businesses; and

WHEREAS, The Ontario City Council finds that it is necessary for the health, welfare and safety of the residents of the City to enact a 1% sales tax on retail sales within the City, subject to certain exemptions.

NOW THEREFORE, THE CITY OF ONTARIO ORDAINS AS FOLLOWS:

Section 1. The following Chapter 25 is hereby added to Title 3 of the Ontario City Code and is entitled "Retail Sales Tax":

3-25-1 Definitions

The following words and phrases whenever used in this chapter shall be construed as defined in this section unless from the context a different meaning is intended.

(A) "Caterer" means a person who prepares food at a business site, for compensation, for consumption on or off the business premises but within the corporate limits of the City.

(B) "City" means the City of Ontario, Oregon. When applied to a geographical area, the "City" includes any area within its municipal boundaries, including any areas annexed into the City in the future.

(C) "Combination facility" has the same meaning as defined in Oregon Administrative 333-150-0000(4)(i) which the State of Oregon Department of Agriculture licenses or inspects under Oregon Administrative Rule 333-158-0000.

(D) "Director" means the Director of Finance of the City of Ontario, or his/her designee.

(E) "Establishment" means any entity subject to or liable for any tax or payment of any tax imposed under this chapter.

(F) "Farmer" means any person who:

1. Engages in the business of growing, raising, or producing agricultural products for sale upon that person's own land or land in which the person has a present right of possession; and

2. Generates gross sales of agricultural products, or has a harvested value of agricultural products, which the person has gown, raised, or produced, of at least $10,000 for the immediate preceding tax year; or

3. A farmer whose agricultural products had an estimated valued of at least ten thousand dollars for the immediate preceding tax year, if the person did not sell or harvest an agricultural product during that year.

(G) "Food" includes all prepared food items and beverages, excluding alcoholic beverages, served in a restaurant including "takeout", "to go" or delivered orders.

(H) "Non-exempt goods" include but are not limited to the following:

1. Automobile and truck parts, accessories, and tires;
2. ~~Non-licensed vehicles~~Vehicles not required to be registered with the Department of Motor Vehicles;
3. Furniture, home furnishings, electronics and appliances;
4. Building materials and supplies;
5. Lawn and garden equipment and supplies;
6. Food and beverages, excluding alcohol;
7. Groceries and specialty foods;
8. Health and personal care products;

9. Clothing, apparel, and shoes;
10. Jewelry, luggage, and leather goods;
11. Sporting goods, hobby goods, and musical instruments;
12. Books, periodicals, and music;
13. Flowers, office supplies, stationery items;
14. Used merchandise;
15. Prepared food and beverages,~~; and~~
16. Miscellaneous department store and general store items; and~~.~~
17. Personal property rentals.

(I) "Operator" means the person who is proprietor of the establishment, whether in capacity of owner, lessee, sublessee, mortgagee in possession, licensee, managing agent, or any other capacity.

(J) "Person" means any individual, firm, business, entity, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

(K) "Restaurant" means any establishment required to be licensed as a restaurant, mobile unit or pushcart by the State of Oregon Health Division and includes any establishment where food or beverage is prepared for consumption by the public or any establishment where the public obtains food or beverage so prepared in form or quantity consumable then and there, whether or not it is consumed within the confines of the premises where prepared, and also includes establishments which prepare food or beverage in consumable form for service outside the premises where prepared. The term restaurant includes, but is not limited to grocery store delis, coffee shops, and caterers; it also includes establishments where such food or beverage is prepared in a combination facility. The term restaurant does not include a restaurant licensed by the State of Oregon Health Division as a limited service restaurant.

(L) "Retailer" means any person engaged or continuing in the business of sales of tangible personal property at retail.

(M) "Sale" means any transfer of title or possession, or both, exchange, barter, conditional or otherwise, in any manner or by any means whatsoever, including consignment transactions and auctions, of property for a consideration. "Sale" includes any transaction whereby the possession of such property is transferred but the seller retains the title as security for the payment of the price. "Sale" also includes the fabrication of tangible personal property for consumers who, in whole or in part, furnish either directly or indirectly the materials used in such fabrication work.

(N) "Sales tax" means a City tax on gross sales receipts of identified non-exempt goods.

(O) "Supplier" means any person who rents, leases, licenses, or makes sales of tangible personal property within the City, either directly to the consumer or customer or to wholesalers, jobbers, fabricators, manufacturers, modifiers, assemblers, repairers, or those engaged in the business of providing services which involve the use, sale, rental, lease, or license of tangible personal property.

(P) "Tax Collector" means the City of Ontario's representative or his or her designee or agent for all purposes under this Chapter.

(Q) "Taxpayer" means any individual, firm, business, entity, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit, and subject to tax under this chapter.

~~(Q)~~(R) "Unit of government" means any department or agency of the federal, any state or any agency, office or department of a state, any city, county, district, commission, authority, entity, port or other public corporation organized and existing under statutary law or under a voter-approved charter and any intergovernmental entity created under ORS 190.003 to 190.130, 190.410 or 190.480 to 190.490.

3-25-2 Tax Imposed.

(A) Sales Tax. The City hereby imposes a personal property sales tax of 1% (one percent) on all receipts from the sale of non-exempt goods by operators within the City, in addition to all other taxes, fees, and charges of every kind.

(B) Computation. In the computation of this tax any fraction of one-half cent or more shall be treated as one cent.

(C) Reduction of Rate. The council may decrease the rate of the tax to any rate below 1% (one percent) or eliminate the tax after a public hearing. Notice of the hearing shall be given by publication in a newspaper of general circulation in the City at least 10 days prior to the date of the public hearing.

3-25-3 Miscellaneous Exemptions.

The sale of the following miscellaneous goods shall be exempt from the tax imposed in Section 3-25-2:

(A) Alcoholic beverages subject to the state liquor tax.

(B) Tobacco Items subject to the state tobacco tax.

(C) Pharmaceuticals, hearing aids and corrective lenses when the buyer presents a prescription.

(D) If such sales are authorized by the City, marijuana subject to state tax.

(E) ~~Licensed motor vehicle sales~~Motor vehicles required to be registered with the Department of Motor Vehicles.

(F) Goods sold by or to units of government~~s~~, including the City government.

(G) Goods sold by utility and telecommunications businesses that are also subject to state and local franchise fees.

(H) Goods in which the sales occur through the internet.

(I) Fuel items subject to the state motor vehicle fuel tax.

(J) Food and beverages sold by public or private schools, colleges, and hospitals.

(K) Food and beverages sold in connection with overnight residential facilities, including but not limited to convalescent homes, nursing homes, retirement homes, and bed and breakfast establishments if the food and beverage is provided as part of the cost of sleeping accommodations.

(L) Food and beverages provided by nonprofit tax-exempt organizations to citizens over 60 years of age as a part of a recognized senior citizen nutritional program.

(M) Overnight accommodations that are subject to the City's transient occupancy tax or transient lodging tax.

(N) Goods sold in temporary restaurants, including food stands, booths, street concessions, and similar operations if operated by community based non-profit organizations or social clubs.

(O) Goods sold in vending machines.

(P) Goods sold to wholesale buyers for resale to others. A wholesale buyer must obtain from the City a wholesale buyer's exemption certificate in order to qualify for this exemption.

3-25-4 Farmer Exemption.

Before claiming the farmer exemption in this Section, farmers must apply to the City for an exemption certificate number. Schedule F from IRS tax filing forms must be used to verify the level of sales needed to qualify for the farmer exemption as provided in Section 3-25-1(F). Retail sales to farmers with valid exemption certificate numbers are exempt for the following goods, in addition to goods exempted by Section 3-25-3:

(A) Farm machinery, implements and repair parts purchased for use in conducting a farming activity. The following goods do not qualify as farm machinery or implements for the purpose of this exemption:

1. lawn tractors;
2. all-terrain vehicles;
3. aircraft;
4. recreational vehicles and equipment, including motor homes, boats and equipment used to transport recreational vehicles;
5. hand tools and hand powered tools; and
6. property with a useful life of less than one year.

(B) Livestock for breeding purposes ~~where the animals are registered in nationally recognized breed association~~.

(C) ~~Beef and dairy cattle to be~~Livestock used in producing an agricultural product.

(D) Animal pharmaceuticals to administer to an animal raised to produce an agricultural product for sale. Animal pharmaceuticals must be approved by the United State Food and Drug Administration (FDA) or the USDA.

(E) Propane and natural gas used exclusively for one or more of the following purposes:

1. to distill mint on a farm, or
2. to heat structures used to house chickens that are sold as agricultural products.

(F) Bedding materials used to accumulate and facilitate the removal of chicken manure. The chickens must be raised by a farmer and sold as agricultural products.

(G) Poultry for the use in the production for sale of poultry or poultry products.

(H) Building materials used in constructing, repairing, decorating, or improving new or existing buildings or other structures to provide housing to agricultural employees of the farmer.

(I) Livestock nutrient management equipment and goods used to install repair, clean, alter, or improve such equipment.

(J) Anaerobic digesters, and goods that become an ingredient or component of an anaerobic digester.

(K) Chemical sprays and washes for the post-harvest treatment of fruit to prevent scald, fungus, mold, or decay.

(L) Feed, seed, fertilizer, spray materials (pesticides), and enhanced pollination agents used by farmers who participate in the federal conservation reserve program, the environmental quality incentives program, the wetlands reserve program, and the wildlife habitat incentives program, or their successors administered by the United States Department of Agriculture (USDA).

(M) Tangible personal property purchased by a farmer for resale without intervening use as a consumer; for example, packing materials such as binder twine purchased by a farmer to contain agricultural products that the farmer will sell.

3-25-5 Administration and Collection of Tax.

The Finance Department of the City of Ontario is hereby authorized and empowered to administer, regulate, and collect payment of all sales taxes adopted and imposed by this ordinance. The City shall have all powers set forth in this chapter, together with those additional powers necessary and proper to carry out the provisions of this Ordinance.

3-25-6 Consent to Inspection of records.

The City of Ontario hereby consents to the inspection of such records as are necessary to qualify the City for inspection of records.

3-25-7 Operator's Duties;

Each operator shall collect the tax imposed by this chapter, to the same extent and at the same time as the amount for taxable purchases are collected from every purchaser. The amount of tax need not be separately stated.

3-25-8 Tax Permits

(A) Sales Tax Permit Required. Except as allowed under subsection (C) below for new businesses, no operator shall conduct sales subject to the City's sales tax without a sales tax permit issued by the City. The permit shall be based upon an application completed by the operator on a form provided by the City. The operator must complete a separate application for each place of business in the City in which the operator conducts sales subject to the City's sales tax.

(B) Business Registration Required. Every operator desiring to conduct business in the City of Ontario shall also have a valid business registration in accordance with Title 3, Chapter 4 of the Ontario City Code, in addition to a municipal sales tax permit.

(C) Time for Tax Permit Application. Operators engaged in business at the time this chapter becomes effective must obtain a sales tax permit not later than 20 calendar days after the effective date of this chapter. Operators starting business after this chapter is adopted must register their business and apply for a tax permit within 15 days after commencing business. The privilege of registration after the date of imposition of such tax does not relieve any person from the obligation of payment or collection of tax regardless of registration.

(D) Issuance of Tax Permit. The City shall, within 10 days after a tax permit application is submitted, issue without charge a tax permit to each applicant to collect the tax from retail buyers, together with a duplicate thereof for each additional place of business of each registrant. Permits shall be non-assignable and nontransferable and shall be surrendered immediately to the City upon the cessation of business at the location named or upon its sale or transfer.

(E) Reporting. Every operator shall, on or before the last day of the month following the end of each calendar quarter (in the months of April, July, October and January), make a return to the director, on forms provided by the City, specifying the total sales subject to this chapter and the amount of tax collected under this chapter. The operator may request or the director may establish shorter reporting periods for any operator if the operator or director deems it necessary to insure collection of the tax; and the director may require further information in the return relevant to payment of the liability. A return shall not be considered filed until it is actually received by the director.

(F) Remitting. At the time the return is filed, the full amount of the tax collected shall be remitted to the director. Payments received by the director for application against existing liabilities will be credited toward the period designated by the taxpayer under conditions which are not prejudicial to the interest of the City. A condition which is considered prejudicial is the imminent expiration of the statute of limitations for a period or periods.

(G) Order of Payments. Non-designated payments shall be applied in the order of the oldest liability first, with the payment credited first toward any accrued penalty, then to interest, then to the underlying tax until the payment is exhausted. Crediting of a payment toward a specific reporting period will be first applied against any accrued penalty, then to interest, then to the underlying tax. The director, when in the director's discretion determines that it will be in the best interest of the City, may specify that a different order of payment credit should be followed with regard to a particular tax or factual situation. The director may establish shorter reporting periods for any operator if the director deems it necessary to insure collection of the tax and the director may require further information in the return relevant to payment of the liability. When a shorter return period is required, penalties and interest shall be computed according to the shorter return period. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this chapter shall be held in trust for the account of the City until payment is made to the director. A separate trust bank account is not required to comply with this provision.

(H) First Tax Payment. The first payment of taxes under this Ordinance shall be due and payable together by the 30th day of April 2018, for that period beginning on January 1, 2018, and ending March 31, 2018.

3-25-9 Penalties and interest

(A) Initial 10% Penalty. Any operator who fails to remit any portion of any tax imposed by this chapter within the time required, shall pay a penalty of ten percent of the amount of the tax, in addition to the amount of the tax.

(B) Additional 10% Penalty. Any operator who fails to remit any delinquent remittance on or before a period of 60 days following the date on which the remittance first became delinquent, shall pay a second delinquency penalty of ten percent of the amount of the tax in addition to the amount of the tax and the penalty first imposed.

(C) Revocation of Tax Permit. Any person who violates any provision of this Ordinance shall have his municipal tax permit and tax number revoked. The City shall send written notice of revocation of the tax permit, and number to the permit holder by certified mail to the address given on the permit application. The permit holder shall have ten (10) days from the date said notice is mailed to file a written request of appeal with the City Council, challenging the revocation. If no appeal is timely made, the revocation becomes final. Whenever a person subject to this Ordinance has had their tax permit and tax number evoked, the City shall not reissue the permit or issue a new permit to the person until the person places with the City a bond or other sufficient security in the amount equal to three (3) times the actual, determined, or estimated average monthly amount of tax payable by the person, pursuant to this chapter.

(D) 25% Fraud Penalty. If the director determines that the nonpayment of any remittance due under this chapter is due to fraud, a penalty of 25% percent of the amount of the tax shall be added thereto in addition to the penalties stated in subparagraphs A and B of this section.

(E) Interest On Late Payments. In addition to the penalties imposed, any operator who fails to remit any tax imposed by this chapter shall pay interest at the rate of one percent per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

(F) Penalty as Part of Tax. Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the tax required to be paid.

