

**ONTARIO CITY COUNCIL MEETING MINUTES**  
**Monday, June 15, 2015**

The regular meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 7:00 p.m. on Monday, June 15, 2015, in the Council Chambers of City Hall. Council members present were Ronald Verini, Norm Crume, Charlotte Fugate, Thomas Jost, Larry Tuttle, and Betty Carter. Tessa Winebarger participated by phone.

Members of staff present were Tori Barnett, Larry Sullivan, Kari Ott, Mark Alexander, Cliff Leeper, Betsy Roberts, and Dan Cummings. The meeting was recorded, and copies are available at City Hall.

Larry Tuttle led everyone in the Pledge of Allegiance.

**AGENDA**

Mayor Verini stated there were several changes to the Agenda: moving Old Business, Ordinance 2702-2015 directly under the motion to adopt the entire agenda; add an appointment to the Public Works Committee under Consent Agenda; chip sealer bid award under New Business, with accompanying resolution; and the bid award for a dump truck, also under New Business.

Tori Barnett, Interim City Manager, stated they also needed to include monthly department stats from the Police Department and CH2M Hill.

Betty Carter moved, seconded by Norm Crume, to adopt the Agenda as amended. Roll call vote: Crume-yes; Winebarger-yes; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 7/0/0.

**OLD BUSINESS**

**Ordinance #2072-2015: Establish OMC 4-3 re: Business Registrations (Final Reading)**

Tori Barnett, Interim City Manager, presented.

There were no changes since the presentation at the Thursday work session.

Councilor Jost asked once the data base was established, who would have access to it.

Ms. Barnett stated it would be herself, Marcy Siriwardene, Corinna Hysell, and those affiliated with public safety.

Thomas Jost moved, seconded by Betty Carter, to adopt Ordinance #2072-2015, AN ORDINANCE ADDING CHAPTER 4 TO TITLE 3 OF THE ONTARIO MUNICIPAL CODE TO REQUIRE BUSINESS REGISTRATIONS FOR ALL BUSINESSES, on Second and Final Reading by Title Only. Roll call vote: Crume-no; Winebarger-yes; Fugate-yes; Jost-yes; Tuttle-no; Carter-yes; Verini-yes. Motion carried 5/2/0.

Councilor Winebarger asked to be released from the remainder of the meeting. So granted.

**CONSENT AGENDA**

Council consensus to cancel the work section of July 2, 2015, and the Council meeting of July 6, 2015.

Ms. Barnett stated the appointment to Public Works would be a replacement member for Dan Cummings, who resigned when he took employment with the city.

Councilor Tuttle stated that he was a fine young man and would be a good asset to the community.

Norm Crume moved, seconded by Thomas Jost, to approve Consent Agenda Item A: Minutes of the Regular Meeting of June 01, 2015; Item B: Approval of the Bills; and Item C: Appointment of Public Works Committee. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

#### NEW BUSINESS

##### RESOLUTION 2015-128: RECEIVING/EXPENDING GRANT FUND

Kari Ott, CPA, Finance Department, presented.

There were two issues: First, there were unexpected grant funds that could be used for the NW Washington Project; and second, funds needed to be appropriated in the Aquatic Fund to pay for some consulting with the YMCA and HSA. On June 1, 2015, the Council approved working with the YMCA and HSA to consult with for plans for the construction of the swimming pool.

The NW Washington project had a little grant funding from ODOT that could be used. There was \$12,302 of expenses that would be reimbursed by the grant. Those grant funds needed to be recognized in the 2014-2015 budget.

CH2M presented a staff report to the Council, seeking approval to work with the YMCA and HSA on the pool project. The proposed resolution would move Contingency Funds to Contract Services in the Aquatic Fund.

Thomas Jost moved, seconded by Norm Crume, that the Council adopt **Resolution #2015-128, A RESOLUTION ACKNOWLEDGING RECEIPT AND APPROPRIATION OF GRANT FUNDS AND APPROPRIATING EXPENDITURES WITHIN THE AQUATIC FUND**. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

##### RESOLUTION 2015-129: CLOSE UNNECESSARY 911 AND PUBLIC WORK FUNDS

Kari Ott, CPA, Finance Department, presented.

