

ONTARIO CITY COUNCIL MEETING MINUTES

June 3, 2013

The regular meeting of the Ontario City Council was called to order by Council President Dan Jones at 7:00 p.m. on Monday, June 3, 2013, in the Council Chambers of City Hall. Council members present were Norm Crume, Jackson Fox, Charlotte Fugate, Dan Jones, Larry Tuttle, and Ron Verini.

Members of staff present were Jay Henry, Tori Barnett, Larry Sullivan, Mark Alexander, and Mike Long. The meeting was recorded, and copies are available at City Hall.

Jackson Fox led everyone in the Pledge of Allegiance.

AGENDA

Norm Crume moved, seconded by Jackson Fox, to adopt the Agenda as presented. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes. Motion carried 6/0/0.

CONSENT AGENDA

Ron Verini moved, seconded by Jackson Fox, to approve Consent Agenda Item A: Minutes of the Regular Meeting of May 20, 2013; and Item B: Approval of the Bills. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes. Motion carried 6/0/0.

DEPARTMENT HEAD UPDATES

Jay Henry, City Manager, presented a plaque to Mike Long, Finance Director. The plaque was for outstanding service for Mike Long in the performance in his duties as Finance Director. Since Mike had come on in February, he had turned around the performance of the Finance Department; he had found several areas that needed to be improved on; he had made improvements; and he had exhibited a level of personal integrity and ethical behavior that everyone should be striving for. Everyone was glad he was on board.

Mike Long, Finance Director, distributed a summary to date on financials through April. Page 1 showed the overall picture. On another handout, it reflected some errors that had been found and changes made in the budget that would be going before Council for approval June 17th. He had also been asked to do some research on SDCs, and found those funds could not be spent that way it was set up, so those funds had been moved to Roads, listed as City Beautification. Another issue discovered was out-of-whack issues between Roads and Capital Projects in the financial system. Last Friday, he spoke with Springbrook, and they had corrected the issue. On page 16, the Capital Funds project was still at \$320K, but the Street Fund changed, but that was in the prior year, so nothing changed for next year's funds, other than the YTD balance. The Roads was running in the red, and was now in the black for the current year. It did not affect next year's projections. They would go over it all in greater detail at the budget adoption meeting on the 17th.

Mr. Henry stated to brag on Mike just a bit more, the document Mr. Long had distributed also reflected a snapshot of where the city's budget was right now. The percentages of where each department should be at this point in the budget. He was also doing some research into the 004 department – Administrative Overhead – and was attempting to divvy out costs, which hadn't been done before. There were several things in 004 that shouldn't be, such as the Facilities Maintenance payroll and supplies.

PUBLIC COMMENT

Ruth Rolland, Ontario, stated *"I've attended all the recent Council meetings and City Council Work Sessions, in fact I've been attending them for quite a long time now. I've seen this repeated pattern in which several members of City Council attack a Department Head or employee during a particular Work Session. A few days later, the attacked individual departs either fired or resigned. It's a matter of semantics. I do not believe it's a healthy pattern for city government, any more than it is for conducting business in the private sector, but the pattern continues here in Ontario. I suppose that the thing that I do not know is whether these planned attacks on city staff have been launched with the City Manager's knowledge before the public meeting starts, or do these ambushes catch him by surprise also. My understanding has been that the Department Heads answer to the City Manager directly, rather than to City Council. The thing is, the attitudes of city government towards their own city employees, tells you a lot about how the city's leadership views the citizens of the whole city. One of the newspaper articles in Sunday's Argus Observer this last Sunday discussed some of Ontario's leader's views when it comes to serving Ontario's residents. There seems to be a distinction between those who are viewed as paying for things and the city's "takers". That's a false distinction, and it creates a false and destructive wedge between all the people in the community. We should all be pulling in the same direction for the same successful future for the City of Ontario, and the successful future means successful for everybody offering meaningful and enabling services to every citizen and every kind of participant in the Ontario community. We are not fostering a positive and inclusive community for our citizens with the current attitude of Ontario's leadership. Citizens need to be valued. Services for all Ontario residents need to be supported. All people deserve respect. Each has individual worth. No citizen should be viewed as if somehow less worthy, so the city need not care about their role and contributions within the community. It's the same problem with the city's Public Works employees. Every citizen and worker deserves nothing less than respect and fairness. The city has never looked these city employees in the eye and dealt with them fairly on their contract negotiations. These workers are carrying signs outside City Hall again this evening, still looking for fairness from the City Council."*