(G) Distribution to General Fund. All sums collected pursuant to the penalty provisions in paragraphs A, B, C, D and F of this section shall be distributed to the City of Ontario General Fund to offset the costs of auditing and enforcement of this tax.

(H) Lien on Property. Any amount due under this Ordinance which a person fails to report or accurately compute shall become a lien upon the property of the taxpayer on the date that the same becomes due, and the City may seek to enforce the lien and collect all taxes and interest due, together with the reasonable costs of collection, including attorney fees, in a court of competent jurisdiction.

(I) Waiver of Penalties. Penalties and interest for certain late tax payments may be waived by the City Council.

3-25-10 Failure to Collect and Report Tax

If any operator should fail to make, within the time provided in this chapter, any report of the tax required by this chapter, the director shall proceed in such manner as deemed best to obtain facts and information on which to base the estimate of tax due. As soon as the director shall procure such facts and information as is able to be obtained, upon which to base the assessment of any tax imposed by this chapter and payable by any operator, the director shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this chapter. In case such determination is made, the director shall give a notice of the amount so assessed by having it served personally or by depositing it in the United States mail, postage prepaid, addressed to the operator so assessed at the last known place of address. Such operator may make an appeal of such determination as provided in section 3-25-11 (Appeal). If no appeal is filed, the director's determination is final and the amount thereby is immediately due and payable.

3-25-11 Appeal

Any operator aggrieved by any decision of the director with respect to the amount of such tax, interest and penalties, if any, may appeal within 30 days of the serving or mailing of the determination of tax due. The hearings officer shall hear and consider any records and evidence presented bearing upon the director's determination of amount due, and makes findings affirming, reversing, or modifying the determination. The findings of the hearings officer shall be final and conclusive, and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

3-25-12 Records

It shall be the duty of every operator liable for the collection and payment to the City of any tax imposed by this chapter to keep and preserve, for a period of three years, all such records as may be necessary to determine the amount of such tax. The director shall have the right to inspect all records at all reasonable times.

3-25-13 Refunds

(A) Claiming a Refund. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once, or has been erroneously or illegally collected or received by the City under this chapter, it may be refunded as provided in subsection B of this section, provided a claim in writing, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the director within one year of the date of payment. The claim shall be on forms furnished by the director.

(B) Processing Refund Requests. The director shall have 20 calendar days from the date of receipt of a claim to review the claim and make a determination in writing as to the validity of the claim. The director shall notify the claimant in writing of the director's determination. Such notice shall be mailed to the address provided by claimant on the claim form. In the event a claim is determined by the director to be a valid claim, an operator may claim a refund, or take as credit against taxes collected and remitted, the amount overpaid, paid more than once or erroneously or illegally collected or received in a manner prescribed by the director. The operator shall notify director of claimant's choice no later than 15 days following the date director mailed the determination. In the event claimant has not notified the director of claimant's choice within the 15 day period and the operator is still in business, a credit will be granted against the tax liability for the next reporting period, if the operator is no longer in business, a refund check will be mailed to claimant at the address provided in the claim form.

(C) Proof by Written Records. No refund shall be paid under the provisions of this section unless the claimant established the right by written records showing entitlement to such refund and the director acknowledged the validity of the claim.

3-25-14 Actions to Collect

Any tax required to be paid by any operator under the provisions of this chapter shall be deemed a debt owed by the operator to the City. Any such tax collected by an operator which has not been paid to the City shall be deemed a debt owed by the operator to the City. Any person owing money to the City under the provisions of this chapter shall be liable to an action brought in the name of the City Of Ontario for the recovery of such amount. In lieu of filing an action for the recovery, the City of Ontario, when taxes due are more than 30 days delinquent, can submit any outstanding tax to a collection agency. So long as the City of Ontario has complied with the provisions set forth in ORS 697.105, in the event the City turns over a delinquent tax account to a collection agency, it may add to the amount owing an amount equal to the collection agency fees, not to exceed the greater of fifty dollars or fifty percent of the outstanding tax, penalties and interest owning.

3-25-15 Violations

(A) Punishable Violations. All violations of this chapter are punishable in accordance with Section 1-4-1 of the City Code. It is a violation of this chapter for any operator or other person to:

1. Fail or refuses to comply as required herein;
2. Fail or refuse to furnish any return required to be made;
3. Fail or refuse to permit inspection of records;
4. Fail or refuse to furnish a supplemental return or other data required by the director;
5. Render a false or fraudulent return or claim;
6. Fail, refuse or neglect to remit the tax to the City by the due date.

(B) Classes of Violations. Violation of subsections 1-4 and 6 above shall be considered a Class C violation under Code Section 1-4-1. Filing a false or fraudulent return shall be considered a Class A violation under Code Section 1-4-1.

(C) Remedies Nonexclusive. The remedies provided by this section are not exclusive and shall not prevent the City from exercising any other remedy available under the law, nor shall the provisions of this ordinance prohibit or restrict the City or other appropriate prosecutor from pursuing criminal charges under state law or city ordinance.

3-25-16 Confidentiality

(A) Limitations. Except as otherwise required by law, it shall be unlawful for the City, any officer, employee or agent to divulge, release or make known in any manner any financial information submitted or disclosed to the City under the terms of this chapter. Nothing in this section shall prohibit:

1. The disclosure of the names and addresses of any person who are operating a ~~restaurant~~business; or

2. The disclosure of general statistics in a form which would prevent the identification of financial information regarding an individual operator; or

3. Presentation of evidence to the court, or other tribunal having jurisdiction in the prosecution of any criminal or civil claim or an appeal for amount due the City under this chapter.

4. The disclosure of information when such disclosure of conditionally exempt information is ordered under public records law procedures.

5. The disclosure of records related to a business's failure to report and remit the tax when the report or tax is in arrears for over six months or the tax exceeds $5,000.00. The City Council expressly finds and determines that the public interest in disclosure of such records clearly outweighs the interest in confidentiality under ORS 192.501(5)

(B) Disclosure to IRS. The City Council, as provided by law or under such rules and provision as it may prescribe, may permit, notwithstanding the provisions of this Ordinance as to secrecy, the Commissioner of Internal Revenue of the United States or his delegate or the proper officer of any state imposing a tax to inspect the sales tax returns or information provided or obtained in connection therewith or may furnish to such officer or his authorized agent copies or an abstract thereof.

(C) Operator's Own Records. Nothing in this Ordinance shall prohibit an operator or authorized representative, upon proper identification, from inspecting and copying the operator's own sales tax returns and information supplied therewith.

(D) Employment Records. Nothing in this Ordinance shall require the City or its agents and representatives to publish, share or discuss a specific person or employer using information derived from Oregon Employment Department subject to ORS 657.665, or subject to the Rules and Guidelines Regarding Confidentiality of Oregon Employment Department Data.

3-25-17 Examining Books, Records, or Persons

(A) Appointment of Auditors. The City, for the purpose of determining the correctness of any tax return, or for the purpose of an estimate of taxes due, may examine or may cause to be examined by an agent or representative designated by it for that purpose, any books, papers, records, or memoranda, including copies of operator's state and federal income tax return, bearing upon the matter of the operator's tax return.

(B) Effect of Audit. If any error or omission is discovered in such audits or in any other way, the City may compute and determine the amount of tax due upon the basis of facts obtained from such information within the City's possession and assert a deficiency. One or more deficiency determinations may be made for the amount due for one or more than one period. In making such determinations, the City may offset over payments against amounts due. Further determinations shall be made for the period or periods during which the person fails to make a tax return and shall be based upon any information in the City's possession.

(C) Written Notice of Deficiency. The City shall provide written notice of the City's determination and the amount of deficiency, including interest at the rate of ten percent (10%) per annum or such other rate as may be allowed by Oregon Code and as set by resolution adopted by the City Council from the date due, to the person from whom such deficiency amount is due. Such notice may be given personally or mailed to the person at the address furnished by the City in the sales tax application.

3-25-18 Severability

It is hereby declared to be the legislative intent that the provisions, and parts thereof, of this Ordinance shall be severable. Should any section, subsection, paragraph, clause or phrase of this chapter, or any particular application thereof, be declared invalid or unconstitutional for any reason by a court of competent jurisdiction, such decision shall not affect the remaining portions of the section, subsection, paragraph, clause or phrase of this chapter.

3-25-19 Effective Date

This Ordinance shall be in full force and effect 30 days following passage by the City Council.

PASSED AND ADOPTED by the Common Council of the City of Ontario this ______ day of ____________, 2017, by the following vote:

AYES:
NAYS:
EXCUSED:
ABSENT:

APPROVED by the Mayor this _______day of _______________, 2017.

ATTEST:

______________________________ ___________________________

Ronald Verini, Mayor Tori Barnett, MMC, City Recorder

RESOLUTION #2017-133

A RESOLUTION AUTHORIZING A REIMBURSEMENT FOR EXPENSES INCURRED BY BUSINESSES OF UP TO $1,000 FOR UPDATING SOFTWARE OR HARDWARE FOR PURPOSES OF SALES TAX COLLECTION

WHEREAS, The City of Ontario's primary source of General Fund revenue is real property taxes subject to limitations imposed by the Oregon Constitution; and

WHEREAS, The cost of providing essential services to city residents has increased significantly over the years due to a variety of factors over which the city has little or no control; and

WHEREAS, To continue to provide essential services the city has approved a 1% sales tax; and

WHEREAS, The City of Ontario wishes to provide relief to businesses who need financial assistance updating software or hardware regarding the 1% sales tax.

NOW THEREFORE, THE CITY OF ONTARIO RESOLVES AS FOLLOWS: Businesses needing financial assistance to update software or hardware for sales tax collection will be eligible for up to $1,000 in reimbursements with documentation submitted to the city.

BE IT FURTHER RESOLVED, Businesses may apply and receive reimbursements after the city begins to collect sales and not prior to collection.

PASSED AND ADOPTED by the Common Council of the City of Ontario this ______ day of ____________, 2017, by the following vote:

AYES:
NAYS:
EXCUSED:
ABSENT:

APPROVED by the Mayor this _______day of _______________, 2017.

ATTEST:

______________________________ ______________________________

Ronald Verini, Mayor Tori Barnett, MMC, City Recorder

AGENDA REPORT
NEW BUSINESS
September 19, 2017

TO: Mayor and City Council

FROM: Kari Ott, Finance Director

THROUGH: Adam J. Brown, City Manager

SUBJECT: RESOLUTION 2017-132: A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR GENERAL FUND UNANTICIPATED REVENUES

DATE: September 13, 2017

PROPOSED MOTION:

I MOVE THE CITY COUNCIL ADOPT RESOLUTION 2017-132: A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR GENERAL FUND UNANTICIPATED REVENUES.

SUMMARY:

The Ontario Police Department received a training stipend that wasn't anticipated in the 2017-2018 budget.

BACKGROUND:

Law enforcement contact with individuals suffering from mental health issues have increased. Communities across the United States are adopting the National Crisis Intervention Team approach. Law Enforcement in Malheur County has started working with Lifeways, through Greater Oregon Behavioral Health Inc. to implement such a program. We have developed a training module for those who encounter individuals with mental illness in order to provide better services to them and the community. This training is designed to help further our current program.

CURRENT SITUATION:

Due to Ontario Police Department's interest and current investment into the implementation of the Regional Crisis Intervention Team (CIT) in Malheur County, Oregon Department of Public Safety Standards and Training (DPSST) has provided a $500 stipend to help pay for a representative of the Police Department to attend the Northwest Regional CIT Conference in Bend, OR in October. The stipend will cover approximately half the cost to attend the conference. Lifeways is going to cover the other half of the cost associated with this training with the exception of meals for our representative. We currently have the necessary funds to cover meals in our training budget. A budget resolution is required to receive and expend the funds.

ANALYSIS:

A. **FINANCIAL** $500 will be appropriated within the General Fund to pay for the training.

B. **TIMING** The Ontario Police Department would like to appropriate the funds as soon as possible since the conference is in October.

C. **POLICY/LEGAL** A supplemental budget approved by the City Council is required to expend the funds as per ORS 294.

ALTERNATIVES:

A. Take no action--The council could take no action on this matter; this would cause the funds to be returned to DPSST. City staff would not receive the training.

RECOMMENDATION:

Staff recommends the City Council approve Resolution 2017-132.

ATTACHMENTS:

1. Resolution 2017-132
2. Grant Award Letter

RESOLUTION 2017-132

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR GENERAL FUND UNANTICIPATED REVENUES

WHEREAS, The 2017-2018 budget was adopted without the recognition of funding from the Department of Public Safety Standards and Training (DPSST); and

WHEREAS, The Police Department was awarded $500 stipend funds to put toward attendance at a Northwest Regional Crisis Intervention training conference in October; and

WHEREAS, The City desires to modify the 2017-2018 budget to receive and expend the funds.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Ontario City Council to approve the following adjustments to the fiscal year 2017-2018 budget:

Line Item	Item Description	FY 17-18 Budget	Amount of Change	Adjusted Budget
GENERAL FUND				
001-000-469210	Misc. Police Revenue	$6,500	$500	$7,000
001-024-618000	Professional Development	$33,510	$500	$34,010

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this 19th day of September, 2017, by the following vote:

AYES:

NAYES:

ABSENT:

APPROVED by the Mayor this _____ day of ______________, 20___.

____

Ronald Verini, Mayor

ATTEST:

____

Tori Barnett, MMC, City Recorder

Oregon
Kate Brown, Governor

Department of Public Safety Standards and Training
4190 Aumsville Hwy SE
Salem, OR 97317-8981
(503) 378-2100
www.oregon.gov/DPSST

September 4, 2017

Chief Cal Kunz
City of Ontario Police Department
444 SW 4th Street
Ontario, OR 97914

Dear Chief Kunz:

The Oregon Department of Public Safety Standards and Training (DPSST) is in receipt of Officer Ridg Medford's request for grant assistance to support attendance and participation in the 2017 Northwest Regional CIT Crisis Intervention Team Conference.

We are pleased to inform you that your organization has been awarded a grant in the amount of $ 500.00 to support this training opportunity that will focus on responding to, and interacting with, people in crisis. Your grant reference number for billing purposes is G259-19-042 and Ryan Keck from our Center for Policing Excellence will be your grant coordinator. As soon as the conference concludes please send us an invoice for this grant along with proof of attendance. This grant will expire on June 30, 2018.

We look forward to working with you and the members of the Ontario Police Department on this training grant. If we can ever be of assistance to you, please feel free to call me at (503) 378-2332.

