AGENDA
ONTARIO CITY COUNCIL - CITY OF ONTARIO, OREGON
Monday, June 2, 2014, 7:00 p.m., M.T.

1) Call to order

Roll Call: Norm Crume _____ Jackson Fox _____ Charlotte Fugate _____ Dan Jones _____
Larry Tuttle _____ Ron Verini _____ LeRoy Cammack _____

2) Pledge of Allegiance

This Agenda was posted on Wednesday, May 28, 2014, and a study session was held Thursday, May 29, 2014. Copies of the Agenda are available at the City Hall Customer Service Counter and on the city's website at www.ontariooregon.org.

3) Motion to adopt the entire agenda

4) Consent Agenda:

A) Minutes of Meeting of May 19, 2014. 1-10
B) Liquor License Application: Ontario Mini Market & Produce (New Outlet). 11
C) Approval of the Bills

5) Department Head Updates: ***Thursday Only***

6) Public Comments: Citizens may address the Council on items not on the Agenda. Please limit your comment to three (3) minutes. This time limit will be enforced. Please state your name and city of residence for the record.

7) Presentation: Water Treatment Plant Performance Audit - Murray Smith & Associates, Inc.. 12

8) New Business:

A) CH2M Hill Contract **(Hand-Out)**

9) Discussion/Informational/Hand-Out Items ***(Thursday Only)***

A) Financial Reports for Council
B) Golf Committee Minutes 02-25-2014; 04-02-2014
C) Ontario Aquatic Center
D) CH2M Hill: Review of Contract

10) Correspondence, Comments and Ex-Officio Reports

11) Executive Session:

A) ORS 192.660(2)(d)

12) Adjourn

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ONTARIO CITY COUNCIL MEETING MINUTES
Monday, May 19, 2014

The meeting of the Ontario City Council was called to order by Mayor LeRoy Cammack at 7:00 p.m. on Monday, May 19, 2014, in the Council Chambers of City Hall. Council members present were LeRoy Cammack, Norm Crume, Jackson Fox, Charlotte Fugate, Dan Jones, Larry Tuttle, and Ron Verini.

Members of staff present were Larry Sullivan, Marcy Skinner, Kari Ott, Mark Alexander, Alan Daniels, Jay Hysell, Debbie Jeffries, Brad Howlett, Anita Zink, Jerry Elliot, Mary Domby, and Dawn Eden. Tori Barnett was excused. The meeting was recorded, and copies are available at City Hall.

Dan Jones led everyone in the Pledge of Allegiance.

AGENDA

Mayor Cammack stated they would be removing New Business Item A, as that action had been taken care of at the Thursday Work Session.

Norm Crume moved, seconded by Ron Verini, to adopt the Agenda as amended. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

CONSENT AGENDA

Mayor Cammack stated there had been some questions on the Bills at the Work Session. Had those been answered to his satisfaction?

Councilor Fox asked where the answers had been sent?

Councilor Fugate stated they had been sent via email, and Councilor Fox does not have email.

Mayor Cammack stated staff needed to provide a copy of the answers to Councilor Fox's questions on the Bills at the conclusion of the meeting.

Ron Verini moved, seconded by Charlotte Fugate, to approve Consent Agenda as amended Item A: Minutes of the Council Meeting of May 5, 2014; and Item B: Approval of the Bills. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

PUBLIC COMMENT

Awarding 2014 Leadership Scholarships

Councilor Charlotte Fugate presented the City's Excellence in Leadership to Vanesse Chew. Councilor Fugate had read that Vanesse was the first person in her family to go to college, and she happened to be the first person in her family to do that, too. Vanesse was setting a great example for others in her family. This $750 award was a joint venture with CK3, LLC, of Ontario.

The second 2014 Excellence in Leadership Awards recipient was Taylor Kemble, who had received her award at the Work Session. It was $750 donated by Anderson-Perry & Associates, Inc., out of La Grande, Oregon.