The proposed resolution would close funds deemed unnecessary. Due to the consolidation of the 911 services with Malheur County, the 911 Fund was considered unnecessary. The balance of \$109,895.86 remaining in the fund would be transferred to the General Fund.

As CH2M Hill was now performing Public Works services, the Administrative Public Works Fund had become unnecessary. Any remaining balance would be transferred to the Water, Sewer, and Storm Sewer Funds.

On June 30, 2015, \$109,895.86 would be transferred to the General Fund from the 911 Fund. In addition, if there were any remaining funds in the Public Works Fund, the balance would be transferred to the Water, Sewer, and Storm Sewer Funds.

Norm Crume moved, seconded by Thomas Jost, that the City Council adopt **RESOLUTION #2015-129, A RESOLUTION CLOSING UNNECESSARY 911 AND PUBLIC WORKS FUNDS**. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

##### RESOLUTION 2015-130: GASB 54 END FUND BALANCE POLICY 2014-2015

Kari Ott, CPA, Finance Department, presented.

The proposed resolution was to establish fund balance policies to comply with GASB Pronouncement 54. The City Council elected and reserved the authority to establish and modify commitments of ending fund balances pursuant to GASB 54 requirements. The Council elected to commit the 2014-2015 ending fund balance for specific uses in 2015-2016.

Betty Carter moved, seconded by Norm Crume, that the City Council adopt **Resolution #2015-130, A RESOLUTION ESTABLISHING POLICIES RELATED TO ENDING FUND BALANCES FOR 2014-2015 PURSUANT TO GASB 54 REQUIREMENTS**. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1

**RESOLUTION 2015-133: PURCHASE OF THE 4 WHEEL DRIVE CHIP SPREADER.**

Dave VanWagoner, CH2M, presented.

The Public Works Department received just one bid from a vendor in Pocatello that offered refurbished chip spreaders. No other vendors were responsive in offering used and/or refurbished machines. The vendor, Geff's Manufacturing, submitted the following bid:

Complete refurbished chip spreader:	\$85,000
Freight:	<u>\$1,150</u>
Total bid price:	\$86,150
Trade in allowance:	<u>- \$3,000</u>
Delivered to Ontario Public Works shop:	<b>\$83,150</b>

The Council previously approved the use of Repair Budget money for the replacement of the Public Works Department chip spreader. The vendor supplying the refurbished unit offered to take payment for the machine over two fiscal years.

The Public Works Department's current chip spreader broke down last year during the chip seal program and the county offered to help finish the chip seal area. This chip spreader had outlived its useful life and only had small value (\$3,000) as a trade-in to be used for parts. It was the intention of the Public Works Department that Repairs Budget money be used over the course of two budget years to replace this unit. By using a portion of the Repairs Budget for this types of repair/replacement, the Public Works Department was able to help the city better focus its CIP budget in other places. The funds would be taken from Line Item 045-090-712106.

Thomas Jost moved, seconded by Norm Crume, that the City Council authorize the Public Works Department to award the bid for the chip spreader to Geff's Manufacturing for the amount of \$83,150.00. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

Norm Crume moved, seconded by Betty Carter, that the Council adopt Resolution 2015-133, A RESOLUTION AUTHORIZING EXPENDITURE FOR THE PURCHASE OF A CHIP SPREADER. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

**BID AWARD: 5-YARD SINGLE AXLE DUMP TRUCK**

Dave VanWagoner, CH2M Hill, presented.

The Public Works Department received two bids from local vendors regarding the replacement of one of the city's old five-yard dump trucks. It should be noted that no previously-owned units capable of providing the operational functions needed were available at the time of this bid. The two vendors, along with their bid amounts for the total package, were as follows:

- MetroQuip - \$173,300
- Utility Truck Equipment - \$158,861

Without considering deviations of bid items, the apparent low bidder was Utility Truck Equipment, coming in \$14,439 under MetroQuip. When looking at deviations, however, especially as it related to delivery time, certain issues needed to be considered other than just lower initial cost.