Sincerely,

Eriks J. Gabliks
Director

Copy: Ryan Keck, Supervisor – Center for Policing Excellence, DPSST
Adam Bergerson, Contracts Coordinator – Business Services Division, DPSST

DPSST Grant 259-19-042

AGENDA REPORT
NEW BUSINESS
September 19, 2017

TO: Mayor and City Council

FROM: Adam J. Brown, City Manager

THROUGH: Adam J. Brown, City Manager

SUBJECT: **COAR GRANT AGREEMENT FOR THE AIRPORT RUNWAY LIGHTS CAPITAL IMPROVEMENT PROJECT.**

DATE: September 14, 2017

PROPOSED MOTION:

I MOVE THE CITY COUNCIL APPROVE THE STATE OF OREGON COAR GRANT AGREEMENT FOR FUNDING OF THE AIRPORT RUNWAY LIGHTS CAPITAL IMPROVEMENT PROJECT.

SUMMARY:

The City of Ontario received a grant from the Critical Oregon Airport Relief (COAR) Program, which will reduce the city's obligation for the runway lighting project.

BACKGROUND:

The City has a planned project in the 2017-2018 Capital Improvement Program for a total cost of $828,500. Under normal circumstances the Federal Aviation Administration (FAA) pays for 90% of the project, the State of Oregon pays for 5%, and the local government pays for 5% of the project costs.
The City applied for and was awarded the COAR grant from the State of Oregon. The COAR grant pays for 4 percentage points of the 5% obligation of the City, leaving the City with only an obligation of 1% of the total prjoect cost.

CURRENT SITUATION:

The City must approve the Grant Agreement to receive the State funding. The City has already approved the grant agreement from the FAA.

ANALYSIS:

A. **FINANCIAL** The cost to the City for the entire project will be $8,285, or 1% of the project cost. Approving this item will guarantee an additional $33,140 from the State to support the project.

B. **TIMING** The project is moving forward and reimbursements will be requested within the coming months. Approval is requested now to make sure that the City received funding in a timely manner.

C. **POLICY/LEGAL** The Council must approve this agreement and authorize an individual to execute the agreement documents.

ALTERNATIVES:

If the Council takes no action, the City will have to pay an additional $33,140 to complete the project.

RECOMMENDATION:

Staff recommends approval of the COAR grant agreement and requests authorization from the City Council for the City Manager to execute the agreement documents.

ATTACHMENTS:

1. COAR Grant Agreement
2. Exhibit A - COAR Grant Agreement
3. Exhibit B - COAR Grant Agreement

GRANT AGREEMENT
CRITICAL OREGON AIRPORT RELIEF PROGRAM
Ontario Municipal Airport
Project Name: Electrical Project AIP 13

THIS AGREEMENT is made and entered into by and between the **State of Oregon**, acting by and through its Department of Aviation, hereinafter referred to as "ODA" or as the “State”, and **City of Ontario**, acting by and through its elected officials, herein referred to as “Recipient,” both herein referred to individually or collectively as “Party” or “Parties”."

I. TERMS OF AGREEMENT:

1. Effective Date. This Agreement shall become effective on March 7, 2017. This Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before two years after the Effective Date (the “Availability Termination Date”). No Grant Funds are available for any expenditure before the Effective Date or after the Availability Termination Date.

2. Agreement Documents. This Agreement consists of this document and the following documents:

- **a.** Exhibit A: **Project Description, Milestones, Schedule and Budget**
- **b.** Exhibit B: **Application and documents provided by Recipient to ODA prior to the execution of this Agreement**

Exhibits A and B are incorporated by reference into this Agreement and are attached hereto. In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: This Agreement without Exhibits; Exhibit A; Exhibit B.

3. Project Cost; Grant Funds; Match. The maximum obligation of the State payable under this grant shall be **$74,565.00**. The total Project Cost is estimated at **$828,500.00**. In accordance with the terms and conditions of this Agreement, ODA shall provide Recipient Grant Funds in an amount not to exceed **$74,565.00** or 9% of the total Project Cost, whichever is less, of Project Costs described in Section 5.b hereof. Recipient shall provide matching funds in an amount of **$8,285.00** or 1% of the total Project Cost as described in Exhibit A. ODA will withhold five percent (5%) of the Grant Funds to be distributed as provided in Section 9.c.

4. Project Implementation and Completion. Recipient shall implement and complete the project in accordance with the plans and specifications and all documents or plans included in Exhibit A, incorporated herein, as they may be revised or modified with the approval of ODA. In accordance with the provisions of Section 6, Recipient shall notify ODA in writing of all changes in the project activities prior to performing any changes and shall not perform any changes without written prior approval from ODA.

5. Grant Funds.

a. Use of Grant Funds; Grant Award; No Exclusive Right. The Grant Funds shall be used solely for the Project described in Exhibit A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless ODA approves such changes pursuant to the Project Change Procedures in Section 6 or pursuant to the Amendment provisions of Section 17.

i. Recipient agrees to spend the Grant Funds within 2 years of the Effective Date, after which time ODA may withdraw the grant award at its sole discretion.

ii. In accepting Grant Funds, the Recipient, its contractors, and lessees or any successor thereto shall not convey any exclusive right for the use of the airport, of the improvements or services at the airport for a period of not less than 20 years.

b. Eligible Project Costs. The Grant Funds may only be used for Recipient's actual Project Costs to the extent those costs are (a) reasonable, necessary and directly used for the Project; (b) permitted by generally accepted accounting principles established by the Governmental Accounting Standards Board, as reasonably interpreted by the State, to be capitalized to an asset that is part of the Project; and (c) eligible or permitted uses of the Grant Funds under State law and this Agreement. Any payment of principal due under any interim financing agreement associated with or executed for the Project will be deemed an Eligible Project Cost only if such ODA (i) specifically determines the costs are reasonable, necessary and directly used for the Project as provided by this subsection; and (ii) provides the Agency's prior written consent before any claim of reimbursement is submitted.

c. Ineligible Project Costs. The Grant Funds may not be used for any operating or working capital expenditures that Recipient charges to the Project; or for any maintenance costs of the Project; or for any payments made to related parties or for any loans or grants to be made to third parties, except as provided in Section 5.b.

d. Request for Reimbursements and Milestone Progress Reports. ODA will not disburse Grant Funds to the Recipient for the Project until expenses have been incurred. Recipient shall submit to Program Coordinators on a monthly basis a Request for Reimbursement (Form 109-007) along with a Milestone Progress Report (Form 109-008) the forms of which are hereby incorporated by reference.

6. Project Change Procedures. Project change orders are only for changes to the schedule. Recipient shall submit a Request for Change Order (Form 109-009), the form of which is hereby incorporated by reference to ODA's Program Coordinators:

a. If Recipient anticipates Project milestones will be delayed by more than ninety (90) days from the milestones shown in Exhibit A, Recipient shall submit a Request for Change Order (Form 109-009), the form which is hereby incorporated by reference, to ODA's Project Coordinators as soon as Recipient becomes aware of any possible delay. The Request for Change Order must be submitted prior to the milestone completion date shown in Exhibit A.

b. Recipient shall not proceed with any changes to Project scope or delivery schedule prior to the execution of an amendment to this Agreement executed in response to ODA's approval of a Request for Change. A Request for Change Order may be rejected at the discretion of ODA. ODA may choose to request review by the State Aviation Board. Changes will not include additional costs or reimbursement requests in excess of the original Agreement.

7. Inspection Schedule and Reporting System. Projects receiving both State and Federal Aid will be required to submit to ODA copies of progress reports submitted to the Federal Aviation Administration. Projects not receiving Federal Aid will be required to submit monthly progress reports to ODA. The Inspection Schedule will be placed on a quarterly basis. On projects taking less than three (3) months, the Recipient must make reports and be inspected the following schedule:

a. Recipient report project commencement date.

b. Recipient report project completion date and request final inspection.

c. ODA will make final inspection and sign off project as completed.

d. ODA will require Recipient to submit verification of all expenditures to substantiate final payment.

8. Final Report. Recipient shall submit a written report to ODA's Program Coordinators that identifies the number of jobs created or retained both during construction and after a Project completion, as a direct result of this Project. This report must also include the number of jobs projected in the application. This report must also include data on the methodology that measures the Project's success as described in the grant application. The report must be received and approved by ODA within ninety (90) days after the completion of Project. Recipient's obligation to provide this report will survive expiration of this Agreement. Recipient shall use Final Report form, which also must be signed by Recipient

9. Disbursement and Recovery of Grant.

a. Disbursement Generally. ODA shall reimburse Eligible Project Costs that Recipient incurs, subject to Section 5 up to the amount of Grant Funds provided in Section 3. Reimbursements shall be made by ODA within forty-five (45) days of ODA's approval of a request for reimbursement from Recipient. Requests for Reimbursement will identify the Project, Agreement number, the request for reimbursement number or the account number or both, and itemize all expenses as well as provide a detailed breakdown of Project Costs expended and Grant Funds reimbursed to date, and the amount of undisbursed Grant Funds. Upon request by ODA, Recipient shall provide to ODA proof of payment and backup documentation supporting Recipient's invoices. Requests for reimbursement shall be submitted monthly for any month for which Recipient seeks reimbursement of eligible costs. Eligible costs are the reasonable and necessary costs incurred by the Recipient, or under a sub-agreement described in Section 13 of this Agreement, in performance of the Project and that are not excluded from reimbursement by ODA, either by this Agreement or by exclusion as a result of financial review or audit. ODA shall disburse funds to Recipient direct deposit through an Automatic Clearing House (ACH).

b. Conditions Precedent to Disbursement. ODA's obligation to disburse Grant Funds to

Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:

1. ODA has received funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow ODA, in the exercise of its reasonable administrative discretion, to make the disbursement.

2. Recipient is in compliance with the terms of this Agreement, including without limitation completion of all prerequisites for reimbursement.

3. Recipient has provided to ODA a request for reimbursement in accordance with Section 5. Recipient must submit its final request for reimbursement following completion of the Project and no later than ninety (90) days after the earlier of completion of the Project or the Availability Termination Date. Failure to submit the final request for reimbursement within ninety (90) days after the completion of the Project or the Availability Termination Date could result in non-payment.

4. Recipient agrees to submit an IRS form W-9 form, and any other required documentation requested by ODA in order to be established through ODA's financial system for the disbursement of Grant Funds.

c. Retainage. ODA will withhold five percent (5%) of the entire cost for the duration of the project and shall release this retainage at such time as ODA certifies completion and acceptance of the Project.

d. General Right to withhold Payments. ODA reserves the right to withhold payment of funds if there are unresolved audit findings, or inadequate information concerning Recipient's Project activities. ODA reserves the right to reallocate any portion of the Grant Fund that ODA estimates the Recipient will use**.**

e. Recovery of Grant Funds. Any Grant Funds disbursed to Recipient under this Agreement that are expended in violation of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of the Availability Termination Date or termination of this Agreement must be returned to ODA. Recipient shall return all Misexpended Funds to ODA promptly after ODA's written demand and no later than fifteen (15) days after ODA's written demand. Recipient shall return all unexpended Grant Funds to DOT within fourteen (14) days after the earlier of the Availability Termination Date or termination of this Agreement.

10. General Representations and Warranties of Recipient. Recipient represents and warrants to ODA as follows:

a. Organization and Authority. Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Recipient has full power, authority and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement (1) have been duly
authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory

commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.

b. Binding Obligation. This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.

c. No Solicitation. Recipient's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.

d. No Debarment. Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from any federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify ODA immediately if it is debarred, suspended or otherwise excluded from any federally assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

e. Compliance with Oregon Taxes, Fees and Assessments. Recipient is, to the best of the undersigned's knowledge, and for the useful life of the Project will remain, current on all applicable state and local taxes, fees and assessments.

11. Special Warranty of Recipient To Maintain and Operate the Airport & Segregate Income.

a. Recipient warrants that it shall maintain and operate the airport as an airport in a usable, safe, and orderly manner at all times for a period of at least 20 years from the date of the Agreement. If this condition is not met, Recipient shall immediately reimburse to ODA all State funds used on Project State. The amount reimbursed shall be the sum equal to the total amount of Grant Funds provided for the Project, divided by twenty (20), multiplied by the difference between twenty (20) and the number of years that the airport remained open after the Grant Funds were provided distributed.

b. Recipient also warrants and agrees that all income derived from the airport shall be deposited in an account for a period of at least 20 years from the date of the Agreement, and these funds shall be used only for operation, maintenance or capital improvement of the airport.

12. Records Maintenance and Access; Audit.

a. Records, Access to Records and Facilities. Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards, and state minimum standards for audits of municipal corporations. Recipient shall ensure that each of its subrecipients and subcontractors complies with these requirements. ODA, the Secretary of State of the State of Oregon (Secretary) and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, ODA, the Secretary and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of ODA, and the Secretary to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient. Nothing herein is meant to be or will be interpreted to be a waiver of any protection against disclosure of records or communication otherwise provided by law, including protection provided by attorney-client privilege or the attorney work product doctrine.

b. Retention of Records. Recipient shall retain and keep accessible all books, documents, papers, and records, that are directly related to this Agreement, the funds or the Project until the date that is six (6) years following the Availability Termination Date.

c. Expenditure Records. Recipient shall document the expenditure of all Grant Funds disbursed by ODA under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit ODA to verify how the Grant moneys were expended.

This Section 12 shall survive any expiration or termination of this Agreement.

13. Subagreements. Performance of this Agreement shall not be subcontracted in whole or in part, except with the written consent of ODA. Recipient shall not assign this Agreement in whole or in part or attempt to convey any right, privilege, duty or obligation hereunder, without the prior written consent of ODA.

14. Termination.

a. Mutual Termination. This Agreement may be terminated by mutual written consent of the Parties.

b. Termination by ODA. ODA may terminate this Agreement effective upon delivery of written notice to Recipient, or at such later date as may be established by ODA under any of the following conditions:

1. If The Recipient fails to provide payment of its share of the cost of the Project;

2. If Recipient fails to provide services or funds called for by this Agreement within the time specified herein or any extension thereof.

3. If Recipient fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from ODA fails to correct such failures within 10 days or such longer period as ODA may authorize.

4. If ODA fails to receive funding, appropriations, limitations or other expenditure;

5. authority sufficient to allow ODA, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement;

6. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that the Project work under this Agreement is prohibited or if ODA is prohibited from paying for such Project work from the planned funding source; or

7. If, in the sole opinion of ODA, the Project would not produce results that are commensurate with the further expenditure of funds.

c. Rights upon Termination. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination. The remedies set forth in this Agreement are cumulative and are in addition to any other rights or remedies available at law or in equity.

III. GENERAL PROVISIONS:

15. Indemnification and Hold Harmless. Recipient shall, to the full extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, indemnify and hold ODA harmless from all liability of whatsoever nature, and for any costs, fees or expenses that ODA may incur from Recipient's performance of this Agreement.

