

**MISSION STATEMENT: TO PROVIDE A SAFE, HEALTHFUL AND SOUND ECONOMIC ENVIRONMENT,  
PROGRESSIVELY ENHANCING OUR QUALITY OF LIFE**

AGENDA  
CITY COUNCIL - CITY OF ONTARIO, OREGON  
**Tuesday**, January 19, 2016, 7:00 p.m., M.T.

- 1) **Call to order**  
Roll Call: Norm Crume \_\_\_\_\_ Tessa Winebarger \_\_\_\_\_ Charlotte Fugate \_\_\_\_\_ Thomas Jost \_\_\_\_\_  
Larry Tuttle \_\_\_\_\_ Betty Carter \_\_\_\_\_ Mayor Ron Verini \_\_\_\_\_

2) **Pledge of Allegiance**

This Agenda was posted on Wednesday, January 13, 2016. Copies of the Agenda are available at the City Hall Customer Service Counter and on the city's website at [www.ontariooregon.org](http://www.ontariooregon.org).

3) **Motion to adopt the entire agenda**

4) **Consent Agenda: Motion Action Approving Consent Agenda Items**

- A) Minutes of Electronic Meeting of 01/08/16 ..... 1  
B) Liquor License - Berts Growler Garage ..... 2  
C) Approval of the Bills

5) **Department Head Updates: Thursday**

- 6) **Public Comments:** Citizens may address the Council; however, Council may not be able to provide an immediate answer or response. Out of respect to the Council and others in attendance, please limit your comment to three (3) minutes. Please state your name and city of residence for the record.

7) **Presentation:** Annual Financial Report for Fiscal Year 2014-15 (*Hand-Out*)

8) **New Business:**

- A) Appointments to Various City Committees - 2016 ..... 3-12  
B) Resolution #2016-101: Receive/Expend Unanticipated Revenue for OPD ..... 13-15  
C) Ordinance #2714-2016: OMC 3-24 to Establish a Business License for Medical Marijuana Dispensaries, and Declaring an Emergency [*1<sup>st</sup> Reading*] ..... 16-24  
D) Proposed Lease with Larry Kitamura ..... 25-34  
E) Carol Robertson Settlement ..... 35-40

9) **Hand-Outs/Discussion Items**

- A) Agendas: Recreation Board [*01-20-16*]  
B) Minutes: County Court [*12-16-15*], SREDA [*01-06-16*]  
C) Fire & Rescue Department Stats: December, 2015  
D) Financials

10) **Correspondence, Comments and Ex-Officio Reports**

11) **Executive Session:**

- A) ORS 192.660(2)(a)  
B) ORS 192.660(2)(e)  
C) ORS 192.660(2)(h)

12) **Adjourn**

**ELECTRONIC COUNCIL MEETING MINUTES**  
**January 8, 2016**

The regularly scheduled meeting of Monday, January 4, 2016 was cancelled. To enable the City to pay vendors in a timely fashion, the Council needed to approve the submitted bills. The statement of invoices was provided to the Council on January 5, 2016, followed by an email copy of the same packet on January 6, 2016, at 8:09 p.m., followed by an email of the complete packet on January 8, 2016, at 10:00 a.m., to begin the meeting.

Council members who participated were Betty Carter, Norm Crume, Thomas Jost, and Ronald Verini.

Staff present was City Recorder/Interim City Manager Tori Barnett and Accounts Payable Clerk Kellie Schmidt.

Notice of the meeting was provided to the Argus Observer on January 6, 2016.

Motions, seconds, and vote based upon time contact was made with the City Recorder.

**AGENDA**

Betty Carter moved, seconded by Norm Crume, to approve the Agenda as presented. Vote: Carter-yes; Crume-yes; Fugate-absent; Jost-yes; Tuttle-absent; Winebarger-absent; Verini-yes. Motion carried 4/0/3.

**ADOPTION OF THE BILLS**

Council Jost and Councilor Crume verbally submitted the same question with regard to the bills.

***Q:** Page 1, first Vendor: What is Accela, Inc., the "Migration Contract", at \$6,269?*

***A:** That is for the contract with Springbrook Software. The four departments represented in the split payment are Finance, Water, Sewer, and Storm Sewer. This item was budgeted under Data Processing in the 2015-16 adopted budget.*

Councilor Carter moved, seconded by Norm Crume, to approve the bills. Vote: Carter-yes; Crume-yes; Fugate-absent; Jost-yes; Tuttle-absent; Winebarger-absent; Verini-yes. Motion carried 4/0/3.

**ADJOURN**

Councilor Carter moved, seconded by Norm Crume, to adjourn the meeting. Vote: Carter-yes; Crume-yes; Fugate-absent; Jost-yes; Tuttle-absent; Winebarger-absent; Verini-yes. Motion carried 4/0/3.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
Ronald Verini, Mayor

\_\_\_\_\_  
Tori Barnett, MMC, City Recorder

**CONSENT AGENDA**  
January 19, 2016

TO: Mayor and City Council

FROM: Steve Mallea, Interim Lieutenant

THROUGH: Tori Barnett, Interim City Manager

**SUBJECT: LIQUOR LICENSE APPLICATION – GREATER PRIVILEGE (FULL ON-PREMISES SALES) AND PREMISED EXTENSION**

DATE: January 7, 2016

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**SUMMARY:**

Michelle & Lonnie Bertalotto, owners of Berts Growler Garage, located at 1635 SW 4<sup>th</sup> Avenue, Ontario, Oregon, currently hold a Limited On-Premises Sales liquor license with OLCC and are applying for the greater privilege of Full On-Premises Sales. They are also extending the liquor licensed area to an outside section of their property under premised extension.

All necessary paperwork has been approved through OLCC office and is awaiting approval through the Ontario City Council.

**BACKGROUND:**

Berts Growler Garage located at 1635 SW 4<sup>th</sup> Avenue, Ontario, Oregon, under the ownership of Michelle and Lonnie Bertalotto, has held a Limited On-Premises Sales liquor license through Oregon Liquor Control Commission since January 2014. Michelle and Lonnie Bertalotto are now applying for the greater privilege of Full On-Premises Sales license. The Bertalotto's are also extending the licensed area to an outside section of their property. During nice weather, they can expand their seating and service to this outside area.

Criminal Record process was completed on Berts Growler Garage owners/managers Michelle and Lonnie Bertalotto. All records returned clear. The application forms have been filled out appropriately and required fees have been paid. All Permit requirements have been met.

**RECOMMENDATION:**

I have completed a review of this application in accordance with the City of Ontario's ordinance regulating this license. I recommend that we approve the application for Premised Extension and the greater privilege of Full On-Premises Sales liquor license held by Michelle and Lonnie Bertalotto for Berts Growler Garage.

**AGENDA REPORT**  
January 19, 2016

To: Ontario City Council

FROM: Tori Barnett, MMC, City Recorder/Interim City Manager

**SUBJECT: APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS**

DATE: January 11, 2016

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**SUMMARY:**

Attached are the following documents:

- Letters of interest for appointment from various citizens.

It is time for the annual appointments to the various city committees, boards, and Planning Commission. Following are the vacancies and expressions of interest in serving.

**AIRPORT BOARD: 2 VACANCIES [4-YEAR TERM]**

Three letters received – Shay Myers, Eugene Doughty, and Richard Newman. Mr. Newman also indicated an interest in appointment to the Planning Commission. Luke Keller stated he was not seeking reappointment.

**BUDGET BOARD: 2 VACANCIES [4-YEAR TERM]**

One letter received – John Hall. Larry Heidbrink stated he did not wish to seek reappointment.

**PLANNING COMMISSION: 2 VACANCIES [4-YEAR TERM]**

Two letters received – Ralph Poole and Richard Newman. Rita Kanrich stated she was not seeking reappointment.

**PUBLIC WORKS COMMITTEE: 2 VACANCIES [3-YEAR TERM]**

No letters received; Mike Miller and Ron Cornmesser stated they would not be seeking reappointment.

**RECREATION BOARD: 2 VACANCIES [3-YEAR TERM]**

No letters received.

**V&C BUREAU BOARD: 3 VACANCIES [3-YEAR TERMS]**

One letter received, one telephone call – Bob Quinn and Laura Davis. Currently Mayor Verini serves as the representative from the Council; he will need reappointment, or another member from the Council needs to be appointed.

**RECOMMENDATION:**

Staff makes no recommendation as these are appointments made by the Council, but will continue to seek applicants to fill the remaining vacancies.

**MOTION 1:**

I move to reappoint Shay Myers and appoint Eugene Doughty to the Airport Committee; to reappoint John Hall to the Budget Board; to reappoint Ralph Poole and appoint Richard Newman to the Planning Commission; and to reappoint Bob Quinn and Laura Davis to the Visitors and Conventions Bureau. Expiration of terms to follow those established by ordinance.

**MOTION 2:**

I move to reappoint Ronald Verini [*or appoint a different Councilor*] as Council representative on the Visitors and Conventions Bureau Board. Expiration of term established by ordinance.

## Tori Barnett - Re: City Committees

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**From:** Shay Myers <shay@owyheeproduce.com>  
**To:** Tori Barnett <Tori.Barnett@ontariooregon.org>  
**Date:** 12/21/2015 2:51 PM  
**Subject:** Re: City Committees

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Tori, I am will to continue serving in the airport board.

Regards,  
Shay Myers  
Froerer Farms Inc. DBA Owyhee Produce  
Primary: [541.610.0410](tel:541.610.0410)

Cell: [208.405.3017](tel:208.405.3017)

Sent from my iPhone

On Dec 21, 2015, at 2:33 PM, Tori Barnett <[Tori.Barnett@ontariooregon.org](mailto:Tori.Barnett@ontariooregon.org)> wrote:

Good afternoon -

Some of you may have already been contacted by various city staff, but for those of you who have not, this email is to let you know your term of service on a city board or committee has reached the term end.

If you would like to be reappointed to serve another term, please respond, indicating you would like to serve another term, and I'll take it from there. If you know you *DO NOT* want to serve, please send me a note regarding that, too. The courtesy notifications are for the committee Liaisons or city representation.

The city certainly appreciates your willingness to serve in this capacity, and the possibility of the continuation of that service. Working together, we all make Ontario a better place! Thank you.

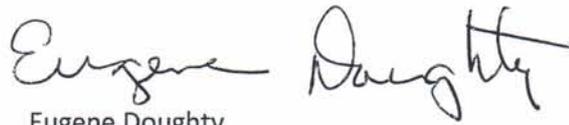
Tori Barnett, MMC  
City Recorder  
Interim City Manager  
Ontario, Oregon  
[541-881-3232](tel:541-881-3232)

1-4-16

January 01, 2016

Tori Barnett :

My name is Eugene Doughty, i am interested in the airport committee position. I am a pilot and have been since 1972, have different ratings, single, multi, and seaplane. Please consider me as a candidate for this position.



Eugene Doughty

131 Sears Dr

Ontario Or

541-306-6361

12/29/15

25 DEC 2015

TO WHOM IT MAY CONCERN,

I WOULD LIKE TO BE CONSIDERED FOR THE  
AIRPORT COMMITTEE AND THE PLANNING COMMISSION,

I'M RETIRED NAVY AND WAS BORN AND RAISED  
HERE IN ONTARIO. MY ADDRESS IS:

RICHARD NEWMAN  
1127 SW 14TH AVE  
ONTARIO, OR 97914

NAV1076 @HOTMAIL.COM

THANK YOU FOR YOUR CONSIDERATION.



**Tori Barnett - RE: City Committees**

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**From:** "John Hall" <hallhome@cableone.net>  
**To:** "Tori Barnett" <Tori.Barnett@ontariooregon.org>  
**Date:** 12/21/2015 5:09 PM  
**Subject:** RE: City Committees

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Tori,

I am on more than one committee but I think my term for the V&C board may be up. In any case, I wish to continue on all of the committees I am on.

John Hall

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**From:** Tori Barnett [[Tori.Barnett@ontariooregon.org](mailto:Tori.Barnett@ontariooregon.org)]  
**Sent:** Monday, December 21, 2015 2:33 PM  
**To:** John Hall (hallhome@cableone.net); Bob Quinn; Ralph Poole; Rita Kanrich; Shay Myers; Ron Cornmesser; Greg Herrera; Mike Miller; Luke Keller; Larry Heidbrink  
**Cc:** Cliff Leeper; Suzanne Mulvany; Charlotte Fugate; Larry Tuttle; Ronald Verini; John Breidenbach; Crystal Bartoschek; Dan Cummings; Debbie Jeffries; Marcy Siriwardene; Peter Morgan; Kari Ott; Norm Crume  
**Subject:** City Committees

Good afternoon -

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The city certainly appreciates your willingness to serve in this capacity, and the possibility of the continuation of that service. Working together, we all make Ontario a better place! Thank you.