OLD BUSINESS

Ordinance #2690-2014: Annex/Rezone UGA~RS-50 (Saxton) Final Reading

Larry Sullivan, City Attorney, stated this action was to act upon the request for Annexation and Zoning of city owned Tax Lot 2200, Assessor's Map 18S4705AA, totaling 0.24 acres. The property was currently zoned Urban Growth Area Residential and would be rezoned to City Single Family Residential (RS-50). This was a Comprehensive Plan and Zoning Map. The owner had consented to the Annexation, and staff had received the Consent from the county with regard to the small portion of North Verde that adjoined the parcel.

On November 8, 2019, the Council approved a request for Special Permission to connect to sanitary sewer. On March 10, 2014, the Planning Commission recommended approval of the request for Annexation and Zoning, from UGA to RS-50. On April 7, 2014, the City Council passed the ordinance on First Reading. There had been no changes to this action since that first reading.

Dan Jones moved, seconded by Jackson Fox, that the City Council adopt Ordinance #2690-2014, AN ORDINANCE PROCLAIMING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF ONTARIO; AND WITHDRAWING SAID TERRITORY FROM THE ONTARIO RURAL FIRE PROTECTION DISTRICT; AND WITHDRAWING SAID TERRITORY FROM THE ONTARIO RURAL ROAD ASSESSMENT DISTRICT; THE PROPERTY IS ADDRESSED AS 851 NORTH VERDE DRIVE; WITHIN THE ASSESSORS MAP 18S4705AA, TAX LOT 2200, INCLUDING 0.24 ACRES OF PRIVATE LAND AND THE ADJOINING STREET, NORTH VERDE DRIVE, AND ASSIGNING CITY SINGLE FAMILY RESIDENCE, RS-50, ZONING, on Second and Final Reading by Title Only. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

Ordinance #2691-2014: Amend OMC 9-2-2 and P&Z 10A-57-95; Add 9-1-1A, Regarding Diagonal Parking – Final Reading

Larry Sullivan, City Attorney, stated this ordinance would create a formal procedure for the creation of diagonal parking within the city. The Council approved the ordinance on First Reading. There had been no changes since that first reading.

Ron Verini moved, seconded by Norm Crume, that the City Council approve Ordinance No. 2691-2014, AN ORDINANCE AMENDING CITY CODE SECTIONS 9-2-2 AND 10A-57-95, AND ADDING SECTION 9-3-1A REGARDING DIAGONAL PARKING on Second and Final Reading by Title Only. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

NEW BUSINESS

2014-119: Purchase Basketball Hoops for Recreation Department

Debbie Jeffries, Recreation Supervisor, stated the Ontario Recreation Department would like to share the cost of the drop down basketball hoops and installation at the new facility being built at the Four Rivers Community School. The city would pay for half the cost of the baskets and installation, for a total of $4,249.00. Sharing costs in these basketball hoops insured the Ontario Recreation Department would have access to the new facility to hold a portion of the youth basketball league in. This new facility would have up-to-date drop down baskets for the city to utilize during the season for the K – 3rd grade teams. This would enhance and build the program and the baskets would be safe for the coaches to adjust. Currently, there was a paid employee at each practice and game to put baskets up, take them down, and to ensure the baskets stayed in during use. This savings would be approximately $580.00. The facility would be used for seven (7) weeks each year. In addition to the above one-time cost, the city would be obligated to pay $100.00 per season to cover janitorial and electricity costs to Four Rivers Community School.

At the Thursday Work Session, the Council had requested she get an Agreement from the school with regard to the usage of the hoops "forever". City Attorney Larry Sullivan developed a License for Use of Basketball Facility, which would be signed by Chelle Robins, Executive Director at Four Rivers Community School and the city. That document had been provided to the Council that evening.

Dan Jones moved, seconded by Charlotte Fugate, that the Council adopt Resolution No. #2014-119: A RESOLUTION AUTHORIZING THE COST SHARING OF DROP DOWN BASKETBALL HOOPS WITH FOUR RIVERS COMMUNITY SCHOOL, ONTARIO, OREGON. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

Ontario Aquatic Center

Brad Howlett, Facilities Manager, stated this was a financial and operational summary of the Aquatic Center model proposed by the Aquatic Center Committee at the April 21, 2014 Council meeting. He was also asked to provide at least one alternate Aquatic Center proposal for Council's consideration. He had an alternate for them to consider, with a price tag of ~$3.5M, which might not require a sales tax.

