

**COUNCIL MEETING MINUTES
June 21, 2010**

The regular meeting of the Ontario City Council was called to order by Mayor Joe Dominick at 7:00 p.m. on Monday, June 21, 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. (*Councilor Verini participated via telephone*).

Members of staff present were Henry Lawrence, Tori Barnett, Larry Sullivan, Al Higinbotham, Mike Kee, Mark Alexander, Lisa Hansen, Linsey Hansen, Allen Montgomery, Scott Phelps, Ridg Medford, Tauni Thode, Greg Bakken, Chris Bolyard and camera operator Delaney Kee.

John Gaskill led everyone in the Pledge of Allegiance.

AGENDA

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

CONSENT AGENDA

Mayor Dominick recused himself from taking action on the Consent Agenda as his corporation had a payment due under the bills.

Susann Mills moved, seconded by John Gaskill, to approve Consent Agenda Item A: Approval of Minutes of regular meeting of 06/07/2010; Item B: Proclamation: Americanism Week; Item C: Meetings List: July-December, 2010; and Item D: Approval of the Bills. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-abstain. Motion carried 6/0/0/1.

Mayor Dominick read the proclamation into the record:

*WHEREAS, Strengthening the unity of the United States of America is vital; and
WHEREAS, There is a need to strengthen the American Heart of Emblems; and
WHEREAS, There is a need to strengthen the beliefs of each individual and each club; and
WHEREAS, In these interests, it seems appropriate at this time to restate our citizenship principles:
We do pledge to bear true allegiance to the Constitution of the United States of America, and to the flag which is the emblem of our country. The Supreme Emblem Club of the United States of America has, in fact, adopted the flag of our country as the Emblem of our Order and have adopted the name Emblem by which our organization is known throughout the land.
We are the citizens dedicated to the beliefs that the United States of America shall be sustained, preserved and perpetuated.
NOW, THEREFORE, BE IT RESOLVED, in keeping with these principles, it seems obligatory that we act now to more forcefully display these beliefs:
That each club create an Americanism Committee;
That each club originate and participate with others in patriotic community endeavors;
That each Emblem member as an individual, finish a patriotic deed each day;
That each club and every member engage in assisting the Americanism Program of the Benevolent and Protective Order of Elks on every occasion when members are invited to participate; and
That each club and each member give determined effort to actively fulfilling the purpose to which we dedicate ourselves, to bear true allegiance to the Constitution and flag of the United States of America.
NOW, THEREFORE, I, Joe Dominick, Mayor of the City of Ontario, Oregon, do hereby proclaim June 14 through June 21, 2010, as Supreme Americanism Week.*

OLD BUSINESS

Ordinance #2646-2010: Granting a Franchise Agreement to Idaho Power (2nd and Final Reading by Emergency Clause)

Larry Sullivan, City Attorney, stated some changes have been made in the ordinance since the first reading. Based on the discussion at the June 7, 2010, Council meeting, the term of the franchise agreement has been changed from a five year to a ten year term (Section 2(1)). Another change was that Idaho Power asked that the Public Utility Commission be referred to as the Public Utility Commission of Oregon, and that wherever reference was made to the "Commission", it would now be referred to as the "PUC".

In addition, the wording with respect to the effective date of the ordinance has been changed. In the original ordinance, in the last Whereas clause it was stated that the ordinance took effect immediately on its passage "or on July 1, 2010, whichever is later". Under the Ontario City Charter, an ordinance enacted with an emergency clause takes effect immediately. There is no provision in the Charter for having a later effective date under an emergency enactment. Therefore, in order to comply with the Charter, the ordinance language has been corrected to provide that the ordinance takes effect immediately. Although it takes effect immediately, Section 2(1) has been changed to explicitly state that the franchise be granted for a ten year term starting on July 1, 2010. Last, Section 19 of the ordinance had been reworded to provide that Idaho Power's signature on the ordinance was retroactive to July 1, 2010. In Section 10, it stated that Idaho Power would comply with the city right-of-way chapter of the city code, and be made subject to the authority of the PUC. Staff was recommending approval of the final reading of Ordinance No. 2646-2010.

John Gaskill moved, seconded by David Sullivan, that the Mayor and Council declare the need to approve Ordinance #2646-2010 on an emergency passage. Roll call vote: Crume-no; Fugate-yes; Gaskill-yes; Mills-no; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 5/2/0.