Tori Barnett, MMC

City Recorder

Interim City Manager

## Tori Barnett - Re: City Committees

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**From:** Ralph Poole <ralph@campopoole.com>  
**To:** Tori Barnett <Tori.Barnett@ontariooregon.org>  
**Date:** 12/21/2015 2:48 PM  
**Subject:** Re: City Committees

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Hi Tori,

I would like to serve for another term on the Planning Comm.

Ralph Poole



87 SE 7th Ave  
PO Box 309  
Ontario, OR 97914  
[ralph@campopoole.com](mailto:ralph@campopoole.com)  
(208)739-3028 cell  
(541)889-3128 office  
(541)881-1465 fax

On Mon, Dec 21, 2015 at 2:33 PM, Tori Barnett <[Tori.Barnett@ontariooregon.org](mailto:Tori.Barnett@ontariooregon.org)> wrote:

Good afternoon -

Some of you may have already been contacted by various city staff, but for those of you who have not, this email is to let you know your term of service on a city board or committee has reached the term end.

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12/19/15  
25 DEC 2015

TO WHOM IT MAY CONCERN,

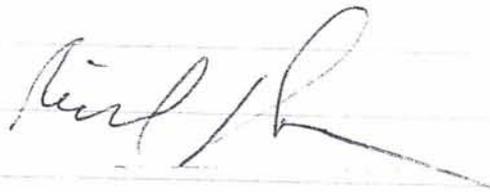
I WOULD LIKE TO BE CONSIDERED FOR THE  
AIRPORT COMMITTEE AND THE PLANNING COMMISSION,

I'M RETIRED NAVY AND WAS BORN AND RAISED  
HERE IN ONTARIO. MY ADDRESS IS:

RICHARD NEWMAN  
1127 SW 14TH AVE  
ONTARIO, OR 97914

NAV1076 @HOTMAIL.COM

THANK YOU FOR YOUR CONSIDERATION.



## Tori Barnett - Re: City Committees

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**From:** Robert Quinn <rmquinn@cableone.net>  
**To:** Tori Barnett <Tori.Barnett@ontariooregon.org>  
**Date:** 12/22/2015 1:13 PM  
**Subject:** Re: City Committees

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Tori,

Yes, I would like to server another term on the Ontario Visitors & Conventions Bureau Board.

Please let me know if you have any questions.

Sincerely,

Bob Quinn

On Mon, Dec 21, 2015 at 2:33 PM, Tori Barnett <[Tori.Barnett@ontariooregon.org](mailto:Tori.Barnett@ontariooregon.org)> wrote:

Good afternoon -

Some of you may have already been contacted by various city staff, but for those of you who have not, this email is to let you know your term of service on a city board or committee has reached the term end.

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The city certainly appreciates your willingness to serve in this capacity, and the possibility of the continuation of that service. Working together, we all make Ontario a better place! Thank you.

Tori Barnett, MMC  
City Recorder  
Interim City Manager  
Ontario, Oregon  
[541-881-3232](tel:541-881-3232)

I spoke [via telephone] with Laura Davis, currently representing the Food Industry on the Visitors and Conventions Bureau Board, and whose term expired December, 2015. Mrs. Davis stated her request to for reappointment to the Board.

Tori Barnett, MMC  
City Recorder/Interim City Manager

**AGENDA REPORT**  
January 19, 2016

TO: Mayor and City Council

FROM: Steve Mallea, Interim Police Lieutenant

THROUGH: Tori Barnett, Interim City Manager

**SUBJECT: RESOLUTION NO. 2016-101: GENERAL FUND SUPPLEMENTAL BUDGET CHANGE FOR UNANTICIPATED REVENUE**

DATE: January 08, 2016

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**SUMMARY:**

Attached is the following document:

- Resolution 2016-101

The Police Department has received unexpected stipend training funding from Greater Oregon Behavioral Health Inc. (GOBHI) to put toward attendance at the National Crisis Intervention Team (CIT) conference in Chicago, Illinois in April. The Police Department would like to expend those funds. A budget change will be required to do so.

**BACKGROUND:**

Law enforcement's contacts with individuals suffering from mental health issues is on the increase. Communities across the United States are adopting the National Crisis Intervention Team approach. Law Enforcement in Malheur County has started working with Lifeways, through Greater Oregon Behavioral Health Inc. to implement such a program. We have developed a training module for those who encounter individuals with mental illness in order to provide better services to them and the community. This training is designed to help further our current program.

Because of our interest and current investment into the implementation of CIT in Malheur County, GOBHI has provided a \$750 stipend to help pay for a representative of the Police Department to attend the National CIT Conference in Illinois in April. The stipend will cover approximately half the cost to attend the conference. Lifeways is going to cover the other half of the cost associated with this training with the exception of meals for our representative. We currently have the necessary funds to cover meals in our training budget.

The police department did not budget to expend these funds and would like to make an adjustment in order to do so. It is proposed that the budget change for expenditures be recognized within the Police Department's Training line item.

**ALTERNATIVE:**

The Council could decline the change and training opportunity.

**FINANCIAL IMPLICATIONS:**

It is proposed that the revenues be recognized and expenditures be budgeted as an increase within the City's General Fund.

**STAFF RECOMMENDATION:**

Staff recommends the Council adopt Resolution 2016-101.

**PROPOSED MOTION:**

I move that the City Council adopt Resolution 2016-101, a RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET ACKNOWLEDGING RECEIPT OF UNANTICIPATED REVENUE FUNDS AND APPROPRIATING EXPENDITURES WITHIN THE GENERAL FUND.

**RESOLUTION NO. 2016-101**  
**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET ACKNOWLEDGING RECEIPT OF**  
**AN UNANTICIPATED GOBHI TRAINING STIPEND AND APPROPRIATING EXPENDITURES**  
**WITHIN THE GENERAL FUND**

**WHEREAS,** the 2015-2016 Annual Budget was adopted without the recognition of funding from Greater Oregon Behavioral Health, Inc. (GOBHI); and

**WHEREAS,** the Police Department was awarded stipend funds to put toward attendance at a National Crisis Intervention training conference; and

**WHEREAS,** the City desires to modify the 2015-2016 Budget, acknowledging revenue of \$750 and appropriating expenditures within the General Fund.

**NOW THEREFORE, BE IT RESOLVED** by the Ontario City Council to approve the following adjustments to the 2015-2016 Annual Budget:

Line Item	Item Description	FY 15-16 Budget	Amount of Change	Adjusted Budget
<b>GENERAL FUND</b>				
Revenue				
001-000-469210	Misc Police Revenue	\$18,696	\$750	\$19,446
Expenses				
001-024-618000	Travel, Dues and School	\$27,450	\$750	\$28,200

**Effective Date:** Upon adoption.

**Passed and adopted** by the Ontario City Council this \_\_\_\_ day of \_\_\_\_\_ 2016.

Ayes:

Nays:

Absent:

**Approved** by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
 Ron Verini, Mayor

ATTEST:

\_\_\_\_\_  
 Tori Barnett, MMC, City Recorder

**AGENDA REPORT**  
January 19, 2016

TO: Mayor and City Council

FROM: Larry Sullivan, City Attorney

THROUGH: Tori Barnett, Interim City Manager

**SUBJECT: ORDINANCE NO. 2714-2016, AN ORDINANCE ADDING CHAPTER 24 OF TITLE 3 TO THE ONTARIO CITY CODE TO ESTABLISH A BUSINESS LICENSE FOR MEDICAL MARIJUANA DISPENSARIES, AND DECLARING AN EMERGENCY -FIRST READING**

DATE: January 8, 2016

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**SUMMARY:**

Attached is the following document:

- Ordinance No. 2714-2016

**BACKGROUND:**

As a result of a Land Use Board of Appeals (LUBA) decision, in December, 2015, the City Council repealed its previous ordinance, Ordinance No. 2700-2015, requiring medical marijuana dispensaries to have business licenses. Although the City Council permanently banned dispensaries in July, 2015, when it enacted Ordinance No. 2704-2015, the City is currently involved in litigation in which a dispensary is attempting to open in the City, despite the ban. Another business has also hired a lawyer to try to force the City to allow that business to operate a dispensary.

Based upon previous Council discussions, the Council consensus has been to require any dispensaries to have business licenses. Ordinance No. 2714-2016 imposes the same business license requirements that were in repealed Ordinance No. 2700-2015, with the exception of the land use regulations that led to the LUBA decision. Enacting Ordinance No. 2714-2016 will not affect the City's ban on dispensaries. Enacting the ordinance will insure that if any businesses obtain a court determination that they are exempt from the ban, they will have to obtain business licenses from the City and comply with the requirements of the ordinance.

**RECOMMENDATION:**

Staff recommends approval of Ordinance No. 2714-2016.

**PROPOSED MOTION:**

I move the City Council approve Ordinance No. 2714-2016, AN ORDINANCE ADDING CHAPTER 24 OF TITLE 3 TO THE ONTARIO CITY CODE TO ESTABLISH A BUSINESS LICENSE FOR MEDICAL MARIJUANA DISPENSARIES, AND DECLARING AN EMERGENCY, on first reading by title only.

ORDINANCE NO. 2714-2016

AN ORDINANCE ADDING CHAPTER 24 OF TITLE 3 TO THE ONTARIO CITY CODE TO ESTABLISH A BUSINESS LICENSE FOR MEDICAL MARIJUANA DISPENSARIES, AND DECLARING AN EMERGENCY

- WHEREAS,** On December 7, 2015, the Ontario City repealed Ordinance No. 2700-2015 and Chapter 22 of Title 3, which established a business license for medical marijuana dispensaries and which included land use regulations specifying the zone in which such medical marijuana dispensaries could be located and prohibiting medical marijuana dispensaries in other zones;
- WHEREAS,** The repeal of Ordinance No. 2700-2015 was done pursuant to an order of the Land Use Board of Appeals (LUBA) agreed to by the City of Ontario; and
- WHEREAS,** LUBA's authority over Ordinance No. 2700-2015 arose because Ordinance No. 2700-2015 included land use regulations within the jurisdiction of LUBA; and
- WHEREAS,** The LUBA order did not prevent the City of Ontario from implementing a business license requirement for medical marijuana dispensaries that does not include land use regulations; and
- WHEREAS,** The City Council enacted the same medical marijuana land use regulations in a later ordinance, Ordinance No. 2701-2015, which was not challenged before LUBA; and
- WHEREAS,** On July 17, 2015, the City Council permanently banned medical marijuana dispensaries in the City of Ontario through the enactment of Ordinance No. 2704-2015 and City Code Section 3-23-1; and
- WHEREAS,** Legal challenges have arisen or may arise in the future with respect to that ban, and, if any of those challenges are successful, or if that ban is repealed for any reason, the City Council wants to require any medical marijuana dispensaries in Ontario to have business licenses and abide by the terms and conditions of such a license;
- WHEREAS,** The City's licensing and regulatory system should not be construed to constitute an authorization to engage in any activity prohibited by law nor a waiver of any other license or regulatory requirement imposed by any other provisions of City ordinance or local, regional, state or federal law; and
- WHEREAS,** The City Council wants to regulate the operation of medical marijuana dispensaries in the City in ways that protect and benefit the public health, safety and welfare of existing and future residents and businesses in the City; and
- WHEREAS,** The City Council finds that the presence of medical marijuana dispensaries within the City of Ontario may potentially result in adverse social and economic impacts, increased crime incidents, and physical deterioration in the general areas of such businesses; and that regulations applicable to such dispensaries are necessary to protect minors and to preserve the character, safety and stability of residential areas that are in proximity to such commercial businesses; and

**WHEREAS,** At least two businesses have applied for medical marijuana dispensary permits with the Oregon Health Authority for locations in the City of Ontario, and it being necessary for the health, safety and welfare of the residents of the City, an emergency is hereby declared to authorize this Ordinance to take effect immediately upon passage; and

**WHEREAS,** Notwithstanding the emergency passage of this ordinance, Ordinance No. 2714-2016 shall remain subject to the permanent medical marijuana dispensary ban in Ordinance No. 2704-2015 and City Code Section 3-23-1, until that ban is repealed, or until a medical marijuana dispensary obtains judicial or administrative authority to establish a business location in the City of Ontario.