There had been a lengthy discussion at the previous Work Session, but some of the questions raised he had no answers for yet; One being how much it would cost to have an outside consultant tell them what needed to be done to reopen the facility. The contractor, HSA, was unavailable until Tuesday, so he hadn't spoken with them. To redo the study completed a few years back would probably be costly, possibly around $80-90K. They had already been paid $80K to do the initial analysis.

Councilor Fox stated on the report provided by Mr. Howlett, under the heading "Section 3-A, this turned into a $13,300M project. Had the Aquatic Committee reviewed the $13,300M figure?

Mr. Howlett stated if they had, it would have been through review of his Staff Report. It was not something discussed during a formal committee meeting.

Councilor Fox wondered why not. He knew there was a CPA on that committee, and the presented numbers would make anyone's jaw drop.

Mr. Howlett stated there were some costs that they hadn't anticipated. They hadn't discussed exact dollar amounts, one being the Maintenance Reserve that they requested by fully funded before the tax would sunset, and by his calculations and industry benchmarks suggested that amount should be almost $4M. That amount did not include any allowances for Capital Renewal, for projects that would cost more than $50K each. It was a basic allowance providing for small funds to move forward. For over thirty years, he added in ~$2M. This had grown beyond the construction costs that had been actively discussed. The other items were arrived at during his analysis of the committee's recommendation.

Councilor Fox stated that the report read that using Mr. Howlett's formula, it would pay off and sunset between five and 22 years. Did Mr. Howlett trust those numbers? Why not use the benefit of having a CPA that could review those numbers for no charge.

Mr. Howlett stated regarding the range of annual revenues from the not-to-exceed 1% tax, the Oster Group provided the committee with data they had obtained from an online resource, that suggested ~$600K in revenue. In looking through the nine year old tax measure documents the city had on file, it suggested up to $2.5M. He had not been involved with any sales tax committee, or any other formal exploratory committee with regard to a sales tax in the area, and he was not that knowledgeable about local economics to make his own estimation on how much that might generate. He used the two numbers to provide the Council a range to work with, and to hopefully help them better understand the concept the committee brought forward.

Mayor Cammack stated based on Thursday's discussion, that was moot point. He didn't believe any Councilor was in favor of enacting a sales tax. They needed to look at other areas for financing, and to do some analysis to see if there was something the city could truly afford to do. Also, they discussed doing a phased approach, and the first phase, as Mr. Howlett indicated, would take ~$3.5M to complete. That would bring that number into something that the city had a better chance of reasonably handling. But, they still had to look into where that funding would come from, and how it would be repaid. He believed the Council was unanimous that a sales tax was not the answer.

Councilor Verini stated he had no problem bringing the sales tax to the people, since the Council didn't want to enact a sales tax on their own. So, it wasn't a unanimous decision.

Councilor Tuttle stated Mr. Howlett believed it would cost ~$80-90K to determine what it would cost to bring the pool up to date to where they could open the doors.

Mr. Howlett stated that was written in the paper, but that was not what he said.

Councilor Tuttle stated he had just said that earlier. Mr. Howlett said that he hadn't spoken with the architect, but he believed it would be in the $80-90K range.

Mr. Howlett stated yes, but that was to redo the study that had been completed a few years back, and conditions had changed since that study.

Councilor Tuttle stated it was more than a study, because plans had been drawn. Was there not a complete set a plans with that study, for a remodel and renovation, including a splash park? The original cost provided a complete set of plans.

Mr. Howlett stated that was correct, except there was no splash park.

Councilor Tuttle stated he couldn't believe that if plans had already been drawn for around $2.7M, if that had been done for $80K, why would it cost anywhere close to that number to have someone that was an expert point out what needed to be repaired, and provide an estimated cost. He didn't believe that was realistic.