16. Dispute Resolution. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.

17. Amendments. This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.

18. Duplicate Payment. Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.

19. No Third Party Beneficiaries. ODA and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

20. Notices. Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email or mailing the same, postage prepaid, to Recipient Contactor ODA Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate pursuant to this Section Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against ODA, such facsimile transmission must be confirmed by telephone notice to ODA Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.

21. Governing Law, Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between ODA (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

22. Compliance with Law. Recipient shall comply with all applicable federal, state, and local laws, regulations, executive orders and ordinances applicable to the Project including, but not limited to, the provisions of ORS 319.020 and OAR 738 Divisions 124 and 125 where applicable by this Agreement, incorporated herein by reference and made a part of this Agreement. In addition, without limiting the generality of the foregoing, Recipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

23. Costs and Expenses Related to Employment of Individuals; Insurance; Workers' Compensation. Recipient is responsible for all costs and expenses related to its employment of individuals to perform the work under this Agreement, including but not limited to retirement contributions, workers' compensation, unemployment taxes, and State and Federal income tax withholding. In addition , Recipient's subcontractors, if any, and all employers working under this Agreement are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017 and shall provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Employer's liability insurance with coverage limits of not less than $500,000 must be included. Recipient shall ensure that each of its subrecipient(s), contractor(s), and subcontractor(s) complies with these requirements.

24. Independent Contractor. Recipient shall perform the Project as an independent contractor and not as an agent or employee of ODA. Recipient has no right or authority to incur or create any obligation for or legally bind ODA in any way. ODA cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an “officer”, “employee”, or “agent” of ODA, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.

25. Severability. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.

26. Counterparts. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.

27. Integration and Waiver. This Agreement, and attached exhibits constitute the entire Agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of ODA to enforce any provision of this Agreement shall not constitute a waiver by ODA of that or any other provision.

28. Questions; Program Coordinators. Questions regarding this Agreement may be directed to:

Oregon Department of Aviation
Attn: Program Coordinators: Nohemi Ramos, or Matt Lawyer, or each of their successors
3040 25th Street SE
Salem, OR 97302

Nohemi Ramos, Program Coordinator
nohemi.ramos@aviation.state.or.us
503-378-4881

Matt Lawyer, Program Coordinator
matthew.a.lawyer@aviation.state.or.us
503-378-4888

Heather Peck, Program Manager
heather.peck@aviation.state.or.us
503-378-3168
In the absence of any of the above-named individuals during the term of this Agreement, ODA shall notify the Recipient in writing of a substitute contact.

SIGNATURE PAGE TO FOLLOW

THE PARTIES, by execution of this Agreement, hereby acknowledge that its signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.
The Director of the Department of Aviation or his designee is authorized to act on behalf of State in approving and executing this Agreement.

The State Aviation Board approved the COAR funding request and delegated authority to the Director of the Oregon Department of Aviation to enter into Agreement.

CITY OF ONTARIO, by and through its elected officials

By ______________________________
(Legally designated representative)

Name ______________________________
(printed)

Date ______________________________

STATE OF OREGON, by and through its Department of Aviation

By ______________________________
Director

Name ______________________________
(printed)

Date ______________________________

APPROVED AS TO LEGAL SUFFICIENCY
(If required in local process)

By ______________________________
Recipient's Legal Counsel

Date ______________________________

APPROVED AS TO LEGAL SUFFICIENCY
(For funding over $150,000)

By ______________________________
Department of Justice

Date ______________________________

Recipient Contact:
Adam Brown, City Manager
444 SW 4th Street
Ontario, OR 97914
541-881-3223
Adam.brown@ontariooregon.org

ODA Contacts:
Nohemi Ramos, Program Coordinator
3040 25th Street SE
Salem, OR 97302
(503) 378-4881
nohemi.ramos@aviation.state.or.us

Matt Lawyer, Program Coordinator
3040 25th Street SE
Salem, OR 97302
(503) 378-4888
matthew.a.lawyer@aviation.state.or.us

ODA/Recipient Agreement No.

COAR-2017-ONO-00020

EXHIBIT A
Project Description, Milestones, Schedule and Budget

Application Number: C17-ONO-01-FAA
Project Name: Electrical Project AIP 13

A. PROJECT DESCRIPTION

Ontario Municipal Airport Electrical Project AIP 13-This project includes the construction of Parallel Taxiway Edge Lighting, Runway 14 PAPI, Runway 14 REIL's, Lighted Guidance Signs, Apron Lighting, and updated Runway Designation Marking.

B. PROJECT MILESTONES AND SCHEDULE

Milestones are used for evaluating performance on Project as described in the Agreement. Milestones cannot be changed without an amendment to the Agreement.

If Recipient anticipates Project Milestones will be delayed by more than ninety (90) days, Recipient shall submit a Request for Change Order, as described in Section 6 of the Agreement, to the ODA Project Coordinators as soon as Recipient becomes aware of any possible delay. The Request for Change Order must be submitted prior to the Milestone completion date shown in this Exhibit.

The anticipated start date of Project is: 08/28/2017

The estimated completion date of Project is: 12/29/2017

Table 1: Milestones

Milestone	Estimated Start Date	Estimated Completion Date
Construction Phase 1	08/28/2017	09/29/2017
Construction Phase 2	10/02/2017	10/20/2017
Construction Phase 3	10/23/2017	11/03/2017
Project Close-Out	11/06/2017	12/30/2017

Table 2: Funding Breakdown

Project Cost: $ 82,850.00

Expenditures to-date: $ 0.00

Recipient Match	$ 8,285.00	10.00%
Grant Award Amount	$ 74,565.00	90.00%
Adjusted Project Cost	$ 82,850.00[1]	100.00%

16.D Of the Application

 C17-ONO-01-FAA

Aviation Project Funding Request – 2016

Introduction

- Please read the Aviation Project Funding Request instructions prior to completing this application.
- The application instructions, sample application, and draft grant agreement are available on the Oregon Department of Aviation website.
- Submission instructions are detailed in Section 3 of the application instructions.
- Completed application and checklist are required.
- Answer all questions. Enter N/A where applicable.

1. Applicant

Organization Name: City of Ontario, Oregon

Contact Person: Adam Brown

Address 1: 444 SW 4th Street

Contact Person Title: City Manager

Address 2:

Phone: (541) 881-3223

City, State, ZIP: Ontario, OR 97914

E-mail Address: adam.brown@ontariooregon.org

2. Project Name and Location

Project Name: Ontario Municipal Airport Electrical Project AIP 13

Project Location: Ontario Municipal Airport, Ontario, OR

County tax parcel identification number(s): Malheur County, Oregon

3. Category of Airport:

Select the category of airport as listed in the current Oregon Aviation Plan (OAP): Category 3 – Regional

4. ODOT *Connect*Oregon region:

Select one ODOT region for the project: Region 5

5. Certification

☒ By checking this box, I certify that City of Ontario, Oregon supports the proposed project, has the legal authority to pledge matching funds, and has the legal authority to apply for Aviation System Assistance Program funds. I further certify that matching funds are available or will be available for the proposed project. I understand the all State of Oregon rules for contracting, auditing, underwriting (where applicable), and payment will apply to this project. I certify that I have read the Sample Draft Agreement and will sign the Agreement if selected.

Date: October 6, 2016

6. Project Summary

Provide a brief summary of the project:

This project includes the construction of Parallel Taxiway Edge Lighting, Runway 14 PAPI, Runway 14 REILs, Lighted Guidance Signs, Apron Lighting, and updated Runway Designation Marking. All components are AIP eligible.

7. Project Purpose and Description

Provide a detailed project description:

Installation of taxiway edge lighting and lighted guidance signs will allow for safer and more efficient aircraft movement on the airfield. The Airport receives a large amount of transient business and jet traffic that may be unfamiliar with the airfield. This project would enhance the safety of the taxiing aircraft. The airport will maintain the lighting as required by current FAA regulations for the life of the equipment.

In 2013 the FAA reviewed the Airport's approach slopes for obstructions to both runways. The Runway 14 approach had several obstructions all related to the road north of the runway. As a result of FAA's findings, instrument night operations were immediately curtailed for the Runway 14 approaches. After significant coordination with the FAA, it was determined that road obstructions would best be mitigated with installation of a Runway 14 Precision Approach Path Indicator (PAPI). The PAPI would steepen the approach slope to clear the road while the Runway 14 end could remain at its current location. The installation would allow the instrument night operations to be allowed. The airport will maintain the PAPI as required by current FAA regulations for the life of the equipment.

Installation of REIL's will increase the safety of incoming aircraft and help aircraft locate the runway end. The airport will maintain the REIL's as required by current FAA regulations for the life of the equipment.

Overhead apron lighting has been included as part of the project to illuminate the apron parking area and provide more visibility and safety in and around the apron area. The airport will maintain the apron lighting as required by current FAA regulations for the life of the equipment.

Based on the annual magnet declination change, the current runway designation of 14-32 is required to be changed to 15-33. As part of this project the existing runway designation markings will be removed and remarked with the appropriate number designation.

8. Project Overview

Select all that apply to the project. Cite supporting documentation and submit with application.

			Supporting Documentation
a.	Prevents future deficiencies and preserves existing facilities	☒Yes ☐No	See Highlighted Airport Layout Plan
b.	Eliminates existing deficiencies as described in the current OAP	☒Yes ☐No	See Current Approach Procedure
c.	Modernizes the airport by exceeding state or federal minimum standards as stated in the current OAP and identified by FAA ACs or other regulations.	☐Yes ☒No	
d.	Leverages federal funds	☒Yes ☐No	
e.	Contributes to the airport's self-sufficiency	☒Yes ☐No	
f.	NPIAS airport	☒Yes ☐No	See Capital Improvement Plan
g.	Existence of airport zoning	☒Yes ☐No	
h.	Maintenance commitment	☒Yes ☐No	
i.	Potential expansion, both on and off airport	☒Yes ☐No	
j.	Availability of adequate surface access to airport	☐Yes ☒No	
k.	Significance of environmental impact	☐Yes ☒No	See FAA Environmental Clearance Letter
l.	Costs and benefits of improvements	☒Yes ☐No	See Engineer's Estimate
m.	Economic development	☒Yes ☐No	
n.	Evidence of local support	☒Yes ☐No	See Support Letter from Rep. Bentz
o.	Local match available	☒Yes ☐No	
p.	Minimizes airport redundancy	☐Yes ☒No	

9. Project Category

Check the category of project for which you are requesting funding. (Please select only one.)

	Project Category of Funding Request
☒	Assistance with FAA AIP grant match
☐	Emergency preparedness and infrastructure projects in accordance with the Oregon Resilience Plan
☐	Critical/essential services or equipment
☐	Aviation-related business development on airport
☐	Airport development for local economic development

10. Description of Elements of Project Category

Provide a short description of how the project fits into the project category selected in Question 9. (Document will expand to allow additional lines.)

The project was designed in 2015/2016. Plans, Bidding and Construction Documents are completed. Project is ready to bid and is slated to be funded through the FAA AIP grant program in 2017. The project costs are 90% funded by an FAA AIP grant. The funding request to ODA is solely for assistance with the 10% federal grant match requirement.

11. Documentation and Permits

Complete the following table regarding pre-construction documentation. Provide the date the document was completed and select "Completed" from the drop-down menu. If the document is currently underway, select "Underway" from the drop-down menu and provide the expected completion date. If the funding proposal is for the purchase of equipment, select the "Equipment" box.

Document Description	Date Completed	Est. Completion Date	Status	Equipment

a. Airport Layout Plan	December 2007		Completed	☐
b. Environmental Impact Statement	CATEX 11-6-2015		Completed	☐

Note any required permits, date issued, completion status and required status. Click the "+" button to add another permit.

Permit Type	Date Issued	Completion Status	Required Status
N/A		Completed	Not Required

12. Milestones

Complete the following table regarding current and projected milestones for the project. Check to indicate if it is a construction or non-construction project.

	☒ Construction Projects	☐ Other/Non-construction Projects (describe)	Has the milestone been met?	Projected milestone start date	Projected milestone completion date
1	Scoping and planning		Yes		9/1/2015
2	Right-of-way, land acquisition	N/A			
3	Permits		Yes		11/6/2015
4	Final plans/bidding engineering documents		Yes		4/14/2016
5	Construction contract award		No	4/3/2017	
6	Project completion		No	10/31/2017	

Statewide Impact of Project

Per ORS 367.084(3), the applicant MUST answer the following questions:

13. Does the proposed transportation project reduce transportation costs for Oregon businesses or improve access to jobs and sources of labor? If yes, provide a short explanation.

Several of Oregon's "Statewide Business Clusters" are served by this project. They include Aviation, Agriculture, Food Processing, and Tourism. The Ontario Municipal Airport serves a wide variety of agriculture, fire fighting, business, medical, military, and tourist aircraft traffic. The Airport is home to three different aerial agriculture spraying operations, a BLM SEAT Base, Life Flight, and several other on-field aviation related businesses. By completing this project, the Airport will be able to better serve its customers by providing a safer and more reliable nighttime instrument approach which will reduce flight costs while improving access to airport and surrounding communities. The taxiway lighting, signage, and apron lighting will make the airport safer by allowing aircraft to transverse the airfield more efficiently and cost effectively in turn, saving both time and money to the users.

14. Does the proposed transportation project result in an economic benefit to the state? If yes, provide a short explanation.

Reliable and safe aviation traffic is key to attracting, retaining, and growing many lines of business. More specifically, business and medical aviation traffic rely on the ability to fly and access airports during all types of weather and environmental conditions. Having a reliable instrument approach is required to attracting and maintaining this type of traffic. Several on-field businesses have commented on the need for this project. Not completing this project will most likely result in loss of air traffic and in turn loss of business opportunities to the surrounding communities.

15. Is the proposed transportation project a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system? If yes, provide a short explanation.

As stated previously, reliable and safe air travel is paramount to conducting business within Ontario and around the State of Oregon. Several businesses access Ontario and surrounding communities through the use of the Ontario Municipal Airport via air travel. The proposed project will make that air travel in and out of Ontario more efficient and safer. The success of this project can be measured by improved safety measures and flow rates. The flow rates would be referencing the number night instrument approaches to the airport. It is anticipated that the number night instrument approaches to airport will increase greatly from the existing numbers.

16. Budget

How much of the cost of the proposed transportation project can be borne by the applicant? Provide the funding source and the amount of funding from that source.

a. Total Project Cost or Total FAA AIP Grant Match Amount: $83,013

b. Applicant Match

		Percent of Project Cost	
Airport Category 3 Minimum COAR Match Requirement:		10.00%	
Source of Match Funds	**Amount**		**Date Available**
City of Ontario Funds	$8,301	10.00%	Jul 1, 2017
Total match funds:	$8,301	10.00%	

c. Aviation Project Funding Request to ODA

Amount requested from ODA:	$74,712	90.00%

d. Project Budget Summary

Total applicant matching funds:	$8,301	10.00%
Funding request to ODA	$74,712	90.00%
Total project cost or total FAA AIP grant match requirement:	$83,013	100.00%

e. Pre-Agreement Expenditures

Has the project incurred any expenditures prior to the completion of this agreement, if awarded? If yes, explain.

