

CITY OF McMinnville
MINUTES OF CITY COUNCIL MEETING
Held via Zoom Video Conference and at the Kent L. Taylor Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, June 23, 2020 at 7:00 p.m.

Presiding: Scott Hill, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Adam Garvin	
	Remy Drabkin	
	Kellie Menke, Council President	
	Wendy Stassens	
	Zack Geary	
	Sal Peralta	

Also present were City Manager Jeff Towery, City Recorder Claudia Cisneros, City Attorney Walt Gowell, Planning Director Heather Richards, Senior Planner Chuck Darnell, Fire Chief Rich Leipfert, Community Development Director Mike Bisset, Police Chief Matt Scales, Human Resources Director Kylie Bayer, Finance Director Jennifer Cuellar, Information Technology Director Scott Burke, Parks and Recreation Director Susan Muir, Public Works Superintendent David Renshaw, Library Director Jenny Berg, Community Center Manager Katie Noyd, Library Technician Assistant Kirsten Dennis, Engineering Technician and Inspector Larry Sherwood, Wastewater Services Manager Leland Koester, Senior Accountant Ronda Gretzon, Youth and Adult Sports Manager Steve Ganzer, Jodie DeJonge, News Register, and Jerry Eichten, McMinnville Community Media.

1. CALL TO ORDER: Mayor Hill called the meeting to order at 7:05 p.m. and welcomed all in attendance in person and via Zoom.

2. PROCLAMATION

2.a. Park and Recreation Month

Parks and Recreation Director Muir read an email from a McMinnville resident who expressed appreciation for the Parks and Recreation Department. She then shared a PowerPoint presentation about the benefits of park programs.

Mayor Hill read the proclamation declaring July 2020 as Park and Recreation Month.

3. Community Center Manager Noyd discussed ways to have fun this summer. INVITATION TO CITIZENS FOR PUBLIC COMMENT: Mayor Hill invited the public to comment.

Margaret Cross, McMinnville resident, requested the Council write a letter to the Board of County Commissioners stating McMinnville's position that Riverbend landfill should be closed.

Dean Klaus, McMinnville resident, discussed the police budget and need to continue supporting officers in the budget. He gave examples of instances with homeless on Dustin's Court and times where a social worker would not be prepared to deal with the situations.

Chris Anderson, McMinnville resident, discussed the need for police reform. He asked the Council to look at restructuring the funding in the police budget so money could be diverted to training and education for social workers.

4. PRESENTATIONS

4.a. McMinnville Annual Historic Preservation Awards

Senior Planner Darnell gave a presentation on the preservation awards. The purpose of the awards was to acknowledge and honor preservation efforts that had been undertaken in McMinnville. The nominations were reviewed and selected by the HLC. Two projects were selected: the Jameson/Taylor Dale building and the Primisys building.

Mayor Hill presented the preservation awards.

Shaun Kajiwara and Katie Jackson, property owners of the Taylor Dale building, thanked the City for this honor. They also recognized all of those who had contributed to the success of the restoration.

Ernie Munch, consultant, discussed all of the professionals and staff who had worked on the project. He shared how they found a beam with the initials of the couple who built the original building. Some of the beam was put in the new building and some of the pieces that were cut off were made into paperweights. He gave one to Senior Planner Darnell and Building Official Ramsing.

Senior Planner Darnell said the owners of the Primisys building were not able to attend the meeting tonight, but wanted to let the Council know they appreciated the acknowledgement.

4.b. Visit McMinnville Contract and Annual Work Plan

City Manager Towery discussed the primary changes to the Visit McMinnville contract. This was a five year contract with the opportunity for renewal. At some point there would need to be a community conversation about future uses of the Transient Lodging Tax beyond marketing and promotion. Given the current economic reality, it was not clear when that would happen. They were encouraging Visit McMinnville to build a more consistent reserve and to continue to present annual work plans and budgets to the Council for review and approval.