Fred King, Ontario, stated *"I usually harp on about the Aquatic Center, but this time I'm going to talk about the bus transit. Up on the wall there, there is the Mission Statement, which I've mentioned before, which I don't feel like you follow it at all, about the quality of life. In the Preamble to the Constitution, it says "promote the general welfare". I don't think this City Council does that either. The bus system – any city should have a bus system of this size. It is not going to be self-contained. It's not going to pay for itself. I don't know of any bus system that ever has. Ontario has decreased the funding over the past few years. The ridership grows in that time. What's going to happen when the two hospitals open up in Fruitland? I imagine a lot of Ontario people are going to head over to Fruitland now, using the transit system, to go there. So, it's not all the people coming from Fruitland and Payette to Ontario; there's going to be people from here going there. The Chair of the Budget Committee has come out very vehemently against the transit system. He even thought letting kids ride free to the pool was poor judgment on the transit authority. That's ridiculous. I think there are members of this City Council that need to take a sensitivity course."*

OLD BUSINESS

Mayor Vacancy Updates

It was noted that two additional letters of interest had been received.

Councilor Verini stated it was interesting that the two that came in appeared to be qualified. Each Councilor needed to read the letters, and then they needed to determine when and where they wanted to sit down and speak with the candidates to see if they would be interested in working together. The next procedure would be a serious review of the letters. The next session would be involved with the budget process, so they should limit that agenda to the budget actions. After that process, maybe deal with the Mayoral position at that time.

TOT Update

Nothing further to add.

Aquatic Center

Councilor Fugate asked if anyone had taken a tour of the roof. She planned to do the tour on Wednesday. She believed they should all tour and provide comments.

Councilor Tuttle stated he had, but he didn't concur completely with Alan Daniel's comments. He didn't "disagree" with Alan, but he didn't know where the information came from, and that led to some questions. It wasn't anything that Alan had done, nor was he questioning Alan, but he did question the information Alan had.

Councilor Fugate stated she had provided her Aquatic Center file to Jerry [Elliot, Facilities Maintenance], who indicated that he had also located the Master Plan and the structural report that could maybe answer some questions.

Councilor Tuttle stated he had seen the report, but it was a lot of calculations.

Councilor Fugate stated she had one from 2006, and was sure things had changed since then.

Councilor Fox stated the way the building had been altered, in his opinion, led to some of the reasons for the problems. He couldn't see why some of the things were done the way they had been.

Councilor Fugate stated she was pleased to see the Council stepping up and looking into it. She didn't want to see another Band-Aid put on it – get it done right this time.

Councilor Verini asked if, when Councilor Tuttle and Councilor Fox had gone up on the roof, did they agree about the ventilation system that Alan was talking about? Wasn't the entire roof leaking?

Councilor Tuttle stated not entirely, and the last layer of roofing was shot. He didn't know when that had been applied.

Councilor Fox stated he didn't know when the white foam had been applied, but in his opinion that seemed to be a problem. That wasn't in the original design, and had been added later. After speaking with Marcy [Skinner], it might be that everything that had been done might not have had a permit pulled.

Councilor Crume asked what Councilor Tuttle didn't agree with from Alan's report.

Councilor Tuttle stated the moisture was coming from the top; he didn't believe it was coming up from the bottom.

Councilor Fox stated it was between the white foam and upwards. The foam was a type of moisture barrier, so it couldn't come from the bottom up. Humidity was going to destroy the building from the inside out.

Councilor Verini asked if any additional information had been received from Alan with regard to the roof.

Jay Henry, City Manager, stated the vendor had been out that day ventilating the roof and doors. Alan had also taken steps to lower the air and water temperatures, as both were adding to the humidity issues. Also, he was looking into the way they were storing the chlorine on site.

Councilor Fugate stated there had been a study done by a consultant on the pool, but the Council never received a copy. She would like to see that.

Mr. Henry stated that report had been done by CIS, and he would get copies to the Council.

NEW BUSINESS

Resolution #2013-120: Establishing Storm Drain User Fees

Mike Long, Finance Director, stated the purpose of this agenda item was to increase the Storm Drain User Fees that were established in 1984. The last increase was October 1, 2000. The storm drain users fees needed to keep pace with the cost of operations and maintenance of the facilities, and the Fund was currently operating in a deficit.

The City of Ontario determined that it was in the best interest of the public to provide for the establishment, operation, and maintenance of open drainage ways, storm drains, culverts, detention basins, outfall structures, pumps and appurtenances necessary, useful, and convenient for a complete storm water drainage system and to meet mandated requirements of regulatory agencies. The Public Works Committee met on April 25, 2013 and recommended the increase. They also recommend to the City Council that staff come up with some other alternatives for a flat rate and bring that back to the Public Works Committee.

The current rates were: single-family \$1.16 per month; multi-family \$0.48/unit per month; mobile home park \$0.70/space per month; commercial unit \$6.41/business per month; and industrial units at a measured rate. They proposed increasing the fee to: single-family \$1.51 per month; multi-family \$0.63/unit per month; mobile home park \$0.91/space per month; commercial unit \$8.33/business per month; and industrial units at measured rate. The minimum charge per user would be \$1.51 per month. To date, they were currently running \$235K in the Drain Sewer Maintenance account. The proposed increase was to try and eliminate the deficit.

Councilor Jones stated on the \$225K, he assumed that had been carried forward on each budget year?

Mr. Long stated that was correct. \$225K was carried from the previous 2009-2011 period, and it went deeper into the hole during that period. That's what he was currently working on, to see where it went wrong. The last Audit had it at \$225,365 end of July, 2011.

Councilor Jones stated if he was reading it correctly, in 2011-2012 they went from \$225K to \$236K, in the hole.

Mr. Long stated that was correct. The carryover deficit was \$225,365.

Councilor Jones stated in looking at 2013, the deficit had not increased.

Mr. Long stated some money was not spent, and it was at \$235,104 as of April 30, 2013. They had slowed it up some. They were in the red for the month of December, but in January-April, there was positive revenue. They didn't spend more than what they took in.

Councilor Jones stated one of the concerns he had with the rate increase was from as bad as the books had been in the past, who knew what the legitimate number was. So, legally, he wanted it explained – was it illegal to clean this account up? This was part of Public Works – he was questioning the \$225K, and had it actually come from the Storm Drain account from the previous year. That was just based on how they did the books in the past.

Mr. Long stated he had been working from 2008 forward, and it appeared that in 2010 they switched from one fund into multiple. That's when the deficit showed up. That was all under review.

Councilor Jones stated with this increase, there was no pro forma to show that they would cover their next budget with revenue. He would like to see a pro forma projection of revenues from Storm on the new rates, and the old rates, too. If they were cash flowing, how could they clean up the deficit so they could start out correctly, with a clean slate, before increasing rates by 23%?

Mr. Long stated it would be written up by the Auditors as a negative, saying it needed to be corrected. The city would put a plan in place. The Auditors recommended several things that could be changed, but that'd take longer than June 30th. But, if they had that all in place - the plan - that should make them happy.

Councilor Fox asked Dan Cummings if the Public Works Committee had reviewed this action.

Dan Cummings, Public Works Committee member, stated yes, he brought it to the Public Works Committee on April 25th. The Committee was aware that for the past 12 years they needed to come up with a better rate for this. The Committee reviewed Mike's numbers, and was fine with the increase at this time, but without an automatic annual increase. The second part of the motion was that they recommend to staff to take a hard look at all the rates and to come up with a fairer rate. Wal-Mart shouldn't be paying the same as a one-person business – they had much more storm run-off. Bottom line, they needed to come up with a real rate, fair to everyone. They needed to see true costs for cleaning, and what needed replacement, or how many miles there were involved, or the age of the system, or any undersized lines – all that needed to be reviewed.

Councilor Tuttle voiced his concern about passing the proposed resolution when they didn't have all the information, especially regarding the different sized parking lots. He wanted the study done before the fees were set. Had any consideration been given to those people required to retain water on site?