**NOW THEREFORE,** The Common Council For The City Of Ontario Ordains As Follows:

**Section 1.** The following Chapter 24 is hereby added Title 3 of the Ontario City Code and is entitled “Mandatory Business Licenses for Medical Marijuana Dispensaries”:

**CHAPTER 24 MANDATORY BUSINESS LICENSES FOR MEDICAL MARIJUANA DISPENSARIES**

**3-24-1 DEFINITIONS**

1. City Manager means the City Manager or the designee of the City Manager authorized to handle any matters arising under this Chapter on the City Manager’s behalf.

2. Marijuana or medical marijuana means all parts of the plant Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination. As used in this Chapter, “marijuana” or “medical marijuana” refers to marijuana dried, produced, processed, kept, stored, delivered, transferred, dispensed or otherwise provided for the exclusive benefit of and use by a person to mitigate the symptoms or effects of a person’s debilitating medical condition as defined in ORS 475.302.

3. Medical marijuana dispensary means a facility designed, intended or used for purposes of delivering, dispensing, or transferring marijuana to Oregon medical marijuana registry identification card holders pursuant to ORS 475.300-475.346. The dispensary includes all premises, buildings, curtilage or other structures used to accomplish the storage, distribution and dissemination of marijuana.

4. Operator means a person who owns, operates or otherwise has legal responsibility for a dispensary and who meets the qualifications established by the Oregon Health Authority and has been approved by the Oregon Health Authority to operate a medical marijuana dispensary.

5. Principal means members, partners or corporate officers, and all stockholders holding more than 10 percent of the voting stock for any applicant who is not a natural person.

6. Registration identification card means a document issued by the Oregon Health Authority that identifies a person authorized to engage in the medical use of marijuana, and the person’s designated caregiver, if any.

### 3-24-2 LOCAL LICENSE REQUIRED

Medical marijuana dispensaries must possess a valid license issued under this Chapter to operate within the City. The license required by this Chapter facilitates the registration and the City's oversight of a medical marijuana dispensary. The license required by this Chapter should not be construed to constitute an authorization to engage in any activity prohibited by law nor a waiver of any other regulatory or license requirement imposed by any other provision of City ordinance or local, regional, state or federal law.

### 3-24-3 STATE REGISTRATION REQUIRED

To be eligible to apply for a license under this Chapter, medical marijuana dispensaries must be registered with the Oregon Health Authority and authorized by state law to operate.

### 3-24-4 LICENSE APPLICATION

(A) Contents of Applications. Applications for new and renewed licenses must be submitted to the City Manager on forms provided by the City. A separate application must be submitted for each proposed dispensary. The initial or renewal application must include the following information:

1. Certification that the proposed dispensary is registered at that location as a medical marijuana dispensary with the Oregon Health Authority pursuant to ORS 475.314.
2. The applicant's name, residence address, and date of birth, with photo identification such as a driver's license or other government-issued identification.
3. The names and residence addresses of:
  - a. Any person or legal entity that has an ownership interest in the dispensary, including all principals of the applicant;
  - b. Any person or legal entity with a financial interest that has loaned or given money or real or personal property to the applicant, or principal of the applicant, for use by the proposed dispensary within the preceding year;
  - c. Any person or legal entity that has leased real property to the applicant for use by the dispensary and any person who manages that property; and
  - d. Any person who is anticipated at the time of the application to be an employee or volunteer at the proposed dispensary.
4. The business name.
5. The address and telephone number of the proposed dispensary.
6. The mailing address for correspondence about the license.
7. A detailed description of the type, nature and extent of the business.
8. The proposed days and hours of operation.

9. A detailed description of the proposed accounting and inventory system of the dispensary.
10. Certification that the dispensary has met all applicable requirements of the City development code, land use code and sign code.
11. Certification that all applicable taxes and fees have been paid.
12. A complete application for a criminal background check for the applicant, and all principals, persons with a financial interest, employees, and volunteers of the proposed medical marijuana dispensary.
13. The names of at least three natural persons who can give an informed account of the business and moral character of the applicant and principals.
14. The signature, under penalty of perjury, of the applicant, if a natural person, or otherwise the signature of an authorized agent of the applicant, if the applicant is other than a natural person.
15. Other information deemed necessary by the City Manager to complete review of the application.

(B) Information Shall be Kept Current. All information provided in an initial or renewal application must be kept current at all times, including after a license is issued. Each licensee shall notify the City Manager in writing within ten business days of any change in the information provided to obtain the license.

### **3-24-5 LICENSE DETERMINATION**

(A) Determination. Within 25 days after receiving a complete application and application fee for a medical marijuana dispensary license, the City Manager will issue the license if the City Manager finds that the dispensary is registered as a medical marijuana dispensary with the Oregon Health Authority pursuant to ORS 475.314 and that all other requirements under this Chapter have been met.

(B) Denial. In addition to denial for failure to meet the requirements of this Chapter, the City Manager may deny a license if:

1. The applicant made an untrue, misleading, or incomplete statement on, or in connection with, the application for the license or a previous application for a license;
2. Notwithstanding the federal Controlled Substances Act, the applicant fails to meet all requirements of local, state, and federal laws and regulations, including, but not limited to, other permitting or licensing requirements and land use regulations; or
3. The applicant, principals, employees, volunteers, or persons with a financial interest in the dispensary have been convicted of a felony for the manufacture or delivery of a Schedule I or Schedule II controlled substance; or
4. The operation of the medical marijuana dispensary is subject to the ban on dispensaries in City Code Section 3-23-1.

(C) An applicant may appeal the City Manager's denial of a license in accordance with Section 3-24-12(B). Any aggrieved person may appeal the City Manager's issuance of a license in accordance with Section 3-24-12(B).

### **3-24-6 APPLICATION FEE**

An initial license application and a renewal application must be accompanied by a nonrefundable application fee in the base amount of \$1,200 for a dispensary with five or fewer employees and volunteers. For dispensaries with more than five employees and volunteers, the fee shall be the base fee plus \$220 for each additional employee or volunteer. If at any time the dispensary employs a new employee or volunteer not named in the last application, the dispensary shall pay the City a new fee of \$220 to screen that individual. The City Council may revise the fee amount from time to time by resolution of the Council.

### **3-24-7 DISPLAY OF LICENSE**

The license issued under this Chapter must be prominently displayed at all times in an easily visible location inside the dispensary.

### **3-24-8 TERMINATION OF LICENSE**

(A) Termination. A license terminates automatically one year from the date of issuance, unless a license renewal application has been approved.

(B) Renewal. A license may be renewed for additional annual terms as provided by this Chapter.

(C) Renewal Application. Renewal applications shall be submitted, with the required application fee, to the City Manager not less than 30 days prior to the expiration date of the existing license.

(D) Termination Due to Change in Law. A license terminates automatically if federal or state statutes, regulations or guidelines are modified, changed, or interpreted in such a way by state or federal law enforcement officials as to prohibit operation of the dispensary under this ordinance.

(E) Surrender. A licensee may surrender a medical marijuana dispensary license by delivering written notice to the City that the licensee thereby surrenders the license. A licensee's surrender of a license under this section does not affect the licensee's civil or criminal liability for acts the licensee committed before surrendering the license.

### **3-24-9 TRANSFERABILITY**

Licenses issued under this Chapter shall not be transferred to any other person. The City Manager may waive this restriction and authorize a transfer if it is to a limited liability company, corporation or partnership in which the names of principals have been included in the most recent license application for the dispensary and the City has already completed criminal background checks on those principals.

### 3-24-10 INDEMNIFICATION

(A) Waiver. By accepting a medical marijuana dispensary license issued under this Chapter, the licensee waives and releases the City, its officers, elected officials, employees, volunteers and agents from any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of a dispensary owner or operator, principal, person or legal entity with a financial interest in the dispensary, person or entity that has leased real property to the dispensary, employee, volunteer, client or customer for a violation of federal, state or local laws and regulations.

(B) Indemnification. By accepting a medical marijuana dispensary license issued under this Chapter, the licensee(s), jointly and severally if there is more than one, agree to indemnify and hold harmless the City, its officers, elected officials, employees, volunteers, and agents, insurers, and self-insurance pool against all liability, claims, and demands on account of any injury, loss, or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever arising out of or in any manner connected with the operation of the medical marijuana dispensary that is the subject of the license.

### 3-24-11 STANDARDS OF OPERATION

(A) Registration and Compliance with Oregon Health Authority Rules. The dispensary's registration as a medical marijuana dispensary under ORS 475.314 must be in good standing with the Oregon Health Authority, and the dispensary must comply with all applicable laws and regulations administered by the Oregon Health Authority for dispensaries.

(B) Compliance with Other Laws. The dispensary must comply with all applicable laws and regulations, including, but not limited to, the building and fire codes.

(C) Registry Identification Card Required. All persons allowed within the dispensary, except employees of the City performing their official duties, must have a valid registry identification card and be in compliance with rules adopted by the Oregon Health Authority.

(D) Sales in Dispensary. Sales or any other transfers of marijuana on the dispensary premises must occur inside the dispensary building and must be conducted only between the dispensary and individuals with registry identification cards.

(E) On-Site Use. Marijuana and tobacco products must not be smoked, ingested, consumed or otherwise used on the premises of a medical marijuana dispensary.

(F) On-Site Manufacturing. Manufacturing or production of any extracts, oils, resins or similar derivatives of marijuana is prohibited at a dispensary. Use of open flames or gases in the preparation of any products is prohibited at a dispensary.

(G) Outdoor Storage. Outdoor storage of merchandise, raw materials or other material associated with the dispensary is prohibited.

(H) Secure Disposal. The dispensary must provide for secure disposal of marijuana remnants or byproducts; marijuana remnants or by-products shall not be placed within the dispensary's exterior refuse containers.

(I) Home Occupation. A dispensary may not be operated as a home occupation.

(J) Screening from Public. All transactions shall occur within the interior of the dispensary, out of the view of the public. All doorways, windows and other openings shall be located, covered or screened in such a manner to prevent a view into the interior from any exterior public or semipublic area. Walk-through windows, drive-through windows or other outside delivery systems are prohibited.

(K) Objectionable Odors. The dispensary must use an air filtration and ventilation system which, to the greatest extent feasible, confines all objectionable odors associated with the dispensary to the premises. For the purposes of this provision, the standard for judging "objectionable odors" shall be that of an average, reasonable person with ordinary sensibilities after taking into consideration the character of the neighborhood in which the odor is made and the odor is detected.

(L) Permanent Structure. The dispensary shall be located in a permanent building, not in a trailer, cargo container or motor vehicle.

(M) Blight. The dispensary shall have an exterior consistent with other buildings on abutting lots in the neighborhood so as not to cause blight.

(N) Security Devices. A dispensary must install and maintain all security devices required by the Oregon Health Authority.

(O) Lighting. A dispensary must maintain adequate outdoor lighting over each exterior exit.

(P) Hours of Operation. No dispensary shall have operating hours earlier than 10 a.m. or later than 7 p.m. of the same day.

### **3-24-12 ENFORCEMENT AND PENALTIES**

(A) Revocation or Suspension of License. The City Manager may deny, suspend or revoke a license issued under this Chapter for failure to comply with this Chapter, for submitting falsified information to the City or the Oregon Health Authority, or for noncompliance with any other City ordinances or state law.

(B) Appeal of Issuance, Denial, Revocation or Suspension. Any person aggrieved by the City Manager's issuance, denial, suspension or revocation of a license may appeal it to the City Council by delivering a written notice of appeal to the City Manager within 30 days of the date of the denial, suspension or revocation. The appeal shall be heard by the City Council in a public meeting scheduled within 60 days of the date that the notice of appeal is delivered to the City Manager. The appellant shall be given at least a five day notice of the public meeting, and shall be entitled to appear and be heard. The City Council's decision on the appeal shall be final.

(C) Civil Penalty. In addition to the other remedies provided in this section, any person or entity, including any person who acts as the agent of, or otherwise assists, a person or entity who fails to comply with the requirements of this Chapter or the terms of a license issued under this Chapter, who undertakes an activity regulated by this Chapter without first obtaining a license, who fails to comply with a cease and desist order issued pursuant to this Chapter, or who fails to comply with state law commits an unclassified civil violation which shall be processed according to the procedures established in Chapter 4 "General Penalty" of Title 1 of this Code.

(D) Public Nuisance. Any premises, house, building, structure or place of any kind where medical marijuana is grown, processed, manufactured, sold, bartered, distributed or given away in violation of state law or this Chapter, or any place where medical marijuana is kept or possessed for sale, barter, distribution or gift in violation of state law or this Chapter, is a public nuisance. The City may institute an action in circuit court in the name of the City to abate, and to temporarily and permanently enjoin, such nuisance. The court has the right to make temporary and final orders as in other injunction proceedings. The City shall not be required to give bond in such an action.