Councilor Geary discussed the proposed changes. He clarified if there were legislative changes they would automatically be incorporated into this agreement. He asked about the procedure if they wanted to change the TLT revenue percentage.

City Attorney Gowell said in the new contract the 70% was locked in for three years and after that it could be 50-70% if the City had undertaken the initiative to implement newly authorized legislation. If the City wanted to use TLT funds for some other purpose, they would have to let Visit McMinnville know and Visit McMinnville could make a proposal to implement the new initiative.

Councilor Peralta asked about the time period for the contract. City Attorney Gowell said it was a five year contract with 2 two year automatic renewals unless either party gave six months prior notice.

Jeff Knapp, Executive Director of Visit McMinnville, discussed why tourism mattered to McMinnville. Visitation, travel spending, employment, and tax revenue had increased every year since 2015. There were 257,000 overnight person trips to McMinnville in 2019. Travel spending in McMinnville in 2019 was \$38.9 million. Leisure and hospitality was the fourth largest employment sector in Yamhill County. He showed graphs of visitor spending across regions from 2015 to 2019, McMinnville visitor spending by industry from 2015 to 2019, Yamhill County employment by industry, McMinnville earnings generated by travel spending from 2015 to 2019, and McMinnville local tax revenue from 2015 to 2019. He discussed the FY21 budget and plan assumptions. There needed to be flexibility in the plan with monthly and quarterly review. There would be a serious decrease in revenue, they would have to do more work, not less, and there was a loss of marketing dollars and support from key partners. The total projected income for FY21 was \$476,000. The budget would be allocated as follows: \$348,600 to marketing, \$91,041 to destination development, and \$108,449 to general administration. They would average \$16,000 per month for discretionary marketing expenses. He explained the plans for economic development, destination development, and destination marketing.

The Council complimented him for Visit McMinnville's performance over the last five years and appreciated the flexibility in the budget and adjustments in their marketing efforts.

There was discussion regarding equity and inclusion in the materials created by Visit McMinnville, collecting data to find the most effective ways to reach a diversity of groups, putting on an event that highlighted the City's cultural diversity, and DEI training.

Mr. Knapp said they were committed to representing the community in the most honest way possible.

Councilor Garvin MOVED to adopt Resolution No. 2020-44, approving a contract with Visit McMinnville, Inc. for Transient Lodging Tax Services and to approve Visit McMinnville's Business Plan; SECONDED by Council President Menke. Motion PASSED 6-0 by the following vote:

*Aye – Councilors Drabkin, Garvin, Geary, Stassens, Peralta, and Menke
Nay – None*

5. ADVICE/ INFORMATION ITEMS

5.a. Reports from Councilors on Committees & Board Assignments

Councilor Geary reported on the McMinnville Community Media Board meeting.

Council President Menke reported on the Landscape Review Committee meeting.

Councilor Peralta reported on the Council of Governments Budget Committee meeting and hiring of a new Executive Director. He received a significant amount of email about police reform. He explained changes being reviewed at the state legislature.

Councilor Stassens reported on the upcoming MURAC meeting and Level 10 meetings.

Councilor Drabkin reported on the upcoming McMinnville Affordable Housing Task Force meeting, motel program through YCAP, HB 4001 which might provide funding for a navigation center, and Regional Leadership Town Hall.

Councilor Garvin said YCOM adopted their budget last week.

Mayor Hill discussed funding for Phase 2 of the Bypass, Helping Hands program through McMinnville Water & Light, League of Oregon Cities policy committees, and Regional Leadership meeting.

Councilor Peralta suggested credentialed members of the press be given access to the encrypted police feed.

Police Chief Scales said the *News Register* had asked for the encryption code. There were concerns from other law enforcement agencies that had their encryption codes leaked. He thought there should be a more robust discussion about the reasons behind encryption.

5.b.

