

ONTARIO CITY COUNCIL MEETING MINUTES June 20, 2016

The regular meeting of the Ontario City Council was called to order by Mayor Ronald Verini at 7:00 p.m. on Monday, June 20, 2016, in the Council Chambers of City Hall. Council members present were Ronald Verini, Norm Crume, Tessa Winebarger, Betty Carter, Marty Justus, Larry Tuttle, and Charlotte Fugate.

Members of staff present were Adam Brown, Tori Barnett, Cal Kunz, Kari Ott, George Wilber, Dan Cummings, Cliff Leeper, Dale Cruson, Larry Sullivan, and Anita Zink.

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

Norm Crume led everyone in the Pledge of Allegiance.

AGENDA

Mayor Verini stated following the work session of June 16th, several items were now added to the Agenda:

- 4) Consent Agenda:
 - 4(D) Appointment to Airport Committee – Pete Morgan
 - 4(E) Appointment to Parks and Recreation Board – Juan Lopez
- 7) New Business:
 - E) Resolution #2016-121 – Request to Adopt IAFF Contract, Jul 2016-Dec 2018
 - F) Cable One Franchise Agreement – Set Deadline
- 9) Hand-Outs/Discussion Items:
 - C) Parking issues

Removed following the work session: 11(A) Executive Session

Councilor Fugate noted a correction in the meetings list: October 3 should be a Council meeting, not a Council work session. *So noted, and would be corrected prior to distribution.*

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

CONSENT AGENDA

Tessa Winebarger moved, seconded by Charlotte Fugate, to adopt Consent Agenda items A) Minutes of Regular Meeting of June 6, 2016; B) Meetings List July-December 2016; C) Proclamation: Olympic Day at Ontario Hotshots Gymnastic Academy; D) Appointment to Airport Committee – Pete Morgan; E) Appointment to Parks and Recreation Board – Juan Lopez; and F) Approval of the Bills. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Mayor Verini read the Proclamation into the record.

CITY OF ONTARIO PROCLAMATION

- WHEREAS,** for over 100 years, the Olympic movement has built a more peaceful and better world by educating young people through amateur athletics, by bringing together athletes from many countries in friendly competition, and by forging new relationships bound by friendship, solidarity, and fair play; and
- WHEREAS,** the United States Olympic Committee is dedicated to coordinating and developing amateur athletic activity in the United States to foster productive working relationships among sports-related organizations; and
- WHEREAS,** the City of Ontario promotes and supports amateur athletic activities involving Olympic and Paralympic sports; and
- WHEREAS,** the City of Ontario promotes and encourages physical fitness and public participation in amateur athletic activities; and
- WHEREAS,** the City of Ontario assists organizations and persons concerned with sports in the development of athletic programs for able-bodied and disabled athletes regardless of age, race, or gender; and
- WHEREAS,** June 23rd is the anniversary of the founding of the modern Olympic movement, representing the date on which the Congress of Paris approved the proposal of Pierre de Coubertin to found the modern Olympics.

NOW, THEREFORE, I, Ronald Verini, Mayor of the City of Ontario, do hereby proclaim with much appreciation and admiration, June 23, 2016, as **“OLYMPIC DAY”** in the City of Ontario and urge all citizens to observe such anniversary with appropriate ceremonies and activities.

In witness whereof, I have hereunto set my hand and caused the City Seal to be affixed on this 23rd day of June, 2016.

PUBLIC COMMENT

Scott Williams, Ontario: *I'm Scott Williams. I was, born and raised here in Ontario. I have the property at 1517 SE 5th Avenue, behind K-Mart. Anyway, I just wanted to ask about the library and the swimming pool, 'cause from what I understand they haven't been open for a long time, so...*

Mayor Verini stated the library was under a Library District, and it was open. Regarding the pool, at this time, it was under the discussion with the pool committee, which was a 501(c)(3), and they were currently trying to decide just what to do.

Mr. Williams: *Since I'm up here, can I go ahead and talk about my property or? I have a notice saying that you guys are wanting to build a road right next to my property, so I was just wondering if it was going to be next to it, or if you're wanting to go over it, or? I can show you pictures if you like.*

Mayor Verini suggested that Mr. Williams speak with Dan Cummings, Community Development Director, and if there were questions after that, then come back to speak with the Council.

Mr. Williams: *Last time I talked with the Assessor, and if you wanted to come over my property, then you had to pay so much, that was your Assessor.*

Councilor Crume asked if this was related to the Public Hearing scheduled for the road next to K-Mart?

Mr. Williams: *You sent me a notice.*

Dan Cummings, Community Development Director, stated he might have a received a notice for the Public Hearing that night, but it was on a section of Goodfellow. It wasn't coming down to 5th.