The City has incurred the cost of an Engineering Independant Fee Estimate (IFE) in the amount of $2,500. This was completed in compliance with FAA standards in order to negotiate engineering fees associated with the construction of the project. This allows the City to act quicker and be ready to begin the project as soon as funds are available.

17. Is the proposed transportation project ready for construction or implementation? Describe any unique construction-readiness, project implementation issues, or possible delays.

The project was designed in 2015/2016 through the FAA AIP process. Construction Plans and Bidding and Construction Documents are completed. The project is ready to bid and is slated to be funded through the FAA AIP grant program in 2017. The plan is to bid the project in early 2017 and start construction in the summer of 2017. The level of risk with the project schedule is extremely low. The project is ready to be bid and constructed as soon as funding and weather conditions permit.

18. Does the proposed transportation project have a useful life expectancy that offers maximum benefit to the State? If yes, provide a short explanation.

According to the FAA AIP Handbook, airfield lighting and signage has a minimum useful life of 10 years and NAVAID's (PAPI's & REIL's) have a minimum useful life of 15 years. These are minimum useful life values and not actual values. The Ontario Municipal Airport has a very thorough and comprehensive airfield lighting maintenance program. Airport and City staff are very diligent about maintaining the airfield lighting systems. This diligence extends the useful life of the airfield lighting systems well beyond 20 years. Prior to being replaced in 2011, the Airport's runway edge lighting lasted over 30 years. The rotating beacon was over 50 years old prior to it being recently replaced.

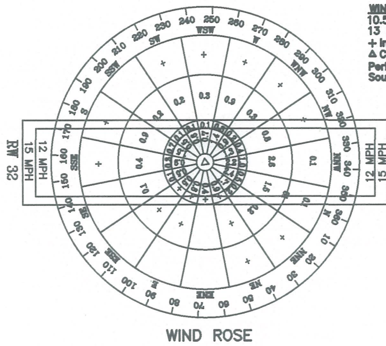
19. Submission

By signing this application, I certify that I am the authorizing representative for the Airport specified in this application. In consideration for receipt of program funds, City of Ontario, Oregon agrees to keep the airport open for public use for a minimum of 20 years from the date of the Agreement, if selected as a grant recipient and awarded grant funds.

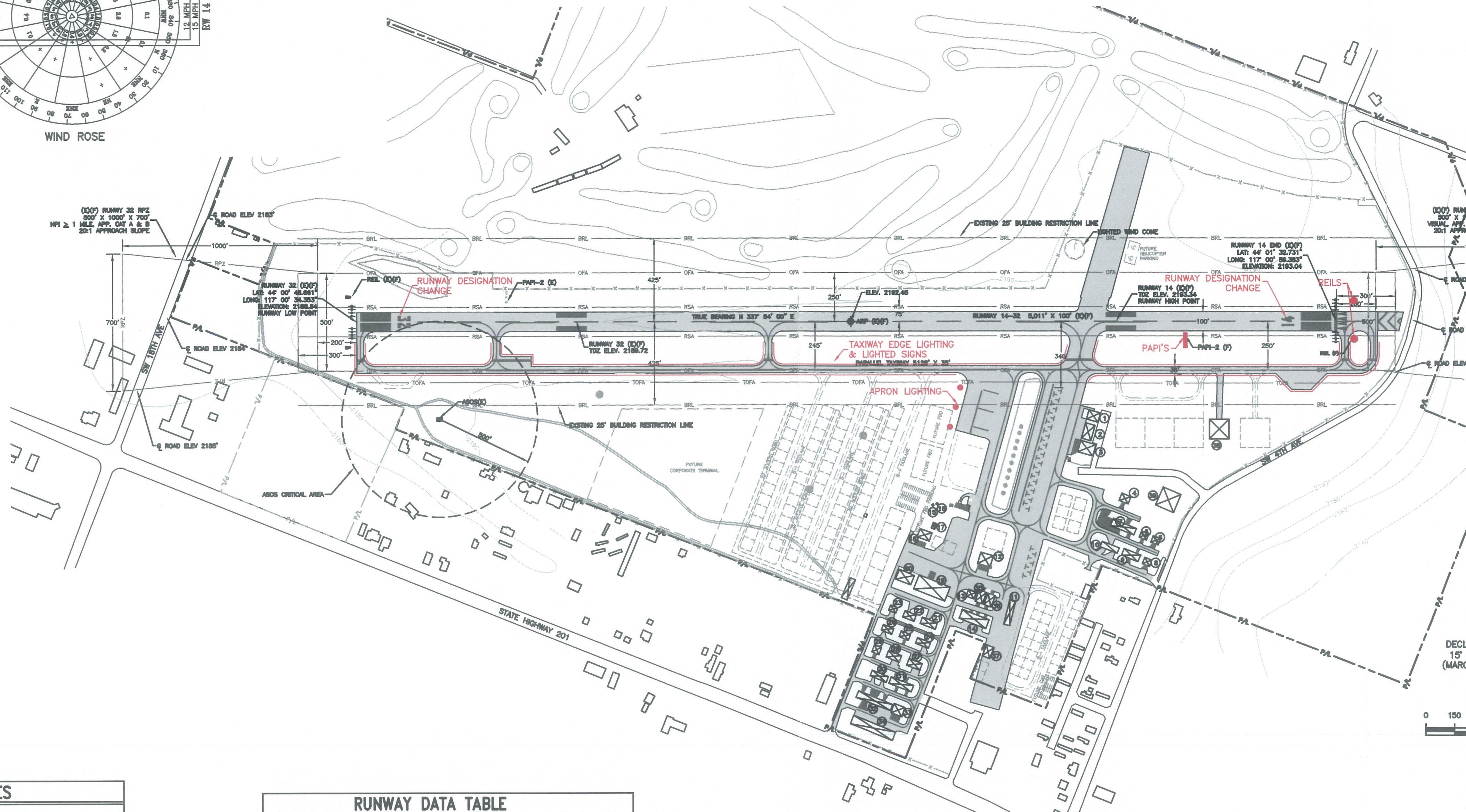
To submit electronically, type your name in the signature box below and submit using a password-protected e-mail account associated with your agency. See instructions for file naming requirements and e-mail address for submission.

Print Name	Title	Signature	Date
Adam Brown	City Manager	[signature]	10-5-2016

AVIATION DEPARTMENT USE ONLY



WIND DATA
10.5 kts (12 MPH) = 97.2%
13 kts (15 MPH) = 98.2%
+ Indicates an occurance, but less than 0.1%.
△ Calm (0–4 MPH) = 70.4%.
Period: 1965–1969
Source: NOAA–EDS, Ashville, N.C.



NOTES

1. NO MODIFICATIONS TO STANDARDS.
2. NO NON–STANDARD CONDITIONS.
3. ALL ELEVATIONS ARE BASED UPON THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD 88)
4. ALL LATITUDE AND LONGITUDE COORDINATES ARE BASED UPON THE NORTH AMERICAN DATUM OF 1983.
5. AIRPORT PROTECTED BY CITY OF ONTARIO, CITY CODE, TITLE 10a, SUBSTANTIVE ZONING REGULATIONS, AIRPORT DEVELOPMENT ZONE. ALSO PROTECTED BY MALHEUR COUNTY, ARTICLE L. AA, AIRPORT APPROACH OVERLAY ZONE.

SPONSOR APPROVAL

Joe Dominic MAYOR, CITY OF ONTARIO DATE

FAA APPROVAL

MANAGER, SEATTLE AIRPORTS DISTRICT OFFICE APPROVAL LETTER DATED

THE PREPARATION OF THIS DOCUMENT MAY HAVE BEEN SUPPORTED, IN PART, THROUGH THE AIRPORT IMPROVEMENT PROGRAM FINANCIAL ASSISTANCE FROM THE FEDERAL AVIATION ADMINISTRATION AS PROVIDED UNDER TITLE 49, UNITED STATES CODE, SECTION 47104. THE CONTENTS DO NOT NECESSARILY REFLECT THE OFFICIAL VIEWS OR POLICY OF THE FAA. ACCEPTANCE OF THIS REPORT BY THE FAA DOES NOT IN ANY WAY CONSTITUTE A COMMITMENT ON THE PART OF THE UNITED STATES TO PARTICIPATE IN ANY DEVELOPMENT DEPICTED THEREIN NOR DOES IT INDICATE THAT THE PROPOSED DEVELOPMENT IS ENVIROMENTALLY ACCEPTABLE IN ACCORDANCE WITH APPROPRIATE PUBLIC LAWS.

RUNWAY DATA TABLE

Description	Existing	Future
% Effective Gradient	0.08%	SAME
% Wind Coverage (10.5 and 13 kts)	97.2%/98.2%	97.2%/98.2%
FAR Part 77 Approach Surface Slopes	(14) (32) 20:1 UTILITY	(14) (32) 20:1
Instrument Approach Aids	(32) GPS–NPI ≥ 1 MILE	SAME
Runway Lighting	MIRL	MIRL
Approach/Visual Aids	(32) REIL/PAPI 2	(14) (32) REIL/PAPI 2
Runway Marking	NPI	SAME
Runway Length	5011'	SAME
Runway Width	100'	100'
Pavement Type	Asphalt	Asphalt
Pavement Strength (1,000 lbs)	SW 30,000/DW 60,000	SW 30,000/DW 60,000
Runway Safety Area Length/Width	5611'/150'	SAME
Runway Object Free Area Length/Width	5611'/500'	SAME
Runway Object Free Zone Length/Width	5611'/250'	SAME
Runway OFZ Penetrations	NO OFZ PENETRATIONS	
Approach Category and Design Group	B–II	SAME
Critical Aircraft	Raytheon King Air B–200	SAME
Approach Speed (Approach Category)	103 knots	SAME
Wingspan (Design Group)	54.5'	SAME
Weight	12,500 lbs MGTOW	SAME
Length of Haul (Aircraft over 60,000 lbs)	N/A	N/A
Approach Visibility Minimums	(32) 1 1/4 (14) Visual	(32) 1 Mile (14) Visual
Displaced Threshold Elevations	N/A	N/A
Touchdown Zone Elevations	(14) 2193.34 (32) 2189.72	(14) SAME (32) SAME
Runway High/Low Point Elevations	2193.34/2188.64	SAME
Declared Distance	N/A	N/A
TORA	5011'	SAME
TOAA	5011'	SAME
ASDA	5011'	SAME
LDA	5011'	SAME
FAA Line of Site	MEETS FAA LINE OF SIGHT REQUIREMENTS	

RUNWAY END COORDINATES (SURVEYED)

	Existing		Future	
14	Lat: 44° 01' 32.731	Elev. 2193.04	SAME	SAME
	Long:117° 00' 59.326"		SAME	
32	Lat: 44° 00' 46.661"	Elev. 2188.64	SAME	SAME
	Long:117° 00' 34.353		SAME	

AIRPORT DATA TABLE

Description	Existing	Future
Airport Identifier Code	ONO	
Airport Elevation	2193' MSL	2193' MSL
ARP	Lat: 44° 01' 16.016"	SAME
	Long: 117° 00' 50.298"	SAME
Mean Daily Max Temperature	90°	90°
Wind Coverage (10.5 and 13 knots)	97.2%/98.2%	97.2%/98.2%
Airport Magnetic Variation	15° 5' E	0° 8' W Annual Change
Airport Reference Code	B–II (Small Aircraft)	SAME
NPIAS SERVICE ROLE	General Aviation	General Aviation
Airport and Terminal NAVAIDS	NDB/GPS(NPI)	NDB/GPS(NPI)
Taxiway Lighting	None	MITL
Taxiway Marking	Centerline	Centerline

BUILDING/FACILITY LEGEND*

NO.	BUILDING DECRIPTION	ELEV.	NO.	BUILDING DECRIPTION	ELEV.
1	Terminal	2204	21	Hangar	2212
2	Hangar	2214	22	Hangar	2206
3	Hangar	2215	23	Hangar	2207
4	Hangar	2216	24	Hangar	2204
5	Hangar	2206	25	Hangar	2207
6	Hangar	2210	26	Hangar	2211
7	Hangar	2213	27	Hangar	2213
8	Hangar	2205	28	Hangar	2213
9	Hangar	2212	29	Hangar	2206
10	Hangar	2212	30	Hangar	2209
11	Hangar	2211	31	Hangar	2216
12	Hangar	2218	32	Hangar	2205
13	Hangar	2211	33	Hangar	2212
14	Hangar	2209	34	Hangar	2210
15	Lighted Beacon	2223	35	Hangar	N/A
16	Electrical Vault	2204	36	Hangar	N/A
17	Hangar	2209	37	Hangar	N/A
18	Hangar	2219	38	Hangar	N/A
19	Hangar	2223	39	Fire Station	N/A
20	Hangar	2212	40		

*ALL STRUCTURES MEET LATERAL CLEARANCE REQUIREMENTS

AIRPORT PAC AND SAC COORDINATES

PAC	LAT: 44° 01' 35.30" N
	LONG: 117° 01' 02.05" W
	2191.70 FT
SAC	LONG: 44° 01' 00.46" N
	LAT: 117° 00' 37.34" W
	2189.90 FT
SAC	LONG: 44° 01' 17.26" N
	LAT: 117° 00' 48.57" W
	2191.20 FT

LEGEND

EXISTING	FUTURE	DESCRIPTION
		AIRPORT PAVEMENT
P/L	P/L	AIRPORT PROPERTY LINE
x x	N/A	SECURITY FENCE
		AIRPORT BUILDING
BRL	BRL	BUILDING RESTRICTION LINE (BRL)
RSA	RSA	RUNWAY SAFETY AREA (RSA)
OFA	OFA	RUNWAY OBJECT FREE AREA (OFA)
RPZ	RPZ	RUNWAY PROTECTION ZONE (RPZ)
TOFA	TOFA	PARALLEL TAXIWAY OBJECT FREE AREA (TOFA)
ARP (E)	ARP (F)	AIRPORT REFERENCE POINT (ARP)
PAPI–2 (E)	PAPI–2 (F)	NAVIGATIONAL AID INSTALLATION
		RUNWAY END INDICATOR LIGHT
		RUNWAY THRESHOLD LIGHTS
		WINDCONE AND SEGMENTED CIRCLE
1080		TOPOGRAPHIC CONTOURS

ONTARIO MUNICIPAL AIRPORT
CITY OF ONTARIO, OREGON
AIRPORT LAYOUT PLAN

UPDATED BY:
Kimley-Horn and Associates, Inc.