Mayor Cammack stated during the Thursday discussion, it was determined that the plans contained listings of the equipment that would have to be replaced, and prices for all of that. But, those prices wouldn't be the same now. They already had the list, and they knew what had to be done. It seemed to him they should be able to update the equipment lists and associated construction costs, and for the other things that didn't really apply to equipment like floors, doors, etc., that were already there. He couldn't see spending that money again. The city had a good document to start with, so use it.

Mr. Howlett stated to clarify, the Council wanted a pool expert to go down the list the city already had.

Councilor Tuttle stated somebody had to go down the list to see what this would cost. Those plans had a lot more to them then just fixing the equipment that was already in there. What they had discussed on Thursday, was the question of how much would it cost to open the pool as it currently existed, with all the equipment and the thins needing fixed inside, what would it cost to get it open. Then they could continue to research into different phases. Otherwise, it would just sit there for a while. He was not in favor of spending ~$70-80K to have someone give the city some ideas. He didn't believe that figure was realistic, and it could be done for much less.

Councilor Fugate stated one of the other concerns was the difference in codes from three years ago to the present.

Mr. Howlett agreed. Those would have to be updated on the blueprints. He was not aware of what the specific code issues would be, but there had been ongoing, annual updates to codes regarding pools and buildings.

Mayor Cammack asked what they would need to do to get that information put together.

Mr. Howlett stated that Larry Sullivan pointed out that they could go back to HSA and amend their contract with the city, and to update the blueprints. If those were taken to an outside firm, there might be some resistance as they would be someone else's drawings. To update to the existing plans would be ~$5-6K. To itemize the priorities, could be done in-house, with the assistance of HSA and maybe Larry.

Councilor Tuttle stated Mr. Howlett was missing the point. He wasn't interested in updating the cost of those plans. He was interested in finding out what it would cost to get that pool open. He wasn't interested in that $2.7M that was drawn up. He hadn't been involved in that, as he wasn't a Councilor then. He didn't want an updated price. He didn't care. He wanted to know how much it would cost to open the doors of that swimming pool.

Mr. Howlett stated he would get those numbers.

Mayor Cammack stated that was one step. Another was to look into the financing of it to try and determine what they could do. Maybe they could get the Finance Department involved, in working through bond issues, or other alternatives such as low-interest loans. Getting that piece put together, then maybe they could get moving on this. He didn't want to go backwards.

Ron Verini moved that the Council direct staff to use the funds available in the existing Aquatic budget to secure updated blueprints from Hutchison-Smith Architects, or a suitable architect, in a bid process to reflect the current code, and the expansion of the dry-land fitness-based outdoor splash park, twelve parking stalls, integrate the tennis court or find a location for them, and to direct staff to seek out bids on those blueprints and to seek out favorable loan terms and grant funding, based on the cost projected in those bids, not to exceed $3.5M, and a limit of payback of $200K for the first phase, doing this while the Council concurrently determines whether they wish to pursue other funding sources to fund the remainder of the Aquatic Center's Committee recommendation. MOTION DID NOT PASS AS NO SECOND WAS RECEIVED.

Councilor Fox stated he liked the direction Councilor Tuttle was talking about. He wasn't sure they couldn't get local, independent people to do a walk-thru to create a punch-list, and to get that to the Council, at a small or no charge. It would give them an idea as to what it would take to open the pool. Maybe this item needed to be tabled because they were having budget meetings over the next three nights, and maybe some more ideas would come up.

Councilor Fugate stated that one thing that had occurred through this Aquatic Center was that the city had hired people that didn't know what they were doing. The roof was one issue – a roof was put on that was the wrong type. She wanted experts in pools to give recommendations. Not somebody from a construction company here in town. She wasn't taking anything away from the construction companies in town, but there were a lot of issue surrounding pools that were not indicative to a just an office building. Whatever they decided, they needed to have experts, because she didn't want to have to visit this again in ten years. They needed to get this solved.