(E) Remedies not Exclusive. The remedies provided in this section are not exclusive and shall not prevent the City from exercising any other remedy available under the law, nor shall the provisions of this Chapter prohibit or restrict the City or other appropriate prosecutor from pursuing criminal charges under City ordinance or state law.

**Section 2. Severability.** The sections, subsections, paragraphs, and clauses of this Ordinance are severable. The invalidity of one section, subsection, paragraph, or clause does not affect the validity of the remaining sections, subsections, paragraphs, and clauses.

**Section 3.** An emergency having been declared, this ordinance shall take effect immediately upon passage.

PASSED AND ADOPTED by the Common Council of the City of Ontario this \_\_\_\_ day of \_\_\_\_\_, 2016, by the following vote:

AYES:

NAYS:

ABSENT:

APPROVED by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2016.

ATTEST:

\_\_\_\_\_  
Ronald Verini, Mayor

\_\_\_\_\_  
Tori Barnett, MMC, City Recorder

**AGENDA REPORT**  
January 19, 2016

TO: Mayor and City Council

FROM: Larry Sullivan, City Attorney  
Pete Morgan, Airport Manager

THROUGH: Tori Barnett, Interim City Manager

**SUBJECT: LARRY KITAMURA LEASE AGREEMENT**

DATE: January 11, 2016

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**SUMMARY:**

Attached is the following document:

- Proposed Larry Kitamura Lease Agreement
- Exhibit "A" Map showing leased ground

**BACKGROUND:**

Larry Kitamura has been occupying approximately 2.67 acres of City land adjoining the airport for several years without a written lease agreement with the City. Apparently he and former staff members had an oral agreement, the details of which are unknown. There is no record of rent having been paid in recent years.

The proposed lease is an annual lease for \$801, based on a charge of \$300 per acre. There is no automatic renewal provision, but the lease allows the parties to extend it in writing. The lease is for agricultural purposes only. Because of its proximity to the airport, a 15 foot height limitation has been placed on any equipment used on the property. The lease requires the Tenant to keep up the appearance of the property and not to use it for storing junk. Either party can terminate the lease at any time upon 30 days notice.

**RECOMMENDATION:**

The Council's options include directing staff to evict Mr. Kitamura from the property, or having him sign a written lease agreement. Staff recommends that the Council approve the written lease agreement.

**PROPOSED MOTION:**

I move the City Council approve the annual lease agreement with Larry Kitamura and authorize the Mayor to sign it.

## GROUND LEASE

Date: \_\_\_\_\_, 2016.

Between: CITY OF ONTARIO, OREGON ("Landlord")

Address: 444 SW 4<sup>th</sup> Avenue  
Ontario, OR 97914

And: LARRY KITAMURA ("Tenant")

Address: 151 Lauren Drive  
Ontario, OR 97914

Landlord leases to Tenant and Tenant leases from Landlord 2.67 acres of bare land at the southeast corner of the Ontario Airport, identified as parcel 1A and the south part of parcel 1B on the Airport Layout Plan page 8, appearing on the map attached hereto as Exhibit "A" (the "Premises") on the terms and conditions stated below:

### **SECTION 1. Annual Tenancy**

The lease term shall be a year to year tenancy, commencing on January 1, 2016, and terminating on December 31, 2016, unless extended in writing by mutual agreement of the parties.

### **SECTION 2. Rent**

Tenant shall pay to Landlord the sum of \$801 per year (2.67 acres@\$300/acre), payable in advance at the commencement of the lease, and on January 1 of the year of any extended term.

### **SECTION 3. Use of the Premises**

**3.1 Permitted Use.** The Premises consists of bare ground upon which Tenant may use for agricultural purposes only and for storing equipment for farm use.

**3.2 Restrictions on Use.** In connection with the use of the Premises, Tenant shall:

(a) Because the Premises is adjacent to the Ontario Municipal Airport, Tenant shall refrain from using or storing any equipment or other items that extend more than 15 feet above the ground.

(b) Tenant shall maintain the Premises in a clean and sightly condition, and shall not use the Premises for storing inoperable equipment or junk.

(c) Conform to all applicable laws and regulations of any public authority affecting the premises and the use, and correct at Tenant's own expense any failure of compliance created through Tenant's fault or by reason of Tenant's use, but Tenant shall not be required to make any structural changes to effect such compliance unless such changes are required because of Tenant's specific use.

(d) Refrain from any activity that would make it impossible to insure the Premises against casualty or would increase the insurance rate, unless Tenant pays the additional cost of the insurance.

(e) Refrain from any use that would be reasonably offensive to other owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the premises.

(f) Tenant shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. The term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions. The term Environmental Law shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment.

**SECTION 4. Repairs and Maintenance**

**4.1 Landlord's Obligations.** Landlord shall have no obligation to make any repairs or incur any maintenance expenses for the Premises. Any repair or maintenance expenses on the Premises shall be solely the Tenant's obligation.

**4.2 Inspection of Premises.** Landlord shall have the right to inspect the Premises at any reasonable time or times.

**SECTION 5. Alterations**

**5.1 Alterations Prohibited.** Tenant shall make no improvements or alterations on the Premises of any kind without first obtaining Landlord's written consent. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

**5.2 Ownership and Removal of Alterations.** All improvements and alterations performed on the Premises by either Landlord or Tenant shall be the property of Landlord when installed. Improvements and alterations installed by Tenant shall, at Landlord's option, be removed by Tenant.

**SECTION 6. Insurance**

**6.1 Insurance Required.** Tenant shall be responsible for maintaining any fire and property damage insurance on its personal property located on the Premises.

**6.2 Waiver of Subrogation.** Neither party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Each party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.

**SECTION 7. Utilities**

Tenant shall pay when due all charges for services and utilities incurred in connection with the use, occupancy, operation, and maintenance of the Premises.

**SECTION 8. Liability and Indemnity**

**8.1 Liens**

(a) Except with respect to activities for which Tenant is responsible, Tenant shall pay as due all claims for work done on and for services rendered or material furnished to the Premises, and shall keep the Premises free from any liens. If Tenant fails to pay any such claims or to discharge any lien, Landlord may do so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of 18% per annum from the date expended by

Landlord and shall be payable on demand. Such action by Landlord shall not constitute a waiver of any right or remedy which Landlord may have on account of Tenant's default.

(b) Tenant may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, as long as Landlord's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Tenant shall, within 10 days after knowledge of the filing, secure the discharge of the lien or deposit with Landlord cash or sufficient corporate surety bond or other surety satisfactory to Landlord in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

**8.2 Indemnification.** Tenant shall indemnify and defend Landlord from any claim, loss, or liability arising out of or related to any activity of Tenant on the Premises or any condition of the Premises in the possession or under the control of Tenant. Landlord shall have no liability to Tenant for any injury, loss, or damage caused by third parties, or by any condition of the Premises except to the extent caused by Landlord's negligence or breach of duty under this lease.

**8.3 Liability Insurance.** Before going into possession of the Premises, Tenant shall procure and thereafter during the term of the lease shall continue to carry the following insurance at Tenant's cost: comprehensive general liability insurance in a responsible company with limits of not less than \$1,000,000 for injury to one person, \$3,000,000 for injury to two or more persons in one occurrence, and \$1,000,000 for damage to property. Such insurance shall cover all risks arising directly or indirectly out of Tenant's activities on or any condition of the premises whether or not related to an occurrence caused or contributed to by Landlord's negligence. Such insurance shall protect Tenant against the claims of Landlord on account of the obligations assumed by Tenant under Section 8.2, and shall name Landlord as an additional insured. Certificates evidencing such insurance and bearing endorsements requiring 10 days' written notice to Landlord prior to any change or cancellation shall be furnished to Landlord prior to Tenant's occupancy of the property.

## **SECTION 9. Quiet Enjoyment**

**9.1 Landlord's Warranty.** Landlord warrants that it has the right to lease the Premises. Landlord will defend Tenant's right to quiet enjoyment of the Premises from the lawful claims of all persons during the lease term.

**9.2 Assignment and Subletting.** No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the property be conferred on any third person by any other means, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. This provision shall apply to all transfers by operation of law. No consent in one instance shall prevent the provision from applying to a subsequent instance.

## **SECTION 10. Termination Without Cause.**

Either party may terminate this lease without cause, upon delivering to the other party a written notice of termination at least thirty days prior to the termination date.

## **SECTION 11. Default**

The following shall be events of default:

**11.1 Default in Rent.** Failure of Tenant to pay any rent or other charge within ten days of the due date.

**11.2 Default in Other Covenants.** Failure of Tenant to comply with any term or condition or fulfill any obligation of the lease (other than the payment of rent or other charges) within 20 days after written notice by Landlord specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be

completely remedied within the 20-day period, this provision shall be complied with if Tenant begins correction of the default within the 20-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

**11.3 Insolvency.** Insolvency of Tenant; an assignment by Tenant for the benefit of creditors; the filing by Tenant of a voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; the filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within 30 days after filing; attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within 10 days shall constitute a default. If Tenant consists of two or more individuals or business entities, the events of default specified in this Section shall apply to each individual unless within 10 days after an event of default occurs, the remaining individuals produce evidence satisfactory to Landlord that they have unconditionally acquired the interest of the one causing the default. If the lease has been assigned, the events of default so specified shall apply only with respect to the one then exercising the rights of Tenant under the lease.

**11.4 Abandonment.** Failure of Tenant for 20 days or more to occupy the Premises for one or more of the purposes permitted under this lease, unless such failure is excused under other provisions of this lease.

## **SECTION 12. Remedies on Default**

**12.1 Termination.** In the event of a default the lease may be terminated at the option of Landlord by written notice to Tenant. Whether or not the lease is terminated by the election of Landlord or otherwise, Landlord shall be entitled to recover damages from Tenant for the default, and Landlord may reenter, take possession of the premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

**12.2 Reletting.** Following reentry or abandonment, Landlord may relet the Premises and in that connection may make any suitable alterations or refurbish the Premises, or both, or change the character or use of the Premises, but Landlord shall not be required to relet for any use or purpose other than that specified in the lease or which Landlord may reasonably consider injurious to the Premises, or to any tenant that Landlord may reasonably consider objectionable. Landlord may relet all or part of the Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

**12.3 Damages.** In the event of termination or retaking of possession following default, Landlord shall be entitled to recover immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, the following amounts as damages:

(a) The loss of rental from the date of default until a new tenant is, or with the exercise of reasonable efforts could have been, secured and paying out.

(b) The reasonable costs of reentry and reletting including without limitation the cost of any cleanup, refurbishing, removal of Tenant's property and fixtures, costs incurred under Section 12.5, or any other expense occasioned by Tenant's default including but not limited to, any remodeling or repair costs, attorney fees, court costs, broker commissions, and advertising costs.

**12.4 Right to Sue More than Once.** Landlord may sue periodically to recover damages during the period corresponding to the remainder of the lease term, and no action for damages shall bar a later action for damages subsequently accruing.

**12.5 Landlord's Right to Cure Defaults.** If Tenant fails to perform any obligation under this lease, Landlord shall have the option to do so after 30 days' written notice to Tenant. All of Landlord's expenditures to correct the default shall be reimbursed by Tenant on demand with interest at the rate of 18% annum from the date of expenditure by Landlord. Such action by Landlord shall not waive any other remedies available to Landlord because of the default.

**12.6 Remedies Cumulative.** The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord under applicable law.

### **SECTION 13. Surrender at Expiration**

**13.1 Condition of Premises.** Upon expiration of the lease term or earlier termination on account of default, Tenant shall deliver the Premises in the same condition as at the commencement of the lease. Alterations constructed by Tenant with permission from Landlord shall not be removed or restored to the original condition unless the terms of permission for the alteration so require. Prior to expiration or other termination of the lease term Tenant shall remove all equipment, furnishings, furniture, and trade fixtures that remain its property. If Tenant fails to do so, this shall be an abandonment of the property, and Landlord may retain the property and all rights of Tenant with respect to it shall cease or, by notice in writing given to Tenant within 20 days after removal was required, Landlord may elect to hold Tenant to its obligation of removal. If Landlord elects to require Tenant to remove, Landlord may effect a removal and place the property in public storage for Tenant's account. Tenant shall be liable to Landlord for the cost of removal, transportation to storage, and storage, with interest at the legal rate on all such expenses from the date of expenditure by Landlord.