Engineering, Planning, and Environmental Consultants 3023 E. Copper Point Dr., Suite 201 Meridian, Idaho 83642 (208) 350–7280

ORIGINALLY DONE BY:
TOOTHMAN–ORTON ENGINEERING COMPANY
CONSULTING ENGINEERS, SURVEYORS AND PLANNERS
9777 CHINDEN BOULEVARD
BOISE, IDAHO 83714–2008
PHONE: (208) 323–2288
FAX: (208) 323–2399
OFFICE IN: CALDWELL, IDAHO COEUR d'ALENE, IDAHO

REVISIONS

NO.	ITEM	DATE
1	UPDATED FOR AIP 8,9,&10 & CONNECT OREGON III PROJECT	DEC 2011
2	UPDATED FOR AIP 11	NOV 2013

E-FILE NAME	SHEET2–ALP.DWG
DESIGNED	CP
DRAWN	TJE
CHECKED	KRB
APPROVED	TWL

DATE: DEC 2007
PROJECT: 05184

SHEET 2 OF 8

Capital Improvement Program Report

Oregon Department of Aviation
ONTARIO MUNI
Report Filter - Types: All, Statuses: All

Year	Project Name	Status	FAA	State	Local	Total

All Projects

Year	Project Name	Status	FAA	State	Local	Total
(No Year)						
	PMP	CIP	0.00	0.00	0.00	$0.00
		SubTotal:	**$0.00**	**$0.00**	**$0.00**	**$0.00**
2015						
	Install Lighted Taxiway Guidance Signs (Design-Only)	CIP	65,457.00	0.00	7,273.00	$72,730.00
	Install Runway 14 PAPI's & REIL's (Design-Only)	CIP	65,457.00	0.00	7,273.00	$72,730.00
	Install Taxiway Edge Lighting (Design-Only)	CIP	65,457.00	0.00	7,273.00	$72,730.00
		SubTotal:	**$196,371.00**	**$0.00**	**$21,819.00**	**$218,190.00**
2017						
	Install Lighted Taxiway Guidance Signs (Construction)	CIP	75,000.00	0.00	8,334.00	$83,334.00
	Install Runway 14 PAPI's & REIL's (Construction)	CIP	60,000.00	0.00	6,667.00	$66,667.00
	Install Taxiway Edge Lighting (Construction)	CIP	260,000.00	0.00	28,889.00	$288,889.00
		SubTotal:	**$395,000.00**	**$0.00**	**$43,890.00**	**$438,890.00**
2018						
	Install Perimeter Fencing	CIP	205,000.00	0.00	22,778.00	$227,778.00
	PMP	CIP	20,000.00	0.00	0.00	$20,000.00
		SubTotal:	**$225,000.00**	**$0.00**	**$22,778.00**	**$247,778.00**
2019						
	Carry Over	CIP	0.00	0.00	0.00	$0.00
		SubTotal:	**$0.00**	**$0.00**	**$0.00**	**$0.00**
2020						
	Construct Runway 32 Hold Apron	CIP	180,000.00	0.00	20,000.00	$200,000.00
	Construct Taxiway	CIP	225,000.00	0.00	25,000.00	$250,000.00
		SubTotal:	**$405,000.00**	**$0.00**	**$45,000.00**	**$450,000.00**
2021						
	PMP	CIP	20,000.00	0.00	0.00	$20,000.00

Year	Project Name	Status	FAA	State	Local	Total
		SubTotal:	**$20,000.00**	**$0.00**	**$0.00**	**$20,000.00**
2022						
	Apron Expansion	CIP	450,000.00	0.00	50,000.00	$500,000.00
		SubTotal:	**$450,000.00**	**$0.00**	**$50,000.00**	**$500,000.00**
2023						
	Carry Over	CIP	0.00	0.00	0.00	$0.00
		SubTotal:	**$0.00**	**$0.00**	**$0.00**	**$0.00**
2024						
	Helicopter Parking Pads	CIP	350,000.00	0.00	38,889.00	$388,889.00
	PMP	CIP	20,000.00	0.00	0.00	$20,000.00
		SubTotal:	**$370,000.00**	**$0.00**	**$38,889.00**	**$408,889.00**
All Projects			**$2,061,371.00**	**$0.00**	**$222,376.00**	**$2,283,747.00**

ENGINEER'S ESTIMATE SUMMARY

City of Ontario, Oregon

ONTARIO MUNCIPAL AIRPORT

AIRPORT IMPROVEMENTS FY 2016

FAA AIP PROJECT NO. 3-41-0044-013

BID SCHEDULE "A" INSTALL PAPI, REIL's, & VAULT IMPROVEMENTS	$123,398.61
BID SCHEDULE "B" INSTAL TAXIWAY EDGE LIGHTING	$358,306.39
BID SCHEDULE "C" GUIDANCE SIGNS, APRON LIGHTING, & RUNWAY DESIGNATION REMARKING	$190,766.11

CONSTRUCTION TOTAL	**$672,471.11**
ADMINISTRATION	**$5,000.00**
ENGINEERING	**$152,655.77**
PROJECT TOTAL	**$830,126.88**

PROPOSED FUNDING SUMMARY	
FAA (90%)	**$747,114.19**
CITY OF ONTARIO (10%)	**$83,012.69**

Note: The Engineer has no control over the cost of labor, materials, equipment, or over the Contractor's methods of determining prices or over competitive bidding or market conditions. Opinions of probable costs provided herein are based on the information known to Engineer at this time and represent only the Engineer's judgment as a design professional familiar with the construction industry. The Engineer cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from its opinions of probable costs.

Toby Epler

From: Cayla.Morgan@faa.gov
Sent: Friday, November 06, 2015 12:40 PM
To: Kevin.Yarnell@faa.gov
Cc: Toby Epler
Subject: RE: Ontario Environmental

Based upon the project description, this project is categorically excluded from the requirement to prepare an EA pursuant to FAA Order 1050.1F, Paragraph 5-6.3(b). No further documentation is required.

From: Yarnell, Kevin (FAA)
Sent: Friday, November 06, 2015 8:24 AM
To: Morgan, Cayla (FAA)
Subject: FW: Ontario Environmental

Can you provide an email documenting what you said? (see message below)
w/r

Kevin Yarnell
FAA – Northwest Mountain Region
Seattle Airports District Office
1601 Lind Avenue SW – Suite 250
Renton, Wa 98057-3356
(425)227-2649
Kevin.Yarnell@faa.gov

From: Toby Epler [mailto:tepler@jub.com]
Sent: Friday, November 06, 2015 6:25 AM
To: Yarnell, Kevin (FAA)
Subject: Ontario Environmental

Kevin,

During the joint planning session Cayla said we were good on our environmental clearance for the Ontario Municipal Airport AIP 12 Project, however I don't have any documentation of that for the design report. If I could please get an email confirmation, that would be great. Below is a description of the project and a marked up ALP showing the project scope is attached.

Ontario Municipal Airport AIP 12- The project will consist of the Installation of Runway 14 PAPI's, Installation of Runway 14 REIL's, Installation of Taxiway Edge Lighting, and Installation of Lighted Guidance Signs. The areas to be disturbed by the project have all been used as airport surfaces (Runway Safety Areas & Taxiway Safety Areas) for the past 50 years with multiple airfield projects completed in the general area, so construction impacts will be minimal. The projects are listed and shown on the current ALP. There are no known environmental issues on the Ontario Municipal Airport.

Let me know if you need anything else.

Thanks,

Toby Epler P.E.

CLIFF BENTZ
STATE REPRESENTATIVE

DISTRICT 60
Baker, Grant, Harney, Malheur
and part of Lake County

HOUSE OF REPRESENTATIVES

Oregon Department of Aviation
COAR Grant Program
C/o Jeff Caines
3040 25th St. SE
Salem, OR 97302

September 27, 2016

To whom it may concern:

I am the State Representative for Oregon House District 60, which includes Malheur County and the City of Ontario. I write in support of the Ontario Municipal Airport's application for a COAR Grant to assist in its 2017 Airport Improvement Project (AIP).

The Ontario Municipal Airport's AIP project includes design of parallel taxiway edge lighting, precision approach path runway work, runway REIL's, lighted guidance sings, apron lighting, and runway designation remarking. Each of these elements will increase the safety of the airfield, awareness of the runway location and length, and improve navigation for pilots and those on the ground.

Obviously, Ontario is a small city (population: 11,366) located in one of the most rural regions of Oregon. Improvements to its airport should attract more visitor and business flights and economic opportunities to this area. This project would help Malheur County Search and Rescue, the BLM, and USFS firefighting crews, all of whom utilize the Airport for essential community and County operations.

I urge the Oregon Aviation Department to fund this crucial project for the benefit of Malheur County and Oregon.

Very truly yours,

Representative Cliff Bentz
House District 60

ONTARIO, OREGON

AL-802 (FAA)

15288

RNAV (GPS) RWY 14

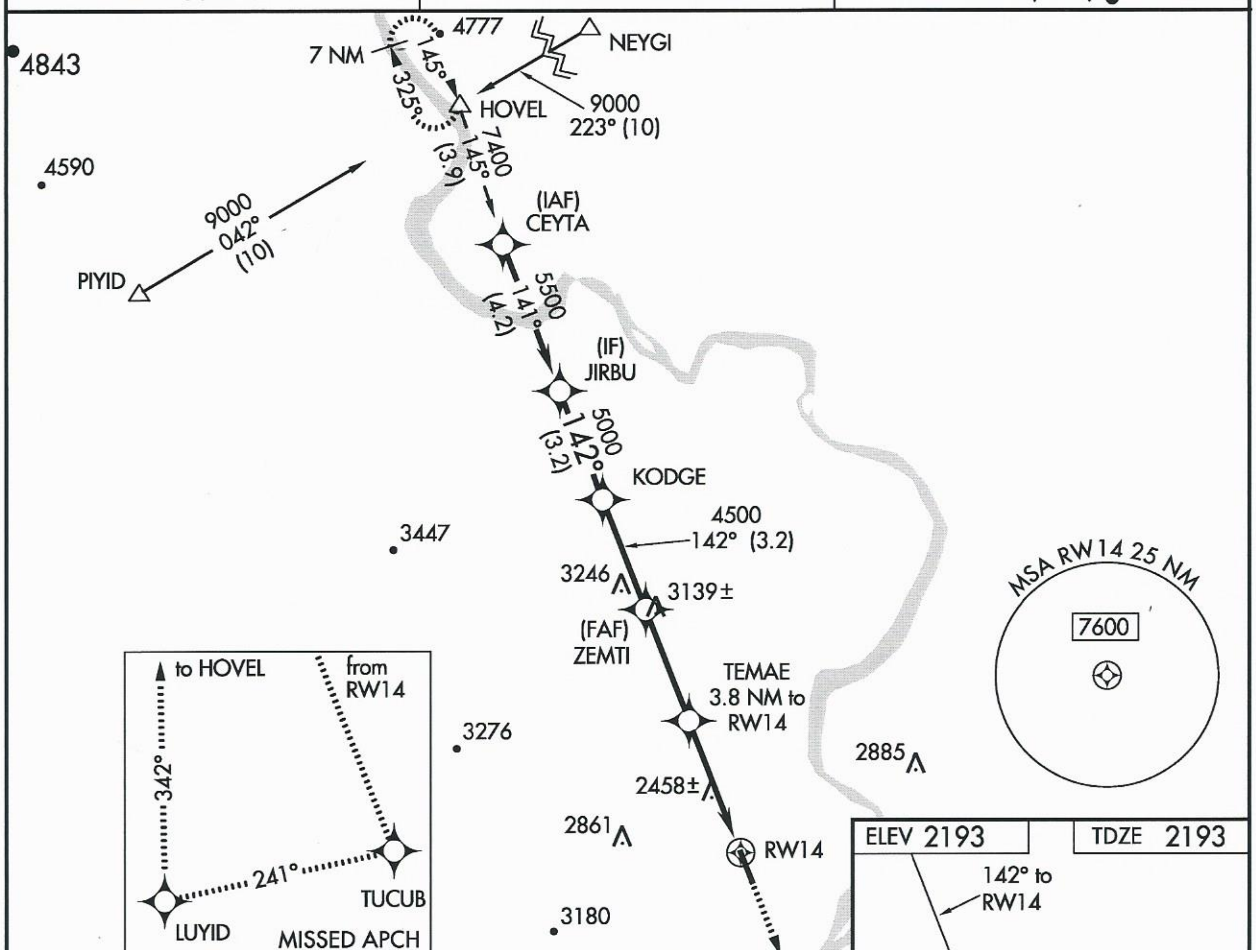
ONTARIO MUNI (ONO)

WAAS CH 78207 W14A	APP CRS 142°	Rwy ldg 5011 TDZE 2193 Apt Elev 2193

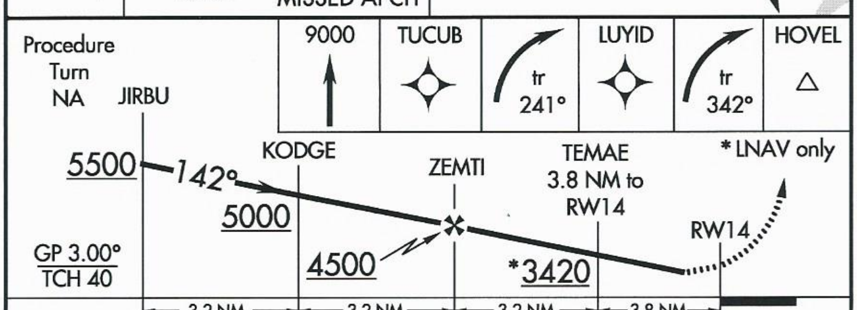
Baro-VNAV NA when using Caldwell altimeter setting. For uncompensated Baro-VNAV systems, LNAV/VNAV NA below -19°C (-2°F) or above 45°C (113°F). DME/DME RNP-0.3 NA. Helicopter visibility reduction below 1 SM not authorized. When local altimeter setting not received, use Caldwell altimeter setting and increase DA/MDA 100 feet, and increase LPV visibility ¼ mile all Cats, LNAV/VNAV visibility ½ mile all Cats, LNAV Cat C and D ¼ mile, Circling Cat C ¼ mile. Rwy 14 Straight-in and Circling minimums NA at night.