The specifications used were necessary to acquire the best possible equipment for the city's needs, many of which addressed the capabilities for snow and ice control activities. In comparing the two vendor's bids, staff found MetroQuip to be the most responsive.

One of the most important considerations was the delivery time, and both vendors were informed of the city's need to replace the presently owned dump truck as soon as possible – hopefully before the next winter season began. This was where the two vendors differed:

MetroQuip delivery – December 2015

Utility Truck Equipment delivery – March 2016

Again, while the initial bid prices were \$14,439 apart, staff believed it was very important for the continued safe and practical operation of the city's snow removal equipment that they be put into service as soon as possible. Last year, Public Works was without the ability to treat snow and ice for six weeks while one of the old dump trucks was broken down.

The City Council previously approved the use of Repair Budget money for the replacement of Public Work's two antiquated dump trucks (one this fiscal year and one next fiscal year). It was estimated that the dump trucks needed would cost approximately \$185,000 each. Acceptance of either bid would come under this initial number by at least \$11,700.

Many of the vehicles or equipment owned by the city were second, third, or fourth generation vehicles, which meant the majority of the operational costs of each piece of equipment had been borne by the city. The equipment in question was a 1985 Ford Dump Truck, which was so old parts were no longer available. The repairs done last winter - after it was out of service for six weeks - were finally realized by fabricating a part no longer available, just to get it "*back on the road.*" There was no guarantee going forward that Public Works would be able to do this with other mechanical issues that arose. The city owned two of this same year dump truck (1985), both with issues relating to operation and the lack of confident continued service.

It was the intention of the Public Works Department that Repairs Budget money be used over the course of two budget years to replace these old units. By using a portion of the Repairs Budget for these types of vehicles/equipment, the Public Works Department was able to help the city better focus its CIP budget in other places. Funding would be out of Line Item #045-090-712105.

A consensus was passed to allow Ray Smith, from MetroQuip, to speak.

Mr. Smith thanked the Council for allowing him to speak. His company was one of the companies to submit a bid for the dump truck, and the bids were reviewed by CH2M Hill. One bid met all the specifications, and one bid did not. The bid that had not met all specifications was the low bid. He stated that while their bid was not the low bid, his concerns were the specifications and what was the reason why the specifications were not met on the low bid.

Mr. VanWagoner stated the majority of the deviations were on the snow and ice equipment. He had not felt that was an issue, and felt the low bidder presented the equivalent. He stated there was one specification that concerned CH2M, and that was a manufacturer that built a hoist cylinder for the dump bed upside down so the smallest part was next to the frame. CH2M was trying to avoid that.

Councilor Jost stated this issue should have been brought up on Thursday.

Councilor Tuttle asked if the difference in cylinder design, was it just because it was a different design than the other manufacture? Did it have the capacity to lift the bed full and dump it?

Mr. VanWagoner stated that was correct.

Councilor Tuttle asked if the difference in design, was that called out on the specs you would not accept?

Mr. VanWagoner stated yes. The wording stated that the inverted hoist would not be accepted.

Councilor Tuttle stated if that was actually stated.

Mr. VanWagoner replied yes, that was stated.

Larry Sullivan, City Attorney, stated the Council had the right to reject any bid. Also, the Council had one of two options - accept the responsive and responsible bid award even if it was more money than the non-responsive bid, or make the decision not to receive any bid.

Mayor Verini wanted to know if there was plenty of time for bids to be submitted because of only receiving two bids.

Mr. VanWagoner indicated it had been advertised and posted in a lot of different places.

Councilor Tuttle felt that they should start over on the bids.

Councilor Crume felt that as a Council, they didn't know much about the truck specifications, and relied on staff to put out the bids as they saw fit. If they didn't stand by what had been asked for, it damaged their reputations. Did the truck meet the needs of the Public Works Department as specified?

Mr. VanWagoner stated it did.

Councilor Crume voiced his opinion that they say with the bid presented.

Betty Carter moved, seconded by Norm Crume, that the City Council authorize the Public Works Department to award the bid for the 5-yard, single-axle Dump Truck MetroQuip, with the intention of placing the equipment in service before the winter season is over because MetroQuip was the only responsible bidder. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-no; Carter-yes; Verini-yes. Motion carried 5/1/1.

#### **PUBLIC HEARING(S)**

##### **RESOLUTION 2015-131: CITY ELECTION TO RECEIVE STATE REVENUES**

It being the date advertised for public hearing on the matter of Resolution #2015-131, the Hearing was declared open. There were no objections to the city's jurisdiction to hear the action, no abstentions, ex-parte contact, and no declarations of conflict of interest.

Kari Ott, CPA, Finance Department, presented.

The proposed resolution was to "*Declare the City's Election to Receive State Revenue*" pursuant to ORS 221.770. The Ontario Budget Committee held public hearings on May 5, 6, and 7, 2015. The 2015-2016 annual budget contained revenue sharing from the State of Oregon. The City Council held a public hearing on June 15, 2015, giving the citizens an opportunity to comment on the use of State Revenue Sharing, pursuant to ORS 221.770.

Adoption of the proposed resolution would provide the city the ability to share in State Revenue that was shared with cities throughout Oregon.

The Hearing was opened for public testimony.

Opponents: None.

Proponents: None.

There being no Proponent and no Opponent testimony, the Hearing was closed.

Norm Crume moved, seconded by Thomas Jost, that the City Council adopt **RESOLUTION #2015-131, A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES FOR FISCAL YEAR 2015-2016**. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

**RESOLUTION 2015-132: FY 2015-2016 ADOPT ANNUAL CITY BUDGET**

It being the date advertised for public hearing on the matter of Resolution #2015-132, the Hearing was declared open. There were no objections to the city's jurisdiction to hear the action, no abstentions, ex-parte contact, and no declarations of conflict of interest.

Kari Ott, CPA, Finance Department, presented.

The proposed resolution was to adopt and appropriate the FY 2015-2016 budget; impose taxes upon taxable property; and categorize the taxes imposed.

The City of Ontario Budget Committee held public hearings on May 5, 6, and 7, 2015, and approved the 2015-2016 annual budget. The City Council held a public hearing on June 15, 2015, giving the citizens an opportunity to comment on the annual budget for 2015-2016.

There were only two minor changes to the proposed budget that differed from the budget approved by the Budget Committee, which were an increase in the Police Department due to union negotiations, and a \$2,000 increase in the Cemetery Fund for landscaping. The proposed motion adopted and appropriated the annual budget in the amount of \$26,605,346.

The Hearing was opened for public testimony.

Opponents: None.

Proponents: None.

There being no Proponent and no Opponent testimony, the Hearing was closed.

Thomas Jost moved, seconded by Norm Crume, that the City Council adopt City Council adopt **RESOLUTION #2015-132, A RESOLUTION TO ADOPT AND APPROPRIATE THE ANNUAL BUDGET FOR 2015-2016, IMPOSE THE TAXES UPON TAXABLE PROPERTY, AND CATEGORIZE THE TAXES IMPOSED FOR FISCAL YEAR 2015-2016.** Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1

**COMMENTS**

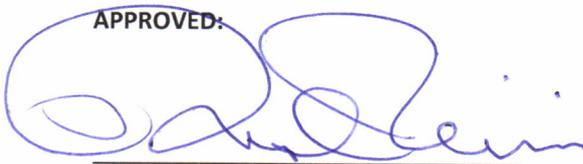
Mayor Verini stated that he had been looking at the Rules and Procedures and under Section 3 for the Agenda, he was interested in seeing if that language could be cleaned up, so any City Councilor could place something on the Agenda. He asked for input on his statement.

Mr. Sullivan stated it currently read that the Councilors could place anything on the agenda.

**ADJOURN**

Thomas Jost moved, seconded by Betty Carter, that the meeting be adjourned. Roll call vote: Crume-yes; Winebarger-out; Fugate-yes; Jost-yes; Tuttle-yes; Carter-yes; Verini-yes. Motion carried 6/0/1.

APPROVED:



Ronald Verini, Mayor

ATTEST:



Tori Barnett, MMC, City Recorder