NEW BUSINESS

CH2M Hill Contract Renewal – Amendment #2

Adam Brown, City Manager, presented.

CH2M Hill was requesting approval of proposed Amendment No. 2 to the existing Agreement for Operation, Maintenance, and Management Services for the City of Ontario. The initial contract expired June 30, 2015, and Amendment No. 1 was scheduled to expire June 30, 2016. Proposed Amendment #2 would expire June 30, 2017. On June 2, 2014, the City Council approved the initial Agreement with CH2M HILL for FY14-15, and on August 17, 2015, the Council approved Amendment #1 for FY15-16.

Regarding proposed Amendment #2, the only proposed change to the existing contract, outlined in Amendment #2, was under Appendix E, Section E.1.1, which would be deleted in its entirety, and replaced by the following language:

E.1.1 City shall pay to CH2M HILL, as compensation for services performed under this Agreement, a Base Fee of Five Million, Eighty-Two Thousand, One Hundred Eighty-Eight Dollars (\$5,082,188.00) for the 2016-2017 contract year. Subsequent years' base fees shall be determined as hereinafter specified in Appendix E.3.

Per Appendix E, Section 3 of the adopted Agreement, CH2M HILL had the ability to request up to a 3.37% increase in compensation; however, in an effort to promote a positive partnership with the City, CH2M elected to request only a 2.90% escalation from the previous contract, which equated to an increase of \$143,230, resulting in an annual fiscal impact of \$5,082,188, or approximately \$423,516 per month. The decrease in percentage was approximately \$22K.

Councilor Justus asked if there were any stipulations in the current contract for the Marketplace, downtown, along Oregon Street, because if there wasn't, was there any way they could get some verbiage in that contract that talked about maintaining trees, maintaining the curbs, maintaining the foliage – all the things that were important to the Marketplace, the downtown corridor, and North Oregon.

Cliff Leeper, Public Works Director, stated yes. They could, and he'd be happy to entertain any of those issues or questions. They could put anything in there, depending on the Council's wishes.

Councilor Justus asked if they would do that now, or when would that be done? He wanted to add some verbiage about those corridors. He kept driving down to the Marketplace, and he kept seeing that it was just not maintained to the standard that it should be. He kept having issues with downtown, the trees downtown, the parking lots downtown, and he wanted to make sure that their maintenance agreements talked about that and they were on a schedule. He wanted everything on the schedule to be maintained. How could they do that?

Mr. Leeper stated they would need to negotiate, and then put something together to go before Council for action.

Mayor Verini asked if that would cause any heartache in the motion before them that evening?

Mr. Leeper stated no. They were separate issues.

Councilor Justus stated if the Council directed the City Manager to negotiate a maintenance schedule for all the trees and the greenery on the right-of-ways, that would be alright? He was trying to figure out how to get this resolved.

Larry Sullivan, City Attorney, stated when Councilor Justus stated "all the right-of-ways", the city had right-of-ways all over.

Councilor Justus stated the city required that trees be planted out on North Oregon. And those trees were not being maintained. They required all of the downtown businesses to plant trees, but they were not maintained. But that was a requirement of the city. And they did the same thing all the way down the Marketplace - required trees to be planted, and they were the city's trees, and they weren't being maintained. He wanted them maintained. He didn't want to have to come out every month asking to maintain the trees.

Councilor Carter asked if that would be a cost?

Mr. Leeper stated per contract, there was a provision for taking care of trees and taking care of those in the parking lots. The trees that were on East Idaho, those were trimmed and taken care of in the spring. If that didn't meet a requirement, that could be reviewed. The parking lot trees were all trimmed. There was actually an Arborist on staff who did all that. If the Council wanted the trees trimmed so they were all uniform, that would require some investigation. They didn't want to cut now, because that would cause damage. They needed to wait until it cooled down.

Councilor Justus agreed, but an Arborist should be able to put together a maintenance plan for the trees. Trim in November, trim in March, etc. But, there was still all that ground cover, and all those grates that weren't being maintained. It was all part of the city's presentation to its citizens and visitors. He wanted a maintenance schedule that would be adhered to for all of it. If the city was asking for the roadways to be landscaped, then they had to do something about that. If there was a cost involved, price the downtown, then come back with a number for the Council. Then Council would have to make a decision. Did they need a parking district? If they didn't start, this was how they were going to go, and this was how they'd get there. He wanted to make sure – in this contract with you – that there was a maintenance schedule for all of these things that needed to be maintained. If a cost was involved, Council had to find the money. He wanted a clean, beautiful downtown district, a clean, beautiful Marketplace that would attract customers, and would read that the city knew what it was doing, making people want to live here.

Mayor Verini asked if the Council wanted to direct the City Manager to meet with CH2 to discuss maintenance of trees and ground cover for the Marketplace.

Councilor Crume stated Mr. Leeper had already told that there was a program in place. It might not be up to one or more Councilors objecting for where it needed to be. They all needed to discuss it. And, it wasn't fair to spend more money in one certain part of town. Downtown Revitalize Ontario or the Marketplace should not get more cleanup time or attention than down 4th Avenue or somewhere else. It should be equal. This whole thing should be discussed at a Thursday work session.

Councilor Justus stated that was the direction to the City Manager. Come up with guidelines.

Mayor Verini stated they needed to direct the City Manager to sit down with CH2 to work out a program and a solution to everywhere across the city.

Council consensus to move forward on directing the City Manager to meet with CH2.

Councilor Winebarger agreed, but asked to see what was already being done, before adding more.

Councilor Carter stated she had never seen in her year and a half on Council, a comparative of years in the past that budgeted for Public Works to see what the cost was prior to contracting with CH2M Hill up to now. Could they see a budget? They'd been talking about budgets, and they'd been trying to figure out what they'd be doing in the future and getting to where they wanted to go, so when looking at dollars and numbers, she'd not had anything to compare it with. She wanted to see what happened in 2013-14, 2014-15. What had they looked like when under a different direction than using CH2.

Mayor Verini stated when CH2 began negotiations with the city, a lot of that information was compiled. Was that available?

Mr. Leeper stated that was available.

Kari Ott, CPA, stated she had that because they kept the budget back for three years. She probably had five years' history on the system.

Mayor Verini asked Ms. Ott to forward that data to all the Council.

Charlotte Fugate moved, seconded by Tessa Winebarger, that the City Council approve Amendment No. 2 to the CH2M HILL Agreement for Operations, Maintenance, and Management Services for the City of Ontario, dated July 1, 2016, and that the Mayor be authorized to execute the Amendment. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2016-118: Establishing Policies Related to Ending Fund Balances for 2015-2016

Kari Ott, CPA, Finance Department, presented.

The purposed resolution was necessary 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 balance pursuant to GASB 54 requirements. The resolution would indicate that the City Council elected to commit the 2015-2016 ending fund balance for specific uses in 2016-2017.

Tessa Winebarger moved, seconded by Norm Crume, that the City Council adopt Resolution #2016-118, A RESOLUTION ESTABLISHING POLICIES RELATED TO ENDING FUND BALANCES FOR 2015-2016 PURSUANT TO GASB 54 REQUIREMENTS. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Resolution # 2016-119: Authorizing Changes to Bank Signatories

Kari Ott, CPA, Finance Department, presented.

The city had bank accounts with Wells Fargo, Columbia Bank, US Bank, and various accounts within the Local Government Investment Pool that have previous Interim City Manager Tori Barnett listed as a signatory. The proposed resolution would remove Tori Barnett as a signatory, and add City Manager Adam Brown to all city bank accounts. The signature of at least one member of the Audit Committee would be required on all checks \$5,000.00 and larger. Banks required minutes of a meeting or a resolution to make changes to signatories.

Charlotte Fugate moved, seconded by Betty Carter, that the City Council approve Resolution #2016-119, A RESOLUTION SPECIFYING SIGNATORIES ON ALL CITY BANK ACCOUNTS. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2016-120: Adopting Supplemental Budget to Recognize Unexpected Revenues and to Transfer Budgeted Appropriations for Unexpected Items

Kari Ott, CPA, Finance Department, presented.

At the time the 2015-2016 budget was approved, there were a few items that were unknown, resulting in the necessity of a budget resolution to make the appropriate adjustments. A breakdown of the unknown items were: Three retirements in the police department during 2015-2016; The Accounts Receivable/Payroll Clerk resigned and Oster Professional Group increased the contract scope of services to provide payroll services; Nine (9) days of SRCI labor was needed at the cemeteries; The Recreation Department budgeted for a part time staff person through American Staffing; however a full-time employee was hired and was split between Recreation and Administration; The FAA grant was a little over double from what was expected, which required a higher match; The police car seat grant had a little higher carryover of prior year grant funds than expected; More building permits were received than expected, which increased the amount to be paid to Fruitland for inspection services; Higher motel occupancy tax than budgeted was expected; consequently, a higher amount would be required to be paid out to the Cultural Center; The BLM building improvements at the airport cost a little more than originally estimated; ODOT gave the city a storage tank for the magnesium chloride; The actual interest on the LID loan was a little different than the amortization schedule showed; and the water portion of the 911 dispatch contract was not accounted for in the budget.

Betty Carter moved, seconded by Charlotte Fugate, that the City Council approve RESOLUTION NO. 2016-120, A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET TO RECOGNIZE UNEXPECTED REVENUES AND TO TRANSFER BUDGETED APPROPRIATIONS FOR UNEXPECTED ITEMS. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2016-121: Request Adoption of IAFF Contract – July, 2016 – December, 2018

Anita Zink, Human Resources Manager, presented.

Staff was seeking Council approval of a tentative agreement for the Collective Bargaining Agreement between the City of Ontario and the Local 3464 International Association of Firefighters. On September 2, 2014, the Council unanimously approved Resolution #2014-129, the Collective Bargaining Agreement with the Fire Union for Jul 2014-Jun 2016.

The Collective Bargaining Agreement between the City of Ontario and Local 3464, International Association of Firefighters would expire on June 30, 2016; therefore, the Human Resource Manager met with the fire union to negotiate a new contract. Implementing this proposal would cost the city approximately \$68,201 within the two and a half year contract, which included wages and benefits.

Tessa Winebarger moved, seconded by Charlotte Fugate, that the City Council adopt Resolution #2016-121, A RESOLUTION RENEWING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE LOCAL 3464 INTERNATIONAL ASSOCIATION OF FIREFIGHTERS. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-no; Tuttle-no; Fugate-yes; Verini-yes. Motion carried 5/2/0.

Cable One Franchise Agreement – Set Deadline

Larry Sullivan, City Attorney, presented.

Cable One, Inc., an Arizona corporation, was the successor in interest to Chambers Cable, Inc., an Oregon corporation, whose cable television franchise agreement with the City expired on December 31, 2014. Chambers Cable offered cable television service as well as broadband service to its customers, and paid the City a 5% franchise fee on all its gross revenues from its customers within the city limits. When City staff began negotiating with Cable One for its own franchise agreement, Cable One attempted to limit the payment of a franchise fee to the portion of its gross revenues earned only from its cable television service, and not from its broadband (telecommunications) or telephone service. The City Council directed staff to negotiate a franchise agreement that included a franchise fee for all three services, with a franchise fee of 5% for cable television services (as limited by federal law) and 7% for broadband and telephone services.

In 2015, there was a pending lawsuit before the Oregon Supreme Court, entitled *City of Eugene v. Comcast (II)*, that was examining whether Eugene could impose a separate broadband franchise fee on a cable television service provider. Cable One wanted to wait for the outcome of that litigation before committing itself to the City's franchise agreement. That case was finally resolved in May, 2016, when the Court found that Eugene could impose separate franchise fees for broadband and cable television services.

After that case was resolved, the City Attorney sent to Cable One the same proposed Franchise Agreement the Council approved in 2015. Cable One had not committed itself to signing the Agreement. It had now been almost 18 months since the original Chambers Cable Franchise Agreement expired. At the work session on June 16th, Council consensus was to put this matter on the June 20, 2016 Agenda to discuss setting a deadline for Cable One to sign a new Franchise Agreement.

The City Attorney updated the proposed Franchise Agreement for the Council's review. The update included a provision in Section 2.3 allowing the City to audit Cable One's books to insure that Cable One was paying the correct franchise fee for cable television, broadband, and telephone services.

Staff was also requesting that Council set a deadline for Cable One to approve the Agreement.

Councilor Justus asked if there would be any research into a potential balance due the city.

Mr. Sullivan stated the current ordinance did not give the city any audit authority, nor did the original Chambers Cable agreement. However, to the extent they were continuing to operate under the original Chambers Cable agreement, which was a 5% agreement, that was worded broadly enough to include telecommunications. He believed the city had the right to claim at least the 5% franchise fee on the telecommunications portion of services being offered by Cable One. They should be able to require them to pay that 5%. He'd be able to tell more after they'd reviewed the contract.

Councilor Fugate asked if that should be in the proposed motion, to bill for past funds?

Mr. Sullivan stated they could, except they didn't know what that would be. There was no way to determine that. He'd have to negotiate that. They'd have to determine how to force them to disclose that information to arrive at a figure. He'd tell them that the Council would be expecting that to be part of the agreement. The new agreement had that verbiage.

Norm Crume moved, seconded by Charlotte Fugate, that the City Council direct staff to send the updated Cable One Franchise Agreement to Cable One, for its review and approval. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Norm Crume moved, seconded by Tessa Winebarger, that the City Council direct staff to inform Cable One that it has until July 15, 2016, within which to approve the franchise agreement with the City. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

PUBLIC HEARING

Partition Final Plat Approval for Right-of-Way Action 2015-12-35PTN (Old K-Mart Property)

It being the date advertised for public hearing on the matter of the Partition Final Plat Approval for Right-of-Way Action 2015-12-35PTN, the Mayor declared the Hearing 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.

Dan Cummings, Community Development Director, presented.

On January 18, 2016, he, acting as the Hearing's Officer, approved a request for a Partition Tentative Plat as an administrative action under Planning file 2015-12-35PTN for the creation of three parcels (two new). The subject property was located at the SW corner of East Idaho Avenue and East Lane and on the East side of South Goodfellow Lane, designated as Assessor's Map #18S4711B, Tax lot 204. The partition was approved for three parcels and this land division involved the creation of a right of way for the continuation of South Goodfellow Lane.

On June 1, 2016, city staff conducted the required Technical Review Committee (TRC) meeting on the final plat and approved the plat to be submitted to the City Council to accept the dedicated right of ways as shown on the final plat.

Applicable Ontario Municipal Code Regulations:

10B-55-40 TECHNICAL REVIEW OF FINAL PLAT.

Upon receipt of a Final Plat the Technical Review Committee shall examine it and any accompanying documents to determine if the land division has been constructed and the plat prepared in substantial compliance with the approved tentative plan. Approval of the plat by the TRC must be in writing on a form provided by the City; such form shall be included in the record of the application.

The Public Works Director may direct field checks if he deems them advisable to verify that the plat is sufficiently correct on the ground.

If the Public Works Director finds that full conformity has not been achieved, he shall advise the Planning Official, applicant and applicant's engineer or surveyor, of changes or additions required and shall afford the applicant an opportunity to make changes or additions. The Final Plat shall not be approved until conformity has been achieved.

Findings: The submitted final plat and supplemental material was reviewed by the full TRC on June 1, 2016. The plat is in a recordable form and meets the requirements set forth in the tentative plat approval and the required dedication of right of way meets the requirements set forth in the approval of the tentative plans.

Conclusion: The final plat and supplemental materials have been submitted and reviewed by the TRC as required. **CRITERION HAS BEEN MET.**

10B-55-45 APPROVAL OF THE FINAL PLAT.

2. Final plat approval for a land division involving the creation of streets shall be by action of the City Council at a public hearing; notice of the hearing shall be given at least 20 days prior to the hearing to the applicant, agent, and to any parties to the Administrative Decision approving the tentative plat. If the Technical Review Committee determines that the final plat and all required exhibits are in conformity with the standards of the land use decision, including all conditions of approval, the Council shall approve the plat by motion, and the Planning Official and Mayor shall sign the plat. The installation of improvements may be delayed under bond or other financing guarantee specified in the land division regulations.

Findings: Findings and conclusions from preceding sections of this report are herein included by this reference. Ongoing construction of the site are all tied with individual building permit and are a condition of the occupancy permits and not a plat condition.

Conclusion: The plat is in conformance with requirements and may be signed and approved for recording.

10B-55-50 DEDICATION OF STREETS, ACCEPTANCE.

Except for manufactured home subdivisions, manufactured home parks and RV parks, all streets, alleys and easements shown on the plat shall be expressly dedicated to the public and acceptance of the final plat by the city shall constitute acceptance of such platted streets, alleys and easements.

Findings: Street dedication is included with this plat; when the plat is signed and recorded, the street will become a city street. Street construction has been completed.

Councilor Justus verified it was private, not public?

Mr. Cummings stated no, that was not a street. Goodfellow ended just short of the new portion of this project. It ended and turned East on SE 1st in front of the State of Oregon building. Under this project, the old K-Mart property was going to dedicate their half of the right-of-way to the end of their property, and they had constructed the other half of the street up to the South end of the Rent a Center. Goodfellow would come to that point, to the North end of the existing building. The remainder of the right-of-way was being done under a development agreement that at such time the adjacent properties started developing.

Councilor Justus asked about sidewalks on both sides.

Mr. Cummings stated yes, the full street section had been built to a certain distance down, to the access of this new project.

Councilor Justus asked who would be responsible for maintaining the sidewalks, etc.

Mr. Cummings stated under city ordinance, the city maintained the asphalt section, property owners maintained the curb, gutter, and sidewalk, and all landscaping.

Councilor Justus stated they'd maintain the landscaping, and the current city ordinance had a requirement for landscaping, which was how many trees?

Mr. Cummings stated it was whatever they wanted to plant. The ordinance required that 6% of the total site be landscaping; 65% of that be green and growing, with an irrigation system. The ordinance did not say what had to be planted. The requirement was for green, irrigated, and maintained.

Councilor Justus stated the owner would install it, but it was the city's job to enforce maintenance. Was it time to review the ordinance?

Mr. Cummings stated no, it was time to enforce it.

Councilor Justus stated they had the ability to write an ordinance, but was there the ability to enforce it? It was an enforcement issue. If Council decided to review the ordinance, and put in a zero scape ordinance, then they wouldn't be spending money on getting owners to maintain their space.

Mr. Cummings stated zero scape would have more weeds, so there'd still be an enforcement problem.

Councilor Justus stated they had ordinances that promoted this, but there weren't the funds to support them. They needed to find some solutions. He was going to keep talking about this until they arrived at a solution.

Mr. Cummings stated for the current owners, they were great to work with, and wanted landscaping. They had installed a lot more than what was there before. He believed they'd maintain their area.

Councilor Winebarger stated the landscaping at Harbor Freight looked great.

Councilor Justus stated it wasn't just the current owners, but more when it changed ownership.

Mr. Cummings stated he planned to meet with the City Manager regarding sections of various ordinances where it appeared enforcement was done for some, but not all. Many didn't understand the piece he had just shared – it wasn't just commercial – it was any property within the city limits. That included residential lands. Everyone who couldn't afford an irrigation bill, let their lawns dry up, but that was in violation of the ordinance. Maybe they needed to look into a different landscaping rule for residential vs. commercial.

The Hearing was opened for public testimony.

Proponents:

Dan Cummings stated in the Public Comments section of that night's meeting, Scott Williams asked about the project, about the right-of-way. Mr. William's resided at 1517 SE 5th Avenue, and he was concerned about road access. He thought the city was possibly going across his property with a road, but after discussing the project with him, and showing him the area on a map, Mr. Williams, who owned the property to the South, towards 5th Avenue, he learned the project would not affect his property. Goodfellow stopped short of his property.

Mayor Verini confirmed that he only received the notification because he was within the radius of the action.

Opponents:

None.

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

Charlotte Fugate moved, seconded by Betty Carter, that the City Council APPROVE THE REQUEST FOR FINAL PLAT APPROVAL OF THE PARTITION PLAT OF CH ONTARIO, LLC BASED ON THE INFORMATION, FINDINGS OF FACT AND CONCLUSIONS CONTAINED IN THIS REPORT, AND AUTHORIZE THE MAYOR TO SIGN FOR THE ACCEPTANCE OF RIGHT OF WAY. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2016-116: Declaring the City's Election to Receive State Revenues

It being the date advertised for public hearing on the matter of the Resolution #2016-116, the Mayor declared the Hearing open. There were no objections to the city's jurisdiction to hear the action, no abstentions, no ex-parte contact, and no declarations of conflict of interest.

Kari Ott, CPA, Finance Department, presented.

The proposed resolution was required for the city to "Declare the City's Election to Receive State Revenue" pursuant to ORS 221.770. The City of Ontario Budget Committee held public hearings on May 3, 4, and 5, 2016. In the 2016-2017 annual budget was the proposed revenue sharing projection from the State of Oregon. As required by statute, the City Council held a public hearing on June 20, 2016, giving the citizens an opportunity to comment on the use of State Revenue Sharing, pursuant to ORS 221.770. This would allow the city to share in the State Revenues that were disbursed with cities throughout Oregon.

The Hearing was opened for public testimony.

Proponents:

None.

Opponents:
None.

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

Norm Crume moved, seconded by Tessa Winebarger, that the City Council adopt Resolution #2016-116, A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES FOR THE FISCAL YEAR 2016-2017. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

Resolution #2016-117: Adopting the City's 2016-2017 Annual Budget

It being the date advertised for public hearing on the matter of Resolution #2016-117, the Mayor declared the Hearing open. There were no objections to the city's jurisdiction to hear the action, no abstentions, no 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 budget; impose taxes upon taxable property; and categorize the taxes imposed. The City of Ontario Budget Committee held public hearings on May 3, 4, and 5, 2016, and approved the 2016-2017 annual budget. The City Council held a public hearing on June 20, 2016 giving the citizens an opportunity to comment on the annual budget for 2016-2017. Passing the resolution would adopt and appropriate the annual budget in the amount of \$26,031,320.

There was one change from the budget approved by the Budget Committee, which consisted of a change in the street chip sealing program, which was approved by the Council on June 8, 2016.

Councilor Fugate asked if Ms. Ott had added \$150K into the Street Fund?

Ms. Ott stated it wasn't necessarily "added" to the Street Fund. They reduced the chip sealing by that amount, and then increased the Contingency. The total appropriation remained the same. That left a Contingency in the Street Fund of \$169,374, rather than the \$19K that was approved by the Budget Committee.

Councilor Fugate stated she thought that Councilor Tuttle had requested some funds be moved from General Fund into Streets.

Councilor Tuttle stated there was never any action on that.

Ms. Ott stated if something came up in the Street Fund, they could come back with a supplemental budget, if that was the desire of the Council.

Councilor Justus stated there was a reason for moving that money, right?

Councilor Tuttle stated the primary reason was that \$9,200 was all that was in Contingency for the Street Fund. Now there was \$169,374. It wasn't perfect, but it was better.

The Hearing was opened for public testimony.

Proponents: None.

Opponents: None.

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

Norm Crume moved, seconded by Tessa Winebarger, the City Council adopt Resolution #2016-117, A RESOLUTION TO ADOPT AND APPROPRIATE THE ANNUAL BUDGET FOR 2016-2017, IMPOSE THE TAXES UPON TAXABLE PROPERTY, AND CATEGORIZE THE TAXES IMPOSED FOR THE FISCAL YEAR 2016-2017. No vote...

Councilor Justus stated he was adamantly opposed to this budget. He didn't think that they took enough time to address the shortfalls for next year, and that it just was done, the budget itself, wasn't prepared properly. They had not taken the time, as a Council, to review it, after several requests from Councilor Fugate, and he was adverse to the whole process, and he thought that it was wrong.

Retyped motion:

Norm Crume moved, seconded by Tessa Winebarger, that the City Council adopt Resolution #2016-117, A RESOLUTION TO ADOPT AND APPROPRIATE THE ANNUAL BUDGET FOR 2016-2017, IMPOSE THE TAXES UPON TAXABLE PROPERTY, AND CATEGORIZE THE TAXES IMPOSED FOR THE FISCAL YEAR 2016-2017. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-no; Tuttle-yes; Fugate-no; Verini-yes. Motion carried 5/2/0.

CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

Adam Brown stated he would be working with Mr. Cummings, as well as Code Enforcement, to arrive at some suggestions for the parking issues. They'd look at Councilor Crume's suggestions.

Councilor Fugate asked for a report from the Ordinance Officer on how the new software program was working.

Chief Kunz stated the program was not up and running yet. There was a training at the beginning of July, so they hoped to get it up and going right after. The training was supposed to have been this week, but it was pushed back.

Councilor Winebarger stated she had received notice that Maria Torland, from Friends of the Aquatic Center, would be submitting a letter of interest for appointment to the Parks and Recreation Board the next meeting.

Councilor Justus stated Councilor Fugate had submitted a grant to the Diamonds in the Rough for the Competition building on Oregon, and it had been awarded that day. They had some minor issue to work out, but they were excited. There was a total of \$31,700 and something in grant funds – there was \$5K from the City, \$5K from the Cultural Heritage, and \$11K+ from the Diamonds in the Rough grant. That was all due to the work of Councilor Fugate. It was going back to the look from 1967.

EXECUTIVE SESSION

Executive Session: ORS 192.660(2)(i)

An executive session was called at 8:27 p.m. under provisions of ORS 192.660(1)(i) to review and evaluate the performance of an officer, employee or staff member. The Council reconvened into regular session at 9:04 p.m.

Councilor Crume asked how much the bonus pay was.

Councilor Fugate stated she thought it was around \$2K.

Mr. Brown stated it was a little over \$2K.

Councilor Crume asked what the criteria was for the bonus.

Mayor Verini stated it was an additional amount for the amount of work that was done.

Councilor Fugate stated the Mayor didn't have the authority to give the bonus or the evaluation, and that needed to be brought out.

Councilor Crume stated that wasn't what he was asking. He asked about the criteria for it.

Councilor Tuttle stated there wasn't any.

Mayor Verini stated the criteria was that when Tori was working the two positions – the City Manager position and the City Recorder position – his thought process was that with all the additional work she had put in, and the additional challenges she had, especially going on to the second year, he felt with her recognition with the Recorder's organization, the LOC award for the work done with CH2M Hill, and also that it was the first time in 21 years that the city had received a clean audit, that he used that for justification for the additional monies. And, in answer to Councilor Fugate's comments, they had discussed that, and in those discussions, they had, as a Council, ratified the two years prior to this, regarding the evaluations. They were now at the point, as Councilor Justus said, to move forward.

Councilor Crume asked if, when she was City Manager, were any other employees given a bonus.

Ms. Barnett stated not to her knowledge.

Councilor Fugate stated she thought that was a mistake. Didn't she give Marcy extra money?

Ms. Barnett stated Marcy wasn't given a bonus; she was given compensation for assisting during the time she was both Interim City Manager and City Recorder.

Councilor Tuttle stated the Mayor had asked the question about criteria. The only criteria in this instance was a decision by the Mayor to grant that bonus. There was no formal criteria, there was no formal evaluation, or anything else to add that 2% on there. He did it without authorization; he did it without consulting this Council. The other two years she was given that, he couldn't remember a discussion on it, but he arbitrarily put the 2% at his own decision. There was nothing in any part of this city ordinance, charter, or anything else that allowed him to do that. He overstepped his authority. It was plain and simple. He had no more authority – it was like you, why didn't you give her a 2% bonus? According to him, you could have, because all this criteria had taken place. There wasn't any criteria. He did it on his own. He had one vote like every single person here. He overstepped his authority.

Mayor Verini stated they were beating a dead horse. They'd been through all that.

Councilor Tuttle stated the Mayor was making an excuse for that and had never admitted he'd made a mistake. Besides that, he believed he still had the floor. He would appreciate it if the Mayor wouldn't interrupt him. So, with that said:

Larry Tuttle moved, seconded by Marty Justus, to deny the 2% extra bonus that was authorized only by the Mayor. Roll call vote: Crume-no; Winebarger-no; Carter-no; Justus-yes; Tuttle-yes; Fugate-yes; Verini-no. Motion failed 4/3/0.

Councilor Fugate stated she couldn't believe them. She didn't know where their heads were.

Councilor Crume responded that the reason he voted for that was because the Mayor made a mistake. He believed in his heart that Tori had done the best she could for doing two jobs.

Councilor Fugate stated she had someone to help her with that.

Councilor Crume stated it had only been for the past six months. She did over a year and a half by herself at the wage of the very low scale that they would have paid any City Manager, and she did both jobs. He'd be the first to agree, that on the City Manager's side, there could have been some things done faster and better, but in the time allotted, he didn't think anyone could have done better than she did. That was his personal opinion, and everyone had one.

Councilor Fugate stated what had happened was that there were relationships on the Council with Tori, and they cared about her, and she cared about her also, but there was a principal involved, that the Council, she just didn't understand. They had all this budget stuff, and here they were giving bonuses out for work that wasn't done very well.

Councilor Crume disagreed. That's the point of having seven on the Council. He didn't look down on any of them for disagreeing with him.

Councilor Carter stated she hoped there were some lessons learned in all of this and that none of them – Mayor or Council – had to cross that bridge again. It put everyone in a precarious position to make a decision about some things that possibly some discussion didn't occur that should have, but they needed to acknowledge that and move on. Bite the bullet and set some principles. She had them. This was not going to harm any of them if they took their principles forward from that point. For her, it was really a lesson learned.

Mayor Verini agreed. It was a big lesson learned. They didn't have a contract in place, and they hadn't set goals, and that was partly the reason they were there.

Councilor Fugate stated that a few months ago when she was still involved with the pool committee, Councilor Winebarger had said that Tori was her friend, and there was nothing wrong with having a friendship.

Councilor Winebarger stated there was a time that she thought she and Councilor Fugate were friends, too.

Councilor Fugate stated she assumed they still were.

Councilor Winebarger stated she didn't see how Councilor Fugate's comments were relevant, then. She evaluated the entire Council on the different things, before evaluating Tori. Yes, she and Tori were friends, but she was going to be unbiased and fair. She gave them all the same scores she would as friends or not.

Councilor Justus stated in putting this behind them, this one part, they just heard there were no guidelines or things set up for the City Manager. He had been trying to get them to come up with something for three months. Could then now put that on the front burner and give the City Manager some guidance, so that he knew what the Council expected from him? They were 30 days into him being there, and by the time of the next meeting....it was time! Bring the city forward. It was voted on, so move on.

Councilor Carter stated her friendship - she didn't deal with friendship when voting on things. That came from her heart. The 2% had nothing to do with friendship or anything else. It had to do with the right thing that they, as a Council, had not provided clear expectations. For her, that was what she used, those were the principles she stood behind and she would move forward as she met with Mr. Brown tomorrow, she would discuss things that were her beliefs. It might not be the whole Council's beliefs, but it would be expected from the Council, what she expected for her city in the future. She did have things that she had always wanted for this city, and she had clearly seen that some of those things were not being met. She definitely wanted them to take a good look at themselves. It wasn't about friendship on the Council, because they were just that, a Council. They couldn't say they voted for or against something. They had to go with the right thing to do. That was why she was there, and the reason for running for office. She had seen things that were not good for the order of the city, the community, and the citizens. When she saw that, she didn't want to see it repeated.

Councilor Winebarger added a ditto!

ADJOURN

Norm Crume moved, seconded by Marty Justus, that the meeting be adjourned. Roll call vote: Crume-yes; Winebarger-yes; Carter-yes; Justus-Yes; Tuttle-yes; Fugate-yes; Verini-yes. Motion carried 7/0/0.

APPROVED:



Ronald Verini, Mayor

ATTEST:



Tori Barnett, MMC, City Recorder