COUNCIL MEETING MINUTES
March 1, 2010

The regular meeting of the Ontario City Council was called to order by Mayor Joe Dominick at 7:00 p.m. on Monday, March 1, 2010, in the Council Chambers of City Hall. Council members present were Norm Crume, Joe Dominick, Charlotte Fugate, John Gaskill, Susann Mills, David Sullivan and Ron Verini.

Members of staff present were Henry Lawrence, Tori Barnett, Larry Sullivan, Kathy Daly, Yorick de Tassigny, and camera operator Erika Hopper.

John Gaskill led everyone in the Pledge of Allegiance.

AGENDA
Ron Verini moved, seconded by Charlotte Fugate, to adopt the Agenda as amended. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

CONSENT AGENDA
Susann Mills moved, seconded by Ron Verini, to approve Consent Agenda Item A: Approval of Minutes of regular meeting of 02/16/2010; Item B: Bid Award: Chipseal Oil; Item C: Indigent Care Services Agreement Addendum: City-Holy Rosary Medial Center; Item D: Resolution #2010-112: Engineering Design for North Oregon Street, Phase 2; and Item E: Approval of the Bills. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

PRESENTATION: Ford Family Foundation for Improvements at Laxon/Rotary Park
Sandy Jean Fuson, representing the Ford Family Foundation Leadership Program, along with Mary Christianson, Betty Carter, Amber Campbell, and Jan Snyder, provided the Council with their plans to develop a basketball court at Laxon/Rotary Park. The budget would include painting the restrooms mural, the security lighting, painting the playground equipment, new signage, and the basketball court; also, the City had agreed to do in-kind support of the project. They wanted to get moving on the project by spring, and were hoping that the Council would adopt the proposed resolution of support.

Mayor Dominick voiced his appreciation to the organization for their interest in improving the park, and looked forward to working with them on the project.

AMEND AGENDA
Charlotte Fugate moved, seconded by John Gaskill, to amend the Agenda to add Resolution #2010-115 under New Business. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

NEW BUSINESS

Appointment(s) to Business Loan Fund Committee
Mayor Dominick recommended the three applicants be appointed to the Committee, with staggered terms.

Charlotte Fugate moved, seconded by David Sullivan, to appoint Jackie Hansen, David L. Knight, and Janet Komoto to the City of Ontario Business Loan Fund Committee, effective immediately, with staggered terms: Janet Komoto December 31, 2010, Jackie Hansen December 31, 2012, and David L. Knight December 31, 2011. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Resolution #2010-113: Enterprise Zone Redesignation
Jim Jensen, Malheur County Economic Development Director, stated the Malheur County Enterprise Zone was going to sunset, and the proposed resolution would work towards redesignating the zone. The resolution would become part of the application which would be submitted to the state.

Ron Verini moved, seconded by Susann Mills, to adopt Resolution #2010-113, A RESOLUTION BY THE GOVERNING BOARD OF ONTARIO, OREGON, TO SPONSOR AN ENTERPRIZE ZONE. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Resolution #2010-114: Receive/Expend American Recovery and Reinvestment Act Energy Efficiency and Conservation Block Grant from Oregon Department of Energy ($728,000)

Yorick de Tassigny, Facilities Manager, stated the proposed resolution would approve an agreement between the City of Ontario and the State of Oregon Department of Energy (ODOE) for the acceptance of Energy Efficiency and Conservation Block Grant (EECBG) funds for the design and construction of a lighting and HVAC upgrade project at Ontario City Hall. The project was based on recommendations made by McKinstry following a level 1 energy audit of the facility. The upgrade to the energy systems were expected to save the City $12,500 in energy costs annually. Currently, the City paid approximately $35,000 annually in electricity costs for City Hall alone. In November 2009, staff applied for American Recovery and Reinvestment Act of 2009 (ARRA) Energy Efficiency and Conservation Block Grant (EECBG) for funding to complete a lighting and HVAC (heating, ventilating and air conditioning) upgrade at City Hall. The projects were identified in a report compiled by McKinstry in October of 2008 following the audit. On January 29, 2010, ODOE issued a press release identifying the cities and counties to receive recovery act funds, and listed the Ontario City Hall lighting and HVAC project as one selected for funding. The City was awarded $728,000, the full amount for designing and completing the project, less the estimated $10,000 in staff time that would be required for administering the work. Portions of the project would also qualify for financial incentives available through Idaho Power.