Councilor Crume stated Councilor Fugate wasn't wrong, but when they hired the experts to do what was asked, then the Council was told by others that it didn't need to be done that way. Who was the expert? Who was right, or wrong? He thought Hutchison explained everything. They went over all the reasons as to why it had to be built as it was, and that was an integral part of doing the repair and the majority of the money. After that, some other "experts" looked at it and stated they could do it cheaper. The Council was shown core samples, and it seemed to make sense. How would they know what was right? This had been batted back and forth, and the folks wanted answers.

Mr. Howlett stated he had copies of everything provided to the committee. It was reviewed in depth, and many of the punch-list items the Council wanted to see, were addressed in many of those inspections. It tallied up to a large amount of work, so one fell swoop might save money over time. The history behind the HSA blueprints was

that Council asked the same type of questions – the building was getting old, and there was a lot of deferred maintenance – so the previous Facilities Manager issued a RFQ, interviewed three different architectural firms that specialized in natatorium environments, and they attempted to develop a phased approach, such as replacing the boilers one year, and the pool system the next year, and the roof the year after. Because so many things were intertwined, the new code issues brought in more cost and requirements. He originally was in favor of doing a five-year phase-in project, but there were a lot of challenges he couldn't address because he had no answers. Knowing more now, to phase it in would be more costly, yield a higher risk of unanticipated down time, over the course of the renewal period. Also, costs would increase, due to redundancy and duplication of efforts, in a phase-in project. They could also potentially lose the new facility appeal. They would get closer to a zero subsidy with a more up-to-date facility done at one time.

Councilor Fugate stated the committee expressed that if the Council didn't go for the full $7M, that it would never get done. She didn't think that was true. If they fixed what they had, and got it up and running, then they could research other opportunities for other funding. They needed to show that they'd improved the building and were reinvesting in it.

Dan Jones moved, seconded by Jackson Fox, that the City Council table this discussion until the answers were provided from Councilor Tuttle's request to see what the cost of the equipment is to replace it to get it up and running and at that time they could move forward to analyze the Aquatic Center. NO VOTE

Councilor Verini stated that his motion had failed, but he thought there might be somewhere in-between that they needed to look into. He liked that they were moving forward.

Councilor Crume stated he thought they'd end up with, from start to finish, from having HSA come in to do their revamp, and with what Mr. Howlett just went over, there were so many things wrong, that it would need to be completely redone, with the possible exception of new add-ons and roof issues, what they might end up with something similar to what HSA planned. With this discussion, it appeared they were trying to find the most economical way to get those doors open. It would probably be a roof repair over a replacement, probably no addition of the dry area, and eliminating the safe waiting area added on.

Councilor Tuttle believed the opposite. If they found out what the cost would be to get it open, there was a beginning point. Then they could discuss phases. There was no way, to him, that it could be done at one time. There was no way to finance it. It was important to get it open, and then continue on. Don't do it the cheapest way possible. The alternative might be the $3.5M, but he didn't want HSA to tell them how much it would cost to fix it. He didn't believe they needed to spend that money to find out what it would cost to get the doors open. Build it from there. He didn't recommend brining HSA back in; there were less expensive ways to move forward.

Councilor Crume stated the systems were such bad shape, he thought they'd need to fix everything. The Council, then, wanted to do the phasing, but it wasn't practical.

Councilor Fox verified they were not talking about having HSA come in to do the inspections. With architects and engineering firms, the numbers continued to escalate because they were paid on a percentage scale. Have those individuals who sold and/or serviced things, like the pumps or the roof units, to get a cost estimate. They'd do that for free.

RESTATED MOTION: Dan Jones moved, seconded by Jackson Fox, that the City Council table this discussion until the answers were provided from Councilor Tuttle's request to see what the cost of the equipment is to replace it to get it up and running and at that time they could move forward to analyze the Aquatic Center.

Larry Sullivan, City Attorney, stated there was no motion to table, as this was only a discussion. They were proposing that Council direct staff to return with the most cost-effective way of opening the facility.

Councilor Fox stated Councilor Verini was asking to table this issue.

Mr. Sullivan stated Councilor Jones' original motion was to table it. That should be part of the motion, as there was no motion to table. There was nothing being tabled. They were postponing further discussion until the Council received the information for the most cost-effective way to reopen the pool. That could be done by consensus – just give staff direction.

Councilor Jones removed his current motion from the floor. He would ask the Council to agree to instruct staff to answer Councilor Tuttle's questions on the cost to replace that equipment in order to open the Ontario Aquatic Center, as a beginning point for further discussion about the operation of the Aquatic Center.

Councilor Fugate wanted them to add a deadline. Don't drag it on for months. Have it ready by the next Work Session.

Mr. Howlett stated he could begin with the phone calls tomorrow, but it would require a lot of bids. It depended on how quickly they responded.

Councilor Tuttle stated Councilor Fugate's timeframe was too short. It would take a minimum of 30 days, and it might take longer. He recognized the impatience of everyone on this project, but it would take time to get all the information together.

Dan Jones moved, seconded by Jackson Fox, that the Council to agree to instruct staff to answer Councilor Tuttle's questions on the cost to replace that equipment in order to open the Ontario Aquatic Center, as a beginning point for further discussion about the operation of the Aquatic Center. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

Mayor Cammack informed the community that the Council was aware that there was interest in getting this project moving forward. The Council was interested, too. At the Work Session, they all expressed that they wanted the pool reopened. They would get it done as quickly as they could, but it had to be done correctly.

CH2M Hill Proposal

Larry Sullivan, City Attorney, stated the Council had held several executive sessions to discuss the original proposal made by CH2M Hill with respect to taking over a portion of the city's Public Works operations. The staff report just distributed outlined the exceptions to the functions in the Public Works Department that would be taken over by CH2M Hill. The last executive session involved a discussion of the then latest draft of the contract. That draft was prepared following a review of the CH2M Hill contract by several people within the Public Works Department. The day before the last executive session, that same draft was reviewed by the Public Works Committee. That was done at the Council's request. It was discussed with the Council that because the PWC had such a short time to look over the contract, they wanted to have time to generate comments. When he prepared this report, he proposed a motion with the purpose to accomplish several objections he heard the Council wanted to have by going public with the status of the negotiations. One purpose of the motion was to establish the city's good faith in negotiations with CH2M Hill; the second was to give current city Public Works employees notice of the status of negotiations with CH2M Hill, because if the city moved forward with the contract with CH2M Hill, the impact of that on those employees would be that they would be terminated as public employees. CH2M Hill had expressed an intent to hire most, but not all, of those employees within the company, but had not guaranteed employment to all those terminated employees. The Council wanted those employees to have some notice of the direction the Council was going. The third objective was to allow the transition from city staff to CH2M Hill as quickly as possible. The target date discussed was July 7, 2014. The draft of the contract still contained a number of blanks, most of which were due to the information not being available to CH2M Hill to complete some of those areas. A lot of the missing information was coming from city staff.

One thing the proposed motion hadn't done was account for the comments coming back from the PWC. He was beginning to receive some comments, and, in fairness to the committee, the Council should have the chance to review the comments. If the Council wanted to continue with the motion, they could add some language. As currently stated, it read "*I move that the City Council approve, in principle, the May 19, 2014, draft of the contract*

with CH2M Hill, subject to the completion of those sections of the contract that were incomplete". He would recommend adding "*and subject to review of comments received from the Public Works Committee*". The Council would have a chance to review those, and they could possibly influence the Council on the final wording of the contract.

Councilor Jones stated during the Work Session, the Chairman of the committee came forward and recommended and supported the contract.

Mr. Sullivan stated at the Public Works Committee itself, the members of the committee asked for the opportunity to submit individual comments about the contract to the Council. The Chair authorized them to do that. His recommendation was that if the Council wanted to give some benefit to individual members, and their wisdom, and they were making insightful comments, the Council wouldn't have to postpone action on this, but they should have an opportunity to review the comments before the final draft of the agreement was signed. The proposed motion wasn't intended to be a basis for signing a contract now, but to move the process forward and show the city's commitment to CH2M Hill with the transition within the timeline discussed.