Department Head Reports

Police Chief Scales gave an update on the new radio system that had rolled out last week. They were in the process of having the Police Department Policy Manual available to the public on the website. He discussed community policing engagements and policy initiatives they had undertaken. He had engaged in a number of conversations with the community regarding DEI. He had also looked into forming a multicultural advisory council to listen to concerns and work on ways to improve and solve issues. He then discussed the police reforms being discussed at the state legislature.

Councilor Geary suggested holding a Work Session on forming the advisory council.

Finance Director Cuellar said the City's reserve policy needed to be reviewed and revised. She thought the Audit Committee and Municipal Advisor could help with this work. Findings and proposals would be brought back to the Council for future action.

There was discussion regarding the higher reserves of the past which led to deferred building maintenance and hiring freezes and how they were trying to address those issues now even though it meant a lower reserve.

There was consensus for staff to move forward as suggested.

Finance Director Cuellar reviewed the annual Insurance Programs Stewardship Report. City County Insurance would continue to offer property/liability, auto, mechanical breakdown, and workers compensation. There was a cost increase of 9%. There was a secondary airport liability insurance package through a different provider and this year they added a cyber security policy. Municipal Court was continuing to conduct virtual court.

Park and Recreation Director Muir gave an update of the park facilities that had reopened.

Planning Director Richards said she had sent Council the Riverbend landfill public hearing notice. She would be happy to work with the Council on drafting a letter. Regarding the business assistance from the Council of Governments, McMinnville businesses were eligible for those funds.

Human Resources Director Bayer would schedule a Work Session on DEI. She was exploring options for training for the whole City. They were hiring back some park and recreation employees who left at the beginning of Covid. There was a new intern at City Hall.

Library Director Berg said the Library was now open. Home delivery would still continue.

Fire Chief Leipfert said ESCI consultants would be holding stakeholder meetings next week.

City Attorney Gowell thanked the Council and staff for allowing him to be their interim attorney.

City Manager Towery discussed the continuing community conversations regarding Black Lives Matter, systemic racism, and bias.

6. CONSENT AGENDA

a. Consider Resolution No. 2020-35: A Resolution providing for and approving a form of contract by and between the City of McMinnville, Oregon and the McMinnville Rural Fire Protection District.

b. Consider Resolution No. 2020-37: A Resolution declaring the City's election to receive certain state shared revenues.

c. Consider Resolution No. 2020-38: A Resolution certifying provision of municipal services by the City of McMinnville as required by ORS 221.760.

d. Consider Resolution No. 2020-39: A Resolution extending the City of McMinnville's workers compensation coverage to the City of McMinnville volunteers.

e. Consider Resolution No. 2020-43: A Resolution for City of McMinnville, Oregon Extending the City's Declaration of State of Emergency Expressed in Resolution 2020-18 and Resolution 2020-28.

Council President Menke MOVED to adopt the consent agenda as presented; SECONDED by Councilor Garvin. Motion PASSED unanimously.

7. RESOLUTIONS

7.a. Consider Resolution No. 2020-36: A Resolution providing for certain increases to the Fire Department fee schedule that allows the Fire Department to recover costs for fire and EMS services allowed within City ordinance, and the International Fire Code as adopted by the State of Oregon.

Fire Chief Leipfert said this resolution would increase EMS charges by 1.75% for cost of living and make adjustments to the fee schedule by transitioning the fire code violation fees to match the civil code violation fees and adding permits that had not been in the schedule before and after hour fees for inspections. He noted there was a typo on the EMS fees.

Councilor Geary asked about storage unit inspections. Fire Marshal McDermott said storage units were rented by individuals which gave them a right to privacy. They were not able to inspect them.

Councilor Garvin asked if this would be full cost recovery. Fire Chief Leipfert said it was full cost recovery on hours spent for the activities. The penalties were based on the severity of the life safety hazard.