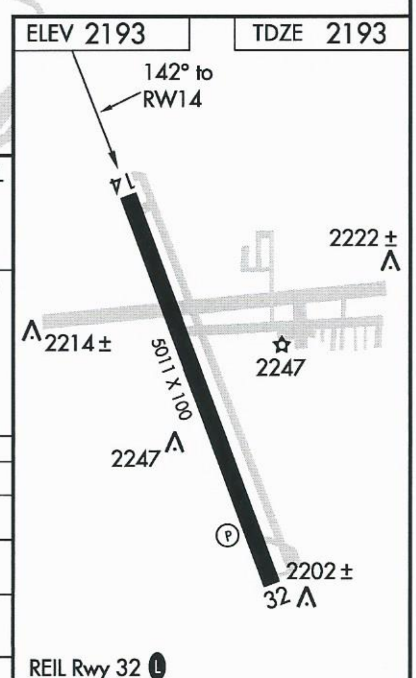
MISSED APPROACH: Climb to 9000 direct TUCUB and right turn via 241° track to LUYID and right turn via 342° track to HOVEL and hold.

ASOS	SALT LAKE CENTER	UNICOM
135.275	128.05 306.95	122.8 (CTAF)



NW-1, 15 SEP 2016 to 13 OCT 2016





CATEGORY	A	B	C	D
LPV DA	2744-2 551 (600-2)			
LNAV/VNAV DA	2781-2 588 (600-2)			
LNAV MDA	2720-1 527 (600-1)		2720-1½ 527 (600-1½)	2720-1¾ 527 (600-1¾)
	2720-1	2760-1	2760-1½	2760-2

CLIFF BENTZ
STATE REPRESENTATIVE

DISTRICT 60
Baker, Grant, Harney, Malheur
and part of Lake County

HOUSE OF REPRESENTATIVES

Oregon Department of Aviation
COAR Grant Program
C/o Jeff Caines
3040 25th St. SE
Salem, OR 97302

September 27, 2016

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I urge the Oregon Aviation Department to fund this crucial project for the benefit of Malheur County and Oregon.

Very truly yours,

Representative Cliff Bentz
House District 60

Capitol Office: 900 Court St NE H-475, Salem, OR 97301 - Phone: 503-986-1460 - rep.cliffbentz@state.or.us

Accounts Payable

Checks by Date - Summary by Check Date

User: kari.ott
Printed: 9/13/2017 10:46 AM

Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	PRFED	PAYROLL TAXES	07/01/2017	1,515.93
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	07/01/2017	383.39
ACH	PRPERS	OREGON PERS	07/01/2017	1,700.29
			Total for 7/1/2017:	3,599.61
ACH	PRFED	PAYROLL TAXES	07/07/2017	141.48
ACH	PRPERS	OREGON PERS	07/07/2017	265.29
121849	&525	American Staffing, Inc.	07/07/2017	972.86
121850	037600	AT&T	07/07/2017	20.47
121851	130624	B & W Car Wash	07/07/2017	27.00
121852	130950	Cable One	07/07/2017	63.75
121853	626400	Campo & Poole Distributing, LLC	07/07/2017	3,753.60
121854	637828	Century Link Communications, LLC	07/07/2017	115.96
121855	520400	DORMANS, INC.	07/07/2017	19.62
121856	879209	Elite Extrication & Equipment	07/07/2017	649.95
121857	270285	ENHANCED TELECOMMUNICATIONS	07/07/2017	319.50
121858	333852	Graphic Impressions	07/07/2017	144.00
121859	879210	Idaho State Police	07/07/2017	100.00
121860	879211	Imaging Center of Idaho	07/07/2017	104.00
121861	879191	Kristy's Custom Sewing	07/07/2017	15.00
121862	425001	Laser Technology, Inc.	07/07/2017	558.00
121863	879189	TERRY LEIGHTON	07/07/2017	12.60
121864	436000	Lindsay Eco Water	07/07/2017	10.00
121865	610100	MALHEUR MEMORIAL HEALTH CENT	07/07/2017	160.00
121866	618100	PHYSICIANS PRIMARY CARE CENTEF	07/07/2017	17.00
121867	641142	The Radar Shop, Inc.	07/07/2017	567.00
121868	879145	Silver Signet, LLC	07/07/2017	380.00
121869	878931	Tire Factory of Ontario	07/07/2017	617.00
121870	788402	TransUnion Risk & Alternative Data Soluti	07/07/2017	140.00
121871	863995	White Cloud Communications-Boise, Inc.	07/07/2017	13,725.08
121872	862500	Wilbur-Ellis Company, LLC	07/07/2017	100.00
121873	879026	ACCELA, INC. #774375	07/07/2017	18,629.68
121874	UB*11308	HEATHER BURKS	07/07/2017	27.81
121875	130950	Cable One	07/07/2017	297.95
121876	143500	Cascade Fire Equipment Company	07/07/2017	43.54
121877	192000	CDW GOVERNMENT	07/07/2017	2,412.00
121878	15101	CITY OF ONTARIO	07/07/2017	3,900.00
121879	879028	DAN CUMMINGS	07/07/2017	35.00
121880	210200	CUSTOM MICRO INTERACTIVE	07/07/2017	5,000.00
121881	879025	iFOCUS CONSULTING	07/07/2017	14,400.00
121882	UB*11311	ANDREW KLOOSTERMAN	07/07/2017	116.56
121883	UB*11300	ROSIE KNAPP	07/07/2017	34.81
121884	428195	LEADS ONLINE, LLC	07/07/2017	1,668.00
121885	428200	LEAGUE OF OREGON CITIES	07/07/2017	8,176.60
121886	434008	Lexipol, LLC	07/07/2017	6,248.00
121887	436000	Lindsay Eco Water	07/07/2017	7.00

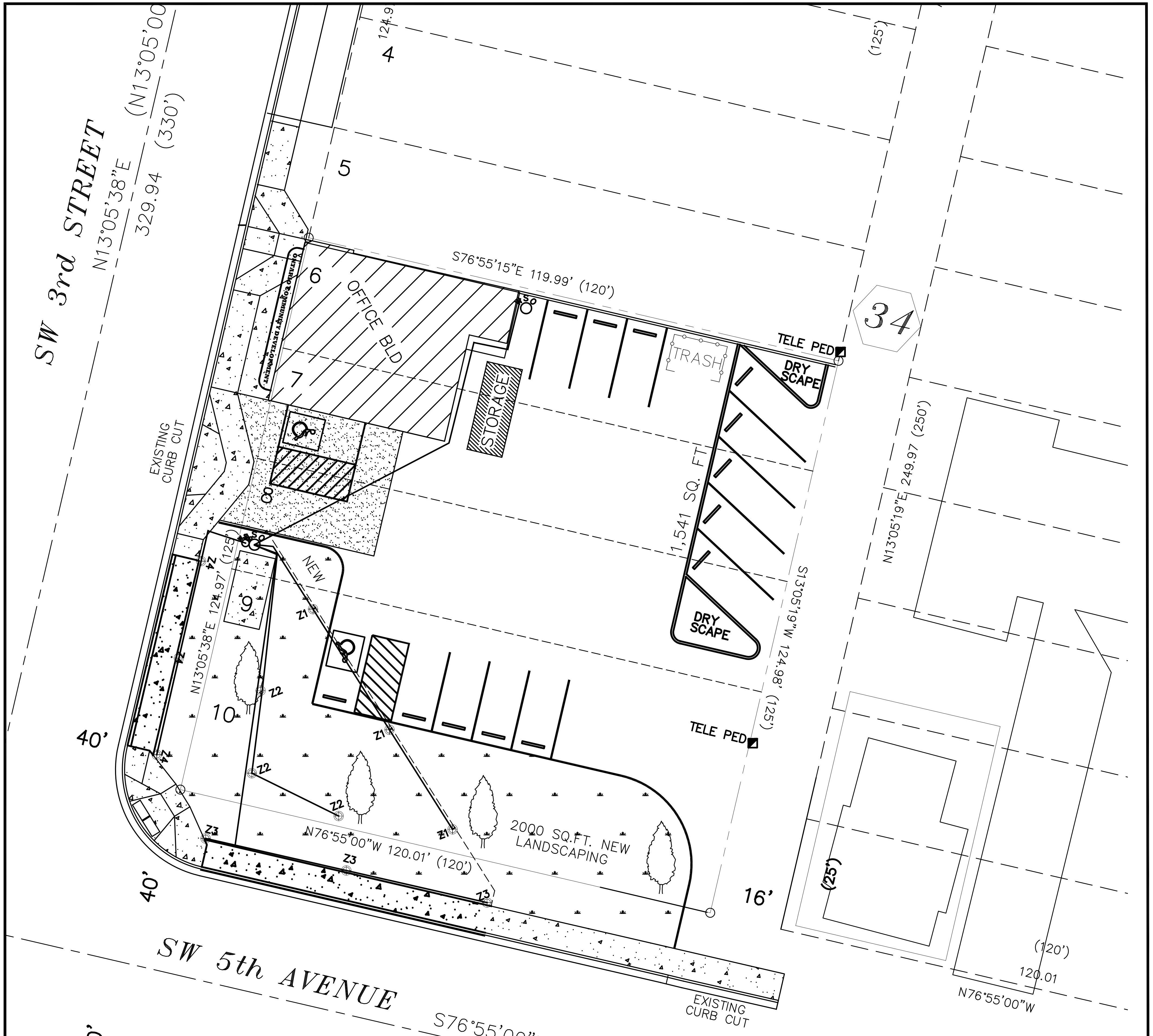
Check No	Vendor No	Vendor Name	Check Date	Check Amount
121888	MALLEAM/	MALLORY MALLEA	07/07/2017	35.00
121889	477523	MUNICIPAL CODE CORPORATION	07/07/2017	350.00
121890	509600	NORTHWEST INSURANCE GROUP, IN(	07/07/2017	2,915.00
121891	539200	ONTARIO AREA CHAMBER OF COMM	07/07/2017	1,500.00
121892	&419	Ontario Lions Club	07/07/2017	140.00
121893	583401	OREGON DEPT OF ENVIRONMENTAL	07/07/2017	840.00
121894	UB*11310	MCKENZIE PURNELL	07/07/2017	36.71
121895	368050	Robb Enterprises	07/07/2017	107.29
121896	UB*11309	LESLIE ROBINSON	07/07/2017	55.22
121897	684622	MARCY SIRIWARDENE	07/07/2017	35.00
121898	802400	UNION PACIFIC RAILROAD COMPANY	07/07/2017	451.53
121899	847905	WES TEK MARKETING, LLC	07/07/2017	1,943.64
121900	ZINKA	ANITA ZINK	07/07/2017	35.00
121901	583401	OREGON DEPT OF ENVIRONMENTAL	07/07/2017	62,513.11
			Total for 7/7/2017:	154,953.61
121902	879087	ADAM BROWN	07/10/2017	124.50
			Total for 7/10/2017:	124.50
ACH	PRFED	PAYROLL TAXES	07/11/2017	294.28
ACH	PRPERS	OREGON PERS	07/11/2017	551.80
			Total for 7/11/2017:	846.08
21931	879213	Cameron Saito	07/14/2017	1,280.00
121903	032180	Anytime Septic Service, LLC	07/14/2017	105.00
121904	033300	Argus Observer	07/14/2017	111.30
121905	144000	Cascade Natural Gas Corporation	07/14/2017	13.72
121906	637830	Century Link	07/14/2017	75.10
121907	247940	DOOLEY ENTERPRISES, INC	07/14/2017	1,476.00
121908	382005	Interpath Laboratory, Inc.	07/14/2017	9.35
121909	22427	Murrysmith, Inc.	07/14/2017	23,261.20
121910	572000	Ontario Sanitary Service, Inc.	07/14/2017	137.44
121911	242083	STATE OF OREGON DEPARTMENT OF	07/14/2017	3.00
121912	516494	State of Oregon Department of Transportati	07/14/2017	12,849.09
121913	528405	Oster Professional Group, LLC	07/14/2017	23,000.00
121914	716553	ST LUKE'S	07/14/2017	46.00
121915	&357	Larry A. Sullivan	07/14/2017	1,207.50
121916	879146	Toshiba Financial Services	07/14/2017	2,442.72
121917	831840	VALLEY PAVING & ASPHALT, INC	07/14/2017	12,386.22
121918	878957	Valli Information Systems, Inc.	07/14/2017	1,943.16
121919	879151	Waste-Pro	07/14/2017	30.00
121920	879202	West Valley Construction	07/14/2017	7,886.54
121921	879214	Baker Packing	07/14/2017	975.00
121922	130950	Cable One	07/14/2017	63.75
121923	879215	Diego Castro	07/14/2017	41.00
121924	637830	Century Link	07/14/2017	1,466.48
121925	180798	CIS TRUST	07/14/2017	217,246.44
121926	634311	Frazier Aviation, LLC	07/14/2017	425.00
121927	324000	Gem State Communications, Inc.	07/14/2017	470.00
121928	428200	LEAGUE OF OREGON CITIES	07/14/2017	2,200.00
121930	589200	OREGON MAYORS ASSOCIATION	07/14/2017	275.00
121932	738560	TAILORED SOLUTIONS CORPORATIO!	07/14/2017	705.00
121933	878921	WILKINS SAW & POWER EQUIPMENT	07/14/2017	75.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
121934	774001	Wtechlink	07/14/2017	301.00
			Total for 7/14/2017:	312,507.01
121936	832852	Wells Fargo Business Elite Card	07/24/2017	7,947.26
121937	344128	City of Fruitland	07/24/2017	9,796.57
121938	878973	Guardian Management Company	07/24/2017	107.75
121939	376000	Idaho Power	07/24/2017	1,875.43
121940	22427	Murrysmith, Inc.	07/24/2017	1,035.00
121941	718000	STATE OF OREGON EMPLOYMENT DE	07/24/2017	55.44
121942	528405	Oster Professional Group, LLC	07/24/2017	23,000.00
121943	682495	SBE OREGON LLC	07/24/2017	2,463.03
121944	879216	Snake River Logistics	07/24/2017	575.00
121945	&686	Woodgrain Millworks	07/24/2017	725.00
121946	033300	Argus Observer	07/24/2017	114.40
121947	144000	Cascade Natural Gas Corporation	07/24/2017	14.39
121948	UB*11316	ESMERALDA FAJARDO	07/24/2017	51.51
121949	&260	FOUR RIVERS CULTURAL CENTER	07/24/2017	26,415.43
121950	420000	John Deere Financial	07/24/2017	7.58
121951	UB*11315	ASHLEY JOSEPHSON	07/24/2017	59.95
121952	879218	Richard Kerfoot	07/24/2017	300.00
121953	UB*11314	MARIA T. MARTINEZ @ retl (m\r)	07/24/2017	152.68
121954	539200	ONTARIO AREA CHAMBER OF COMM	07/24/2017	21,429.27
121955	532000	Ontario Bearing & Hydraulic, Inc.	07/24/2017	8.14
121956	UB*11313	ALFREDO RIVERA	07/24/2017	65.70
121957	879217	Parents of Brady & Kendall Roland	07/24/2017	79.00
121958	879145	Silver Signet, LLC	07/24/2017	130.00
121959	UB*11312	CASEY SOPER -	07/24/2017	15.02
121960	UB*11317	VANESSA ZENOR	07/24/2017	8.93
			Total for 7/24/2017:	96,432.48
21929	113500	ALLEN MONTGOMERY	07/28/2017	428.00
121961	028000	ANDERSON PERRY & ASSOC., INC.	07/28/2017	13,800.00
121962	143500	Cascade Fire Equipment Company	07/28/2017	23.34
121963	878915	CH2M HILL, OMI	07/28/2017	116,581.02
121964	COOPJ	JASON COOPER	07/28/2017	139.99
121965	376000	Idaho Power	07/28/2017	2,179.88
121966	440000	LN CURTIS & SONS	07/28/2017	66.24
121967	441140	LOOKS NU, INC	07/28/2017	95.00
121968	863995	White Cloud Communications-Boise, Inc.	07/28/2017	900.00
121969	878992	Wolfcom Enterprises	07/28/2017	1,789.96
121970	637830	Century Link	07/28/2017	371.28
121971	173000	CHIEF SUPPLY CORPORATION, INC	07/28/2017	502.95
121972	879191	Kristy's Custom Sewing	07/28/2017	88.00
121973	572000	Ontario Sanitary Service, Inc.	07/28/2017	306.94
121974	594388	OREGON FIRE CHIEFS ASSOCIATION	07/28/2017	85.00
121975	879212	Uniforms 2 Gear	07/28/2017	460.02
121976	823500	VALE ELECTRIC,INC.	07/28/2017	754.90
			Total for 7/28/2017:	138,572.52
ACH	PRAFLAC	AMERICAN FAMILY LIFE ASSURANCE	07/31/2017	2,190.61
ACH	PRAMERF	AMERICAN FUNDS GROUP	07/31/2017	500.00
ACH	PRCCIS	E B S TRUST	07/31/2017	61,740.25
ACH	PRFED	PAYROLL TAXES	07/31/2017	75,297.36

Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	PRNATW	NATIONWIDE RETIREMENT SOLUTIO	07/31/2017	750.00
ACH	PRORJU	OREGON DEPARTMENT OF JUSTICE	07/31/2017	435.00
ACH	PRORTAXE	OREGON DEPARTMENT OF REVENUE	07/31/2017	19,350.07
ACH	PROSGP	OREGON SAVINGS & GROWTH PLAN	07/31/2017	2,200.00
ACH	PRPERS	OREGON PERS	07/31/2017	79,438.65
19238	PRICMA	I C M A RETIREMENT TRUST 457	07/31/2017	150.00
19239	PRIDCHIL	IDAHO CHILD SUPPORT RECEIPTING	07/31/2017	734.96
19240	PRLINC	LINCOLN NATIONAL LIFE INS CO	07/31/2017	350.00
19241	PRSFIRE	STERLING SAVINGS BANK	07/31/2017	315.00
19242	PRUTCH	UTAH, OFFICE OF RECOVERY SERVIC	07/31/2017	716.00
			Total for 7/31/2017:	244,167.90
121977	270285	ENHANCED TELECOMMUNICATIONS	08/07/2017	48.50
121978	451750	MALHEUR COUNTY SHERIFF'S OFFIC	08/07/2017	48,536.00
121979	583450	State of Oregon Department of Corrections	08/07/2017	3,240.00
121980	614087	Peace Officers Research Association of Cal	08/07/2017	12.00
121981	&525	American Staffing, Inc.	08/07/2017	1,916.80
121982	879130	ANI-CARE ANIMAL SHELTER, INC.	08/07/2017	1,370.08
121983	037600	AT&T	08/07/2017	20.69
121984	130624	B & W Car Wash	08/07/2017	39.00
121985	010500	Tori Barnett	08/07/2017	186.28
121986	626400	Campo & Poole Distributing, LLC	08/07/2017	2,821.42
121987	637828	Century Link Communications, LLC	08/07/2017	75.36
121988	878915	CH2M HILL, OMI	08/07/2017	856,595.51
121989	364000	Clarion Inn	08/07/2017	69.62
121990	879220	Caitlin Cruickshank	08/07/2017	53.11
121991	879028	DAN CUMMINGS	08/07/2017	35.00
121992	324000	Gem State Communications, Inc.	08/07/2017	470.00
121993	878973	Guardian Management Company	08/07/2017	849.22
121994	441140	LOOKS NU, INC	08/07/2017	59.00
121995	MALLEAM/	MALLORY MALLEA	08/07/2017	35.00
121996	MCLEAN	MIKE MCLEAN	08/07/2017	29.82
121997	614087	Peace Officers Research Association of Cal	08/07/2017	351.00
121998	879149	PROFORCE LAW ENFORCEMENT	08/07/2017	4,340.83
121999	684622	MARCY SIRIWARDENE	08/07/2017	35.00
122000	686822	Sprint	08/07/2017	108.83
122001	738993	Tangent Computer	08/07/2017	2,445.00
122002	878931	Tire Factory of Ontario	08/07/2017	238.00
122003	879146	Toshiba Financial Services	08/07/2017	1,625.50
122004	788402	TransUnion Risk & Alternative Data Soluti	08/07/2017	140.00
122005	878957	Valli Information Systems, Inc.	08/07/2017	191.54
122006	288897	Verizon	08/07/2017	1,317.42
122007	879151	Waste-Pro	08/07/2017	30.00
122008	878921	WILKINS SAW & POWER EQUIPMENT	08/07/2017	40.06
122009	ZINKA	ANITA ZINK	08/07/2017	35.00
			Total for 8/7/2017:	927,360.59
122010	879221	Bulls & Broncs Extravaganza	08/11/2017	5,000.00
122011	539200	ONTARIO AREA CHAMBER OF COMM	08/11/2017	1,825.00
122012	686805	SNAKE RIVER NISEI GOLF ASSOCIATI	08/11/2017	4,000.00
122013	130624	B & W Car Wash	08/11/2017	42.00
122014	408200	J-U-B Engineers, Inc.	08/11/2017	14,707.73
122015	005000	A-1 KEY & LOCK SERVICE	08/11/2017	31.00
122016	UB*11320	JAIME ALEJANDRO	08/11/2017	24.04
122017	032180	Anytime Septic Service, LLC	08/11/2017	175.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
122018	130950	Cable One	08/11/2017	297.95
122019	626400	Campo & Poole Distributing, LLC	08/11/2017	3,693.16
122020	143500	Cascade Fire Equipment Company	08/11/2017	64.00
122021	637830	Century Link	08/11/2017	1,519.86
122022	364000	Clarion Inn	08/11/2017	76.50
122023	247940	DOOLEY ENTERPRISES, INC	08/11/2017	1,556.54
122024	634311	Frazier Aviation, LLC	08/11/2017	425.00
122025	UB*11319	EMMA HANCOCK	08/11/2017	81.57
122026	368200	Hughes Fire Equipment, Inc.	08/11/2017	57.95
122027	392000	INTERSTATE ELECTRIC SUPPLY, INC	08/11/2017	25.69
122028	UB*11321	SHANNON KELLY	08/11/2017	50.36
122029	879191	Kristy's Custom Sewing	08/11/2017	4.00
122030	441140	LOOKS NU, INC	08/11/2017	18.00
122031	500400	NORCO, INC.	08/11/2017	478.99
122032	879142	OAMR --CITY OF MEDFORD	08/11/2017	510.00
122033	528405	Oster Professional Group, LLC	08/11/2017	23,000.00
122034	&357	Larry A. Sullivan	08/11/2017	2,313.10
122035	UB*11318	KATHERINA TONN	08/11/2017	11.69
122036	878957	Valli Information Systems, Inc.	08/11/2017	1,947.67
122037	862500	Wilbur-Ellis Company, LLC	08/11/2017	696.25
			Total for 8/11/2017:	62,633.05
ACH	PRFED	PAYROLL TAXES	08/18/2017	205.54
ACH	PRPERS	OREGON PERS	08/18/2017	318.64
122038	879133	COMMUNITY IN ACTION	08/18/2017	9,984.70
122039	428200	LEAGUE OF OREGON CITIES	08/18/2017	338.60
122040	456402	Malheur County Clerk	08/18/2017	67.00
122041	832852	Wells Fargo Business Elite Card	08/18/2017	726.91
122042	240100	STATE OF OREGON DCBS-FISCAL SER	08/18/2017	2,924.42
122043	879176	SEDER ARCHITECTURE & URBAN DE	08/18/2017	2,000.00
122044	007140	LIZ AMASON	08/18/2017	164.00
122045	879130	ANI-CARE ANIMAL SHELTER, INC.	08/18/2017	1,370.08
122046	879016	BOISE MOBILE EQUIPMENT	08/18/2017	442.00
122047	130950	Cable One	08/18/2017	72.22
122048	626400	Campo & Poole Distributing, LLC	08/18/2017	4,054.19
122049	144000	Cascade Natural Gas Corporation	08/18/2017	13.05
122050	173000	CHIEF SUPPLY CORPORATION, INC	08/18/2017	281.31
122051	879133	COMMUNITY IN ACTION	08/18/2017	21,686.10
122052	879019	FOUR RIVERS LAWN & GARDEN	08/18/2017	65.00
122053	344128	City of Fruitland	08/18/2017	12,541.95
122054	324000	Gem State Communications, Inc.	08/18/2017	470.00
122055	333852	Graphic Impressions	08/18/2017	630.00
122056	UB*11323	GUADALUPE HERNANDEZ	08/18/2017	109.55
122057	382005	Interpath Laboratory, Inc.	08/18/2017	143.04
122058	073400	DEBORAH L JEFFRIES	08/18/2017	18.19
122059	879045	M & L Equipment, LLC	08/18/2017	7,128.71
122060	UB*11322	HEATHER MCLEAN &	08/18/2017	51.93
122061	879161	Robert Metzger	08/18/2017	17.97
122062	UB*11324	JOSE MONCADA	08/18/2017	88.44
122063	602320	NAPA AUTO PARTS	08/18/2017	73.49
122064	879163	ONTARIO AUTO RANCH	08/18/2017	110.00
122065	242083	STATE OF OREGON DEPARTMENT OF	08/18/2017	3.00
122066	516494	State of Oregon Department of Transportati	08/18/2017	263.08
122067	583401	OREGON DEPT OF ENVIRONMENTAL	08/18/2017	341.00
122068	642080	PETTY CASH	08/18/2017	224.93
122069	879222	Stone Mountain Music	08/18/2017	250.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
122070	738002	Symbol Arts, LLC	08/18/2017	110.00
122071	878965	Western States Asphalt, LLC	08/18/2017	51,144.73
122072	878992	Wolfcom Enterprises	08/18/2017	60.00
			Total for 8/18/2017:	118,493.77
122073	&260	FOUR RIVERS CULTURAL CENTER	08/21/2017	27,973.54
122074	832852	Wells Fargo Business Elite Card	08/21/2017	9,925.39
122075	539200	ONTARIO AREA CHAMBER OF COMM	08/21/2017	22,840.76
122076	879223	John Freeberg	08/21/2017	500.00
			Total for 8/21/2017:	61,239.69
122077	816597	BANK OF EASTERN OREGON	08/22/2017	30,988.84
122078	UB*11326	ANGELA EHRHARDT **	08/22/2017	26.68
122079	UB*11327	DEBBIE\WILLIAM GENTRY\ FLOWERS	08/22/2017	214.54
122080	UB*11325	JANET THACKER	08/22/2017	73.28
122081	879167	David Worth	08/22/2017	35.98
			Total for 8/22/2017:	31,339.32
122082	879173	Tonia Montgomery	08/24/2017	240.00
			Total for 8/24/2017:	240.00
19287	PRICMA	I C M A RETIREMENT TRUST 457	08/31/2017	150.00
19288	PRIDCHIL	IDAHO CHILD SUPPORT RECEIPTING	08/31/2017	734.96
19289	PRLINC	LINCOLN NATIONAL LIFE INS CO	08/31/2017	350.00
19290	PRSFIRE	STERLING SAVINGS BANK	08/31/2017	360.00
19291	PRUTCH	UTAH, OFFICE OF RECOVERY SERVIC	08/31/2017	716.00
			Total for 8/31/2017:	2,310.96
			Report Total (261 checks):	2,154,821.09



PHASE 4B
CITY OF ONTARIO
COMMUNITY DEVELOPMENT SITE
Lots 6 thru 10
Block 34 Originals Townsite
City of Ontario,
Malheur County, Oregon

PROPOSAL:

FRANK LANE THE OWNER OF THE APARTMENTS EAST OF THE COMMUNITY DEVELOPMENT CENTER IS WANTING TO REPLACE THE EXISTING OLD HOUSE WITH A NEW TRIPLEX. IN ORDER TO ACCOMPLISH THIS HE WOULD LIKE TO BUY OR LEASE AN AREA FROM THE CITY FOR 5 PARKING STALLS AND FUTURE COVER.

FRANK HAS MADE THE FOLLOWING OFFER:

1). TO LEASE THE PROPERTY UNDER A 99 YEAR LEASE AT $1.00 PER SQUARE FOOT (1541 SQ. FT) WHICH WOULD BE $1,541.00 PER YEAR PAYABLE IN ADVANCE EACH YEAR.

2). HE WILL PAY FOR HIS HALF OF THE ALLEY BEING PAVED ALONG WITH THE PORTION UNDER THE LEASE AND ADJACENT ALLEY PAVING COSTS.

3). HE WILL PAY FOR AND MAINTAIN THE STRIPPING AND PARKING AREA OF HIS LEASE.

4). THE CITY WILL PROVIDE THE TRASH ENCLOSURE AREA AND APARTMENT OWNER WILL PAY FOR THE LARGE DUMPSTER TO BE SHARED BY THE CITY COMMUNITY DEVELOPMENT CENTER AND THE APARTMENT COMPLEX.

5). THE CITY WILL INSTALL THE EXTRA ADA PARKING STALL THAT WILL BE CONSIDERED AS FOR PLANNING PURPOSE A SHARED STALL USED BY BOTH THE CITY AND THE APARTMENT COMPLEX.

NOTE: THE COMMUNITY DEVELOPMENT CENTER BASED ON CURRENT CODES FOR THE SIZE OF THE FACILITY IS REQUIRED TO HAVE 5 PARKING STALLS AND UNDER THE PLAN WILL HAVE 9.

THE PROPOSED APARTMENT COMPLEX WITH THE NEW ADDITION REQUIRES 27 PARKING STALLS AND WITH THE LEASE WILL HAVE 27 STALLS WITH ONE ON SITE ADA STALL AND ONE SHARED OFFSITE ADA STALL.