Councilor Verini stated he had reviewed the contract and spoke with some members of the community with regard to this action, and he truly believed that CH2M Hill was probably one of the most qualified outside contractors to manage the city's Public Works. He also believed that they, as a city, had extremely qualified people that were now working in Public Works. With a full-time, qualified Director in that department, they might actually accomplish that and stay with the present system. Number one, they wouldn't have to destruct the employees, and two, he believed that over time, they were going to see a tremendous cost increase to the citizens of the city if the department was run by a for-profit firm. He thought, over time, the city could do it just as well, or better, than a for-profit firm.

Jackson Fox moved, seconded by Norm Crume, that the City Council approve, in principle, the May 19, 2014 draft of the contract with CH2M Hill, subject to the completion of those sections of the contract that were incomplete, and subject to review of the comments of the Public Works Committee, within one week. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-no; Cammack-yes. Motion carried 6/1/0.

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

- Mayor Cammack stated that Prothman's representative, Bob Jean, would be at the June 12th Work Session.

- Councilor Fugate stated when Don Schjeldahl [siting consultant] spoke to them, he made comments that if the city was going to be looked at by interested people to put projects in our city, we needed to clean up our town. She began looking around, and there really were a lot of old cars, and junk, and weeds, around the entire community. That wasn't good. The Ordinance Officer should get some help soon, and begin doing weed abatement. There were weeds up by SW 5th and South Park, about waist high. There were six cars parked on the lawn down on 4th, and she knew that boat had been sitting on 5th Street for a year and a half. That was against ordinance.

  Mayor Cammack agreed. They also needed to speak with the county, because many of these issues were outside the city limits. He would speak with the County Court about that.

  Councilor Crume added that they did need to be more aware of what was going on. Many of them had lived there a long time, and they tended to grow accustomed to the way things looked, but he believed they could more to help. On his radar was that rather than embarrassing the name of the group that was creating the problems, there were weeds in town nearly three feet tall on a large piece of property that had been talked to in the past. It was slow to be addressed. He would get with OPD to get a better response from that organization. The city had their own clean-up to do, too.

- Councilor Jones addressed the two representative in the audience from CH2M Hill, with regard to what the Council had dealt with that evening, for the future of Ontario, he was excited and confident and had full faith that the partnership being entered into would be an excellent opportunity for our town. He wanted to ensure the Public Works employees that this was going to go...he understood there were worries and fears, but have faith and confidence that the partnership between CH2M Hill and the City of Ontario and the Council would make this work. Just like what was being seen in the accounting department and the GW Wilber group coming in and what was happening there, they'd see the same thing in Public Works. He looked forward to the relationship they'd have down the road. Also, when they were done with the CH2M Hill project, the next project would be to review the SDC fees and start digging into that, to get that cleaned up.

- Mayor Cammack reminded the members of the Budget Board that their first meeting would begin at 6:00 pm, on Tuesday, Wednesday, and Thursday.

- Councilor Tuttle stated to go along with Councilor Fugate and Councilor Crume said, this ordinance had gone on for years. They had a department head, and that department head should take a look at some alternatives to get it fixed and get this town cleaned up. It was a complaint ever year, for years. What they were currently doing was obviously ineffective. They needed some new input on how to make it work.

- Councilor Fox stated that following the Thursday Work Session, he went to another gathering where Don Schjeldahl addressed a lot of different community leaders. What he had to say added to what Councilor Jones and Mayor Cammack had spoken about with regard to the SDCs. He brought out that only California and Oregon even have SDCs. No one else had them. He said it didn't make sense to anyone else. If you actually wanted development, you didn't do that. Later, you added to your systems and got bonds or whatever. It stifled growth. He also said that a sales tax in Ontario, they could forget about industrial growth.