David Sullivan moved, seconded by John Gaskill, to approve Ordinance #2646-2010, AN ORDINANCE GRANTING A NON-EXCLUSIVE ELECTRIC UTILITY FRANCHISE TO IDAHO POWER COMPANY, AND FIXING TERMS, CONDITIONS, AND COMPENSATION OF SUCH FRANCHISE, AND DECLARING AN EMERGENCY, on Second and Final Reading by Title Only. Roll call vote: Crume-no; Fugate-yes; Gaskill-yes; Mills-no; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 5/2/0.

NEW BUSINESS

Dog Shelter Contract with Ani-Care Animal Shelter

Larry Sullivan, City Attorney, stated the Council received a draft of the dog shelter contract in the packet, and there had been discussion about the changes that had been made in that draft from the original draft that had been provided by Ani-Care Shelter. He had exchanged emails with the Henricks about the contract. Mrs. Henricks sent an email to him that day, indicating that their attorney, Charles Oakes, had not had a chance to review it. Therefore, he was asking the Council to table the action until Mr. Oakes had a chance to look over the contract.

David Sullivan moved, seconded by Charlotte Fugate, to table the issue to the July 6, 2010 regular meeting. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Approval of 5-Year Freeze on Rural Fire Board Contract in Exchange for Funding in Support of the Proposed Ontario Fire Department Storage Facility

Mayor Joe Dominick stated the City Council recently approved a contract with MVCI, LLC, to construct a 5 bay Fire Station Storage Building totaling \$513,800 (without sewer costs), and the Ontario Rural Fire Board previously had approved \$50,000 from their budget to assist with the construction of the building.

The City Council approved the design build agreement on June 7th. Being aware of the limited budget for the project, the Mayor and Councilor Mills attended the Rural Fire Board meeting, and requested additional dollars for the Board to assist with the construction of the building. The Board agreed to pay an additional \$55,000 towards the fire building, for a total contribution of \$105,000, with a request for a contract freeze. Previously, in 2006, 2007, and 2008, the Council increased the Rural Fire Boards contract for services provided by the Ontario Fire Department by 1% each year, but in 2009, 2010, and 2011, the contract was not increased, staying frozen at \$111,572.00 per year. In exchange for the additional \$55,000 towards the building, the Rural Board asked for a 5 (five) year freeze on their contract, locking in the \$111,572.00 payment through 2016.

With the additional payment from the Rural Fire Board, the City would be \$58,800 over budget for the proposed building; however, using the debt service dollars of \$69,000, which had been set aside in the 2009-10 City budget, the project would be within the budgeted amount the Budget Committee approved.

Using a 2% increase for 5 years - \$11,565.16 loss in revenue.

2%	\$113,803.44	2012
2%	\$116,079.51	2013
2%	\$118,355.58	2014
2%	\$120,722.70	2015
2%	\$123,137.16	2016

Using a 1% increase for 5 years - \$5691.30 loss in revenue.

1%	\$112,687.72	2012
1%	\$113,814.60	2013
1%	\$114,952.75	2014
1%	\$116,102.27	2015
1%	\$117,263.30	2016

The Council could choose not to approve the freeze on the contract, and not receive the additional \$55,000, or they could approve a shorter term to freeze the contract, taking the proposal to the Rural Fire Board, however it was the recommendation of the Mayor to approve the additional 5 year freeze on the Rural Fire Boards contract with the City.

David Sullivan moved, seconded by Susann Mills, that the Council approve the five (5) year additional freeze on the Rural Fire Board contract, in exchange for an additional \$55,000 towards the Fire Station Storage Building, and authorize the Mayor or City Manager to sign Addendum #11 to the contract. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

EXECUTIVE SESSION

Council convened into Executive Session under ORS 192.660(2)(d), then under 192.660(3), then back under ORS 192.660(2)(d) at 7:48 p.m. Council reconvened back into the regular meeting at 8:43 p.m.

NEW BUSINESS (CONTINUED)

Proposed Ratification of Police Union Contract

Henry Lawrence, City Manager, stated the previous union contract expired June 30, 2009, and staff and union representatives had been negotiating for a new contract. They had not been able to reach an agreement, so in April, 2010, the mediation process had been started. Following mediation, on April 21, 2010, both sides reached a tentative agreement, and on May 17, 2010, the contract was ratified by the police union. It was now before Council for review, discussion, and proposed ratification.