The project targeted the two largest energy consuming systems in the facility: Lighting and HVAC. The lighting portion of the project, estimated at $103,000, included a complete retrofit of interior and exterior lights and fixtures. The current T12 fluorescent fixtures would be replaced with T5 or T8 equivalents (depending on the application) that boasted the latest and significantly more efficient technology in the industry. This phase of the project would also analyze current lighting levels and compare them with existing needs and generally accepted standards. This effort would allow for the delamping of over-lit areas, maximizing efficiency even further. Motion sensors and other such lighting control devices would also be part of the project.

The HVAC portion of the project, estimated at $625,000, would seek to completely dismantle and replace the existing variable air volume (VAV) system that was original to the building. This system was very inefficient and had reached the end of its useful life, which made it very costly to operate and maintain. The City would follow McKinstry's recommendation to design and install a variable refrigerant flow (VRF) system. That system would distribute refrigerant instead of piping hot and chilled water to each evaporator unit like chilled water systems did. By supplying different amounts of refrigerant to evaporators, the VRF systems would be able to provide simultaneous heating and cooling for comfortable HVAC operation. Despite having a somewhat higher initial cost, VRF systems were significantly more efficient than comparable HVAC system. The installation of this equipment was expected to translate into a favorable return on investment.

This project was aimed at reducing City Hall's operational costs by rendering the energy systems more efficient. The City currently paid approximately $35,000 in electricity costs annually. It was estimated that this project would result in a cost savings of $12,500. However, the project could be expected to cause some disruption to the normal flow of business but it was highly unlikely to cause any interruption of services or lengthy displacements of staff.

The proposed resolution authorized the City Manager to enter into an agreement between the City of Ontario and the ODOE conceding to the terms set forth in the American Recovery and Reinvestment Act of 2009 for the receipt of EECBG funds for the lighting and HVAC upgrade at City Hall contingent upon approval of the final document by all parties.

Susann Mills moved, seconded by David Sullivan, to adopt Resolution #2010-114, A RESOLUTION ACKNOWLEDGING RECEIPT AND AUTHORIZING EXPENDITURE OF A $728,000 AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) WITHIN THE GRANT FUND. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Ordinance #2639-2010: Inland Development Franchise Agreement (1st Reading)

Henry Lawrence, City Manager, began the discussion, and then deferred to Larry Sullivan, City Attorney. The proposed ordinance would grant Inland Development Corporation a telecommunications franchise. Inland Development Corporation was a not-for-profit 501(c)(4) corporation. It requested a franchise agreement with the City to install fiber optic cable in the City rights of way to provide broadband service to 8C School District and TVCC. Its project was part of the Oregon Health Network's Rural Healthcare Pilot Project in Oregon. Inland Development Corporation headquarters was located in Heppner and had franchise agreements with a number of other cities in eastern Oregon. Ordinance 2639-2010 incorporated Title 3, Chapter 2 of the City Code governing telecommunications franchises. It used the Malheur Bell franchise agreement as a template approved by the City Council on March 16, 2009, through Ordinance No. 2626-2009.

The franchise fee of 7% of gross revenues in Section 2.1 of the ordinance was the same fee charged to Malheur Bell. Federal law required that municipalities treat competitive local exchange carriers equally. That requirement appeared in Section 2.2 of the ordinance, just as it occurred in the Malheur Bell ordinance. There were two changes from the Malheur Bell Agreement, in that the proposed franchise agreement would be for five (5) years, not the ten (10) which Malheur Bell had; and second, the Inland franchise would be require posting a bond by the Corporation to use the City's rights of way and to do the construction work in order to string the fiber optic cable. The attorney for Inland Development Corporation had received a draft of the ordinance, and could possibly request changes to the ordinance, prior to the final reading.