- Councilor Verini complemented the Police Chief and his crew for a job well done, especially with Run with a Cop. It was extremely successful in getting the kids to work together with the various entities. Everyone had fun and some money was raised. It was a success for keeping kids on the straight and narrow.

- Alan Daniels stated he was proud of the Public Works team. They had handled themselves like professionals. It was a scary time for them, and it had been difficult, but they had handled themselves with grace. He was looking forward to a good relationship, and it was a possibly a win for the city, the employees and CH2M Hill. If it was implemented correctly, it would be a great thing.

- Alan Daniels stated with regard to the discussion with the site consultant, he was pretty brutal. He was paid to provide an honest assessment, and they would be receiving a written report from him. In relation to SDCs, the words he used were community suicide. He also stated that the people from the state, such as economic development, they needed more intensive work, more focus on that. The downtown was one of the most important things the city could work on. He didn't know how to get that going, but that discussion needed to be opened back up.

  Councilor Verini asked if the Downtown Revitalization project was still active.

  Mr. Daniels stated the city had the study, but some owners downtown didn't want to participate. There were Urban Renewal Districts, which would provide a tax credit, but they couldn't force people to be involved. When someone from the rainy side of the country where everything was green came here, it was hard to make this area show better. But that didn't mean they shouldn't try.

  Councilor Fugate stated they could have things like sign ordinances. The city needed that type of thing for uniformity. Driving downtown, everything was just hanging off the hook or something.

ADJOURN

Jackson Fox moved, seconded by Dan Jones, that the meeting be adjourned. Roll call vote: Crume-yes; Fox-yes; Fugate-yes; Jones-yes; Tuttle-yes; Verini-yes; Cammack-yes. Motion carried 7/0/0.

APPROVED:

LeRoy Cammack, Mayor

ATTEST:

Tori Barnett, MMC, City Recorder

CONSENT AGENDA
JUNE 2, 2014

TO: Mayor and City Council

FROM: Mark Alexander, Police Chief

THROUGH: Tori Barnett, Interim City Manager

SUBJECT: **LIQUOR LICENSE APPLICATION – NEW OUTLET**
Off-Premises Sales

DATE: May 27, 2014

SUMMARY:
Ontario Mini Market & Produce has completed the "New Outlet" application process for "Off-Premises Sales" liquor license privileges through the Oregon Liquor Control Commission for their business located at 401 S. Oregon Street, Ontario, Oregon.

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

BACKGROUND:
Criminal Record process was completed on Ontario Mini Market & Produce owners/managers, Angel Solis Perez and Jimmy Ray Easley. 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 information in accordance with the City of Ontario's ordinance regulating this license. I recommend that we approve the application for New Outlet Off-Premises Sales liquor license for Ontario Mini Market & Produce.

CITY INFORMATION REPORT

TO: Mayor and City Council

FROM: Jerry T. Elliott, City Engineer

SUBJECT: CIP 14WAT-08: WATER TREATMENT PLANT PERFORMANCE AUDIT

DATE: May 27, 2014

SUMMARY:
The Water Treatment Plant Performance Audit consultant (Murray Smith and Associates, Inc.) will present an overview of their findings at the Council work session. This is an information only presentation and no Council action is required at this time.

PREVIOUS COUNCIL ACTION:
Council authorized Project 14WAT-08 as part of the 2013-14 budget.

BACKGROUND:
Murray Smith and Associates, Inc. was selected to perform an extensive evaluation of the operation of the water treatment plant. MSA was supported in this evaluation by CH2MHill and Aquamize. Their evaluation included: operations, staffing, optimization, process and process control, chemical feed, testing, standard procedures, capacity and compliance with current and proposed drinking water regulations.

FINANCIAL IMPLICATIONS:
The MSA report outlines a variety of minor cost procedures recommended for implementation at the plant. The report also identifies and prioritizes significant capital projects that will resolve discovered operational issues, optimize plant performance and help assure a higher quality product.

RECOMMENDATION:
Direct MSA to complete the report and submit to CH2MHill as a guidance document for continued operation.

PROPOSED MOTION:
This is for information only. No motion is proposed.