Many of the changes were cleanups for the language to make it cleaner and clearer. The financial section stated that in terms of wage adjustments, on July 1, 2009, the membership would receive a 2% increase, so that piece was retroactive to July 1, 2009; March 1, 2010, there was another 1% increase. The second year of the contract would begin on July 1, 2010, and the membership would receive a 1.5% increase, and on January 1, 2011, there would be another 1.5%. On July 1, 2011, there would be another 1.5%, and for the last six months of the contract, January to June, 2012, another 1.5%. Overall, the membership would receive a 3% increase per year of the contract, staggered. Also, the membership would be receiving a \$500 one-time signing bonus, but would be required to pay taxes and other required withholdings. The other major change in the contract was that the membership had agreed to change health coverage plans, moving from the current plan to the plan offered by the Teamsters. That would produce approximately \$13,000 in savings to the City. The estimated total cost of the contract was, after paying out the \$13,000 in signing bonus vs. decrease due to the health insurances savings, a total 3-year net cost of \$100,096 for all 26 members of the union.

Councilor Mills asked if the signing bonus was a typical piece of a contract.

Mr. Lawrence stated he had made the decision in front of the mediator that if that was a way to conclude the matter, and it was also a way to at least try to buy-down the annual increase with a one-time signing bonus. He was not aware of how often it was seen.

Councilor Mills asked if it did do a buy-down.

Mr. Lawrence stated it was not automatic. The union had originally asked for 2.5% increase every six months, and they ended up at about 1.5% every six months. The first year was staggered at 2% July 1st, 1% on March 1st, and the last two years it was 1.5% every six months.

Councilor Mills asked if this was for all employees, this \$500 bonus.

Mr. Lawrence stated it was for all employees of the Ontario Police Association, the police and employees of the 9-1-1 call center, for a total of 26 employees.

Councilor Sullivan asked if that \$13,000 was part of the figures that Mr. Lawrence represented.

Mr. Lawrence stated \$13,000 had been subtracted from the gross numbers given.

Councilor Mills verified the savings the first year in insurance basically went to the signing bonus for the employees?

Mr. Lawrence stated that was correct. The \$13,000 savings was every year thereafter through the contract. They would share the first year's insurance savings with the union members.

John Gaskill moved, seconded by Ron Verini, that the City Council authorize the City Manager to sign the proposed tentative agreement between the City of Ontario and the Ontario Police Association for the period of July 1, 2009 through June 30, 2012.

Councilor Crume stated he wanted it clear to the Ontario Police Association that he understood the contract, however, he had a philosophical problem with the economics this area and the nation was currently having, and he felt it was a wrong decision to make a wage increase where many of the citizens were struggling. To let the association know, it was nothing against them whatsoever, it was just a situation he personally had with the local economics and nationally, that it was tough for him to vote yes for a pay increase at this time.

Mayor Dominick also wanted the public to know that the Councilor's votes in no way reflected how they all felt about the officer's performances for this community. The City had a fine department that kept this City safe, and it was very much appreciated. Please keep that in mind as the vote was cast.

(John Gaskill moved, seconded by Ron Verini, that the City Council authorize the City Manager to sign the proposed tentative agreement between the City of Ontario and the Ontario Police Association for the period of July 1, 2009 through June 30, 2012). Roll call vote: Crume-no; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-no. Motion carried 5/2/0.

Councilor Gaskill suggested putting together a task force with some Council, staff, and police representation, to discuss how to resolve the impact issues of the contract. The Council should have a work session to begin discussing how they felt the impact should be dealt with in a positive way in moving forward.

Mayor Dominick agreed. The impact to the budget needed to be addressed so it worked for everyone.

Mr. Lawrence requested they wait until Rachel Hopper was back, as he wanted her involvement.

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

- Councilor Mills expressed her condolences and offered her prayers out to the family of Joe Aguiar's family. Joe was killed in an accident last Saturday.
- Tori Barnett stated packets for running for City office were available, but she had not had anyone approach her at this point. There would be 4 spots open – 3 Councilors and the Mayor.
- Mayor Dominick stated they next work session would be Thursday, July 1st, and the Council meeting would be on Tuesday, July 6th.
- Mayor Dominick stated the High Desert Motorcycle Rally was set for July 2nd and 3rd, and Kevin Sharp would also be in town performing at the Rally.

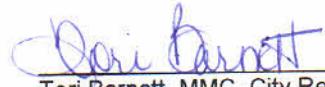
ADJOURN

David Sullivan moved, seconded by Susann Mills, 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.

ATTEST:



Joe Dominick, Mayor



Tori Barnett, MMC, City Recorder