### **SECTION 14. Miscellaneous**

**14.1 Nonwaiver.** Waiver by either party of strict performance of any provision of this lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

**14.2 Attorney Fees.** If suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.

**14.3 Notices.** Any notice required or permitted under this lease shall be given when actually delivered or 48 hours after deposited in United States mail as certified mail addressed to the address first given in this lease or to such other address as may be specified from time to time by either of the parties in writing.

**14.4 Succession.** Subject to the above-stated limitations on transfer of Tenant's interest, this lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

**14.5 Recordation.** This lease shall not be recorded without the written consent of Landlord.

**14.6 Interest on Rent and Other Charges.** Any rent or other payment required of Tenant by this lease shall, if not paid within 10 days after it is due, bear interest at the rate of 18% per annum from the due date until paid. In addition, if Tenant fails to make any rent or other payment required by this lease to be paid to Landlord within five days after it is due, Landlord may elect to impose a late charge of five cents per dollar of the overdue payment to

reimburse Landlord for the costs of collecting the overdue payment. Tenant shall pay the late charge upon demand by Landlord. Landlord may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not waive the breach caused by the late payment.

**14.7 Time of Essence.** Time is of the essence of the performance of each of Tenant's obligations under this lease.

EXECUTED ON DUPLICATE ORIGINALS on the date first above written.

Landlord:

CITY OF ONTARIO

By:

Attest:

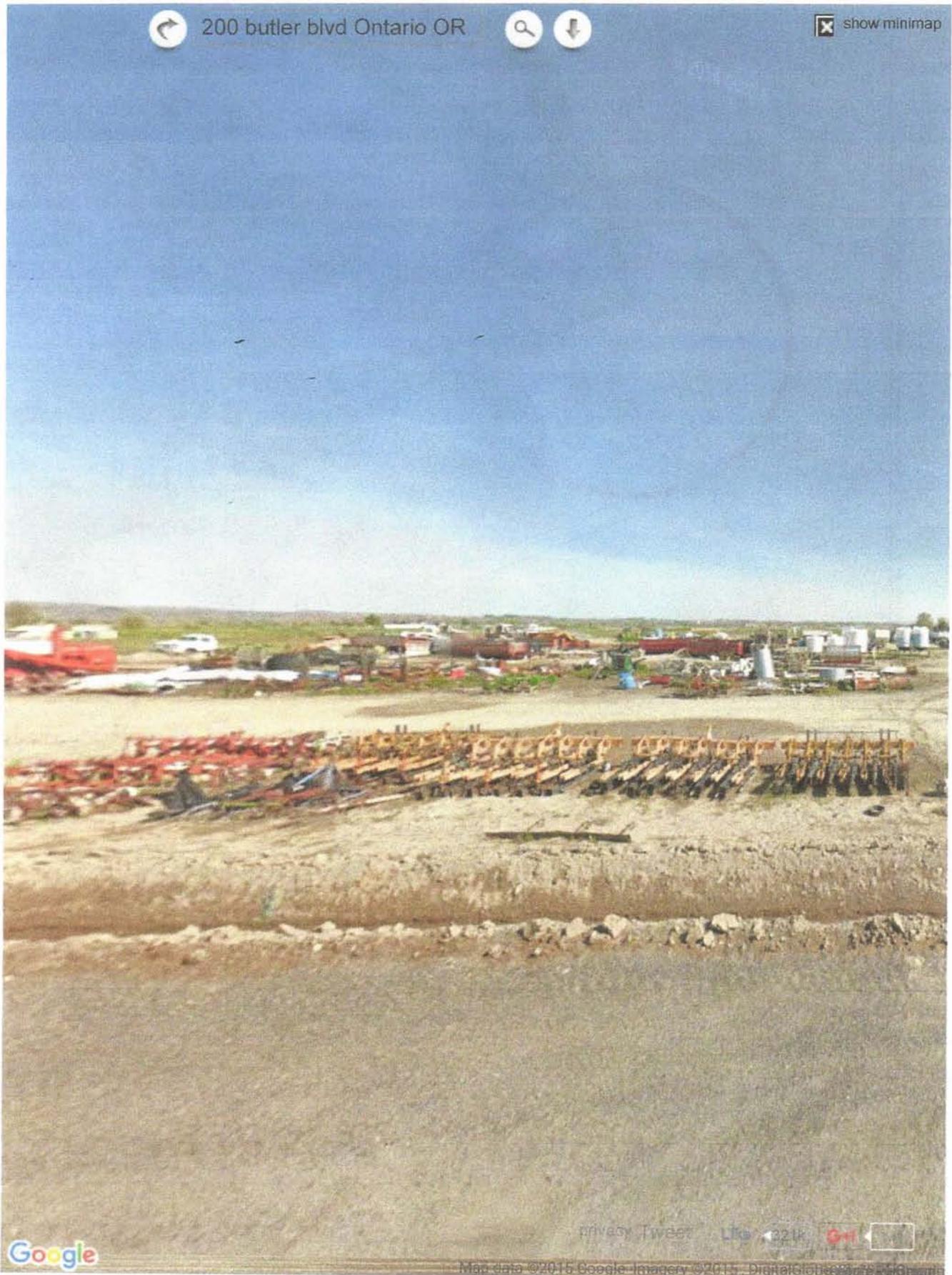
\_\_\_\_\_  
Ronald Verini, Mayor

\_\_\_\_\_  
Tori Barnett, MMC, City Recorder

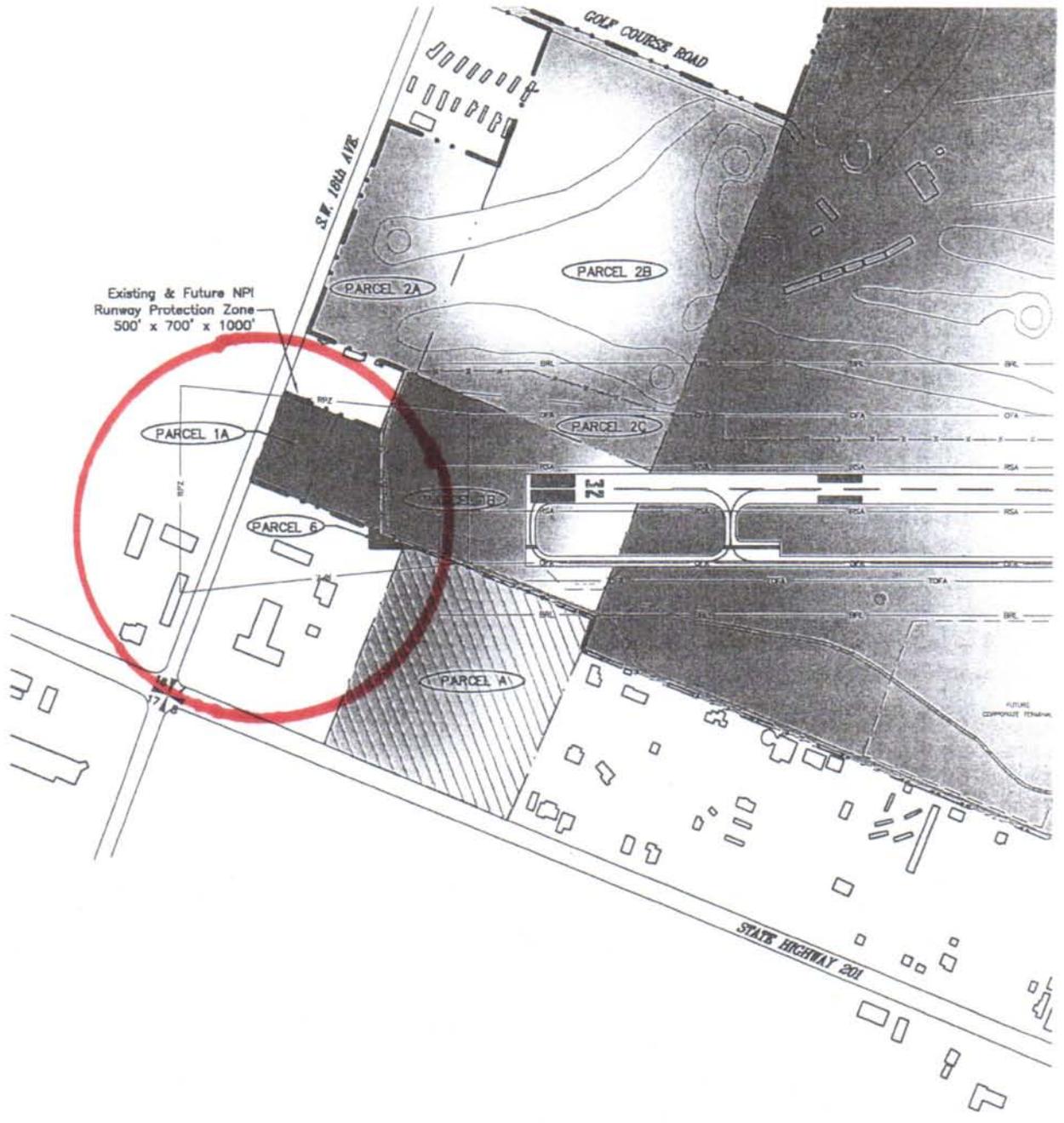
Tenant:

\_\_\_\_\_  
LARRY KITAMURA





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### AIRPORT PROPERTY OWNERSHIP INFORMATION

PARCEL	LAND PARCELS				INTEREST	RECORDING				FEDERAL
	OWNER	PREV. OWNER	TAX LOT NO.	ACREAGE		Book	Page	Date	INSTR. NO.	
1A	CITY OF ONTARIO	MURAKAMI FARMS	3001	1.46	FEE	*	*	4/8/69	97195	FAAP-
2A	CITY OF ONTARIO	S. & M. MURAKAMI	3001	12.66	FEE	*	*	4/8/69	97196	FAAP-
2B	CITY OF ONTARIO	TSURUYO NISHI ET VIR	3400	7.08	FEE	*	*	12/16/41	6061	AP-4
2C	CITY OF ONTARIO	IDA WATANABE ET VIR	3300	23.54	FEE	*	*	12/15/41	6062	AP-4
2D	CITY OF ONTARIO	RAYMOND HASHITANI	3200	1.85	FEE	*	*	12/16/41	6060	AP-4
2E	CITY OF ONTARIO	MALHUR CO.	4100	281.03	FEE	38	437	2/15/35	98480	AP-4
2F	CITY OF ONTARIO	MALHUR CO.	4100	10	FEE	39	428	10/1/35	101054	AP-4
2G	CITY OF ONTARIO	A.W. CONOVER	4100	5	FEE	51	421	8/4/42	11314	AP-4
2H	CITY OF ONTARIO	EST OF BELLE LEES	4100	18.8	FEE	52	355	5/28/41	*	AP-4
2I	CITY OF ONTARIO	Wm. TOEDTER	500	9	FEE	*	*	2/20/42	7103	AP-4
2J	CITY OF ONTARIO	C.H. & EDNA TOEDTER	500	N/A	EASEMENT	*	*	8/18/70	114094	FAAP-
2K	CITY OF ONTARIO	MONTGOMERY/SNOW	500	36.81	FEE	*	*	7/2006	*	N/A
2L	CITY OF ONTARIO	STATE LAND BOARD	800	3.71	FEE	52	109	3/22/41	*	AP-4
2M	CITY OF ONTARIO	MURAKAMI & LEE	*	N/A	EASEMENT	141	371	3/9/69	*	FAAP-
2N	SNAKE RIVER SPORTSMAN	CITY OF ONTARIO	700	29.13	FEE	*	*	9/6/06	2006-6611	LAND

**AGENDA REPORT**  
January 19, 2016

TO: Mayor and City Council

FROM: Larry Sullivan, City Attorney

THROUGH: Tori Barnett, Interim City Manager

**SUBJECT: CAROL ROBERTSON SETTLEMENT AND RELEASE AGREEMENT**

DATE: January 8, 2016

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**SUMMARY:**

Attached are the following documents:

- Settlement and Release Agreement
- April 7, 2014 Agenda Report re Chicago Title Settlement

**PRIOR COUNCIL ACTION:**

April 7, 2014 Council approves receipt of \$138,977.20 as a settlement from Chicago Title Company

**BACKGROUND:**

Carol I. Robertson (“Robertson”) is an Ontario resident who is defending litigation filed in Malheur County Circuit Court Case No. 15CV1126 by Chicago Title Company (“Chicago Title”) in which it claims damages of \$138,977.20 plus interest against Robertson. The litigation concerns the same subject matter as the claim settled by the City on April 7, 2014, in which the City released a restrictive covenant for particular street improvements in exchange for a payment from Chicago Title of \$138,977.20. The City has restricted the use of those funds to the City’s cost for doing the specific street improvements that were the subject of the restrictive covenant. None of the street improvements have been done, and on November 3, 2015, the Council voted not to create an LID to do a portion of those street improvements. The City has no plans to do the street improvements at any time in the foreseeable future.