As required by City Code, Inland Development Corporation paid the City $2,000 as an application fee. The financial impact of the 7% gross revenue franchise fee was likely to be small, due to the limited nature of the services that would be provided by the Corporation. Inland Development Corporation had a for-profit subsidiary, WindWave Technologies, Inc., that might request a separate telecommunications franchise from the City to provide commercial broadband services using the same fiber optic cable.

David Sullivan moved, seconded by Susann Mills, to adopt Ordinance #2639-2010, AN ORDINANCE GRANTING INLAND DEVELOPMENT CORPORATION THE RIGHT TO MAINTAIN A GENERAL TELECOMMUNICATIONS BUSINESS IN THE CITY OF ONTARIO AND TO USE THE RIGHTS OF WAY OF THE CITY OF ONTARIO FOR ITS TELECOMMUNICATIONS OPERATIONS on First Reading by Title Only. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Resolution #2010-115: A Resolution Authorizing the City to Cooperate with the Rotary Club and the Ford Family Leadership Class to Make Improvements to Laxon/Rotary Park

Mayor Dominick reminded the Council this was an issue that had been discussed earlier in the meeting.

Kathy Daly, Aquatics/Recreation/Cemetery/Parks Director, voiced her support for the project. City staff would be working closely with the group, and would be assisting in getting the park improved and family ready.

Joe Dominick moved, seconded by Charlotte Fugate, to adopt Resolution #2010-115, A RESOLUTION AUTHORIZING THE CITY OF ONTARIO TO COOPERATE WITH THE ROTARY CLUB AND THE FORD FAMILY LEADERSHIP CLASS TO MAKE IMPROVEMENTS TO LAXON ROTARY PARK. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

- Kathy Daly stated soccer registration was finishing up, and they were at 600+ so far. They were looking for sponsors for the teams, and for volunteers for coaching. Also, swimming lessons would be offered during spring break.

- Tori Barnett stated the Ontario City Government Leadership Scholarship would be opening up for graduating seniors, and had been forwarded to the high school. CK3, LLC had generously donated $250 to combine with the City's $500, to make the scholarship $750; then Anderson-Perry of La Grande had also donated $750 for a second scholarship. The criteria and application would be the same for the two scholarships.

- Mayor Dominick stated there were still some vacancies on various City boards – the Recreation Board and the Public Works Committee were two with openings.

- Henry Lawrence stated he had sent the Council a Google link regarding the future Ontario data center, which would be located on the newly sold piece of the Stelling property.

- Councilor Verini stated the VA from Boise had sent over the Veteran's Center van last Friday, and they had expected one or two people from the veteran community to come in, but the van was busy from arrival, until two hours *AFTER* they were supposed to have left. The van would be back, at TVCC, possibly on the 9th.

- Councilor Gaskill reminded everyone of the Firefighter's Auction/Dinner/Dance coming up on Saturday, March 6th. It would be held at the Armory.

- Councilor Fugate stated she was working with the cat capture/neuter/release program, and they were going to be hosting a yard sale in May, called "The Fat Cat" yard sale, so anyone who had things to donate, they could contact her.

- Mayor Dominick stated the Ontario Sister City events would run May 19-31. Host families were all lined up, and there were going to be 13 students and 2 adults. There would be a welcoming reception on the 19th at the Four Rivers Cultural Center, beginning at 6:30, and the public was invited to attend.

- Mayor Dominick stated May 15th was Ontario Serve Day 2010. Sign up sheets were available on the website, www.serveday.info and there were always volunteers needed to help clean up Ontario.

ADJOURN

John Gaskill moved, seconded by Ron Verini, that the meeting be adjourned. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Joe Dominick, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder