COUNCIL MEETING MINUTES
January 19, 2010

The regular meeting of the Ontario City Council was called to order by Mayor Joe Dominick at 7:00 p.m. on Tuesday, January 19, 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, Bob Walker, and camera operator Delaney Kee.

Ron Verini led everyone in the Pledge of Allegiance.

John Gaskill 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

Charlotte Fugate moved, seconded by Ron Verini, to approve Consent Agenda Item A: Approval of Minutes of regular meeting of 12/21/09; Item B: Approval of Minutes of Electronic/Telephonic meeting of 01/07/10; Item C: Proclamation: Fire Service Appreciation Day – January 27, 2010; Item D: Resolution #2010-101: Permanent Utility Easement Agreement from J.R. Simplot to the City for Existing Sewer Lines; 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.

On a side note, Mayor Dominick stated that on March 19th, the Ontario Sister City Organization visitors from Osakasayama, Japan, would be in Ontario, and host families were still needed. If anyone was interested, please contact him at his office.

The Ontario Fire and Rescue Department, full-time and volunteer staff, headed by Chief Allan Higinbotham, were present to hear the proclamation read into the record by Mayor Dominick:

WHEREAS, the fire service members of Ontario have dedicated themselves to the protection of life and property of their follow citizens, often at great risk to their own safety and well-being; and

WHEREAS, the fire service members of Ontario have continuously supported efforts to elevate the standards and training of firefighters and have been instrumental in increasing the public awareness of methods of fire protection and suppression; and

WHEREAS, firefighting is one of the most hazardous professions and requires extensive training, strength, endurance, courage and a selfless concern for the safety of the citizens of Ontario; and

WHEREAS, the contributions and sacrifices of valiant fire service members are often inadequately recognized by the public, and

WHEREAS, the work of fire service members deserved the attention and gratitude of all individuals in Ontario.

NOW, THEREFORE, BE IT RESOLVED, that I, Joe Dominick, Mayor of the City of Ontario, do hereby proclaim January 27th of each year to be recognized as

FIRE SERVICE APPRECIATION DAY

and be it further resolved that the legislative assembly encourages all citizens in Ontario to recognize and honor our fire service members for their efforts to keep our citizens safe from the ravages of fire.

Al Higinbotham, Fire Chief, stated the department appreciated the Council's support. There was a lot of experience in the department, and he gave a personal nod to long-time volunteer Dave Lockner, who had been with the department for over 35 years. The Chief stated he couldn't be any more proud of his crew. They were very dedicated and hard-working.

Firefighters in attendance were Justen Allison, Mike Clark, Tom Davis, Dominic Desimini, Yorick deTassigny, Kipp Domby, Mark Fillman, Jared Gammage, Gary Gibbs, Gabe Gomez, Frank Grimaldo, Frank Grimaldo, Jr., Todd Higinbotham, Kevin Hill, Lonnie Justus, Tony Klein, Brule Lehman, Dave Lockner, Allen Montgomery, Ron Park, Rick Ramirez, Paul Rangel, Jonathan Rico, Cameron Saito, Dusty Simpson, Matt Smith, Nick Smith, Tyler Swanson, Jim Wick, Brian Wickert and Casey Wilber. *(Underline denotes full-time staff)*

NEW BUSINESS

Resolution #2010-102: Continuing the Business Loan Fund Program and Revising Loan Criteria and Procedures

Larry Sullivan, City Attorney, stated the City of Ontario Business Loan Fund (BLF) was established by Resolution #87-103, dated March 2, 1987. In 2000, the City Council concluded that the BLF was being underutilized and in Resolution #00-128 it lowered the interest rate from a fixed rate of 5% to a new rate of 2% under the prime interest rate. In 2004, in Resolution #2004-140, the City Council again revised the BLF loan criteria, this time to permit businesses located outside the Urban Growth Area to be eligible for BLF loans if the projects financed provided benefits, directly or indirectly, within the Urban Growth Area. In the past year, as a result of defaults by businesses that had received substantial BLF loans, the City Council had a number of discussions, including a work session in October, 2009, to discuss revising the BLF loan criteria. Proposed Resolution #2010-102 was intended to address the concerns raised by the Council in those discussions.

The changes made to the BLF program by proposed Resolution #2010-102 included the following: Add as a goal to encourage loans to businesses in less commercially developed areas; Require applicants to meet at least three project goals; Make working capital an ineligible loan activity; Restrict loans to businesses located primarily in the Ontario city limits rather than loans that provide benefits within the Urban Growth Area; Add provisions making personal, financial information provided by applicants confidential and requiring the City to follow procedures to maintain that confidentiality; Require the Finance Director to investigate the value of collateral; Require at least one Loan Committee member to have accounting experience; Allow businesses that engage in gambling activities (such as the Oregon lottery) to be eligible for funds (the prior restriction making gambling businesses ineligible was eliminate; Eliminate the requirement that applicants create one new job per $12,000 in loan funds; Change the application requirements in paragraph 7 to require applicants to provide criminal histories; three years of tax returns; a statement of credit card debt; a 12 month cash flow projection; PDAC approval; and, for newer businesses, to prove participation in the TVCC Bizcenter business planning program, or equivalent; Invite loan applicants to attend at least one Loan Committee meeting and encourage their other lenders to attend as well; Require Loan Committee members to declare conflicts of interest; and Change the loan terms in paragraph 11 to lower the floor for BLF loans from $15,000 to $10,000 and the length of the loan from 15 years to 10 years; raise the interest rate on loans from 2% under the prime rate to 3% over the prime rate, with a minimum rate of 6%; require the applicant and other principals in the business to sign personal guaranties; change the maximum percent of the BLF loan from 33.33% to 20% for any project, and require applicants to provide at least 10% of the other funding; eliminate inventory as collateral for valuation purposes; tighten the language of loan subordinations; lower the value of equipment and other personal property when evaluating collateral; and specify that the City will perfect its collateral by filings with the Secretary of State or the County Clerk.

Resolution #2010-102 was intended to replace and supersede all prior BLF resolutions, as stated in paragraph one (1) of the resolution. This would have no impact on BLF loans that were already approved by the City. Those loans would remain subject to the loan agreements, security agreements, promissory notes and other instruments that were executed when those loans were approved.

Ron Verini moved, seconded by Charlotte Fugate, that the Council adopt Resolution #2010-102, A RESOLUTION CONTINUING THE BUSINESS LOAN FUND PROGRAM AND REVISING LOAN CRITERIA AND PROCEDURES. Roll call vote: Crume-yes; Fugate-yes; Gaskill-yes; Mills-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 7/0/0.

Resolutions #2010-103 and #2010-104: Contract Award for Sodium Hypochlorite Generators and Transfer Funding from Water Contingency to Fund the Replacement Hypochlorite System at the Water Treatment Plant

Bob Walker, Deputy Public Works Director, stated he was seeking Council approval to award the bid for the replacement of the sodium hypochlorite generator system at the Water Treatment Plant; to award the bid for the new sodium hypochlorite generator system at the Wastewater Treatment Plant, which was approved under SEW-10 in the 2009-2011 Budget; and to consider the award of the sodium hypochlorite generator system at the Aquatic Center. Funding needed to be transferred from Water Contingency to a capital project fund for the system at the Water Treatment Plant, which would be under proposed Resolution #2010-104.

Mr. Walker had discussed the failure of the single electrolytic cell sodium hypochlorite generator system at the Water Treatment Plant at the Council Workshop on December 3, 2009. A proposed multi-cell sodium hypochlorite generator system was presented to the Council and the benefits of this system were discussed. The Council recommended that staff determine if there were any suppliers of the multi-cell system and, if so, request bids for a multi-cell sodium hypochlorite generator system.

The 500-pound per day (PPD) single cell sodium hypochlorite generator system at the Water Treatment Plant failed on October 12, 2009. The supplier of this unit was MIOX Corporation. This unit had failed five (5) times since it was placed in operation in the spring of 2006. The unit still had a partial warranty that would result in a cost of $37,000 to the City of Ontario for a replacement unit. Due to past problems, it was not recommended to utilize this existing technology without purchasing a spare unit at an additional cost of $60,000 that would result in an overall cost of $97,000 to replace what currently existed at the Water Treatment Plant. MIOX suggested utilizing their upgraded sodium hypochlorite generator system at a cost of $83,500 rather than replace the existing unit; however, that was still a single cell system and would have similar maintenance concerns as the existing unit. Since the system had been down, staff had to truck sodium hypochlorite to the Water Treatment Plant, at an approximate cost of $15,300 to date. Overall, since the MIOX system had been in operation, the City of Ontario had spent approximately $34,000 for trucking sodium hypochlorite to the Water Treatment Plant.

Many of the new sodium hypochlorite systems being installed were of the multiple cell type. If staff utilized the multiple cell technology at the Water Treatment Plant, it would require a unit with six (6) cells. Such a system was much more flexible and if one cell failed, the system would continue to operate on the remaining five cells. Also, the MicrOclor system could have a replacement cell shipped overnight. Staff recommended the existing unit be replaced with the multiple cell technology.

A new sodium hypochlorite generator system was proposed for the Wastewater Treatment Plant in the 2009-2011 Budget at a cost of $120,000. If staff utilized the multiple cell system at the Wastewater Treatment Plant, it would require three cells, and it would be a big advantage to have the same system at both treatment plants.

At the present time, sodium hypochlorite was being trucked from the Water Treatment Plant to the Aquatic Center. The system for the Aquatic Center would only require a single cell. A sodium hypochlorite unit for the Aquatic Center was included in the RFP for pricing purposes only.

The alternative to the proposed multiple cell sodium hypochlorite system at the Water Treatment Plant was to replace the existing unit with the same technology for $37,000; however, that option was not practical based on past maintenance history.

The system at the Wastewater Treatment Plant would be covered under the 2009-2011 Budget. The system at the Water Treatment Plant would be paid for from Fund 105 - Water Fund Contingency -, which had a current balance of $1,153,900.

Mayor Dominick questioned the warranty on the unit?

Mr. Walker stated he believed it was a three (3) year full warranty, with years four (4) through seven (7) being prorated.

Councilor Sullivan verified that staff would continue to salvage the old MIOX unit?

Mr. Walker stated the City Attorney had submitted a letter to the MIOX Corporation, requesting a reimbursement to the City for the amount of warranty still remaining on the unit, which was approximately $13,880.

John Gaskill moved, seconded by Susann Mills, that the Council adopt Resolution #2010-103, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH PROCESS SOLUTIONS, INC., FOR SCHEDULE A IN THE AMOUNT OF $119,000 AND SCHEDULE B IN THE AMOUNT OF $76,000 FOR THE INSTALLATION OF SODIUM HYPOCHLORITE GENERATORS AT THE WATER TREATMENT PLANT AND THE WASTEWATER TREATMENT PLANT RESPECTIVELY. EXECUTION OF THE CONTRACT WILL NOT OCCUR UNTIL CONTRACTOR HAS FULFILLED ALL THE REQUIREMENS AS LISTED IN THE BID PROPOSAL; Further, it is moved that the Council adopt Resolution #2010-104, A RESOLUTION AUTHORIZING THE USAGE OF WATER CONTINGENCY FUNDS FOR THE PURCHASE OF THE SODIUM HYPOCHLORITE GENERATOR AT THE WATER TREATMENT PLANT. 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

- Henry Lawrence proposed a Council work shop on Thursday, February 4th, to hear a presentation by Waldo Insurance to introduce some insurance options.
- Councilor Verini reminded everyone of the Nation Suicide Hotline, which could be reached at 800-273-8255. Military personnel would call the same number, but would be prompted to select #1 to speak to an individual dealing specifically with military issues.
- Mayor Dominick commented on the ad running in the newspaper for vacancies on the City's boards and committees. Anyone interested should contact the City Recorder.
- Mayor Dominick reminded the Council of the meeting in Nyssa at their City Hall on January 21st at 11:00 a.m.; he stated the Council had been invited to attend the Eastern Oregon Council on Independent Living at 12:00 on Friday; and Representative Greg Walden would be in town on the 23rd at 9:00 a.m.

ADJOURN

John Gaskill moved, seconded by Charlotte Fugate, 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

PROCLAMATION
Fire Service Appreciation Day

WHEREAS, the fire service members of Ontario have dedicated themselves to the protection of life and property of their follow citizens, often at great risk to their own safety and well-being; and

WHEREAS, the fire service members of Ontario have continuously supported efforts to elevate the standards and training of firefighters and have been instrumental in increasing the public awareness of methods of fire protection and suppression; and

WHEREAS, firefighting is one of the most hazardous professions and requires extensive training, strength, endurance, courage and a selfless concern for the safety of the citizens of Ontario; and

WHEREAS, the contributions and sacrifices of valiant fire service members are often inadequately recognized by the public, and

WHEREAS, the work of fire service members deserved the attention and gratitude of all individuals in Ontario.

NOW, THEREFORE, BE IT RESOLVED, that I, Joe Dominick, Mayor of the City of Ontario, do hereby proclaim January 27th of each year to be recognized as

FIRE SERVICE APPRECIATION DAY

and be it further resolved that the legislative assembly encourages all citizens in Ontario to recognize and honor our fire service members for their efforts to keep our citizens safe from the ravages of fire.

Joe Dominick, Mayor

CONSENT AGENDA
January 19, 2010

TO: Mayor and City Council

FROM: Chuck Mickelson, Public Works Director

THROUGH: Henry Lawrence, City Manager

SUBJECT: RESOLUTION #2010-101: PERMANENT UTILITY EASEMENT FROM J.R. SIMPLOT TO THE CITY FOR EXISTING SEWER LINE

DATE: January 11, 2010

SUMMARY:
Attached are the following documents:

- Resolution #2010-101
- Permanent Utility Easement Agreement

The proposed resolution accepts a "Permanent Utility Easement" from the J.R. Simplot Company to the City of Ontario for an existing sewer line.

BACKGROUND:
An existing sewer was constructed in the 1930's on the alignment of SW 4th Avenue from SE 1st Street to Depot Lane. The sewer was constructed across Union Pacific property with a license agreement which terminated if the property was ever sold. Simplot purchased the property in the 1940's. The sewer remained but no permanent easement was ever granted. During 2008, the City relined the sewer underneath the Simplot and the UPRR property. We began discussions with Simplot and the attached "Permanent Utilities Easement" is the result of those negotiations. The easement language allows for the future construction of a structure over the sewer. Staff doesn't see the need to ever have to reconstruct or replace the sewer with open excavation given the technology of pipe bursting and lining of pipelines.

ALTERNATIVE:
The only practical alternative would be to relocate the existing sewer to an alternate location which would be a very expensive and unnecessary expenditure.

RECOMMENDATION:
Staff recommends approval of the attached resolution.

RESOLUTION 2010-101

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN THE PERMANENT UTILITY EASEMENT FROM THE J.R. SIMPLOT COMPANY TO THE CITY OF ONTARIO FOR AN EXISTING SEWER LINE

WHEREAS, an existing sewer line was constructed in the 1930's on the alignment of SW 4th Avenue from SE 1st Street to Depot Lane; and

WHEREAS, the sewer was constructed across Union Pacific property with a license agreement which terminated when the property was sold to Simplot in the 1940's; and

WHEREAS, the sewer remained but no permanent easement was ever granted; and

WHEREAS, in 2008 the City relined the sewer underneath the Simplot and Union Pacific property, which initiated and resulted in the attached Permanent Utility Easement Agreement.

NOW THEREFORE, BE IT RESOLVED by the Ontario City Council,

to authorize the Mayor to sign the Permanent Utility Easement from the J.R. Simplot Company to the City of Ontario.

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the Ontario City Council, this 19th day of January, 2010, by the following vote:

Ayes: Fugate, Sullivan, Mills, Dominick, Gaskill, Verini, Crume

Nays: None

Absent: None

APPROVED BY THE Mayor this 19th day of January, 2010.

Joe Dominick, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder

J.R. SIMPLOT COMPANY ONE CAPITAL CENTER 999 MAIN STREET SUITE 1300
P.O. BOX 27 BOISE, IDAHO 83707 (208) 336-2110 FAX (208) 389-7515

CORPORATE HEADQUARTERS

January 6, 2010

Chuck Mickelson
Public Works Director
City of Ontario
444 SW 4th Street
Ontario, OR 97914

Re: Permanent Utility Easement ("Easement"); Sewer Pipeline.

Dear Chuck:

Enclosed is an original partially executed Easement in connection with the sewer line crossing land owned by the J. R. Simplot Company with the City of Ontario located at northwest corner of SE 5th Avenue and SE 1st Street. Please arrange for the Easement to be signed by the Mayor, in the presence of a notary then recorded in the official real property records of Malheur County, Oregon.

Please return a copy of the fully executed Easement containing the recording information to my attention at the above address.

Sincerely,

Vic Conrad
Director, Land,
Water & Asset Recovery

Enclosure

After recording return to:
City of Ontario
Dan Shepard
444 SW 4th St.
Ontario, OR 97914

PERMANENT UTILITY EASEMENT

KNOW ALL MEN BY THESE PRESENTS that **J. R. SIMPLOT COMPANY** ("Grantor"), in consideration of the sum of Ten Dollars and No/100 Cents ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged paid to them from the **CITY OF ONTARIO, OREGON, a municipal corporation organized and existing under and by virtue of the laws of the State of Oregon,** ("Grantee"), have bargained, sold and by these presents do grant, bargain, sell and convey unto the Grantee and its successors and assigns, a perpetual non-exclusive easement and right-of-way through and underneath the property of Grantor along a route described on Exhibit A attached hereto to construct or reconstruct, maintain, inspect, operate, protect, repair, alter or remove a sewer pipeline no greater than 18 inches in diameter, subject to the use restrictions and Grantee's obligations for repairing any and all damages to Grantor's improvements set forth herein.

Together with all rights of ingress and egress necessary or convenient for the full rights and complete use, occupation and enjoyment of the rights and easements hereby granted. Grantee's sewer pipeline shall be buried at least eight (8) feet below the existing ground surface.

The rights granted hereunder do not limit Grantor's rights to use the surface of Grantor's parcel within the above described real property to a depth of seven (7) feet below the existing paved surface. Grantor may create or construct, or permit to be built, any building, engineered works or other structures over said sewer pipeline, provided said structures do not extend below seven (7) feet below the existing paved surface within the above described easement route. Grantee shall indemnify and hold Grantor harmless from and against any and all loss, damage, or injury to persons or property which may result from the construction, operation, maintenance and use of the sewer pipeline; provided, however, that said loss, damage or injury does not arise out of or result from the negligence or willful acts of the Grantor, its agents or employees. Grantee agrees to reimburse Grantor for any improvements, buildings, structures, fencing, paving, or any portions thereof that are damaged as a result of Grantee exercising the rights granted hereunder.

It is understood and agreed that in case suit or action is instituted to enforce or obtain compliance with any of the provisions hereof, then and in either of such events, the prevailing party shall be entitled to receive, in addition to its costs and disbursements, such sum as the count may adjudge as reasonable attorney's fees in such suit or action and on the appeal of any such suit or action.

This easement shall run with the land and is binding upon the Grantor's heirs, successors and assigns.

IN WITNESS WHEREOF the parties hereunto have set their hands and seals this 20 day of January 2010.

GRANTOR: J. R. SIMPLOT COMPANY

By: Terry T. Uhling

Its: Senior Vice President, Secretary and General Counsel

GRANTEE: CITY OF ONTARIO

Accepted By:
Mayor Joe Dominick

Attest:
Tori Barnett, City Recorder

STATE OF OREGON)
)ss.
County of Malheur)

This instrument was acknowledged before me on the 20 day of January, 2010, by Mayor Joe Dominick.

OFFICIAL SEAL
SUZANNE K BOURASA
NOTARY PUBLIC-OREGON
COMMISSION NO. 440304
MY COMMISSION EXPIRES JUNE 18, 2013

Notary Public for Oregon
My Commission Expires: 6-18-13

STATE OF IDAHO)
)ss.
County of ADA)

This instrument was acknowledged before me on the 6 day of January, 2010, by Terry T. Uhling.

Notary Public for Idaho
My Commission Expires: 10/30/2017

EASEMENT EXHIBIT "A"
within Tax Lot 100, Map 184710BB Granted To The City of Ontario For A Sanitary Sewer Line

LEGEND

PROPERTY LINE (PL)

SANITARY SEWER LINE

RIGHT-OF-WAY LINE (R-O-W)

CENTERLINE

EASEMENT LINE

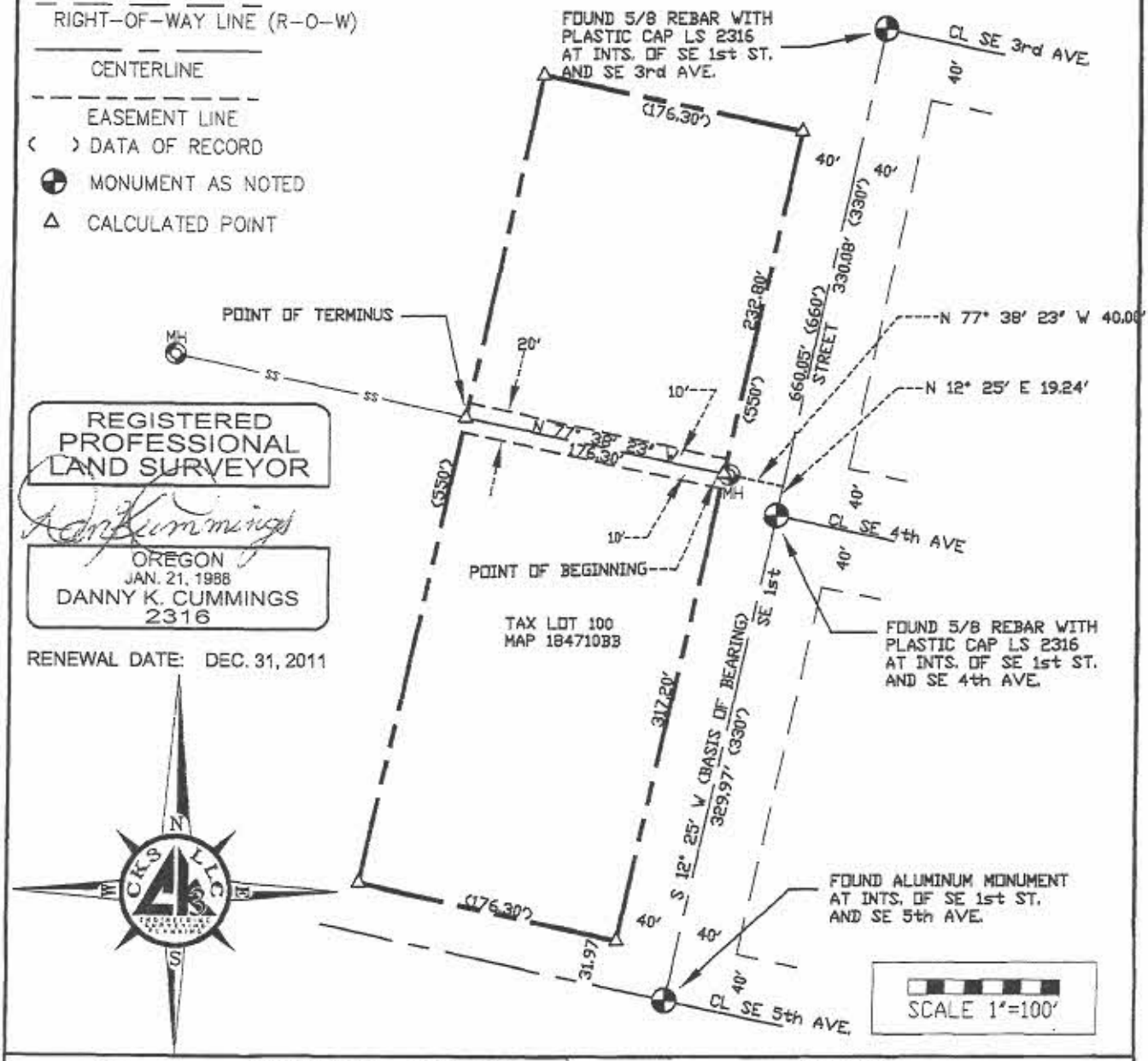
( ) DATA OF RECORD

MONUMENT AS NOTED

CALCULATED POINT

BASIS OF BEARING RECORD

R1 RECORD OF SURVEY FOR UPLAND INDUSTRIES BY GASCHLER & ASSOCIATES, FILED UNDER COUNTY SURVEY NO. 18-47-0159.



REGISTERED PROFESSIONAL LAND SURVEYOR

OREGON
JAN. 21, 1988
DANNY K. CUMMINGS
2316

RENEWAL DATE: DEC. 31, 2011

CK3, LLC
CIVIL-STRUCTURAL-ELECTRICAL ENGINEERING, SURVEYING & PLANNING
368 S.W. 5TH AVENUE
ONTARIO, OREGON 97914
E-MAIL: CK3@fmtc.com
TEL: 541-889-5411 ~ FAX: 541-889-2074

EXHIBIT FOR

City of Ontario, Oregon

CHECKED BY:	DKC	FIELDBOOK No.:	0-258	PAGE(S):	46-47
DRAWN BY:	DCK	DWG FILE No.:	N/A		
APPROVED BY:	DKC	FILENAME:	V008038	JOB No.:	V008037
DATE:	12-29-2009	REVISED:	N/A	SHEET:	1 of 1

AGENDA REPORT
January 19, 2010

TO: Mayor and City Council

FROM: Larry Sullivan, City Attorney

THROUGH: Henry Lawrence, City Manager

SUBJECT: Resolution #2010-102, A Resolution Continuing The Business Loan Fund Program And Revising Loan Criteria And Procedures

DATE: January 11, 2010

SUMMARY:
Attached is the following document:

- Resolution #2010-102.

This resolution is a substantial revision of the criteria and procedures used for granting Business Loan Fund loans by the City.

PREVIOUS COUNCIL ACTION:
The City of Ontario Business Loan Fund (BLF) was established by Resolution No. 87-103, dated March 2, 1987. In the year 2000, the City Council concluded that the BLF was being underutilized and in Resolution No. 00-128 it lowered the interest rate from a fixed rate of 5% to a new rate of 2% under the prime interest rate. In 2004, in Resolution 2004-140, the City Council revised the BLF loan criteria to permit businesses located outside the Urban Growth Area to be eligible for BLF loans if the projects financed provided benefits, directly or indirectly, within the Urban Growth Area.

In the past year, as a result of defaults by businesses that had received substantial BLF loans, the City Council had a number of discussions, including a work session in October, 2009, to discuss revising the BLF loan criteria. Resolution #2010-102 is intended to address the concerns raised by the Council in those discussions.

BACKGROUND:
The changes made to the BLF program by proposed Resolution #2010-102 include the following:

- Add as a goal to encourage loans to businesses in less commercially developed areas (See ¶ 4j.)
- Require applicants to meet at least three project goals (See ¶ 4, last sentence).

- Make working capital an ineligible loan activity (See ¶ 6c.)
- Restrict loans to businesses located primarily in the Ontario city limits rather than loans that provide benefits within the Urban Growth Area (See ¶ 6d).
- Add provisions making personal, financial information provided by applicants confidential and requiring the City to follow procedures to maintain that confidentiality. (See ¶¶ 8, 10c.)
- Require the Finance Director to investigate the value of collateral (See ¶ 9b.)
- Require at least one Loan Committee member to have accounting experience (See ¶ 10a).
- Allow businesses that engage in gambling activities (such as the Oregon lottery) to be eligible for funds (the prior restriction making gambling businesses ineligible was eliminated).
- Eliminate the requirement that applicants create one new job per $12,000 in loan funds.
- Change the application requirements in paragraph 7 to require applicants to provide criminal histories; three years of tax returns; a statement of credit card debt; a 12 month cash flow projection; PDAC approval; and, for newer businesses, to prove participation in the TVCC Bizcenter business planning program, or equivalent.
- Invite loan applicants to attend at least one Loan Committee meeting and encourage their other lenders to attend as well (See ¶ 10d.)
- Require Loan Committee members to declare conflicts of interest (See ¶ 10c.)
- Change the loan terms in paragraph 11 to lower the floor for BLF loans from $15,000 to $10,000 and the length of the loan from 15 years to 10 years; raise the interest rate on loans from 2% under the prime rate to 3% over the prime rate, with a minimum rate of 6% ; require the applicant and other principals in the business to sign personal guaranties; change the maximum percent of the BLF loan from 33.33% to 20% for any project, and require applicants to provide at least 10% of the other funding; eliminate inventory as collateral for valuation purposes; tighten the language of loan subordinations; lower the value of equipment and other personal property when evaluating collateral; and specify that the City will perfect its collateral by filings with the Secretary of State or the County Clerk.

Resolution #2010-102 is intended to replace and supersede all prior BLF resolutions, as stated in paragraph 1 of the Resolution. This will have no impact on BLF loans that have already been approved by the City. Those loans will remain subject to the loan agreements, security agreements, promissory notes and other instruments that were executed when those loans were approved.

RECOMMENDATION:
Staff recommends that the City Council approve Resolution #2010-102.

PROPOSED MOTION:
"I move that the City Council approve Resolution #2010-102, A Resolution Continuing The Business Loan Fund Program And Revising Loan Criteria And Procedures."

RESOLUTION #2010-102

A RESOLUTION CONTINUING THE BUSINESS LOAN FUND PROGRAM AND REVISING LOAN CRITERIA AND PROCEDURES

WHEREAS, by Resolution #87-103 enacted on March 2, 1987, the City Council established a Business Loan Fund to provide financing to eligible small businesses in Ontario, Oregon and specified criteria for loans under the Business Loan Fund program ; and

WHEREAS, the criteria for making Business Loan Fund loans were subsequently revised by Resolutions 00-128 and 2004-140; and

WHEREAS, the Business Loan Fund has assisted many small businesses, to the benefit of the City and its residents through the expansion of capital investment, employment and economic activity within the City; and

WHEREAS, to bring the administration of the Business Loan Fund into conformity with modern lending practices and to maintain the fiscal integrity of the Business Loan Fund, the City Council finds it is necessary to revise the Business Loan Fund loan criteria and procedures.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Resolutions #87-103, 00-128 and 2004-140 are replaced and superseded by this Resolution.

2. The City of Ontario's Business Loan Fund is continued in accordance with the provisions of this Resolution.

3. Purpose of Business Loan Fund: The purpose of the City of Ontario Business Loan Fund is to provide financing to: encourage economic and community development; create and retain jobs; and/or enhance the aesthetic appeal of properties located within the Ontario city limits. The maximum utilization of the City of Ontario Business Loan Fund is encouraged.

4. Criteria: The following project criteria are priority items of the City of Ontario Business Loan Fund:

a. Businesses that are a "qualified business firm" as defined by the Enterprise Zone section of the Oregon Revised Statutes and are located in the City of Ontario Enterprise Zone;
b. Businesses that provide a high ratio of employment to funds borrowed;
c. Existing businesses with fewer than one hundred employees;
d. Businesses that provide employment to low and moderate income employees;
e. Businesses making use of skills of displaced or unemployed workers;
f. Assisting businesses that provide economic diversification;
g. Businesses with significant owner equity;

h. Business projects that will maximize participation by financial institutions and local development groups;
i. Projects that are intended to bring about compliance with City of Ontario required upgrades to on-site landscaping and/or parking improvements for business enterprises; and
j. Businesses located in less commercially developed areas of the City.

To be eligible for a loan, applicants must meet at least three of the criteria set forth above. In prioritizing loans among applicants, the City will give greater consideration to projects that meet the most criteria.

5. Eligible activities: Loan funds may be used for necessary physical facility expenses including, but not limited to the purchase of land, buildings, equipment or the construction or installation of site improvements, or for any other legitimate business activity other than for activities that are listed below as ineligible.

6. Ineligible activities: The following activities are ineligible for funding from the City of Ontario Business Loan fund:

a. Paying off a loan, investment or advance to an employee, officer, partner or stock holder of the business, or replenishing funds used for such purposes;
b. Use of loan funds for investment purposes not related to the business, or for business purposes considered speculative;
c. Use of loan funds to provide working capital for a business;
d. Use of loan funds by businesses located primarily outside the City limits; and
e. Use of loan funds by businesses primarily involved in lending and/or investments.

7. Applications: Applications shall be submitted using forms provided by the City, which forms shall include a projected timeline for the processing of completed loan applications. Completed applications shall be submitted to the Ontario City Manager or his designee. The applications shall include the following information:

a. How the proposed project meets the purpose and criteria as set forth in this resolution;
b. Information indicating that the project is feasible and has a significant prospect of repayment;
c. The previous three years of tax returns of the principal owner-operators, and if it is an existing business, of the business itself;
d. A 12-month cash flow projection for the business;
e. A release signed by the principal owner-operators authorizing the City to obtain a criminal history and credit report;
f. For any business less than three years old, a written acknowledgement from the TVCC Biz Center or other equivalent institution that the applicant has completed a business plan;
g. An identification of the collateral which is available and will be used to secure the City's interest in the loan, including whether there are any prior liens on the collateral;
h. All debt owed by the business and the principal owners, including credit card debt;
i. A statement from the City's Preliminary Development Advisory Committee that the proposed business activity meets State and local zoning and planning requirements;
j. Information indicating the source and approximate amounts of other funds which will support the project.

k. A statement signed by the applicant and other owners/operators of the business agreeing to take steps necessary to maintain the City's security interests in all collateral until the loan is paid in full.

8. Confidentiality of information: To the extent permitted under Oregon law, all personal, financial information provided in connection with loan applications shall be kept confidential and not distributed or discussed in a public meeting.

9. Processing of applications:

a. Once an application has been received, the City Manager or designee will review the application for sufficiency of information.

b. If the application qualifies, it will be forwarded to the Finance Director for review and approval. The Finance Director shall be responsible for conducting any investigations necessary to verify the information provided in the application.

c. If approved by the Finance Director, the application shall be submitted to the Loan Committee for a recommendation of approval or disapproval. The Loan Committee shall recommend to the City Council approval or disapproval of each application.

d. The City Council shall make the final decision on each application.

e. The City of Ontario shall not discriminate against loan applicants on the basis of race, color, gender, religious preference or marital status. The City of Ontario reserves the right to turn down a loan application for any other reason.

10. Loan Committee:

a. The Loan Committee shall be composed of five (5) members, two (2) of whom are City Council members and three (3) of whom are members at large. At least one of the three at-large members shall have significant accounting experience.

b. All Loan Committee members shall be appointed by the Mayor with the approval of the City Council.

c. The Loan Committee shall review all applications for loans at least quarterly. Personal, financial information of loan applicants shall be presented and discussed in executive sessions only. All other meetings of the Loan Committee shall be public meetings, which shall be recorded and minutes shall be kept by the City. Loan Committee members shall declare any conflicts of interest and excuse themselves from participating in any public meeting in which a conflict exists.

d. Loan applicants shall be invited to attend at least one meeting or executive session with the Loan Committee to discuss the loan application. Loan applicants will be encouraged to bring with them representatives of any lenders that are also providing funds for the project. Loan applications shall be provided to Loan Committee members at least ten days prior to a meeting or executive session to which the loan applicant is invited.

e. The Finance Director or designee shall be available to assist Committee members at all meetings or executive sessions.

11. Loan Terms:

a. Applications must be made for loans in the amount of not less than $10,000.00. Loans will be authorized to qualifying applicants on a first come, first serve basis, subject to availability of funds within the City of Ontario Business Loan Fund.

b. The maximum loan term is ten (10) years.

c. The interest rate for a loan granted under the terms of this program shall be either three percent (3%) over the prime interest rate as determined at the time of final loan approval, or six percent (6%), whichever is greater. Interest shall accrue on a fixed, simple interest basis.

d. All loans shall be subject to a loan servicing fee of 1½% of the principal loan amount, to be deducted from the loan proceeds.

e. Loan funds from the City may be used to finance no more than twenty percent (20%) of the total project cost. At least ten percent (10%) of the total project cost shall be paid for from the personal funds of the applicant and not from any lender.

f. No loans shall be approved unless there is sufficient collateral or adequate security given to allow repayment of the loan in the event of default, and unless personal guaranties are executed by all principals of the business. In taking collateral as security for a loan, the following shall apply:

   i. Whenever feasible the City shall require that it be in a first lien position on collateral. The City may agree to subordinate its security interest in collateral to another lender on the project if the borrower has sufficient equity in the collateral taken by the City to provide adequate security for the loan amount.

   ii. The City shall not rely on inventory as collateral in approving a loan, although it may take a security interest in inventory as additional security.

   iii. In determining the value of collateral, the City shall not rely exclusively on estimates provided by the applicant, but shall take reasonable steps to independently verify the value of collateral whenever possible. Real market values of real property as determined by the county assessor may be used for this purpose. Equipment and other personal property offered for collateral shall be valued at no more than 50% of the current fair market value, to account for disposition expenses and depreciation.

   iv. The City's security interest in collateral shall be perfected by appropriate filings with the Secretary of State or the County Clerk.

12. Collection Agencies: The City of Ontario may require that the repayment of funds be made to a designated independent agent or escrow company which shall serve as an agent for the City in the collection of the loan funds.

13. Repayment Funds: All revenue received through the repayment of loans under this program shall be placed within the City of Ontario Business Loan Fund Account and shall be used to maintain a continuous loan fund. All revenue received from interest on the principal balance of the City of

Ontario Loan Fund or from interest on the principal amounts of loaned funds shall be allocated as follows:

a. To replace any principal amounts lost from uncollectable amounts on any outstanding loan granted through the City of Ontario Business Loan Fund; and

b. The remainder shall go to the Ontario Economic and Community Enhancement Small Grant Fund, which shall be available for distribution in accordance with the policies and procedures as set forth by resolution of the Ontario City Council for public facility projects which enhance the economic stability or general quality of life within the community.

14. Modifications: The Ontario City Council may review all or part of this resolution and may make appropriate changes as necessary upon Resolution of the City Council.

PASSED AND ADOPTED by the Ontario City Council this 19th day of January, 2010, by the following vote:

Ayes: Fugate, Sullivan, Mills, Dominick, Gaskill, Verini, Crume

Nays: None

Absent: None

APPROVED by the Mayor this 19th day of January, 2010.

Joe Dominick, Mayor

Attest:

Tori Barnett, MMC, City Recorder

1-19-10

AGENDA REPORT
January 19, 2010

TO: Mayor and City Council

FROM: Bob Walker, Deputy Public Works Director

THROUGH: Henry Lawrence, City Manager

SUBJECT: **RESOLUTION #2010-103: CONTRACT AWARD FOR SODIUM HYPOCHLORITE GENERATORS; AND RESOLUTION 2010-104-TRANSFER FUNDING FROM WATER CONTINGENCY TO FUND THE REPLACEMENT HYPOCHLORITE SYSTEM AT THE WATER TREATMENT PLANT**

DATE: January 14, 2010

SUMMARY:

Attached are the following documents:

- Resolution #2010-103
- Request for Bid for Sodium Hypochlorite Generators
- Summary of Bids
- Resolution #2010-104

The purpose of this agenda item is to obtain the approval of the City Council to award the bid for the replacement of the sodium hypochlorite generator system (Schedule A) at the Water Treatment Plant; award the bid for the new sodium hypochlorite generator system (Schedule B) at the Wastewater Treatment Plant which was approved under SEW-10 in the 2009-2011 Budget; and to consider the award of the sodium hypochlorite generator system at the Aquatic Center. Funding needs to transferred from Water Contingency to a capital project fund for the system at the water treatment plant.

PREVIOUS COUNCIL ACTION:

Bob Walker, Deputy Public Works Director, discussed the failure of the single electrolytic cell sodium hypochlorite generator system at the Water Treatment Plant at the Council Workshop on December 3, 2009. A proposed multi-cell sodium hypochlorite generator system was presented to the Council and the benefits of this system were discussed. The Council recommended that Public Works determine if there were any other suppliers of the multi-cell system and if so, request bids for a multi-cell sodium hypochlorite generator system.

BACKGROUND:

The 500-pound per day (PPD) single cell sodium hypochlorite generator system at the Water Treatment Plant failed on October 12, 2009. The supplier of this unit is MIOX Corporation. This unit has failed five (5) times since it was placed in operation in the spring of 2006. The unit still has a partial warranty that would result in a cost of $37,000 to the City of Ontario for a replacement unit.

Due to past problems, it is not recommended we utilize this existing technology without purchasing a spare unit at an additional cost of $60,000 that would result in an overall cost of $97,000 to replace what currently exists at the Water Treatment Plant. They are also suggesting that we should utilize their upgraded sodium hypochlorite generator system at a cost of $83,500 rather than replacing the existing unit. This is still a single cell system and would have similar maintenance concerns as the existing unit.

Since the system has been down, we have had to truck sodium hypochlorite to the water treatment plant. This has cost approximately $15,300 to date. Overall, since the MIOX system has been in operation, the City of Ontario has spent approximately $34,000 for trucking sodium hypochlorite to the Water Treatment Plant.

Many of the new sodium hypochlorite systems being installed are of the multiple cell type. If we utilized the multiple cell technology at the Water Treatment Plant, it would require a unit with six (6) cells. Such a system is much more flexible and if one cell fails, the system will continue to operate on the remaining five cells. Also, the MicrOclor system we reviewed can have a replacement cell shipped overnight. It is our recommendation that the existing unit be replaced with the multiple cell technology.

A new sodium hypochlorite generator system was proposed for the Wastewater Treatment Plant in the 2009-2011 Budget at a cost of $120,000. If we utilized the multiple cell system at the Wastewater Treatment Plant, it would require three cells. It would be a big advantage to have the same system at both treatment plants.

At the present time, sodium hypochlorite is trucked from the Water Treatment Plant to the Aquatic Center. The system for the Aquatic Center would only require a single cell. A sodium hypochlorite unit for the Aquatic Center was included in the RFP for pricing purposes only.

ALTERNATIVE:

The alternative to the proposed multiple cell sodium hypochlorite system at the Water Treatment Plant is to replace existing unit with the same technology for $37,000. This is not practical based on past maintenance history with this technology.

FINANCIAL IMPLICATIONS:

The system at the Wastewater Treatment Plant will be covered under the 2009-2011 Budget. The system at the Water Treatment Plant will be paid for from Fund 105 (Water Fund Contingency) that has a current balance of $1,153,900.

RECOMMENDATION:

The Public Works Department recommends that the City Council approve the award of Schedule A and Schedule B of the Bid from Process Solutions, Inc. for the installation of sodium hypochlorite generators at the Water Treatment Plant and Wastewater Treatment Plant. The two other bids received, MIOX and Severen Trent Services, are non-responsive as they did not bid multiple electrolytic cells under schedule A and Schedule B. Their bids were for single cells. The Public Works Department also recommends that funds be transferred from the Water Contingency fund to the Capital Projects fund for purchase of the disinfection system at the Water Treatment Plant.

PROPOSED MOTION:

I move that the City Council approve Resolution #103-2010 authorizing the City Manager to execute a contract with Process Solutions, Inc. for Schedule A in the amount of $119,000 and Schedule B in the amount of $76,000 for the installation of sodium hypochlorite generators at the Water Treatment Plant and the Wastewater Treatment Plant respectively. Execution of the Contract will not occur until Contractor has fulfilled all the requirements as listed in the Bid Proposal; further I move that the City Council approve Resolution #2010-104 authorizing the usage of Water Contingency funds for the purchase of the sodium hypochlorite generator at the Water Treatment Plant.

RESOLUTION #2010-103

AWARD THE CONTRACT FOR THE SODIUM HYPOCHLORITE GENERATORS TO PROCESS SOLUTIONS, INCORPORATED

WHEREAS, the 500-pound per day single cell sodium hypochlorite generator system at the Water Treatment Plant has failed five times since 2006; and

WHEREAS, when the system is down, we have to truck sodium hypochlorite to the Water Treatment Plant, which has cost approximately $34,000; and

WHEREAS, to utilize the existing warranty and to purchase an additional backup system would result in an overall cost of $97,000; and

WHEREAS, using the new technology of a multi-cell unit would be more flexible, and if one cell should fail the others would still continue to work.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council for the City of Ontario:
To approve the award of schedule A and schedule B for the bid from Process Solutions, Incorporated for the installation of sodium hypochlorite generators at the Water Treatment Plant and Wastewater Treatment Plant.

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the City Council of the City of Ontario this 19th day of January, 2010, by the following vote:

AYES: Fugate, Sullivan, Mills, Dominick, Gaskill, Verini, Crume

NAYES: None

ABSENT: None

APPROVED by the Mayor this 19th day of January, 2010.

Joe Dominick, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder

RESOLUTION 2010-104

A RESOLUTION AUTHORIZING A REALLOCATION OF WATER FUND EXPENDITURES REDUCING CONTINGENCY FOR THE CAPITAL PURCHASE OF A MULTIPLE CELL SODIUM HYPOCHLORITE GENERATOR AT THE WATER TREATMENT PLANT

WHEREAS, the City of Ontario adopted the 2009-2011 budget document based upon known or anticipated revenues and expenditures; and

WHEREAS, the City now has a need to repair or replace the sodium hypochlorite generator system at the Water Treatment Plant after the existing system failed; and

WHEREAS, the City has requested bids for equipment replacement for multiple cell sodium hypochlorite generator systems in an effort to minimize system down time in the future; and

WHEREAS, the City Council desires to award the bid for purchase of the sodium hypochlorite generator and formally modify the 2009-2011 Water Fund budget by reallocating expenditures from Contingency to Capital, to complete the project.

NOW THEREFORE, BE IT RESOLVED by the Ontario City Council, to approve the following adjustments to the 2009-2011 Biennial budget:

Account Number	Account Name	Adopted 09-11 Budget	Proposed Change	Revised 09-11 Budget
WATER FUND				
EXPENSES				
105-160-719195	WAT-14 WTP SODIUM HYPOCHL EQUIP	$ 0	$ 119,000	$ 119,000
105-160-871000	Operating Contingency	$ 1,153,900	($ 119,000)	$ 1,034,900

EFFECTIVE DATE: Effective immediately upon passage.

PASSED AND ADOPTED by the Ontario City Council, this 19th day of January, 2010, by the following vote:

Ayes: Fugate, Sullivan, Mills, Dominick, Gaskill, Verini, Crume

Nays: None

Absent: None

APPROVED BY THE Mayor this 19th day of January, 2010.

Joe Dominick, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder

BID SUMMARY

SODIUM HYPOCHLORITE GENERATORS

BIDDER	SCHEDULE 'A'	SCHEDULE 'B'	TOTAL A & B		SCHEDULE 'C'
MIOX	89,000	93,172	182,172	**	53,100
SEVEREN TRENT SERVICES	140,000	85,500	225,500	**	56,000
PROCESS SOLUTIONS INC.	119,000	76,000	**195,000**		41,500

**** The bids from MIOX and Severen Trent are non-responsive as they did not bid multiple electrolytic cells under schedule 'A' and schedule 'B'.**

1/12/2010

REQUEST FOR BID FOR

SODIUM HYPOCHLORITE GENERATORS

I. Introduction

The City of Ontario is requesting bids from qualified suppliers with experience and references to provide a multiple electrolytic cell replacement for the existing single cell sodium hypochlorite generation system at the City's Water Treatment Plant; a new multiple cell sodium hypochlorite generation system for the City's Wastewater Treatment Plant; and a new single cell sodium hypochlorite generation system at the City's Aquatic Center.

II. Scope of Work

1. Description.

The Water Treatment Plant currently has a 500 pounds per day (PPD) single cell onsite Hypochlorite Generator System. The electrolytic cell is not functioning and will be replaced with a multiple cell unit as specified below under Schedule A. In addition, the City of Ontario has budgeted a new multiple cell 60 PPD onsite Hypochlorite Generator System for the Wastewater Treatment Plant as specified below under Schedule B. Finally, a single cell 20 PPD Onsite Hypochlorite Generator System for the Aquatic Center is specified below under Schedule C.

The City of Ontario may award one schedule, two schedules, or all three schedules. The supplier must bid all three schedules as the schedules will not be awarded separately to different suppliers.

2. Specifications.

Schedule A.

One Multi-Cell 500 PPD, NSF-61 Certified, Onsite Hypochlorite Generator System consisting of the following major components:

Quantity	Description
1	**PLC Control Panel (Skid Mount) including:** Allen Bradley Micro Logix 1400 PLC 6" Color Touch Screen Ethernet Communication Interface Hoffman 304 Stainless Steel Panel, 24" x 24" x 8" Cabinet Mounted Electrical Disconnect U.L. 508 Approval NEMA 4X Rating Dedicated 24 VDC Power Supply for PLC, Display, and Brine Pump

Emergency Stop Pushbutton

1 **Transformer Rectifier including:**

304 Stainless Steel Enclosure
60 I0/A Step Down Transformer, 480 volt, Three Phase VAC Primary, 300 VDC @ 200 Amps DC Secondary
D.C. Bridge Rectifier utilizing 3 Diode Assemblies, Aluminum Heat Sink with 120 VAC
Cooling Fan
Panel Mount Disconnect
4-20 mA D.C. Current Transducer

1 **Electrolytic Cell Skid Assembly including:**
304 Stainless Steel Frame
Five (5) 100 PPD Cells, 14 Pass, 10" x 12" Active Surface, 1.2 ASI
Stainless Steel Brine Gear Pump with Integral Speed Control
Polycarbonate Water & Brine Rotameters
GF-Signet Flow Sensor and Transmitter
Five (5) Optical Level Switches
Four (4) Temp Switches
One (1) Temp Sensor
Teflon & Kynar Interconnecting Tubing
PVC 80 & Acrylic Cell Body Construction
1/2" B&C Water and Brine Solenoid Valves

2 **Cartridge Filters (for Brine and Potable Water to Generator)**

1 **Hydrogen Dilution Blower**
350 CFM, 240 VAC
Current Sensor
Differential Pressure Switch

1 **Heat Exchanger**
Titanium Construction
Teflon and Kynar Interconnection

1 **Acid Cleaning Cart**
Polyethylene Tank
Reversible Hose Pump
Portable Cart
Schedule 80 PVC Valves and Pipe

1 **Installation including:**
Disconnection, Removal and Disposal of Existing OSHG
PVC80 Plumbing Components
Carlon Non-metallic PVC Electrical Conduit & Connectors
Stainless Steel Fasteners Throughout
FRP Strut & Clamps
All Mechanical, Electrical and Instrumentation Labor within the Disinfection Room

Warranty

Warrants all the equipment supplied to be free from defects in materials and workmanship for a period of 3 years from the date of start up.
Warrants the Electrolytic Cells and Cell Bodies on a Prorated Basis for Years 4 through 7.

Replacement Guarantee

Guarantee a 48-hour replacement of Electrolytic Cells.

Schedule B.

One Multi-Cell 60 PPD, NSF-61 Certified, Onsite Hypochlorite Generator System consisting of the following:

Quantity	Description
1	**PLC Control Panel (Skid Mount) including:** Allen Bradley MicroLogix 1400 PLC 6" Color Touch Screen Ethernet Communication Interface Hoffman 304 Stainless Steel Panel, 24" x 24" x 8" Cabinet Mounted Electrical Disconnect U.L. 508 Approval NEMA4X Rating Dedicated 24 VDC Power Supply for PLC, Display, and Brine Pump Emergency Stop Pushbutton
1	**Transformer Rectifier (Skid Mount) including:** 304 Stainless Steel Enclosure 7.2 I0JA Step Down Transformer, 480 Three Phase VAC Primary, 180 VDC @ 40 Amps DC Secondary D.C. Bridge Rectifier utilizing 3 Diode Assemblies, Aluminum Heat Sink with 120 VAC Cooling Fan Panel Mount Disconnect 4-20 mA D.C. Current Transducer **Note:** 480 VAC, 3 Phase Power Required
1	**Electrolytic Cell Skid Assembly including:** 304 Stainless Steel Frame Three (3) 20 PPD Cells, 14 Pass, 2" x 12" Active Surface, 1.2 ASI Stainless Steel Brine Gear Pump with Integral Speed Control Polycarbonate Water & Brine Rotameters GF-Signet Flow Sensor and Transmitter Three (3) Optical Level Switches Two (2) Temperature Switches One (1) Temperature Sensor Teflon & Kynar Interconnecting Tubing PVC80 & Acrylic Cell Body Construction 1/2" Water and Brine Solenoid Valves
2	**Cartridge Filters (for Brine and Potable Water to Generator)**

1	**Hydrogen Dilution Blower** 70 CFM, 120 VAC Current Sensor Differential Pressure Switch
1	**Water Softener** Kinetico Dual Tank Model CC208s
1	**1S00-lb. Brine Maker (IS0-Gallon)** HDLPE Construction Manual Salt Fill Under Drain Drain Valve Level Control Assembly Dimensions: 31" D X 48" H
1	**Hypochlorite Storage Tank** HDLPE Construction 1,500-Gallons Dimensions: 86" D X 74" H Ultrasonic Level Control
1	**Hypochlorite Dosing Assembly consisting of:** One (1) Metering Pump, Grundfos DMH 143-10,45.4 GPH @ 145 PSI One (1) TEFC Inverter Duty Motor One (1) Variable Frequency Drive One (1) PVC Stand One (1) Calibration Column One (1) Back Pressure Valve One (1) Pulsation Dampener One (1) V-Strainer One (1) Pressure Gauge
1	**Documentation** Submittals O&M Manuals
1	**Installation including** PVC80 Plumbing Components Carlon Non-metallic PVC Electrical Conduit & Connectors Stainless Steel Fasteners Throughout FRP Strut & Clamps All Mechanical, Electrical and Instrumentation Labor within the Disinfection Room
1	**Field Service** Start Up Training
1	**Freight to Job Site**

Warranty

Warrants all the equipment supplied to be free from defects in materials and workmanship for a period of 3 years from the date of start up.
Warrants the electrolytic cells and cell bodies on a prorated basis for years 4 through 7.

Replacement Guarantee

Guarantee a 48-hour replacement of Electrolytic Cells.

Schedule C.

One Single-Cell 20 PPD, NSF-61 Certified, Onsite Hypochlorite Generator System consisting of the following:

Quantity	Description
1	**Control Cabinet with Power Supply including:** Allen Bradley Micro Logix 1200 PLC with 6" Monochrome Touch Screen Hoffman Powder Coated Steel Panel, 24" x 24" x 10" Cabinet Mounted Electrical Disconnect Dedicated 24 VDC Power Supply for PLC, Display, and Brine Pump 2.4 KVA Step Down Transformer, 240 Volt Single Phase VAC Primary, 60 VDC @ 40 Amps DC Secondary D.C. Bridge Rectifier utilizing 3 Diode Assemblies, Aluminum Heat Sink with 120 VAC Cooling Fan 4-20 mA D.C. Current Transducer
1	**Electrolytic Cell Assembly including:** PVC Backboard One (1) 20 PPD Cell, 14 Pass, 2" x 12" Polycarbonate Water & Brine Rotameters Gems Analog Water Flow Sensor One (1) Optical Level Switch One (1) Temp Sensor Teflon & Kynar Interconnecting Tubing PVC80 & Acrylic Cell Body Construction 1/2" B&C Water and Brine Solenoid Valves
1	**Brine Pump**
2	**Cartridge Filters (for Brine and Potable Water to Generator)**
1	**Hydrogen Dilution Blower** 70 CFM, 120 VAC Current Sensor Differential Pressure Switch
1	**Water Softener** Kinetico Dual Tank Model CC206s

1	**550-lb. Brine Maker (55-Gallon)** HDLPE Construction Manual Salt Fill Under Drain Drain Valve Level Control Assembly Dimensions: 22" D X 34" H
1	**Hypochlorite Dosing Assembly consisting of:** One (1) Metering Pump, Grundfos DMH 43-10, 13.7 GPH @ 145 PSI One (1) TEFC Inverter Duty Motor One (1) Variable Frequency Drive One (1) PVC Stand One (1) Calibration Column One (1) Back Pressure Valve One (1) Pulsation Dampener One (1) V-Strainer One (1) Pressure Gauge
1	**Documentation** Submittals O&M Manuals
1	**Installation including:** PVC80 Plumbing Components Carlon Non-metallic PVC Electrical Conduit & Connectors Stainless Steel Fasteners Throughout FRP Strut & Clamps All Mechanical, Electrical and Instrumentation Labor within the Disinfection Room
1	**Field Service** Start Up Training
1	**Freight to Job Site**

Warranty

Warrants all the equipment supplied to be free from defects in materials and workmanship for a period of 3 years from the date of start up.
Warrants the electrolytic cells and cell bodies on a prorated basis for years 4 through 7.

Replacement Guarantee

Guarantee a 48-hour replacement of Electrolytic Cells.

3. **Schedule**
   Contractor will provide an estimate of time for completion of project and supply specific start and completion dates.

III. Submission Requirements

All bidders must submit their bids using the attached Bid Submission Form. Bids must be received by **5:00 P.M. on January 12, 2010** in order to be accepted. Bids may be submitted via fax, mail, email or hand delivery to meet the deadline. If bid is submitted via email or fax, an original copy of the bid must also be received within five days following the bid due date.

Contact and Submittal Information
Art Allen
444 SW 4th Street
Ontario, OR 97914
(541) 889-8876 Office
(541) 889-7121 Fax
(208) 741-6707 Cell
art.allen@ontariooregon.org

ATTACHMENT A

BID SUBMISSION FORM

SODIUM HYPOCHLORITE GENERATORS

SCHEDULE	PRICE
Schedule A – One Multi-Cell 500 PPD, NSF-61 Certified, Onsite Hypochlorite Generator System.	$_____
Schedule B – One Multi-Cell 60 PPD, NSF-61 Certified, Onsite Hypochlorite Generator System.	$_____
Schedule C - One Single-Cell 20 PPD, NSF-61 Certified, Onsite Hypochlorite Generator System.	$_____

_____ _____

Signature of Authorized Representative *Date*

_____ _____

Printed Name of Authorized Representative *Telephone*

_____ _____

Company Name *E-Mail*

_____

CCB#

All Pricing Must Be Held Firm for 60 Days