Robertson through her attorney has demanded that the City hold her harmless from the current litigation with Chicago Title and has said that Robertson will join the City in that litigation as a third party defendant. Robertson and Chicago Title have reached a tentative settlement in which Robertson has agreed to pay Chicago Title \$35,000 if the City pays \$20,000 toward the settlement.

The City denies any liability to Robertson in connection with Chicago Title claim. The proposed settlement agreement acknowledges that the claim is disputed, and Robertson releases the City from that claim for the \$20,000 payment.

The City Council has the right go into executive session to discuss the settlement proposal before deliberating on the proposed motion approving the settlement.

**RECOMMENDATION:**

Staff recommends that the City Council approve the proposed Settlement and Release Agreement. Staff requests that the Council consider the motion at the January 14, 2016, work session rather than waiting for the regular meeting on January 19, 2016. Robertson tentatively agreed with Chicago Title to pay the settlement funds by January 21, 2016, and the City will need some time to process the settlement check if the Council approves the settlement.

**PROPOSED MOTION:**

I move the City Council approve the Robertson Settlement and Release Agreement and pay Robertson \$20,000 from the restricted funds received in 2014 from Chicago Title in the City's settlement with Chicago Title.

## SETTLEMENT AND RELEASE AGREEMENT

This Agreement, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016 between the CITY OF ONTARIO, OREGON (“Ontario”) and CAROL I. ROBERTSON, individually and as personal representative of the estate of John W. Robertson (“Robertson”).

### Recitals

A. Robertson is defending litigation in Malheur County Circuit Court Case No. 15CV1126 brought by Chicago Title Insurance Company (“Chicago Title”) as plaintiff, in which Chicago Title is claiming money damages from Robertson. Robertson through her attorney has demanded that Ontario participate in that litigation as a third party defendant and hold Robertson harmless from Chicago Title’s damage claim, on the theory that Ontario is liable for some or all of the damages claimed against Robertson by Chicago Title.

B. Ontario denies that it is liable to Robertson in connection with the litigation.

C. Chicago Title has made a settlement offer to Robertson to dismiss the litigation with prejudice upon payment by Robertson of the sum of \$35,000, which Robertson is willing to pay if Ontario contributes to the settlement amount.

D. Ontario desires to avoid being brought into the litigation with Robertson and Chicago Title and is willing to contribute to the settlement on the terms and conditions set forth herein.

### AGREEMENT

1. Payment by Ontario. Ontario shall deliver to Robertson through her attorneys a \$20,000 check made payable to the trust account of Butler & Looney, Robertson’s attorneys, by no later than January 21, 2016.

2. Use of Funds. Robertson shall use those funds solely as a contribution to the \$35,000 settlement between Chicago Title and Robertson. If no settlement for that amount is reached between Chicago Title and Robertson, Robertson shall return the funds to Ontario.

3. Release by Robertson. Subject to the settlement of the litigation between Chicago Title and Robertson on the terms described herein, Robertson, individually and as personal representative of the estate of John I. Robertson, does hereby release, acquit and forever discharge Ontario from any and all actions, causes of actions, claims or demands of any nature, including third party claims, known or unknown, or in any way arising out of the facts or incidents referred to in the Chicago Title’s complaint in the above case and the transaction between John W. Robertson and Carol I. Robertson and William C. Deonier, Jr. and Susan D. Deonier for the sale of that certain real property located at 45 N. Dorian Drive, Ontario, Oregon 97914. Robertson hereby declares and represents that any liability claim of Robertson against Ontario is of uncertain nature and in making

this release and agreement it is understood that Robertson relies fully on the attorneys representing her and not on any representation by the attorney for Ontario. It is understood and agreed that this settlement is of a disputed claim. This release expresses a full and complete settlement of the issues that have arisen in the above case or could have been raised by the Robertson regardless of the adequacy of the payment agreed to be made by Ontario and that any other claim that could have been raised by Robertson. This release contains the entire agreement between the parties and the terms of this release are contractual.

Done and dated the day and year first above written.

CITY OF ONTARIO, OREGON

By:

\_\_\_\_\_  
Ronald Verini, Mayor

Attest:

\_\_\_\_\_  
CAROL I. ROBERTSON, Individually and as  
Personal Representative of the Estate of  
John W. Robertson

\_\_\_\_\_  
Tori Barnett, MMC, City Recorder

**AGENDA REPORT**  
April 7, 2014

TO: Mayor and City Council

FROM: Larry Sullivan, City Attorney

**SUBJECT: SETTLEMENT WITH CHICAGO TITLE INSURANCE COMPANY AND THE DEONIERS REGARDING RESTRICTIVE COVENANTS WITH THE CITY**

DATE: March 31, 2014

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**SUMMARY:**

Attached are the following documents:

- 2012 Restrictive Covenant Agreement
- Proposed Settlement Agreement
- Proposed Release of Restrictive Covenant by City

**BACKGROUND:**

On October 1, 2012, the Council authorized the annexation of the residence of John W. Robertson and Carol Robertson, located at 45 North Dorian Drive, into the City limits. As part of the annexation process, the Robertsons executed a restrictive covenant on their property obligating them to share in the costs of extending West Idaho Avenue and widening North Dorian Drive, whenever that project was undertaken. A copy of the Restrictive Covenant Agreement is enclosed. That Agreement was recorded in the Malheur County Deed Records and became a lien on the real property.

The Robertsons later sold the real property to William Deonier, Jr., and Susan Deonier. The Deoniers were not aware of the restrictive covenant when they purchased the property, because it was not disclosed in the title report that the Deoniers purchased from a local title company before the closing of the sale. They learned of the restrictive covenant afterwards and filed a claim with the title insurance carrier, Chicago Title Company. Chicago Title Company wrote a letter to the City demanding that the restrictive covenant be released from the property.

Over the ensuing months, the City attorney negotiated a proposed settlement with Chicago Title. The proposed settlement amount is \$138,977.20, which Chicago Title will pay to the City to obtain the City's release of the restrictive covenant on the Deoniers' real property. As part of the settlement, the City will release Chicago Title, the Deoniers and future owners of their property from any claims or liens in connection with street widening and extension project, whenever that project may occur.

Enclosed are copies of the proposed settlement documents, which have been reviewed by and tentatively approved by Chicago Title and the Deoniers.

If the Council approves the settlement, the money would be put into a capital improvements fund earmarked for the future street extension and widening project.

**RECOMMENDATION:**

Staff recommends the Council approve the settlement agreement with Chicago Title Insurance Company and William Deonier, Jr., and Susan Deonier.

**PROPOSED MOTION:**

I move the City Council approve the SETTLEMENT AND RELEASE between Chicago Title Company, William Deonier, Jr. Susan Deonier and the City, and authorize the Mayor to sign any documents necessary to complete the settlement.

# Discussion/Information /Hand-Out Items

City Council Meeting  
January 19, 2016

**AGENDA  
ONTARIO RECREATION BOARD**

January 20, 2016 @ 3:30 p.m., M.T.  
**Recreation Center, 745 SW 3<sup>rd</sup> Ave, Ontario, OR 97914**

**1) Call to order:**

Roll Call: Greg Herrera \_\_\_\_\_ Jeremy Roberts \_\_\_\_\_ Shay Meskill \_\_\_\_\_  
BreAnna McLean \_\_\_\_\_ Lynsey Hansen \_\_\_\_\_ Eric Evans \_\_\_\_\_ Vacant \_\_\_\_\_

Council Liaison Charlotte Fugate \_\_\_\_\_  
Recreation Manager Debbie Jeffries \_\_\_\_\_

This agenda was set January 8, 2016

**2) Adoption of minutes of February 18, 2015**

**3) New Business:**

- A) Recreation Board Projects
- B) Activity Update
- C) Vacant Board Position

**4) Comments from Board Members and/or Visitors**

**5) Adjourn**

## **MALHEUR COUNTY COURT MINUTES**

**DECEMBER 16, 2015**

County Court met with Judge Dan Joyce presiding with Commissioner Don Hodge and Commissioner Larry Wilson present. Staff present was Administrative Officer Lorinda DuBois.

Also present was Larry Meyer of the Argus Observer and John Braese of the Malheur Enterprise.

### **PUBLIC HEARING - RATE INCREASE FOR ONTARIO SANITARY SERVICE**

Present for the public hearing for consideration of rate increases for Ontario Sanitary Service were Scot Wilson and Nate Wilson from Ontario Sanitary Service and Environmental Health Director Craig Geddes. Notice of the hearing was published in the Argus Observer. Judge Joyce opened the hearing. A rate increase of approximately 5.5% was proposed; the last increase was in 2008. No written public comments were received; and no public members were present to verbally comment. Judge Joyce closed the hearing. Commissioner Wilson moved to approve the requested rate increase. Commissioner Hodge seconded and the motion passed unanimously. The new rates will become effective February 1, 2016. See Instrument # [2015-4389](#)

### **SHERIFF'S OFFICE UPDATE**

Sheriff Brian Wolfe met with the Court and provided a brief update on several matters. Senator Wyden has requested a meeting with the Oregon Sheriff's. Sheriff Wolfe said he would only attend the meeting if the Owyhee Canyonlands monument proposal would also be on the meeting agenda; Senator Wyden has agreed to the request. Sheriff Wolfe will attend the meeting in Salem next Monday, December 21.

The Sheriff's Office has loaned some equipment to Harney County in connection with possible activity due to the Hammond Federal Court Case. The Hammond's are to report to Federal prison January 4, 2016. Some militia groups and the Bundy's from Nevada have been present in Harney County protesting the federal case. Law enforcement in Eastern Oregon have agreed to assist Harney County Sheriff's Office if the need should arise.

Idaho Power recently donated a 2008 4-door pickup to the Sheriff's Office for their Search and Rescue division.

Sheriff Wolfe also explained that a Jordan Valley resident deputy will retire in February 2016 and requested authorization to start the recruitment process now. The Court had no objections to Sheriff Wolfe's request.

### **PUBLIC HEARING - SUPPLEMENTAL BUDGET**

Judge Joyce opened the public hearing for consideration of Supplemental Budget Resolution R15-44. The purpose of the supplemental budget is to allocate the spending of Justice Reinvestment Grant funds which were received but not anticipated when the adopted budget was prepared. These are grant funds to be used to increase opportunities for downward departures, STTL and to meet offender needs for successful rehabilitation. These funds will increase the Community Corrections Fund appropriations by \$162,088. No public comments were received. Judge Joyce closed the hearing. Commissioner Wilson moved to approve Resolution R15-44: In the Matter of Fiscal Year 2015/2016 Supplemental Budget by Resolution Under Local

Budget Law ORS 294.471. Commissioner Hodge seconded and the motion passed unanimously. See instrument #[2015-4388](#)

### **COURT MINUTES**

Commissioner Hodge moved to approve Court Minutes of December 9, 2015 as written. Commissioner Wilson seconded and the motion passed unanimously.

### **EOCCO COMMUNITY ADVISORY COUNCIL (CAC)**

Commissioner Wilson moved to appoint Lori Clark to the Eastern Oregon Coordinated Care Organization Local Community Advisory Council. Commissioner Hodge seconded and the motion passed unanimously.

### **JUVENILE DEPARTMENT**

Juvenile Department Director Susan Gregory is still evaluating options for replacing the vacant Assistant Director position or possibly bringing back the Diversion Specialist position (or similar position).

### **LETTER TO OJD**

Ms. Williams is drafting a letter to Oregon Judicial Department regarding the courthouse fire sprinkler project; Judge Joyce will sign the letter at a later date.

### **LAKE OWYHEE ROAD - FLAP AGREEMENT**

Ms. Williams presented the FLAP agreement for planning and preliminary engineering efforts to enhance Owyhee Lake Road. The agreement is for \$125,000 with a 10.27% match of \$12,838 to be paid by the County. County funds are due in March 2016 and may be expended from the Economic Development budget. Commissioner Hodge moved to approve the Federal Lands Access Program (FLAP) Match Agreement, Project Number/Name: OR MALHEUR 846(1), Owyhee Lake Road Overstreet Road-Owyhee Reservoir. Commissioner Wilson seconded and the motion passed unanimously. A copy of the agreement will be returned for recording.

### **UPDATED COUNTY POLICY 303 - SICK LEAVE**

Commissioner Hodge moved to approve updated County policy 303 - Sick Leave. Commissioner Wilson seconded and the motion passed unanimously. See instrument #[2015-4390](#)

### **EXECUTIVE SESSION**

Executive Session was called in accordance with ORS 192.660(2)(d) - Labor Negotiator Consultations with Judge Joyce presiding and Commissioner Hodge and Commissioner Wilson present. Also present was County Counsel Stephanie Williams, Administrative Officer Lorinda DuBois, Larry Meyer of the Argus

Observer and John Braese of the Malheur Enterprise. Mr. Braese later left the session. No decisions were made during the session.

### **TEMPORARY HIRING FREEZE**

Judge Joyce moved to impose a temporary hiring freeze on any currently vacant positions, excluding the Sheriff's Office and DA's Office, until AFSCME negotiations are complete. Commissioner Wilson seconded and the motion passed unanimously.

### **FAIR BOARD MEMBERSHIP**

The Court discussed the various letters of interest they had received for membership on the Fair Board. Commissioner Wilson moved to appoint Leanna Elguezabal and Shad Hansen to the Fair Board as Voting Members, with the understanding that Ms. Elguezabal and Mr. Hansen work with Fair Manager Lynelle Christiani and Ms. DuBois to understand the budgeting process; Commissioner Hodge will also be available to assist Ms. Elguezabal and Mr. Hansen. Commissioner Hodge seconded and the motion passed unanimously.

Commissioner Wilson moved to appoint Warren Osborne and Christopher Johnston to the Fair Board as Advisory Members. Commissioner Hodge seconded and the motion passed unanimously.

The consensus of the Court was to not appoint Will Tiffany to another term on the Board.

### **COURT ADJOURNMENT**

Court was adjourned.



**SREDA Board Meeting**  
**January 6, 2016**  
**Treasure Valley Community College, Ontario Oregon**

Members and guests present: Patrick Nauman, Ken Bishop, Harry Flock, Jeff Williams, Brad Holland, John Breidenbach, Robert Komoto, Andy Oyervides, Dana Young, Charlotte Fugate, Abby Lee, Sandy Hemenway, Derrell Childers, Jim Smith, Laura Gross, Mike Hanigan, Ralph Poole, Ken Hart, Dan Greig, Melody Goodman, Roberta Vanderwall, Samantha Breach, Kyle McCauley, Jill Miles, Randy Griffin, Kevin Coats, Sean McElhaney, Dan Cummings, Andrea Testi, and Susan Badger-Jones.

Staff: Kit Kamo, Executive Director

1. Call the Meeting to Order: Chairman Patrick Nauman called the meeting to order at 7:05 a.m.
2. Introductions of Attendees: Chairman Nauman then thanked everyone for coming to today's meeting as the turnout was very good. Patrick asked if everyone present today would please introduce themselves and what specific entity they are representing. We then took a few minutes for the group to complete introductions.
3. Approval of December 2, 2015 Minutes: Chairman Nauman asked if everyone had a chance to read and review the board minutes that were sent out to everyone. Chairman Nauman then asked if anyone had any questions or corrections to the minutes. Hearing none, Chairman Nauman asked for a motion to approve the minutes as printed and presented. Jim Smith made a motion to approve the minutes as printed, seconded by John Breidenbach. The motion passed unanimously.
4. Financial Update: Treasurer Sandy Hemenway provided the treasurer's report for the group. Sandy went over in detail the financial handouts discussing balances at the end of the month in both the checking and money market accounts, and then totals for month end. It was a very good report.

Then discussion ensued regarding the proposed 2016 SREDA budget which was distributed in the packet of materials. After reviewing the budget, Chairman Patrick Nauman asked for a motion to approve both the financial report and budget for the 2016 calendar year. Ken Bishop made a motion to approve the financial report and 2016 budget, seconded by Jeff Williams. The motion passed unanimously.

5. Business Highlights: Ralph Poole, Campo-Poole Oil – Ralph provided a very detailed presentation to the group on the Campo-Poole Oil business venture complete with highlights which showed how this venture is helping the Tri-County region. The presentation was thorough on how diesel exhaust fluid which is used in all diesel engines is mixed and provided by the company. This product helps to cut down on emissions. Ralph discussed the highlights of the business and the rail crossing plus other pertinent issues related to developing the company's products. The company has partnered with the Union Pacific

railroad and will also move product by truck. Currently both parties are looking at ways to expand and add more rail lines so more rail cars can be loaded to ship product to suppliers. They are also working with Alta Mesa to help ship their products both at the Little Willow and Interstate 84 sites. Ralph gave a very informative presentation which the group thoroughly appreciated.

6. City and Community Highlights:

- a. Ontario: Council Women Charlotte Fugate said the city is negotiating a new FBO (Fixed Based Operator) contract at the airport. Also, the city had four applicants for chief of police position, one was offered the job, but in the end turned the City down. They will be going out again. The firm the City hired to help search for a new city manager will be holding interviews on the 19<sup>th</sup> this month and Charlotte is hopeful they will be successful this time around. She also is having a meeting with the YMCA tomorrow on the pool project exploring the possibility of the YMCA running the operation for the City. She then discussed the downtown Façade Grant and stated they had four applicants at this time. These makeovers can really change the downtown.

Dan Cummings discussed the ODOT revitalization grant for downtown which explores possible code changes that may be needed to help downtown businesses. He stated the City has received an application to partition on the old Kmart building which will split the current building in half preparing for the future expansion of new businesses. One will be a retail business and the rest is not known at this time. Plus they will prepare a site for one more restaurant between the Kmart and McDonalds buildings. The City is working with the owner of the old West Park Plaza Mall on future ideas and business leads.

John Breidenbach, Ontario Chamber of Commerce Executive Director, said the chamber has been working on their annual banquet which will be held this Friday night, January 8, 2016. This is a very popular event which is now sold out. John then stated that revitalization on the downtown is going well. The Chamber has had several calls from younger folks regarding potential new businesses coming to Ontario. Also the Legislative hotline will be starting once the Oregon Legislature starts session.

- b. Weiser: Patrick Nauman said the task force for the economic development has been busy and has created a new brochure which will be out soon. They soon will be hosting their annual crab feed and are planning numerous other events too. The City has been working with the local hospital in searching for a new CEO and have hosted and welcomed a few to the city, a total of six so far.
- c. Vale: No city of Vale representatives were present so no report was given for Vale.
- d. Nyssa: Council member Harry Flock said the City will host its annual banquet on January 30<sup>th</sup>. He discussed at length the City's decision to not fund SREDA for the 2016 calendar year. Harry expressed great disappointment with this decision but in the end was out voted by other council members. Harry (along with his wife, Josette) personally really believes in

SREDA and what is going on and in support of this presented a personal check in the amount of \$100 to support the cause. The group was very appreciative.

Roberta Vanderwall, City Manager, also gave an update on the City and said they are continuing work on the water treatment project which is in the final review now, then the project will be out to bid in February or March to begin the needed process. This will include well drilling and a new water tank. She also said the City has been contacted on a nineteen acre industrial land site they own for possible future development. The City is also exploring a possible different focus for future growth and development such as tourism, branding the City, etc. She then reminded the group to please attend the meeting tonight at the Four Rivers Cultural Center regarding the possible Oregon minimum wage increase to \$15 per hour. Please, support is needed, so plan to attend and share your thoughts.

- e. Fruitland: Mayor Ken Bishop said the City is now in the startup phase with its waste water upgrade project and it is going well. They are looking into an initiative to expand into a new building or possibly renovate the old Fruitland School building to expand city hall. They are meeting on this now. And lastly, they have dollars allocated in this year's budget to continue work on parks and trail development.
- f. Payette: Mayor Jeff Williams talked about the HTC meeting and about the Main Street Program in Idaho. He said currently Payette is not a member but that may help with the program and they might use examples of Payette's Façade Grant in promoting down towns. He said they are working on the Boys and Girls club with progress being made. They recently had the first council meeting of the year, swore in some new members, which always changes dynamics some. Mayor Williams then said the City has money in next year's budget for the updating of the City's Comprehensive Strategic Plan. Also, the council "may" temporarily waive the impact fees for development.

Samantha Breach, Payette Area Chamber of Commerce Director, reminded everyone that the chamber's annual action will held on April 9, 2016. She stated that she just came on as chamber director. Several small businesses have been in contact with her which has been good and is important to the city.

- g. New Plymouth: Melody Goodman said that the School will be holding their 2<sup>nd</sup> annual crab feed on January 23, 2016 at the high school. This is a major fund raiser and everyone is invited – all you can eat for \$25.

#### **7. County Highlights:**

Payette County: Senator Abby Lee provided the group with an update on the Highway 95 project between Payette and Weiser to improve this highway. Senator Lee stated they have made the case that this stretch of highway is perhaps the most dangerous on Highway 95. They have been working to identify some turn out areas to help make the highway safer. They are readdressing this issue and maybe adding passing lanes too. The Idaho Department of Transportation (IDT) has come to the table, reviewed the road and ideas which will certainly help. It appears now the project may in their plans in 2020.

Kevin Coates then let the group know that Project Lincoln Log is moving forward.

Malheur County: John Breidenbach said he has been in discussion with Malheur County Judge Dan Joyce discussing the Owyhee Canyon Lands issue. John also mentioned the minimum wage issue and that it is believed to be very detrimental to Malheur County. Please attend the meeting tonight. John stated that he knows of one business that has closed in anticipation of this increase and that others have stated they would too. He then discussed the road improvements to be made on the Owyhee reservoir road in the future. Has also discussed SREDA with Dan Joyce.

Washington County: Patrick Nauman said the County is working on the ITD Hwy 95 project too. He was pleased to announce that the Washington County Commissioners will take turns attending monthly SREDA meetings so all of them can stay informed. Also the city councilors have bought into the SREDA efforts. Two new business have opened in Weiser, one is a women's store and the other just opened. Interest shared on a couple of others too.

Laura Gross discussed the creation of a local food directory as a hub for both consumers and food producers. Once developed, this can be used by all three counties. They will be hosting a dinner to bring all the various food entity groups together for ideas to help market the businesses and region. The dinner will be held on Friday, February 6, 2016 and Kit will be invited.

#### 8. Executive Director Report:

Kit introduced the lead recruitment officer for the State of Oregon, Jill Miles. Jill gave a little background on herself and provided the group with comments regarding her role. She stated she is very impressed with the Tri-County work and to see this large of a group present for a 7:00 a.m. meeting speaks to our group's seriousness about economic development. This is great to see.

Kit said she met with new mayor of New Plymouth, Mayor Beth Earles, who is also very excited about economic development.

Project Wrench: She then provided the group with some brief comments about project wrench in Nyssa which is a new business, working with the SBDC and Malheur County Economic Development department on the project. Project Bentley: This is a local company that will be working on a large expansion. This is great news and it will require local investment and provide more local jobs. Project 78: A conference call to keep everyone updated is scheduled with the SREDA, the State and Short line Railroad. Project Crayola (Idaho): This project is expected to get a site visit after the first of the year, but unknown yet which local cities this may be. Project AK (Oregon): has been working with Ontario in submitting one of their sites.

Kit told the group that in our packet of information is a 2015 Snake River EDA Report Card of activities. She would like everyone to review at their convenience.

Kit then said she would be working on a final draft annual work plan. The draft work plan will be adjusted one more time after the budget is approved and sent out. This is a requirement for the State of Idaho's grant for Rural Economic Development Professional program in which the state contributes \$16,000 per year for our program.

USDA rural Development State Offices in Oregon and Idaho met recently in Boise to discuss what they could jointly do to better serve the communities and businesses in the Western Treasure Valley. We had great discussions and we are looking forward to continuing to work with them both. We have access to their business development officers as well as the staff that assists our communities with projects.

#### Trade Show Schedule:

As shown on the agenda, we are heading into the busy season with Trades Shows – SREDA will be at the Western Treasure Valley Agriculture Show on January 14-15; Fancy food Winter Show on January 17-19 in San Francisco with Team Oregon; then on to the Shot Show in Las Vegas on January 19<sup>th</sup> for the remainder of the week with Idaho Commerce; and then the Caldwell Agriculture Show on January 27<sup>th</sup> or 28<sup>th</sup>.

We have contracted with a company (Site Location Partnership) for six trade shows and site selector receptions. If I don't go to all of the shows, then they will still promote our area and have our handouts plus give us leads from the show recipients. They provide tickets into the show, a booth to work out of, and a special reception (except for the Fab Tech show in Las Vegas) so we can network with companies and site consultants. This will add at least three more shows to our list of ones kit plans on attending.

February is the Plastic West, formerly the MD & M show in Anaheim with SLP and then the Pacific NW Sportsman show in Portland, Oregon. March is the Natural Products Show with Team Oregon.

Tonight is the Oregon Minimum Wage Town Hall meeting at the Four Rivers Cultural center. SREDA will be available to provide information on this subject. Please plan on attending beginning at 6:30 p.m.

The Western Treasure Valley Economic breakfast will be on March 18, 2016. Please plan to attend. Thanks to everyone for your support to SREDA

9. Round Table Discussion – Chairman Patrick Nauman discussed fund raising for SREDA and how important this is for the viability of the organization. Patrick stated that it is up to each and every one of us in the room as we are all committed to this important and valuable cause. It is not the Executive Directors job to fund raise because her role is to recruit new businesses to the area. So now, every month on the agenda will be a slot to discuss and report on how overall fund raising efforts are going for the organization.

A question was then asked, “What does it cost for a company to join SREDA”? Patrick stated there is no set amount but we do have some general ideas. Contributions vary and Patrick then passed out SREDA brochure for the group to review.

Jeff Williams then informed the group that our Treasurer, Sandy Hemenway, can help you set up automatic payments from your bank account if anyone is interested in that. It makes the contributions much easier to make. Jeff stated that maybe we could use some of our marketing dollars for travel or meals for speakers like the presentation Ralph Poole provided to us today. Jeff said other cities and groups needed to hear this message.

Ralph Poole then reminded the group to really keep in touch with your legislatures as they do a tremendous support for all local businesses helping us through many hoops. They are critical.

Abby Lee speaking on behalf of TVCC stated that the State of Oregon has approved free community college tuition. However, they must meet certain criteria but all interested persons or students must apply by March 1<sup>st</sup>. So if you know any Oregon High School Seniors, please have them inquire at the College immediately.

Abby Lee, changed to her Senator’s Hat, and then said more conversation will be provided in the next couple of months on the natural gas issue. Facts vs. the fear, but this is an incredible opportunity for our community if we do this right. Looking for more companies to come in and invest. Address the scare tactics. Thank you for coming to the college as TVCC is committed to SREDA. The College provides the office, phone, computer, and email, etc. for SREDA.

Ken Hart, St. Alphonsus Medical Center, said that on January 19<sup>th</sup> a ribbon cutting will be held at the newly remodeled Park Center complex. The facility really looks and turned out great. The City of Ontario has been great to work with. The hospital is also working in their main building updating the new OB area.

10. Adjourn:

Chairman Patrick Nauman then adjourned the meeting at 8:16.

**Upcoming Calendar of Events:**

January 14-15, 2016 Treasure Valley Ag Show at Four Rivers Cultural Center, Ontario, OR  
January 17-19, 2016 Fancy Food Show, Team Oregon, San Francisco, CA  
January 19-22, 2016 Shot Show, Team Idaho, Las Vegas, NV  
January 27-28, 2016 Western Idaho Ag Show, Caldwell, ID  
February 3, 2016 **SREDA Monthly Board Meeting, 7:00 a.m.** St. Lukes Medical Center, Fruitland, ID  
February 9-11, 2016 Advanced MFG. Expo, Site Location Partnership (SLP), Anaheim, CA  
February 11-12, 2016 Pacific NW Sportsman Show, Portland, OR  
March 2, 2016 **SREDA Monthly Board Meeting, 7:00 a.m.** – location TBA  
March 10-13, 2016 Natural Products Show, Team Oregon, Anaheim, CA

Minutes prepared by Randy Griffin, SREDA Secretary

# ONTARIO FIRE & RESCUE



## *December 2015 ACTIVITY REPORT*



## **Emergency Medical:**

**City -137-**

**Rural -7-**

(Types of medical calls responded to: Victim in river, falls with injury, fall lift assists, medical emergencies, medical alarms, assaults to name a few).

**Hazmat Team Calls:** -- Outside district

## **Fire Related Emergency Calls:**

**Rural Fire -2- RURAL GENERAL ALARMS -- MUTUAL AID --**

- 1 – Alarm Activation / Malfunction – no fire **Duty crew handled**
- 1 – Illegal open burn – no permit & unattended **Duty crew handled**
- Paged for extrication from vehicle rollover – cancelled en-route *General Alarm sounded*
- Smoke detector activation – no fire found. **Duty crew handled**
- Brush & Grass controlled burn out of control\* *General Alarm sounded*

**City -17- CITY GENERAL ALARMS = -2-**

- 1 – Smoke odor – no fire\* (**Duty Crew handled**)
- 2 – Alarm system activation – no fire. (**Duty Crew handled**)
- 1 – Motor Home fire \* - **General Alarm sounded**
- 1 – Garage fire \* - **General Alarm sounded**
- 2 – Smoke alarm malfunction – no fire / cancelled en-route (**Duty Crew handled**)
- 1 – Reported gas odor – nothing found (**Duty Crew handled**)
- 1 – Gas odor\* (**Duty Crew handled**)
- 1 – Natural gas leak at meter (**Duty Crew handled**)
- 3 – Good Intent call\* (**Duty Crew handled**)
- 1 – Accidental fire alarm trip (**Duty Crew handled**)
- 1 – Electrical outlet short / no fire (**Duty Crew handled**)
- 1 – Pet rescue
- 1 - Structure fire – dog house \*

**\*In narrative section**

### **12/2/2015 “CITY” Washington Ave. Motor Home fire “General Alarm”**

OFD received a general fire page for a reported fully involved RV with possibly someone inside. On scene 157 was the first arriving unit and found a smaller C series type motorhome fully involved. 157 crew made the initial fire attack from the side door and through the windshield opening, 157 had the fire knocked down by the time tender 155 arrived. Chief 100 made contact with the owner and determined that he was the only one in the unit and had escaped. Upon tender 155's arrival they pulled two attack lines and assisted 157 crews with mop up. The RV's owner informed Chief 100 that he had ran out of gas and was pouring gas down the carburetor

trying to start the engine when it backfired igniting the fuel rapidly spreading the flame which at that point he exited the RV. All fire units cleared the scene at 1014 hrs.



**Motor home upon fire crew arrival – unit a total loss. A small dog was also lost in the fire.**

**12/4/2015 "CITY" 972 W. Idaho Ave. Gas odor (Duty Crew handled)**

Dispatched to 972 W Idaho Ave. for report of a ruptured gas line. On scene occupants of the business stated that they could smell gas and they were getting headaches. They believed this was caused by road construction going on in front of their business. Cascade gas was on hand at the construction site and they monitored the business. They found a small leak coming from their heating unit unrelated to the construction going on out front. The situation was turned over to Cascade Natural Gas.

**12/5/2015 "CITY" 2356 SW 2<sup>nd</sup> Ave. Good Intent Call (Duty Crew handled)**

R-1 dispatched to visible fire on the 2400 block of SW 2nd Ave. Upon arrival in the area R-1 made contact with caller. Caller stated the fire was in the alley near Joanne's Fabric. While in alley R-1 spotted a burn barrel burning in the back yard of 2356 SW 2nd Ave. R-1 made contact with home owner. Home owner did not have a burn permit and was instructed to put fire out and needs to purchase a burn permit. R-1 cleared call and returned to quarters.

**12/6/2015 "CITY" 653 E. Idaho Ave. Good Intent Call (Duty Crew handled)**

R1 paged to the local Pilot travel center for the smell of electrical wiring burning. On scene R1 checked all through the building and got on the roof and checked all heating and cooling units and found no problems. R1 cleared the scene at 0438 hrs.

**12/19/2015 "CITY" 675 N. Oregon Street / Garage fire "General Alarm"**

Dispatched for a garage on fire. Requested a general page from dispatch while en route. Arrived on scene to find an approximate 500 square foot garage, type V construction with metal roof and siding fully involved. R1 staged in the alley just south of the garage. FF Benson engaged the apparatus pump while FF Saito started an exterior attack into the south bay of the garage with the 1" booster line. FF Benson used a chainsaw to cut open the wood doors on the north bay. FF Benson shut off the gas at the meter located at the northwest corner of the building and continued to assess the situation. 103 arrived on scene with a crew of 5 and assisted with attack with a 2-1/2" and a 1-3/4" line. 103 attached a five inch supply line to the fire hydrant just across NW 7th Avenue. R1 attached a 2-1/2" line to 103 for water supply and then deployed a 1-3/4" cross lay. 100 requested mutual aid from Payette Fire while en route. Payette Fire arrived on scene at 1555 and assisted with extinguishment. Fire was controlled at approximately 1555. Crews worked to extinguish hot spots. FF Benson interviewed the home owner's son who stated that neighbors alerted him of smoke coming from the garage and that he attempted to pull out a dodge pickup that was inside the garage but it was too smokey. FF Benson contacted dispatch to request Idaho Power to check out the electrical situation. After all hot spots were cooled off crews cleared the scene.



**Scene on Oregon St. as Rescue 1 was responding to the fire.**



**Photo from Rescue 1 dash camera as the crew pulled into the alley. Building had heavy fire involvement.**



**Photo from pumper 103 upon arrival. Fire had vented out the bay door.**



**A pickup truck was lost in the fire.**



**Photo of the east end of the garage. Heavy fire damage to the interior and roof structure.**



**Crews work to extinguish hot spots in the pickup bay area.**



**Ontario Fire's Gator being used to transport dirty hose back to the station.**

**12/24/2015 742 NW 6<sup>th</sup> St Smoke Odor / no fire found (Duty Crew handled)**

Dispatched to a residence for a smoke smell. Arrived on scene to find occupants outside; no smoke visible from the exterior. Occupants stated that they awoke to a smoke odor. Entered the residence and detected a slight smoke odor, no smoke was visible inside the residence. Searched all rooms and the garage. Used thermal imaging and a heat gun to search for hot spots, none detected. We were unable to find a mechanical issue but advised the homeowner to change the furnace filter and to contact a heating and cooling contractor to check the status of the furnace. We tested the two smoke detectors in the house, both were operational.

**12/28/2015 652 SE 3<sup>rd</sup> St. Cat in tree (Duty Crew handled)**

Called to scene for a cat in a tree. Cat seemed content where it was. It was decided to give the cat more time to come down on its own. Later RP called and stated a neighbor had climbed the tree and retrieved the cat.

**12/31/2015 927 SW 2<sup>nd</sup> St. Dog house fire (Duty Crew handled)**

Dispatched to a fully involved dog house in a kennel. On scene we saw flames coming from the corner of a fence. There were no animals in the kennel. The owner came out with the dog and was surprised to see the fire. The owner stated that he had put a heat lamp out there for the dog.

He said the dog got loose about 10 minutes before we arrived and he did not notice any smoke. Rescue used about 25 gallons of water to extinguish the fire.

## **COMMUNITY INVOLVEMENT:**

**December 23, 2015, IN FOND MEMORY:** It is with great sadness that we report the passing of our Rural Board member, Bernard Ingle (11/30/1926 – 12/23/2015). Bernard was one of the founding members of the Rural District and served on the board as Secretary/Treasurer for 56 years. Bernard loved the fire service and was a huge supporter to Ontario Fire & Rescue firefighters. In 2014 Bernard received the Special District Association of Oregon Outstanding Special District Award in the Board Member category. This award was truly an honor for Bernard and reflected his commitment to the rural fire district, making the district one of the finest in the state. Bernard was a local cattle rancher and made many lifelong friends because of his involvement with the cattle industry. He will be missed by all who knew him especially his fire service family. He will never be forgotten.

**Bernard – THANKS FOR THE MEMORIES!**

**Bernard with his 2014 Outstanding Special District Service Award.**





**On December 5, 2015 Bernard was honored during the 2015 Winter Wonderland parade leading the parade just behind the Color Honor Guard. The banner on the front of the Rural Brush Truck was dedicated to his 56 years of service to the Rural Fire District. There was applause and cheers by parade watchers as the truck moved along the parade route. This was truly a tribute to a dedicated citizen!**



Photo of Bernard Ingle after arriving back at the fire station at the conclusion of the 2015 Winter Wonderland Parade.

**12/5 Winter Wonderland Parade**

**12/12 Ontario American Legion Dinner**

**BURN PERMITS ISSUED:**

City Open Burns            0

City Barrel Permits        0

Rural Open Burns           19

Rural Barrel Permits       5

**FIRE PREVENTION / INSPECTIONS: 4**

**FIREFIGHTER TRAINING:**

*12/1 Cold Water Emergencies*

*12/8 Firefighter CPR*

*12/15 NCIS-700*