Mr. Cummings stated it had been discussed eight years ago. There also needed to be credited for whatever formula they arrived at, such as 2¢ cents a square foot. If the private development did their own retaining, they would/should get a credit for the amount kept on site. They'd only be paying a rate based on street frontage. That never made it out of the committee level. The Storm Sewer Fund didn't even have enough money to do maintenance, let alone a bunch of studies.

Councilor Verini asked when they might see the study; would it be within a month?

Mr. Henry stated Bob Walker would have that response, as they planned to have on having Bob do the study. He was pretty loaded, but he would check.

Councilor Verini suggested postponing this action until they could speak with Mr. Walker to get the timing on the study.

Jackson Fox moved, seconded by Larry Tuttle, that the City Council postpone taking action on this item pending receipt of further information from Bob Walker [*Public Works Director*] and Mike Long [*Finance Director*], along with input from the Public Works Committee. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes. Motion carried 6/0/0.

Demand Letter to Rachel Hopper

Larry Sullivan, City Attorney, stated an internal investigation and an investigation conducted by the city's Auditor concluded that Rachel Hopper, as Finance Director, used the city's funds to purchase an unauthorized fidelity bond for a premium of \$10,000 on September 10, 2010. A demand letter was prepared by the City Attorney demanding that Ms. Hopper pay the city the sum of \$2,479.40 to settle the city's claim against Ms. Hopper arising from her purchase of the bond.

Jackson Fox moved, seconded by Charlotte Fugate, that the City Council approve the demand letter to Rachel Hopper prepared by the City Attorney and authorize him to send it to Rachel Hopper. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes. Motion carried 6/0/0.

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

- Councilor Verini stated they had a very successful Global Village last Saturday, very well attended. He thanked everyone for a job well done, with a special thanks to the Ontario Police Department.

- Councilor Fox stated after the Budget Committee met, he noticed some anomalies in the Capital Improvements line, so he reviewed the establishing ordinance for the Public Works Committee, and it was clearly stated that the PWC should be looking at the major capital improvement projects. He wanted to get those proposed projects in front of the PWC before the budget adoption, even if it meant holding a special meeting for the committee.

Mr. Sullivan stated just because the Council approved an item in the budget, didn't authorize proceeding with it. If the Council authorized the projects in the budget, the Council would still have an opportunity to get the Public Works Committee's input on the projects.

Councilor Fox stated that was contrary to how the ordinance was written. He was willing to meet with Mr. Sullivan after the Council meeting to explain his point. The ordinance stated "*...The Public Works Director shall bring any and all proposed changes to the Ontario Municipal Code that affects the Public Works Department to the Public Works Committee for their review and recommendation prior to being presented to the City Council. This shall include, but not be limited to, any standard drawings and specifications, utility charges, fees or SDC changes or additions, Master Plans or Studies, and Major Capital Improvement Projects...*" The ordinance was saying that before the City Council looked at it, and they looked at it during budget, those guys should have reviewed those Capital Improvements and given a recommendation.

Councilor Jones agreed, so what were the Council's options.

Councilor Fox stated if the Council wanted to send the requests back to the Public Works Committee before the Council voted on the budget, then send it and ask them to have a special meeting.

Mr. Cummings stated they didn't have to authorize a special meeting for the Public Works Committee, as the establishing ordinance stated they were to meet *at least* once a month. It would only take contact between the Committee Chair and someone from the Council to set up a special meeting.

Council consensus to call for a special meeting of the Public Works Committee.

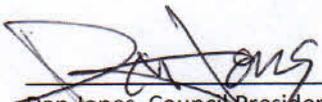
- Councilor Fugate asked about the cars parked at City Hall that didn't appear to move much, if at all. Was the city paying insurance on cars that were not being utilized?

Mr. Henry stated three were police cars, and one was the vehicle driven by the City Manager. He would supply usage statistics to the Council.

ADJOURN

Norm Crume moved, seconded by Jackson Fox, that the meeting be adjourned. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes. Motion carried 6/0/0.

APPROVED:



Dan Jones, Council President

ATTEST:



Tori Barnett, MMC, City Recorder