Council President Menke MOVED to adopt Resolution No. 2020-36, providing for certain increases to the Fire Department fee schedule that allows the Fire Department to recover costs for fire and EMS services allowed within City ordinance, and the International Fire Code as adopted by the State of Oregon; SECONDED by Councilor Drabkin. Motion PASSED 6-0 by the following vote:

*Aye – Councilors Drabkin, Garvin, Geary, Stassens, Peralta, and Menke
Nay – None*

7.b. Consider Resolution No. 2020-40: A Resolution making supplemental budget contingency transfer of appropriation authority for fiscal year 2019-2020 (Airport Maintenance Fund).

7.c. Consider Resolution No. 2020-41: A Resolution making supplemental budget contingency transfer of appropriation authority for fiscal year 2019-2020 (Transient Lodging Tax Fund).

Finance Director Cuellar said these were two final budget adjustments from the current fiscal year that was closing on June 30. One was to move \$80,000 out of Contingency to the Airport Maintenance Fund. This was due to timing of a purchase. The other was also a Contingency transfer to the Transient Lodging Tax Fund due to an accounting change.

Council President Menke MOVED to adopt Resolution No. 2020-40, making supplemental budget contingency transfer of appropriation authority for fiscal year 2019-2020 (Airport Maintenance Fund); SECONDED by Councilor Stassens. Motion PASSED 6-0 by the following vote:

*Aye – Councilors Drabkin, Garvin, Geary, Stassens, Peralta, and Menke
Nay – None*

Council President Menke MOVED to adopt Resolution No. 2020-41, making supplemental budget contingency transfer of appropriation authority for

fiscal year 2019-2020 (Transient Lodging Tax Fund); SECONDED by Councilor Stassens. Motion PASSED 6-0 by the following vote:

*Aye – Councilors Drabkin, Garvin, Geary, Stassens, Peralta, and Menke
Nay – None*

- 7.d. Consider Resolution No. 2020-42: A Resolution adopting the budget for fiscal year beginning July 1, 2020; making the appropriations; imposing the property taxes; and categorizing the property taxes.

Finance Director Cuellar said this would adopt the FY 20-21 budget. Some changes had taken place between the budget that was approved by the Budget Committee and the one that was before Council tonight. These changes included: a reduction in program costs for every fund that had payroll, a reduction in costs for all funds that paid transfers for support services, funds for Covid-19 small business support program, funds for capital improvement projects that had been scheduled to be completed by June 30 but were delayed, increase due to the new collective bargaining agreement with the Police Department, error found in the Parks and Recreation Department for a project to be moved to the next fiscal year, a potential library grant that was not awarded, and update to the Transient Lodging Tax forecast that reduced the fund. The net impact of all the changes was small additions to unappropriated ending fund balances across the City and the increase in the General Fund was \$656.

City Manager Towery said there would be a mid-year budget review in December. Staff would also be reviewing their revenues and expenditures monthly and this review would be provided to the Council. Staff would also create a vacancy review process for any vacancies throughout the year for positions supported by the General Fund. They would also be continuing work on the core services project.

There was discussion regarding the purpose of the monthly review of the revenues and expenditures, staff capacity, and sending the reports to the Budget Committee.

Councilor Drabkin acknowledged the public feedback they had received about the police budget. The Council and City staff were addressing police reform, but they did not currently have alternative plans in place to defund the police at this time. The budget was being adopted with all of these things in mind and there was intent to continue to review the issues.

There was consensus to discuss this item in a future Work Session.

Councilor Stassens MOVED to adopt Resolution No. 2020-42, adopting the budget for fiscal year beginning July 1, 2020; making the appropriations; imposing the property taxes; and categorizing the property taxes;

SECONDED by Council President Menke. Motion PASSED 5-1 by the following vote:

*Aye – Councilors Drabkin, Garvin, Stassens, Peralta, and Menke
Nay – Councilor Geary*

8. ADJOURNMENT: Mayor Hill adjourned the meeting at 10:02 p.m.



Claudia Cisneros, City Recorder